



# Q3 2023

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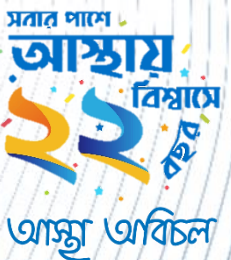
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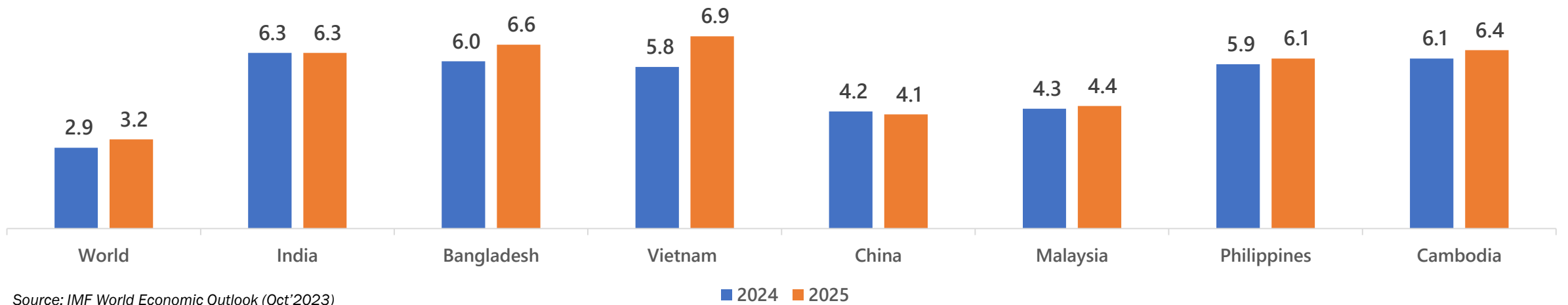
- ❖ Economic Outlook and Market Update
- ❖ Business Highlights
  - SME
  - Retail
  - Corporate
  - Treasury & FI
  - Risk Management Division
- ❖ Financial Performance Q3'23
- ❖ bKash Update
- ❖ Q&A



# Economic Outlook and Market Update

- Slight improvement in trade balance and similar level of remittance results in positive current account balance.
- Financial account deficit, overall BOP became negative, eroding the reserve.
- Better GDP growth projection, easing inflationary pressure and gradual export recovery set to take shape in 2024.

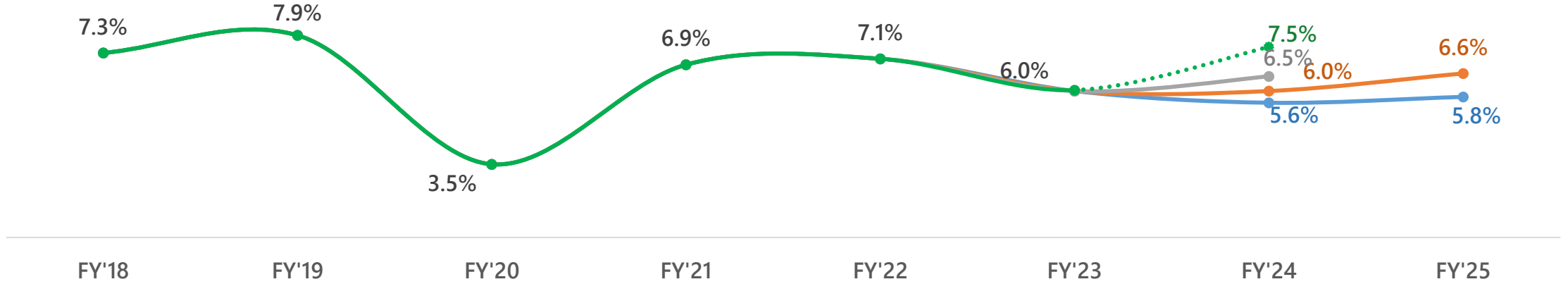
### Peer Country GDP Growth Projection (%)



BD Govt. ADB IMF WB

## Bangladesh GDP Growth Outlook

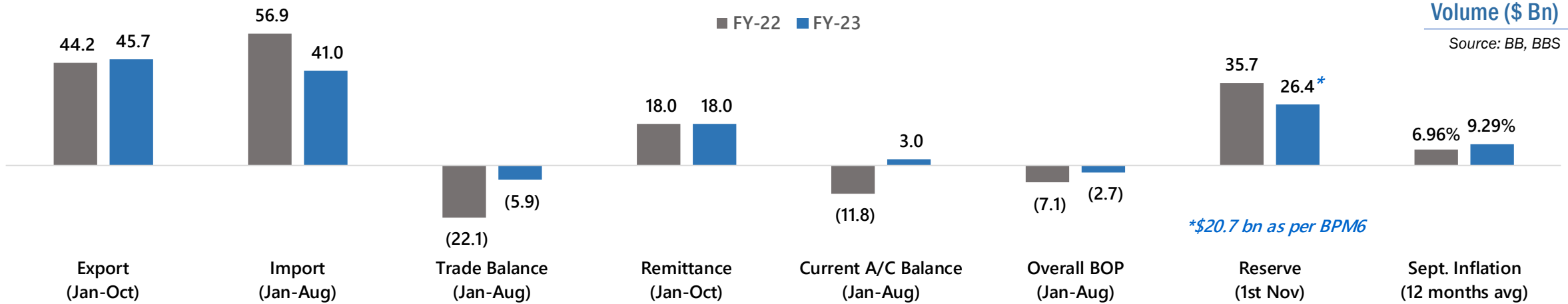
Source: BB, ADB, IMF, WB Respective Database



FY-22 FY-23

## Volume (\$ Bn)

Source: BB, BBS



- Strong Balance Sheet growth continues:
  - Loan grew @ 25% (Industry : @ 7%)\*
  - Deposit grew @ 27% (Industry : @ 13%)\*
- Deposits grew across all segments, loans focused in SME & Corporate
- CoD moving upwards reflecting market condition; CASA mix declined to 49%
- Customer numbers grew by 20%, 289k new customers onboarded till date in 2023
- Improved asset quality: 30 DPD PAR 4.7% (dropped from 5.7% to the pre-pandemic level)
- Maintained strong liquid position: AD ratio below 80% throughout YTD Q3'23

\* BBL YTD Q3'23 and industry upto Aug'23 growth figures are annualized





## SME Banking Division

	YoY (Sep'23 vs Sep'22)	Sep'23 vs Dec'22
<b>Customer Number</b>	▲ 22% (513k vs. 421k)	▲ 16% (513k vs. 442k)
<b>Deposits</b>		
Portfolio	▲ 41%	▲ 28% (37%)*
CASA Mix	▼ 66% from 72%	▼ 66% from 67%
CoD	▲ 2.63% from 1.79%	▲ 2.63% from 2.06%
<b>Assets</b>		
Portfolio	▲ 31%	▲ 20% (26%)*
Yield	▲ 9.38% from 8.77%	▲ 9.38% from 8.88%
30-Days PAR	▼ 3.16% from 4.81%	▼ 3.16% from 3.92%
NPL	▼ 2.52% from 3.23%	▼ 2.52% from 3.12%
<b>Trade Volume</b>	▲ 5% (\$105 Mn vs \$100Mn)	

**Strong growth in both customer assets & deposits**

\*Annualized

# Retail Banking Division

	YoY (Sep'23 vs Sep'22)	Sep'23 vs Dec'22
<b>Customer Number</b>	▲ 28% (1,191k vs. 933k)	▲ 22% (1,191k vs. 974k)
<b>Deposits</b>		
Portfolio	▲ 22%	▲ 17% (23%)*
CASA Mix	▼ 42% from 47%	▼ 42% from 45%
CoD	▲ 4.08% from 3.40%	▲ 4.08% from 3.48%
<b>Assets</b>		
Portfolio	▲ 8%	▲ 8% (11%)*
Yield	▲ 8.55% from 7.90%	▲ 8.55% from 7.94%
30-Days PAR	▲ 4.98% from 4.58%	▲ 4.98% from 4.41%
NPL	▲ 2.90% from 2.68%	▲ 2.90% from 2.59%
<b>Credit Card Portfolio</b>	▲ 22%	▲ 13% (18%)*
<b>Merchant acquiring volume</b>	▲ 34% (BDT 48 Bn vs BDT 36 Bn)	
<b>Wage Earner Remittance (USD M)</b>	▲ 117% (\$612 Mn from \$283 Mn)	

**Growth momentum in customer & deposit acquisition continued**

\*Annualized

# Corporate Banking Division



	YoY (Sep'23 vs Sep'22)	Sep'23 vs Dec'22
<b>Deposits</b>		
Portfolio	▲ 31%	▲ 21% (28%)*
CASA Mix	▲ 55% from 49%	▲ 55% from 51%
CoD	▲ 4.22% from 3.69%	▲ 4.22% from 3.95%
<b>Assets</b>		
Portfolio	▲ 21%	▲ 23% (30%)*
Yield	▲ 7.93% from 5.87%	▲ 7.93% from 6.03%
New Limit	▲ 6,122	
30-Days PAR	▼ 6.94% from 7.86%	▲ 6.94% from 6.70%
NPL	▼ 5.06% from 5.68%	▼ 5.06% from 5.38%
<b>Trade Volume</b>	▲ 13% (\$3.2 Bn vs \$2.8 Bn)	

Deposit growth driven by Transaction Banking | Asset growth aligned to risk appetite

\*Annualized



## Treasury & FI Division

## Liquidity

- Built Liquidity Reserve ahead of market
- Strong LCY & FCY liquidity, supported above industry loan & deposit growth
- Well positioned to grab additional market opportunities

## Risk Management

- Optimized Balance Sheet mix (BGTB) to manage uncertainty

## Trading Position

- Leading trader in Govt. Securities
- Leading FX liquidity provider and market maker

## Achievements

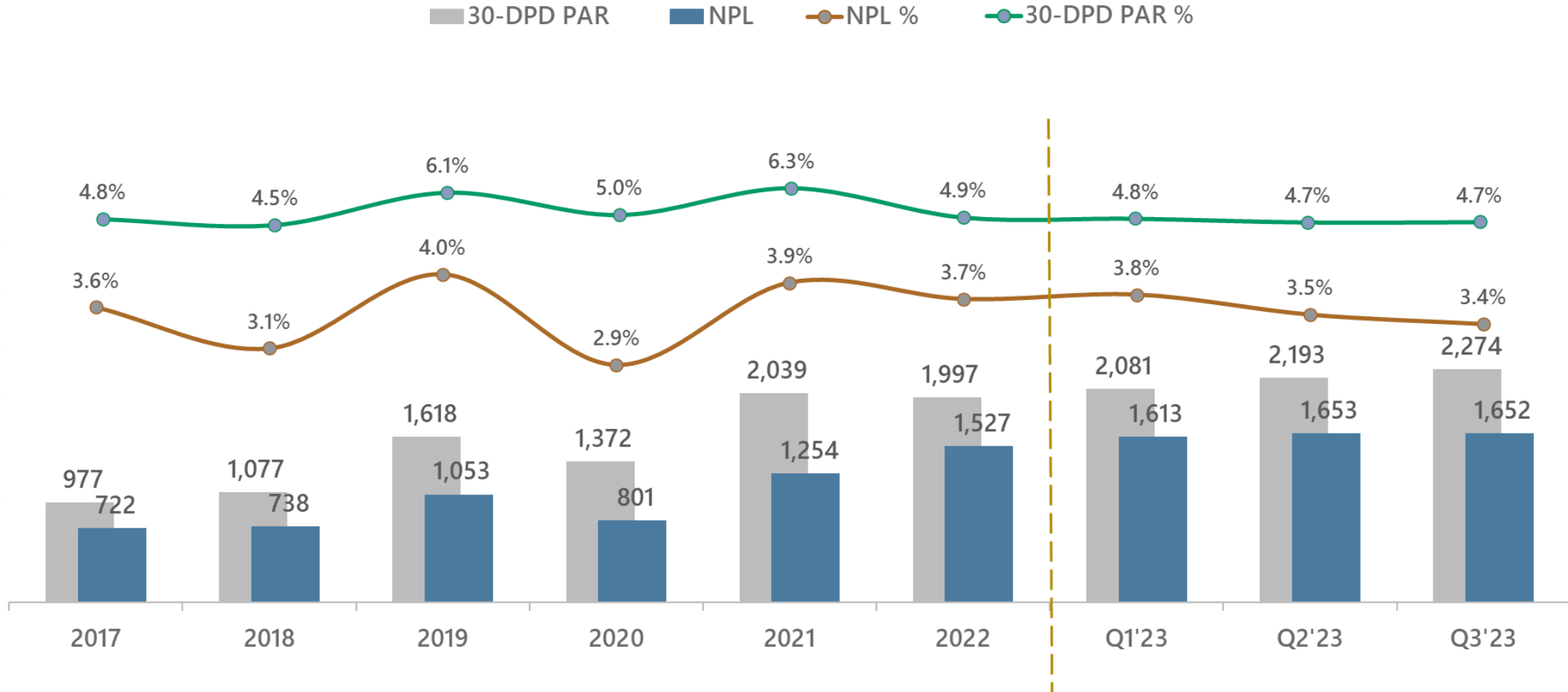
- S&P upheld B+ rating with Stable Outlook despite industry risk trend 'negative'
- Only Bangladeshi bank with Moody's sovereign equivalent B1 rating



# Risk Management Division

BDT' Cr (10 Mn)

Segmental 

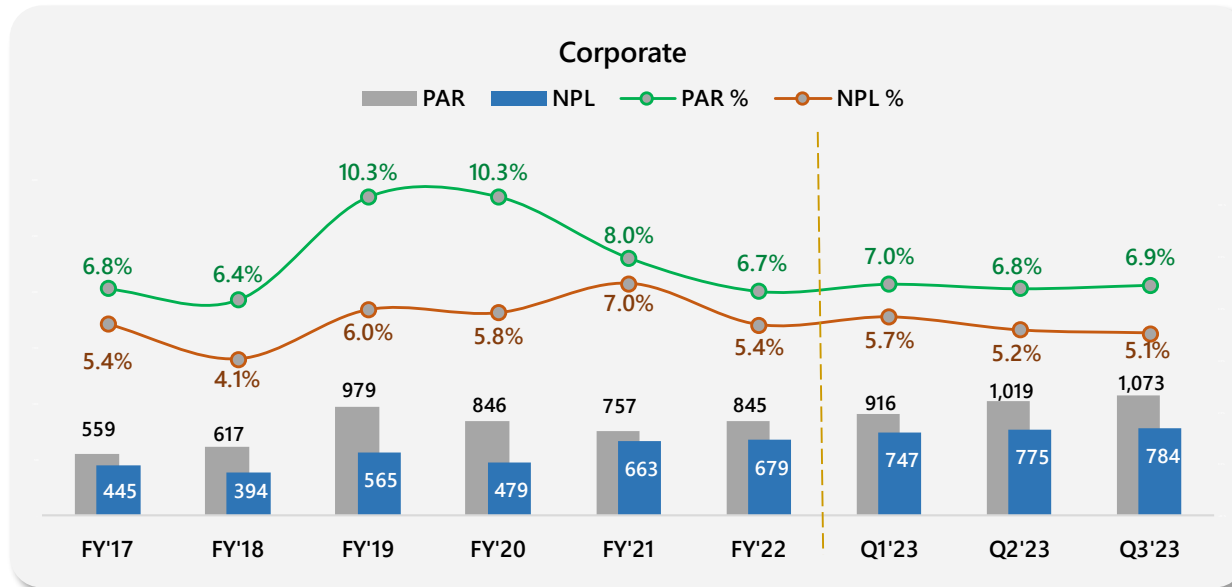
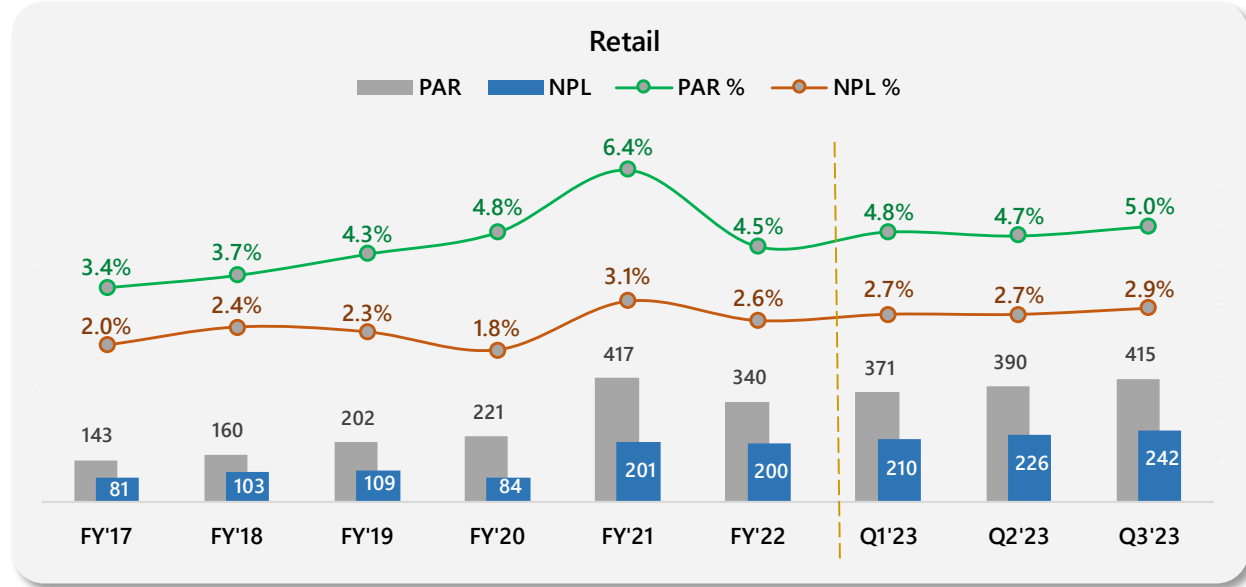
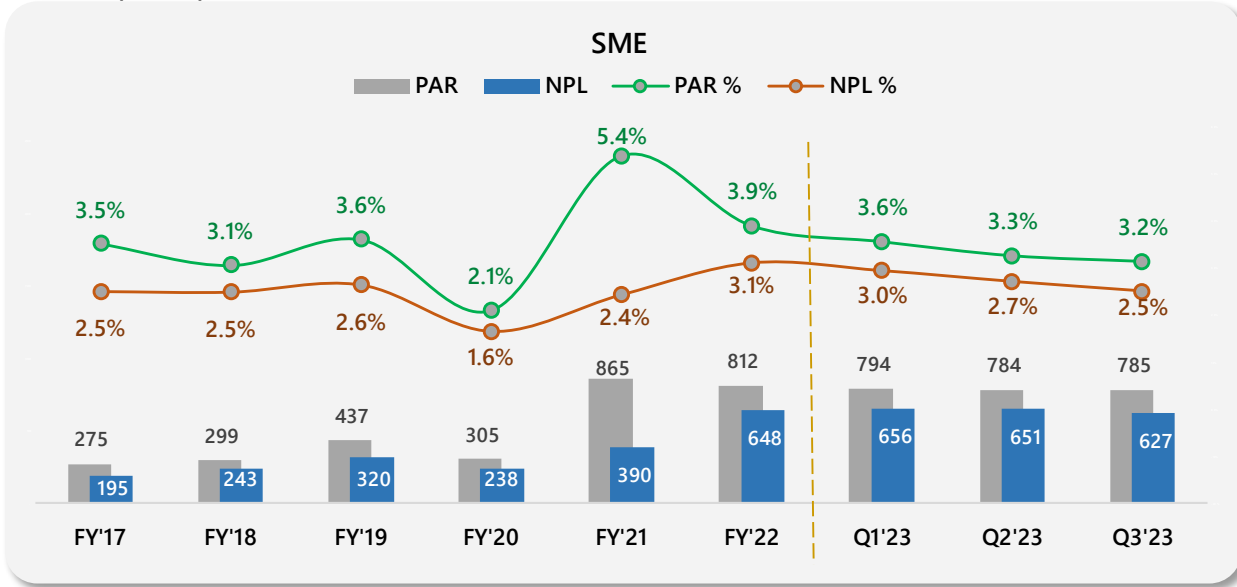


Continuous improvement in portfolio quality

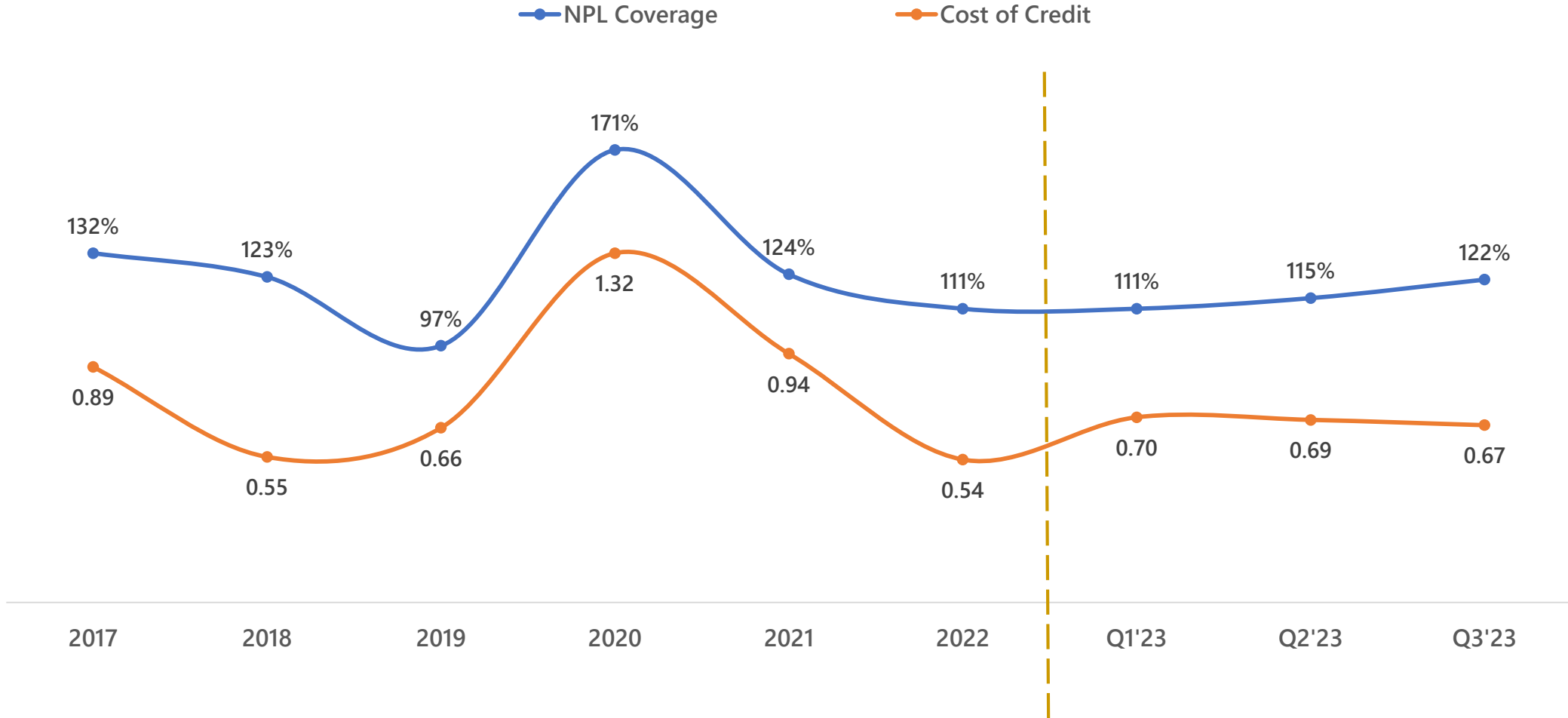


# Risk Management: Segmental PAR & NPL

BDT' Cr (10 Mn)



# Risk Management: NPL Coverage & Credit Cost



**Strong credit coverage maintained**

## 1. Portfolio Quality

Portfolio	Mix %
Regular repayment	96.17%
NPL (90 DPD)	3.83%
Stay Order	-
<b>Total Portfolio</b>	<b>100%</b>

\* Regular repayment includes 0.47% rescheduled portfolio & 3.29% Covid-19 restructuring portfolio

## 3. Modelling under development

- Roll Rate Analysis for DPD Bucket Movement Projection
- Vintage Analysis for Portfolio Monitoring
- Expected Credit Loss (ECL) – Model under development
- Impact of Macroeconomic Variables for forecasting NPL.
- Bureau based Credit Scoring

## 2. Enhanced Risk Management

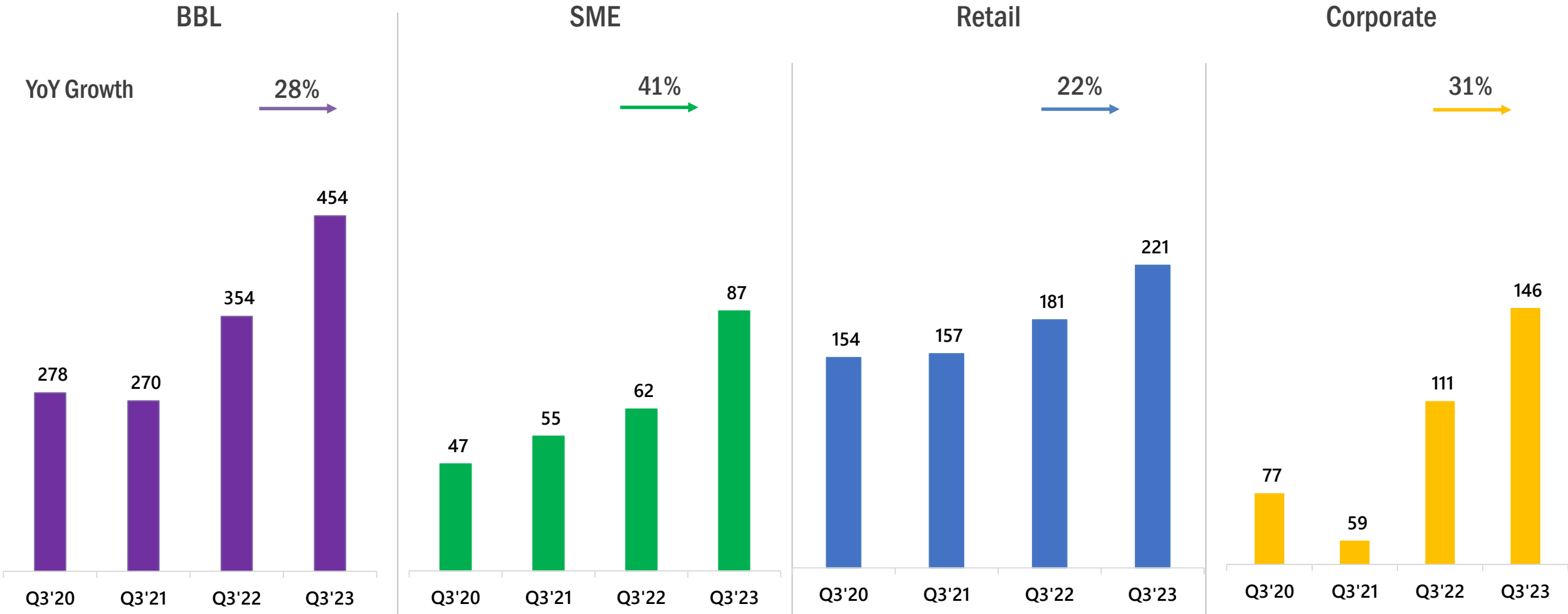
- Well defined RAS (2023) aligned with industry analysis considering macroeconomic volatility and realignment of strategy.

## 4. Collection & recovery

- Behavioral (Early warning) and collection scoring - under development

# FINANCIALS

BDT '000 Cr (10 Bn)



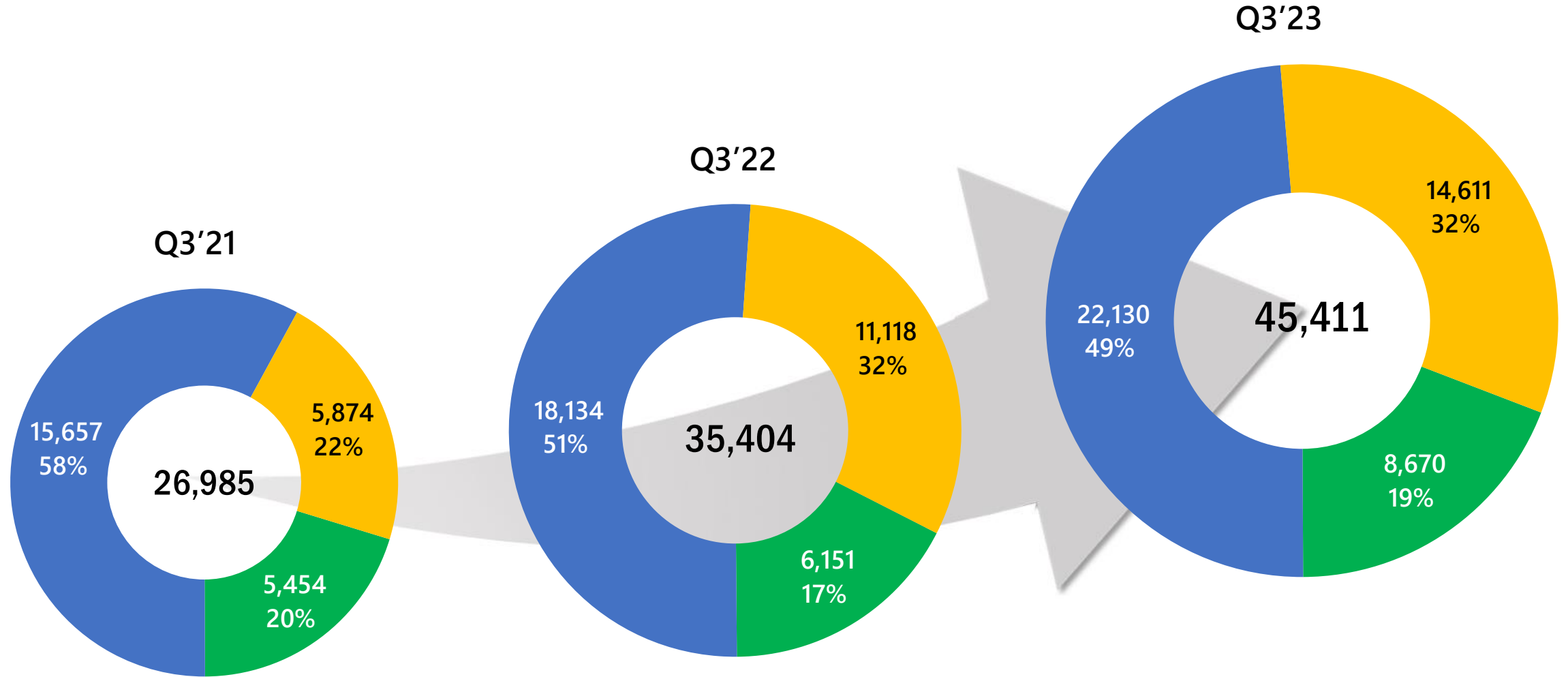
Growth driven by all segments – aligned to strategy



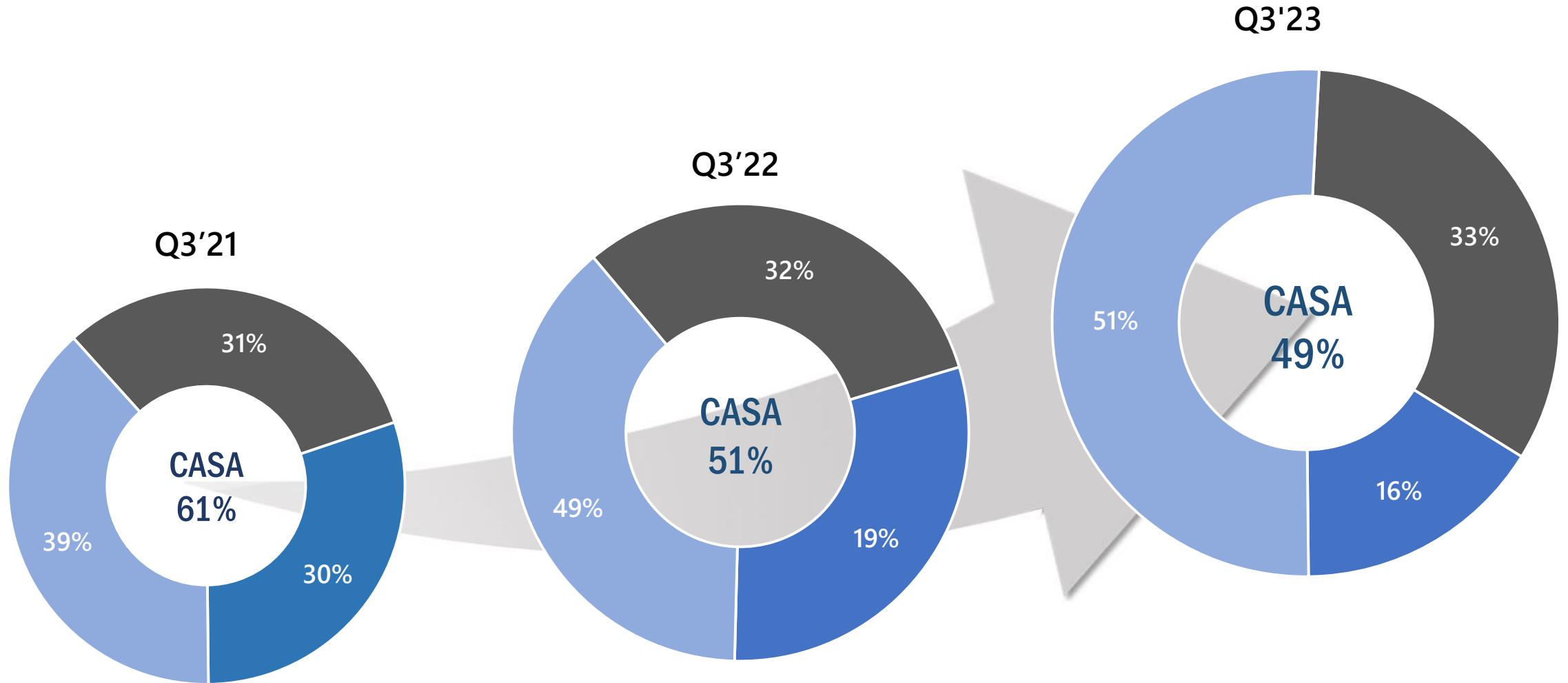
# Segmental Customer Deposits Mix (EOP)

BDT Cr (10 Mn)

■ SME   ■ Retail   ■ Corporate



■ Current ■ Savings ■ Term



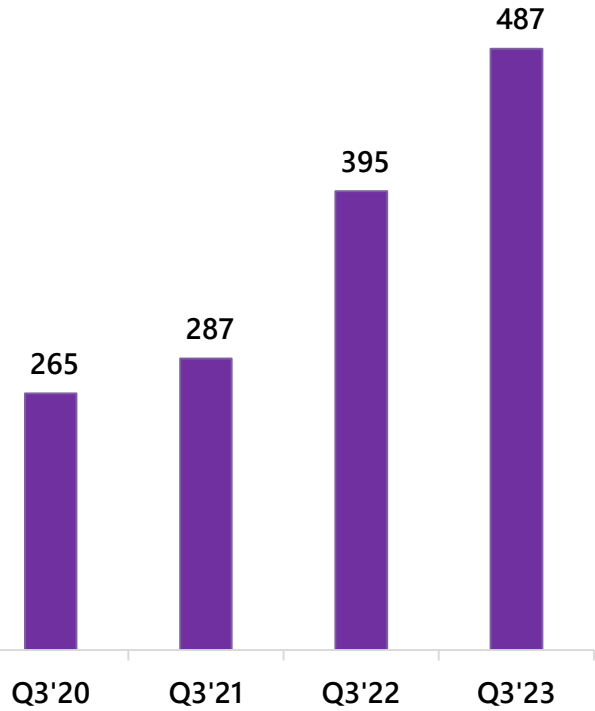
As per BB

BDT '000 Cr (10 Bn)

## BBL

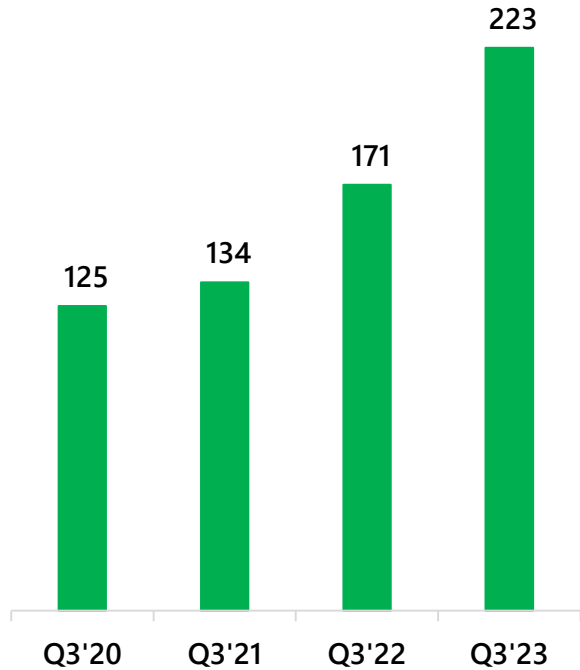
YoY Growth

23%



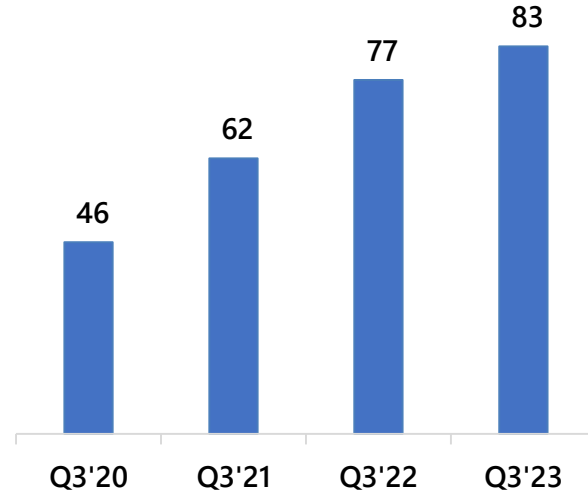
## SME

30%



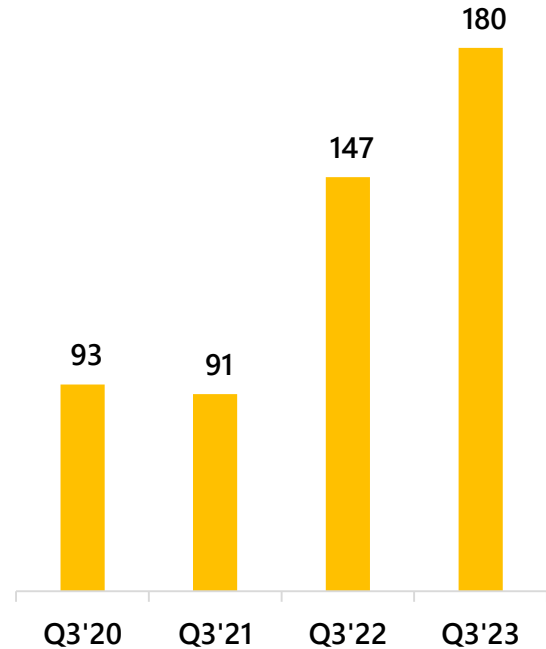
## Retail

8%



## Corporate

23%

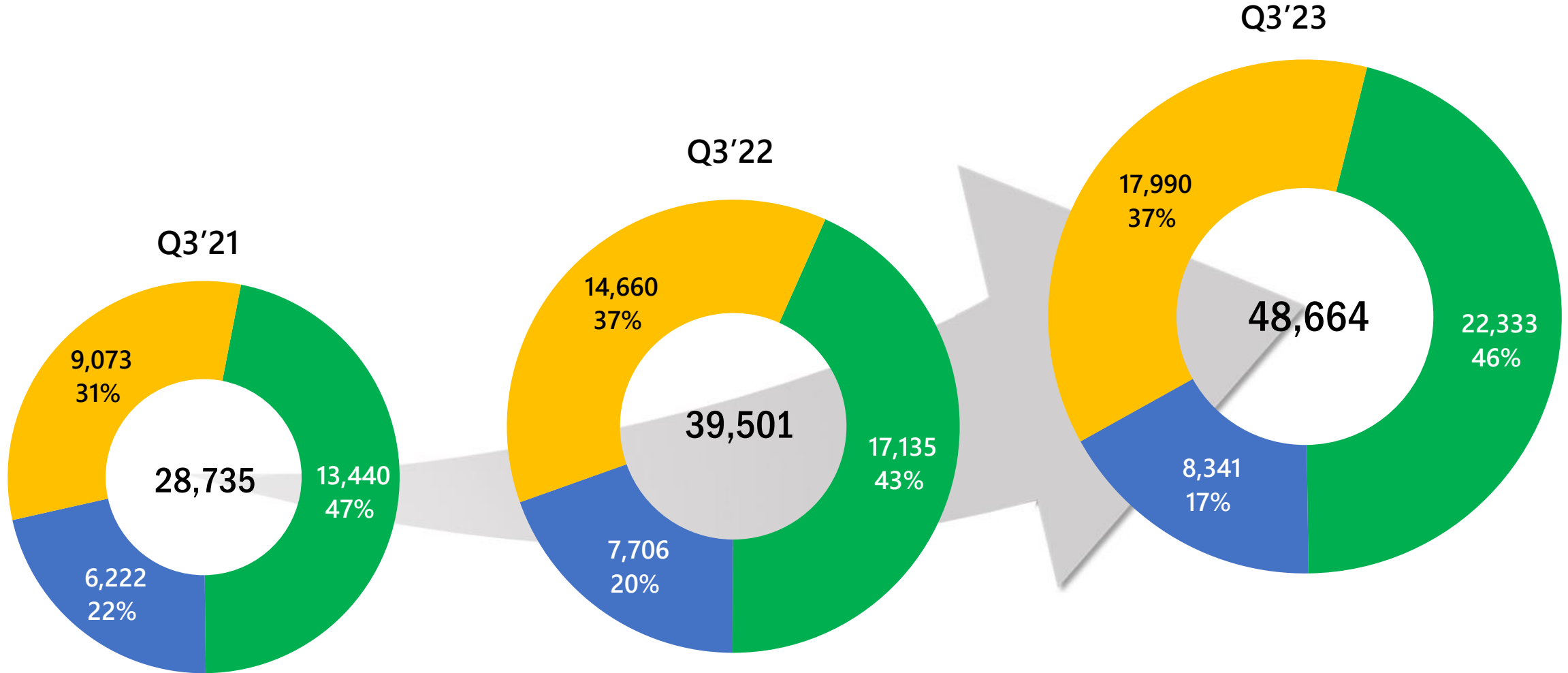


Growth driven by all segments – aligned to strategy

BDT Cr (10 Mn)

As per BB

■ SME
 ■ Retail
 ■ Corporate



Asset distribution - aligned to strategy

BDT' Cr (10 Mn)

BDT 45,411 Cr ▲27%\*  
Cust. Deposit (EOP)

Dec'22 : BDT 37,761 Cr

BDT 48,664 Cr ▲25%\*  
Loan (EOP)

Dec'22 : BDT 41,068 Cr

BDT 2,334 Cr ▲21%  
Total Revenue

Sep'22 : BDT 1,921 Cr

BDT 503 Cr ▲28%  
PAT

Sep'22 : BDT 392 Cr

BDT 67,338 Cr ▲26%\*  
Total Asset

Dec'22 : BDT 56,324 Cr

BDT 5,306 Cr ▲8%  
Reg. Capital

Dec'22 : BDT 4,912 Cr

Sep'23 : 11.16 %

ROE ▲

2022 : 10.22 %

Sep'23 : 1.09 %

ROA ▼

2022 : 1.14 %

Sep'23 : 3.13

EPS (BDT) ▲28%

Sep'22 : 2.44

Sep'23 : 122 %

NPL Coverage ▲

Dec'22 : 111 %

Sep'23 : 57%

CIR ▼

Sep'22 : 59 %

Sep'23 : 13.53 %

CRAR ▼

Dec'22 : 14.04 %

Sep'23 : 38.49

NAV (BDT) ▲

Dec'22 : 36.29

Sep'23 : 4.10 %

SPREAD ~

2022 : 4.11 %

\*Annualized



BDT 53,902 Cr ▲27%\*  
**Deposit (EOP)**

Dec'22 : BDT 44,706 Cr

BDT 48,771 Cr ▲24%\*  
**Loan (EOP)**

Dec'22 : BDT 41,208 Cr

Sep'23 : 11.13 %

**ROE ▲**

2022 : 10.16 %

Sep'23 : 0.98 %

**ROA ▼**

2022 : 1.02 %

BDT 3,413 Cr ▲25%  
**Total Revenue**

Sep'22 : BDT 2,731 Cr

BDT 581 Cr ▲53%  
**PAT**

Sep'22: BDT 380 Cr

Sep'23 : 3.26

**EPS (BDT) ▲39%**

Sep'22 : 2.35

Sep'23 : 40.22

**NAV (BDT) ▲6%**

Dec'22 : 38.01

BDT 78,018 Cr ▲25%\*  
**Total Asset**

Dec'22 : BDT 65,594 Cr

BDT 7,872 Cr ▲7%  
**Reg. Capital**

Dec'22 : BDT 7,368 Cr

Sep'23 : 67 %

**CIR ▼**

Sep'22 : 70%

Sep'23 : 18.55%

**CRAR ▼**

Dec'22 : 19.37 %

Particulars	BDT' Cr (10 Mn)						
	Sep'23	Dec'22	Δ Amt	Δ %	Sep'22	Δ Amt	Δ %
Cash and bank balances	5,101	4,803	298	6%	3,697	1,405	38%
Money at call and short notice	855	683	172	25%	471	384	81%
Investments	8,921	6,429	2,493	39%	5,570	3,352	60%
Customer Loans and advances	48,664	41,068	7,596	18%	39,501	9,162	23%
Fixed assets	759	778	(19)	-2%	765	(6)	-1%
Other assets	3,036	2,563	473	18%	2,421	615	25%
Non-banking assets	1	1	(0.1)	-11%	0.5	1	123%
<b>Total Assets</b>	<b>67,338</b>	<b>56,324</b>	<b>11,014</b>	<b>20%</b>	<b>52,425</b>	<b>14,913</b>	<b>28%</b>
Borrowing from banks	10,289	8,087	2,202	27%	6,588	3,701	56%
Affordable housing bond	475	475	-	0%	475	-	0%
Money at Call and Short notice	-	-	-	-	81	(81)	-100%
Deposits and other accounts	46,360	38,447	7,913	21%	36,081	10,278	28%
Other liabilities	4,022	3,476	546	16%	3,527	495	14%
Total Liabilities	61,145	50,485	10,660	21%	46,753	14,393	31%
Total shareholders' equity	6,193	5,839	354	6%	5,673	520	9%
<b>Total Liabilities and Shareholders' Equity</b>	<b>67,338</b>	<b>56,324</b>	<b>11,014</b>	<b>20%</b>	<b>52,425</b>	<b>14,913</b>	<b>28%</b>

Particulars	BDT' Cr (10 Mn)						
	Sep'23	Dec'22	Δ Amt	Δ %	Sep'22	Δ Amt	Δ %
Cash and bank balances	7,873	8,482	(609)	-7%	7,823	50	1%
Money at call and short notice	855	683	172	25%	527	328	62%
Investments	16,155	11,655	4,500	39%	10,025	6,130	61%
Customer Loans and advances	48,771	41,208	7,563	18%	37,353	11,419	31%
Fixed Asset	1,298	1,346	(48)	-4%	1,313	(14)	-1%
Other assets	2,927	2,080	847	41%	2,059	869	42%
Non-banking assets	1	1	(0.1)	-11%	0.5	0.56	123%
Goodwill	137	137	-	0%	137	-	0%
<b>Total Assets</b>	<b>78,018</b>	<b>65,594</b>	<b>12,425</b>	<b>19%</b>	<b>59,236</b>	<b>18,782</b>	<b>32%</b>
Borrowing	10,310	8,109	2,201	27%	6,040	4,270	71%
Affordable housing bond	475	475	-	0%	-	475	100%
Money at call and on short notice	-	-	-	-	47	(47)	-100%
Deposit and other accounts	53,902	44,706	9,196	21%	41,504	12,398	30%
Other liabilities	4,816	4,200	615	15%	3,934	882	22%
Total Shareholders' Equity	6,471	6,115	356	6%	5,765	706	12%
Non Controlling interest	2,044	1,988	57	3%	1,947	97	5%
<b>Total Liabilities and Equity</b>	<b>78,018</b>	<b>65,594</b>	<b>12,425</b>	<b>19%</b>	<b>59,236</b>	<b>18,782</b>	<b>32%</b>

BDT Cr (10 Mn)

Particulars	YTD Sep'23	YTD Sep'22	Δ Amt	Δ %	YTD Sep'21	Δ Amt	Δ %
Net interest income	1,309	1,136	173	15%	1,043	266	25%
Investment income	562	361	201	56%	507	55	11%
Commission, exchange and brokerage	453	406	47	12%	223	230	103%
Other operating income	10	18	(8)	-46%	11	(1)	-10%
<b>Total operating income</b>	<b>2,334</b>	<b>1,921</b>	<b>413</b>	<b>21%</b>	<b>1,784</b>	<b>550</b>	<b>31%</b>
Staff Cost	691	612	79	13%	492	199	40%
Other Operating Cost	631	516	116	22%	432	199	46%
<b>Total operating expenses</b>	<b>1,322</b>	<b>1,128</b>	<b>195</b>	<b>17%</b>	<b>924</b>	<b>398</b>	<b>43%</b>
<b>Profit/(loss) before provisions</b>	<b>1,011</b>	<b>793</b>	<b>218</b>	<b>27%</b>	<b>860</b>	<b>152</b>	<b>18%</b>
General Provision inc. off-balance sheet	67	82	(15)	-18%	51	16	32%
Specific Provision	243	154	89	58%	255	(12)	-5%
Write off recovery	(64)	(60)	(4)	-7%	(41)	(23)	-55%
Other Provision	(0.2)	5	(5)	-105%	0	(0.7)	-152%
<b>Total provision</b>	<b>246</b>	<b>181</b>	<b>65</b>	<b>36%</b>	<b>265</b>	<b>(19)</b>	<b>-7%</b>
<b>Profit/(loss) before taxes</b>	<b>765</b>	<b>612</b>	<b>153</b>	<b>25%</b>	<b>595</b>	<b>170</b>	<b>29%</b>
Provision for Tax	262	220	42	19%	173	89	52%
<b>Profit/(loss) after taxes</b>	<b>503</b>	<b>392</b>	<b>111</b>	<b>28%</b>	<b>422</b>	<b>81</b>	<b>19%</b>
<b>Earnings Per Share (EPS)</b>	<b>3.13</b>	<b>2.44</b>	<b>0.69</b>	<b>28%</b>	<b>2.82</b>	<b>0.31</b>	<b>11%</b>
<b>Effective Tax Rate (ETR)</b>	<b>34%</b>	<b>36%</b>			<b>29%</b>		

# Total Revenue – Breakdown (YoY)

BDT' Cr (10 Mn)

Particulars	YTD Sep'23	YTD Sep'22	Δ Amt	Δ % Over Sep'22
<b>Net interest income</b>	<b>1,309</b>	<b>1,136</b>	<b>173</b>	<b>15%</b>
Interest income	2,809	2,042	767	38%
Interest paid on deposits and borrowing etc.	(1,500)	(906)	(594)	-66%
<b>Non-interest income</b>	<b>1,025</b>	<b>785</b>	<b>240</b>	<b>31%</b>
Investment income	562	361	201	56%
Commission and brokerage	328	239	89	37%
FX Gain /(Loss)	126	167	(42)	-25%
Other operating income	10	18	(8)	-46%
<b>Total operating income</b>	<b>2,334</b>	<b>1,921</b>	<b>413</b>	<b>21%</b>



BDT' Cr (10 Mn)

Particulars	YTD Sep'23	YTD Sep'22	Δ Amt	Δ %	YTD Sep'21	Δ Amt	Δ %
Net interest income	1,535	1,389	146	11%	1,181	355	30%
Investment income	925	503	423	84%	628	298	47%
Commission, exchange and brokerage	942	817	125	15%	547	395	72%
Other operating income	11	22	(11)	-50%	13	(2)	-17%
<b>Total operating income</b>	<b>3,413</b>	<b>2,731</b>	<b>682</b>	<b>25%</b>	<b>2,368</b>	<b>1,045</b>	<b>44%</b>
Staff Cost	1,029	901	128	14%	738	291	39%
Other Operating Cost	1,249	1,019	230	23%	841	408	48%
<b>Total operating expenses</b>	<b>2,278</b>	<b>1,920</b>	<b>358</b>	<b>19%</b>	<b>1,579</b>	<b>699</b>	<b>44%</b>
<b>Operating profit</b>	<b>1,135</b>	<b>811</b>	<b>324</b>	<b>40%</b>	<b>789</b>	<b>346</b>	<b>44%</b>
Share of profit/(loss) of associates	(0.6)	(0.6)	0.02	4%	-	(0.6)	-100%
Gain/(loss) on disposal of associates	-	-	-	0%	-	-	0%
<b>Profit/(loss) before provisions</b>	<b>1,135</b>	<b>810</b>	<b>324</b>	<b>40%</b>	<b>789</b>	<b>345</b>	<b>44%</b>
General Provision inc. off-balance sheet	67	82	(15)	-18%	51	16	32%
Specific Provision	243	154	89	58%	255	(12)	-5%
Write off recovery	(64)	(60)	(4)	-7%	(41)	(23)	-55%
Other Provision	0.1	5	(5)	-98%	1	(1)	-86%
<b>Total provision</b>	<b>246</b>	<b>181</b>	<b>65</b>	<b>36%</b>	<b>265</b>	<b>(19)</b>	<b>-7%</b>
<b>Profit/(loss) before taxes</b>	<b>888</b>	<b>629</b>	<b>259</b>	<b>41%</b>	<b>524</b>	<b>364</b>	<b>69%</b>
Provision for Tax	307	249	58	23%	185	122	66%
<b>Profit/(loss) after taxes</b>	<b>581</b>	<b>380</b>	<b>202</b>	<b>53%</b>	<b>339</b>	<b>242</b>	<b>71%</b>
<b>Earnings Per Share (EPS)</b>	<b>3.26</b>	<b>2.35</b>	<b>0.91</b>	<b>39%</b>	<b>2.67</b>	<b>0.60</b>	<b>22%</b>

# CONSO Financials with each company's contribution

BDT Cr (10 Mn)

Subsidiary	YTD Sep'23		YTD Sep'22		Δ Amt	
	PAT	BBL's Share in PAT	PAT	BBL's Share in PAT	PAT	BBL's Share in PAT
BRAC EPL Investments Limited	(2)	(2)	(8)	(8)	6	6
BRAC EPL Stock Brokerage Limited	2	2	5	5	(3)	(3)
BRAC SAAJAN Exchange Limited	(9)	(9)	(7)	(5)	(2)	(3)
bKash Limited	88	32	4	1	85	30
<b>Sub-Total</b>	<b>79</b>	<b>22</b>	<b>(6)</b>	<b>(8)</b>	<b>85</b>	<b>30</b>
BRAC Bank Ltd	503	503	392	392	111	111
Goodwill Impairment of BRAC Saajan	-	-	(5)	(5)	5	5
Share of profit/(loss) of associates	(0.6)	(0.6)	(0.6)	(0.6)	0.0	0.0
<b>CONSO PAT</b>	<b>581</b>	<b>525</b>	<b>380</b>	<b>379</b>	<b>202</b>	<b>146</b>
Contribution from Subsidiary in CONSO PAT	14%	4%	-2%	-2%		



## Update - bKash

**72.0 Mn**  
Customers  
(EOP)

**38.0 Mn**  
Active customers  
(EOP)

**64.2%**  
Market share in  
Tnx. Vol

**299.4K**  
Merchants  
(EOP)

**699.4 Bn**  
Avg. Monthly Tnx Vol  
(BDT)

**339.2k**  
Agents  
(EOP)

BDT Cr (10 Mn)

Particulars	YTD Sep'23	YTD Sep'22	Δ Amt	% over Sep'22
Gross revenue	3,468	2,855	613	21%
VAT	417	352	65	19%
<b>Revenue</b>	<b>3,050</b>	<b>2,502</b>	<b>548</b>	<b>22%</b>
Cost of services	2,142	1,833	309	17%
<b>Gross profit</b>	<b>909</b>	<b>670</b>	<b>239</b>	<b>36%</b>
Operating and administrative expenses	651	536	116	22%
Commercial expenses	245	195	50	26%
<b>Operating profit</b>	<b>12</b>	<b>(61)</b>	<b>73</b>	<b>120%</b>
Net finance income	122	88	34	39%
<b>Profit before contribution to WPPF</b>	<b>135</b>	<b>27</b>	<b>108</b>	<b>397%</b>
Contribution to WPPF	7	1	5	397%
<b>Profit before tax</b>	<b>128</b>	<b>26</b>	<b>102</b>	<b>397%</b>
Income tax expense/(income)	40	22	18	84%
<b>Profit after tax</b>	<b>88</b>	<b>4</b>	<b>84</b>	<b>2060%</b>

- Private sector credit growth likely to slow down, amidst rising interest rate
- Tight liquidity continued in local market for both LCY & FCY
- Inflationary pressure on disposable income
- Uncertain global geo-political & economic outlook
- General elections in Jan'24

# THANK YOU



For any queries, please write to us on  
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# Q&A