



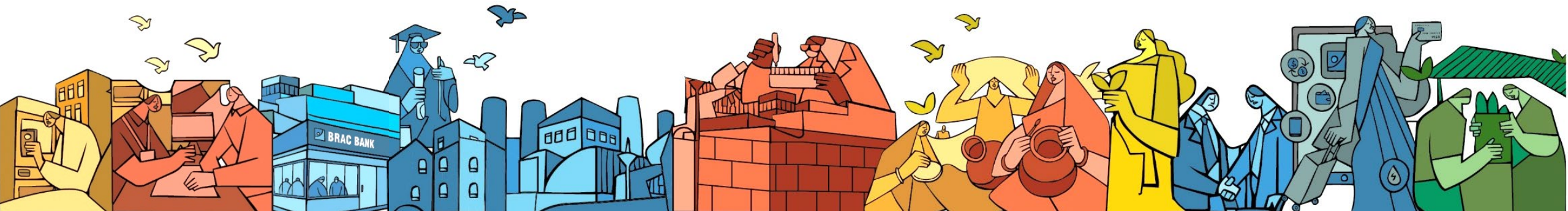
# BRAC BANK PLC.

## Earnings Disclosure

Q3'24

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- Economic Outlook and Market Update

- Q3'24 : Business Highlights

Corporate & Institutional Banking

SME

Retail

Treasury & FI

Distribution Network

Risk Management Division

- Sustainable Finance Overview

- Financial Updates

- bKash Update

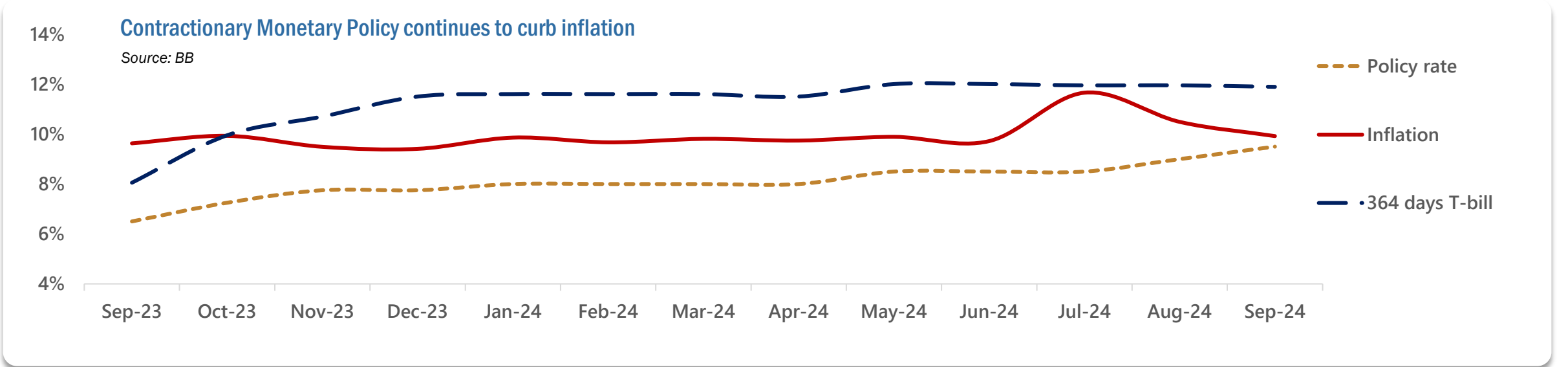
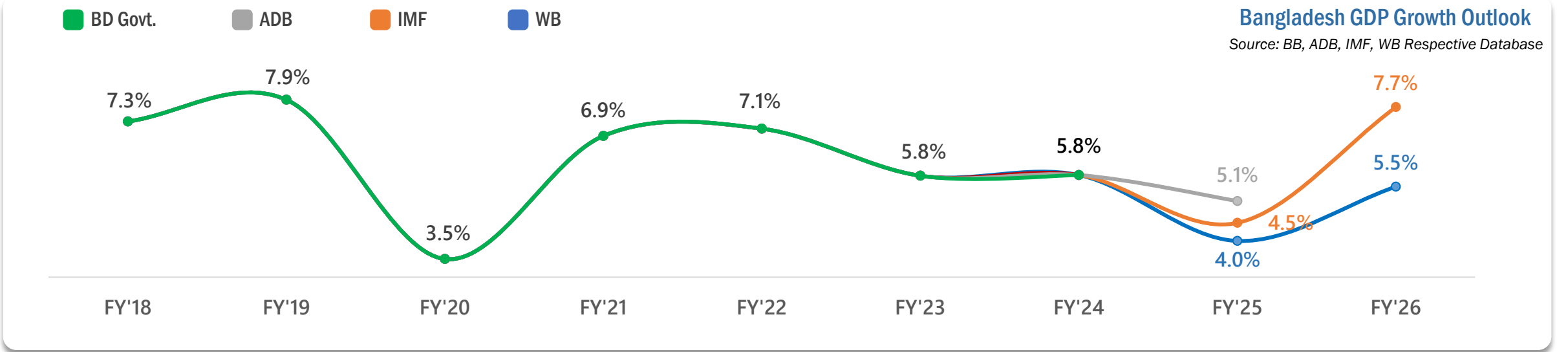
- Q&A



# Economic Outlook & Market Update

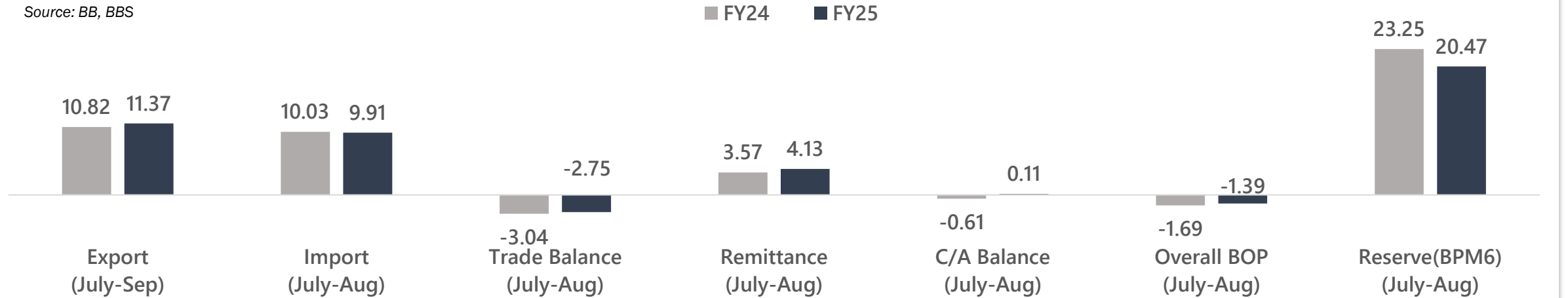


- An **interim government** was formed on 08 August 2024 headed by Dr. Muhammad Yunus with a strong team of independent technocrats
- The interim government has formed **six separate commissions** to carry out reforms in - **electoral system, police administration, judiciary, anti-corruption system, public administration, and constitution**
- Prominent Economist & Ex IMF Sr. Executive, **Dr. Ahsan H. Mansur** has been appointed as the new Governor of Central Bank.
- **Bangladesh Bank** has taken reform initiatives and formed three task force:
  - To assess financial situation of the banking sector
  - To strengthen of Bangladesh Bank's operation
  - For asset recovery
- Government reform initiatives have broad based **funding support of ~ USD 12bn from various development partners**



## Volume (\$ Bn)

Source: BB, BBS

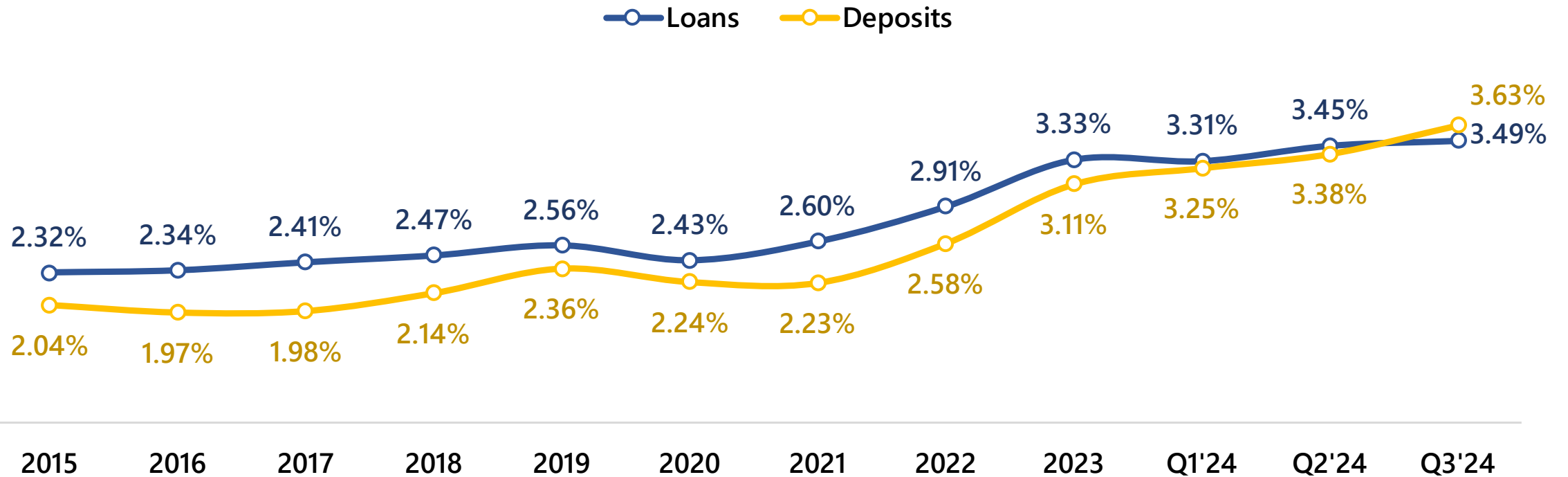


## Key positives:

- Strong remittance growth
- Current Account balance moved to positive territory
- FX reserve have started to stabilize

## Major concerns:

- Inflationary pressure persists
- GDP growth outlook remains soft



Strong growth in market share reflects enhanced customer trust & confidence



# Corporate & Institutional Banking Division

Updates



	<u>YoY (Sep'24 vs Sep'23)</u>	<u>Sep'24 vs Dec'23</u>
<b>Deposits</b>		
Deposits	▲ 33%	▲ 19% (26%)*
CASA Mix	~ 51% from 51%	▼ 51% from 53%
CoD	▲ 5.80% from 4.22%	▲ 5.80% from 4.40%
<b>Assets</b>		
Portfolio	▲ 37%	▲ 23% (30%)*
Yield	▲ 8.90% from 7.00%	▲ 8.90% from 7.30%
New Limit	▲ 4,162	
30-Days PAR	▼ 4.00% from 6.94%	▼ 4.00% from 6.27%
NPL	▼ 3.52% from 5.06%	▼ 3.52% from 5.11%
<b>Trade Volume</b>	▲ 23% (\$3.9 Bn vs \$3.2 Bn)	

Strong business drive & liquidity supports help to achieve exemplary business growth

\*Annualized



# SME Banking Division

Updates



	<u>YoY (Sep'24 vs Sep'23)</u>	<u>Sep'24 vs Dec'23</u>
<b>Customer Number</b>	▲ 21% (622k vs. 513k)	▲ 15% (622k vs. 539k)
<b>Deposits</b>		
Deposits	▲ 46%	▲ 36% (48%)*
CASA Mix	▼ 49% from 66%	▼ 49% from 60%
CoD	▲ 5.04% from 2.63%	▲ 5.04% from 3.32%
<b>Assets</b>		
Portfolio	▲ 10%	▲ 4% (6%)*
Yield	▲ 10.81% from 8.30%	▲ 10.81% from 8.64%
30-Days PAR	▼ 3.48% from 3.51%	▲ 3.48% from 3.25%
NPL	▼ 2.22% from 2.85%	▼ 2.22% from 2.74%
<b>Trade Volume</b>	▲ 16% (\$127Mn vs \$109Mn)	

Strong customer numbers drive growth | Significant improvement in asset quality

\*Annualized



# Retail Banking Division

## Updates



	YoY (Sep'24 vs Sep'23)	Sep'24 vs Dec'23
<b>Customer Number</b>	▲ 24% (1,474k vs. 1,191k)	▲ 19% (1,474k vs. 1,237k)
<b>Deposits</b>		
Deposits	▲ 33%	▲ 25% (34%)*
CASA Mix	▼ 36% from 42%	▼ 36% from 40%
CoD	▲ 5.49% from 4.08%	▲ 5.49% from 4.17%
<b>Assets</b>		
Portfolio	▲ 7%	▲ 5% (7%)*
Yield	▲ 9.18% from 8.55%	▲ 9.18% from 8.57%
30-Days PAR	▲ 5.66% from 4.98%	▲ 5.66% from 4.83%
NPL	▲ 2.92% from 2.90%	▲ 2.92% from 2.89%
<b>Credit Card Portfolio</b>	▲ 9%	▲ 3% (5%)*
<b>Wage Earner Remittance (USD M)</b>	▲ 79% (\$1,094 Mn from \$612Mn)	

Strong momentum in customer acquisition & deposits continues

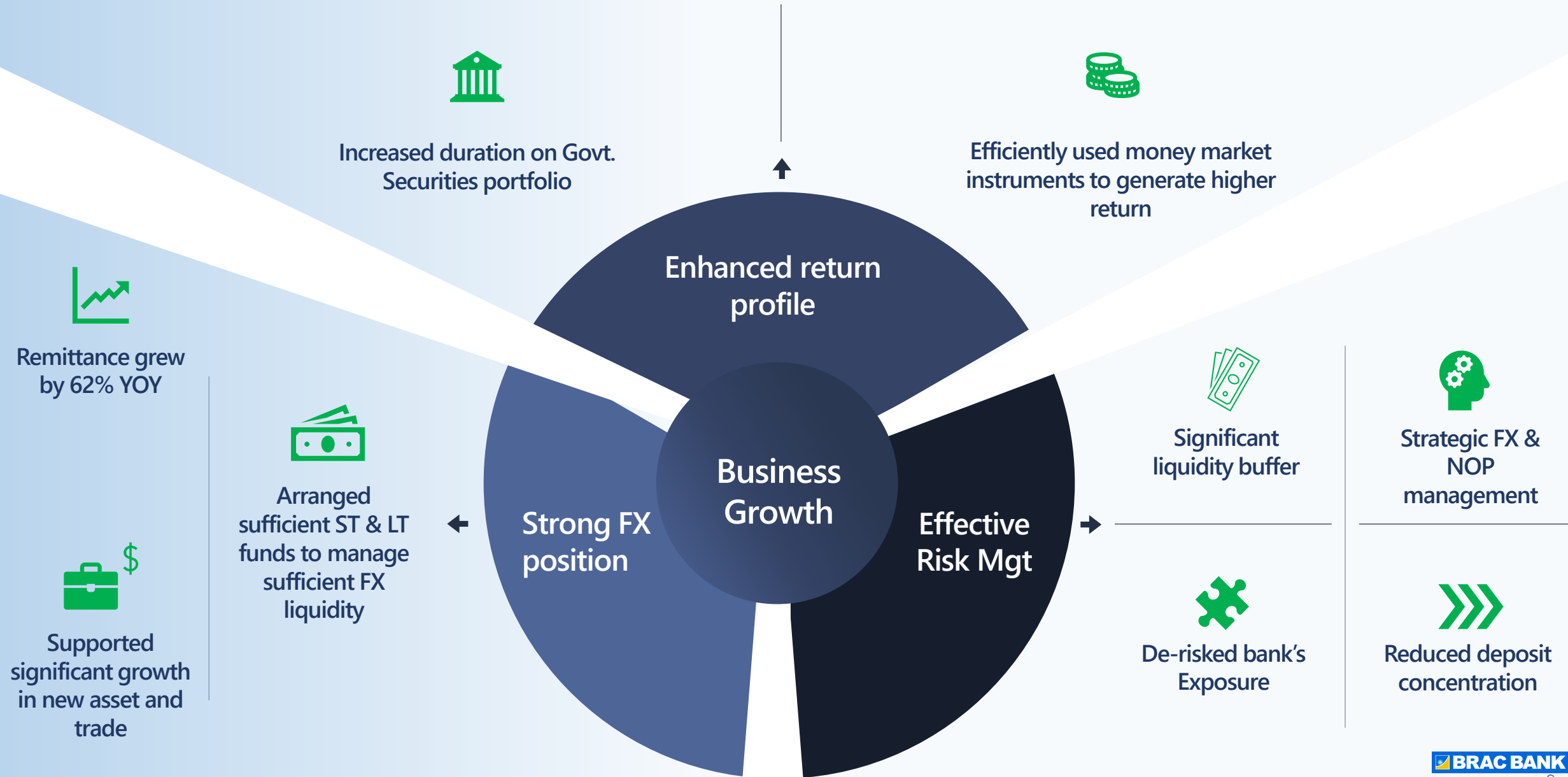
\*Annualized



# Treasury & FI Division

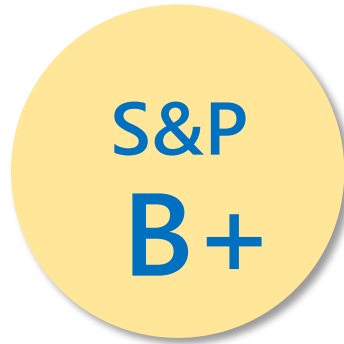
## Updates







LOCAL



GLOBAL

BRAC Bank is the only bank in the country to achieve a rating equivalent to the **sovereign** rating of Bangladesh from both Moody's and S&P.



# Distribution Network Updates





### Deposit Net Growth

BDT **9,800** Cr

▲ 74% YoY



### New Relationship

**160K**

▲ 33% YoY



### Balanced Deposit Growth

Retail **50%**

SME **35%**

Corp **15%**

## Growth Drivers

- » Customer Engagement  
(200 Events)
- » Women Leadership Dev.  
(Women Warrior | All Women Br.)

- » Network Expansion  
(16 Sub Branch | 14 Repositioning)
- » Talent Development  
(75,000 hours training)

- » Increased VoC  
(QR | FMS | Trx Trigger)
- » Improved Compliance  
(96% Satisfactory Level)

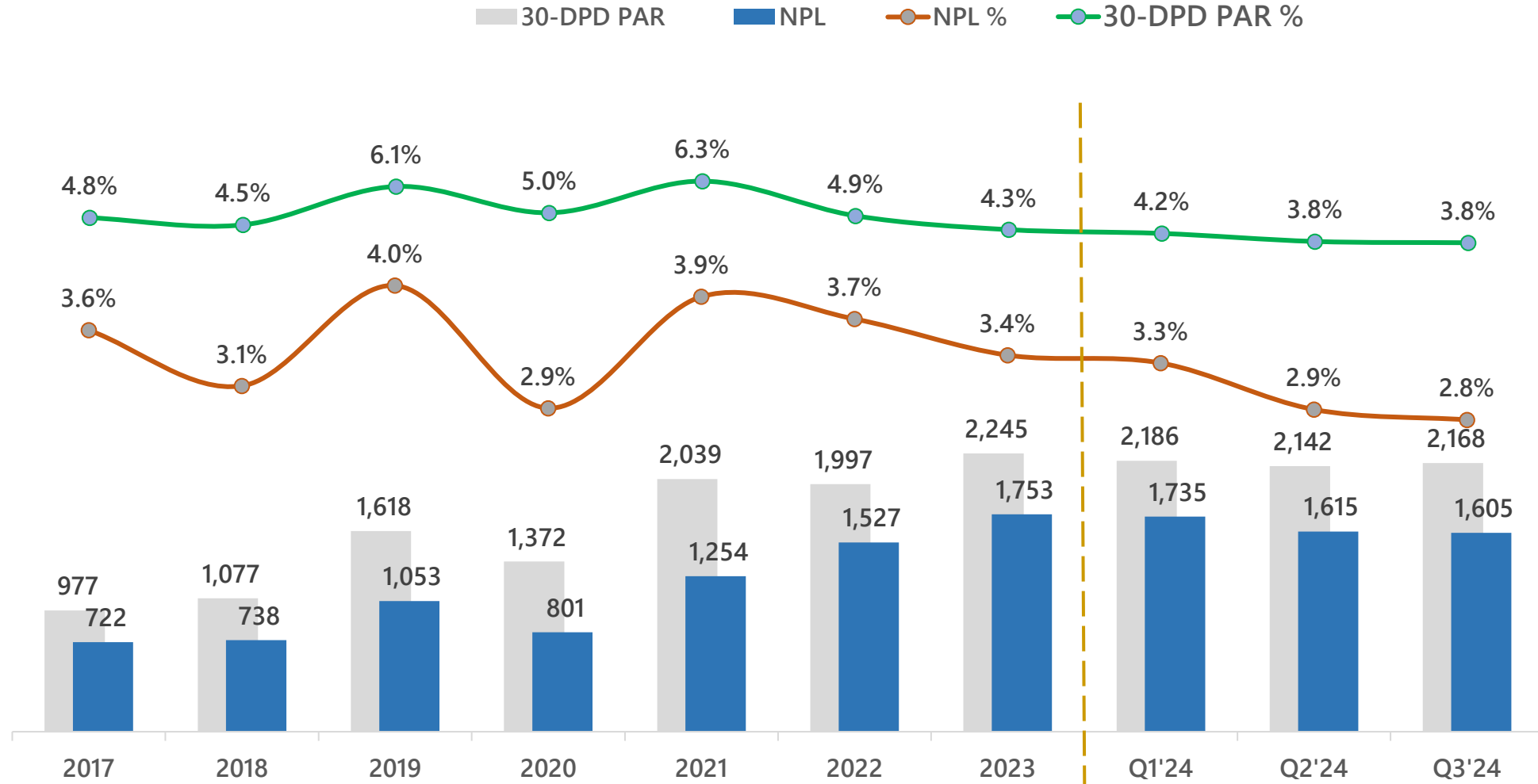


# Risk Management Division



# Risk Management: NPL & PAR movement

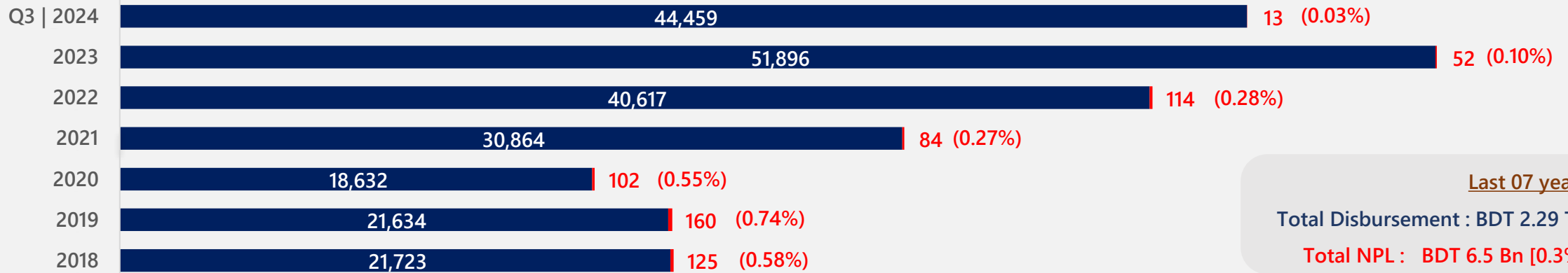
BDT' Cr (10 Mn)



## NPL Vintage Analysis (last 7 years)

● Total Disbursement ● NPL as of Sep'24

BDT Cr (10 Mn)



Last 07 years

Total Disbursement : BDT 2.29 Tn

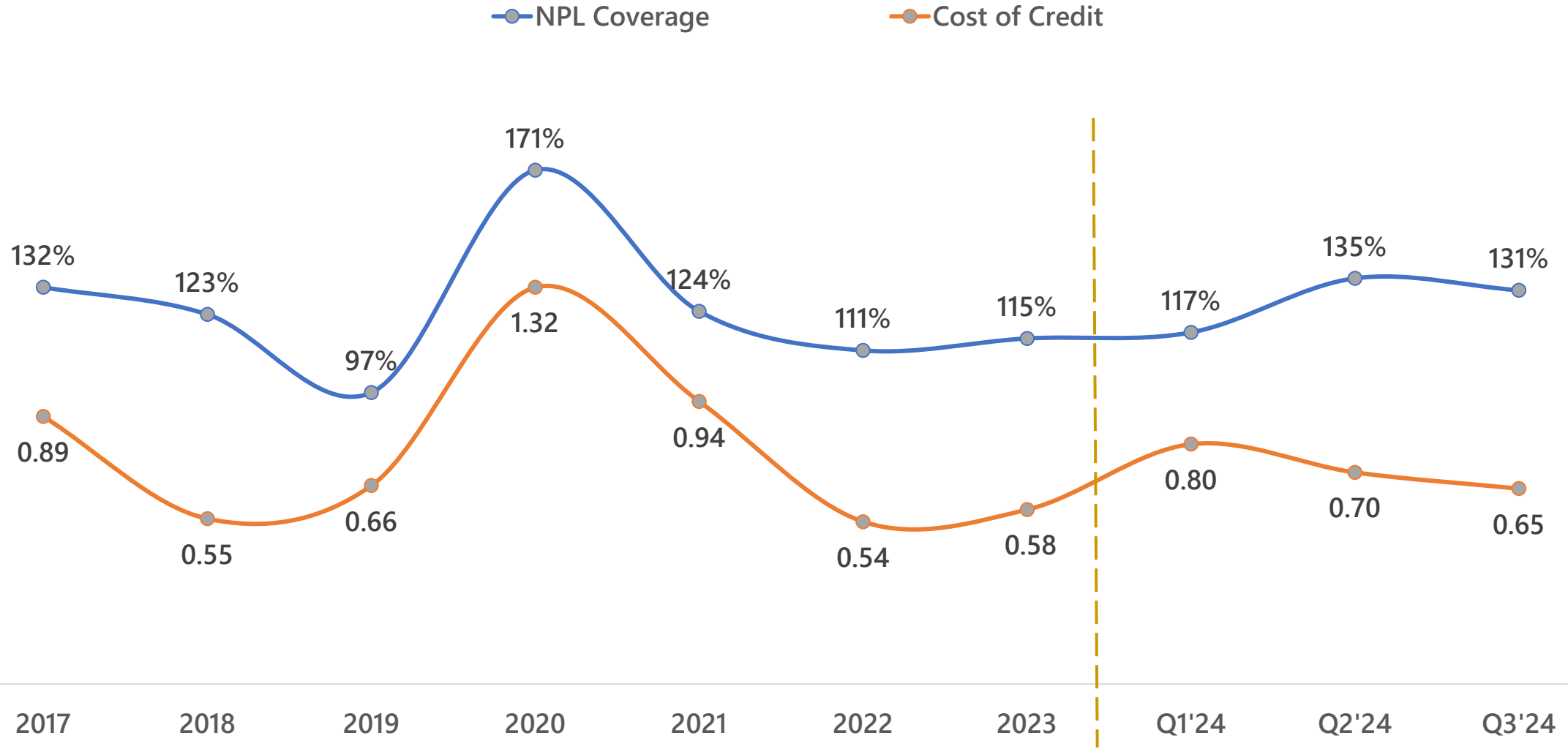
Total NPL : BDT 6.5 Bn [0.3%]

## Risk Modelling

- RAROC – for Corporate segment
- LGD and ECL Model – for Retail and SME segment
- Bureau based Credit Scoring Model
- Behavioral Scoring Model – for Retail & SME segment
- Early Warning for Personal Loan
- PD Model, SICR Model – for Retail and SME segment

Continuous efforts towards monitoring of asset portfolio under volatile macroeconomic condition

# Risk Management: NPL Coverage & Credit Cost





# Sustainable Finance Overview



## Sustainable Finance

### Portfolio

Q1, 2024 34,593 Cr 66%

Q2, 2024 41,114 Cr 73%

Q3, 2024 44,362 Cr 79%

## Green Finance

### Portfolio

Q1, 2024 7,640 Cr 23%

Q2, 2024 8,233 Cr 24%

Q3, 2024 8,369 Cr 24%



Awarded as one of the top sustainable banks in the country for 4 consecutive years by Bangladesh Bank



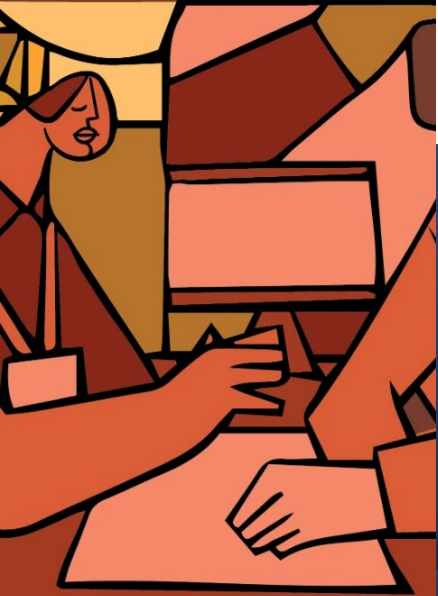
Published Sustainability Report 2023 with GHG emission disclosure in accordance with TCFD, GRI and PCAF guideline



Established total 50 "Sustainable Finance HelpDesk" in various locations to ensure better services and address grievances.



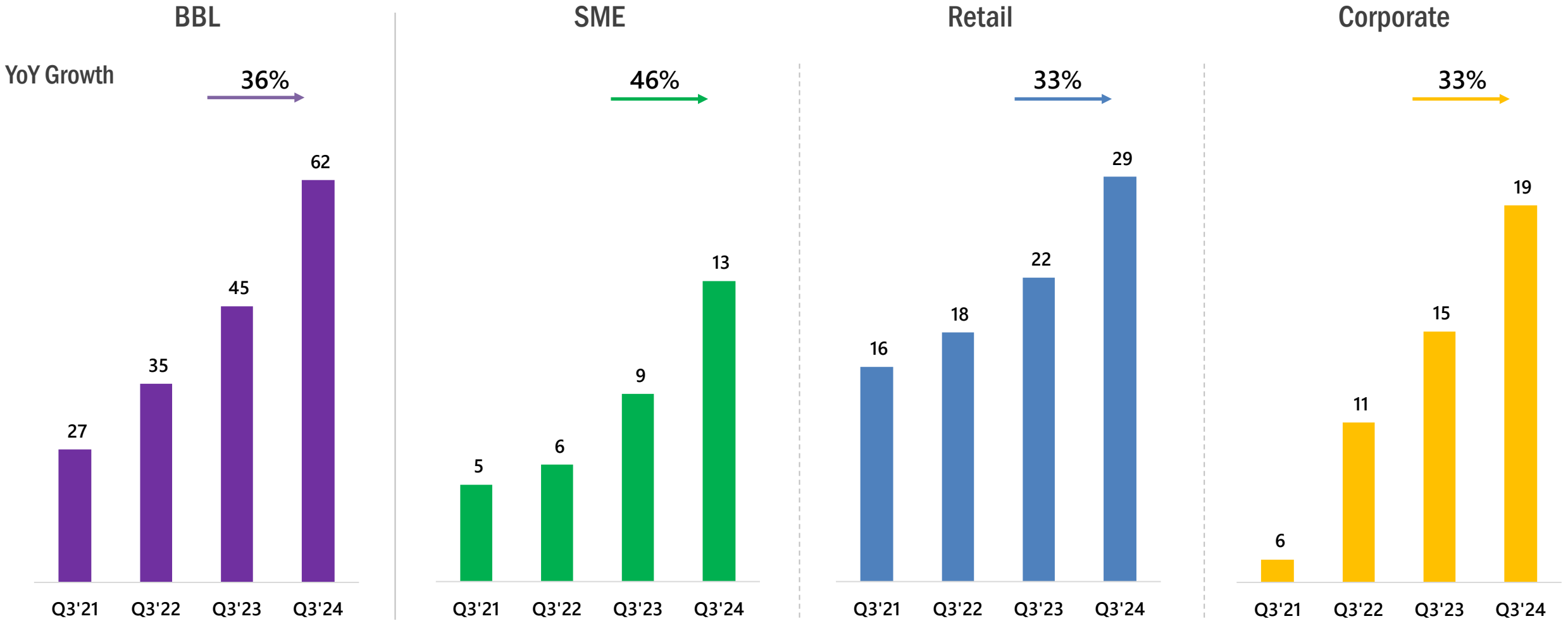
Increased mobilization of concessional funds to promote green projects



# Financial Updates



BDT '000 Cr (10 Bn)

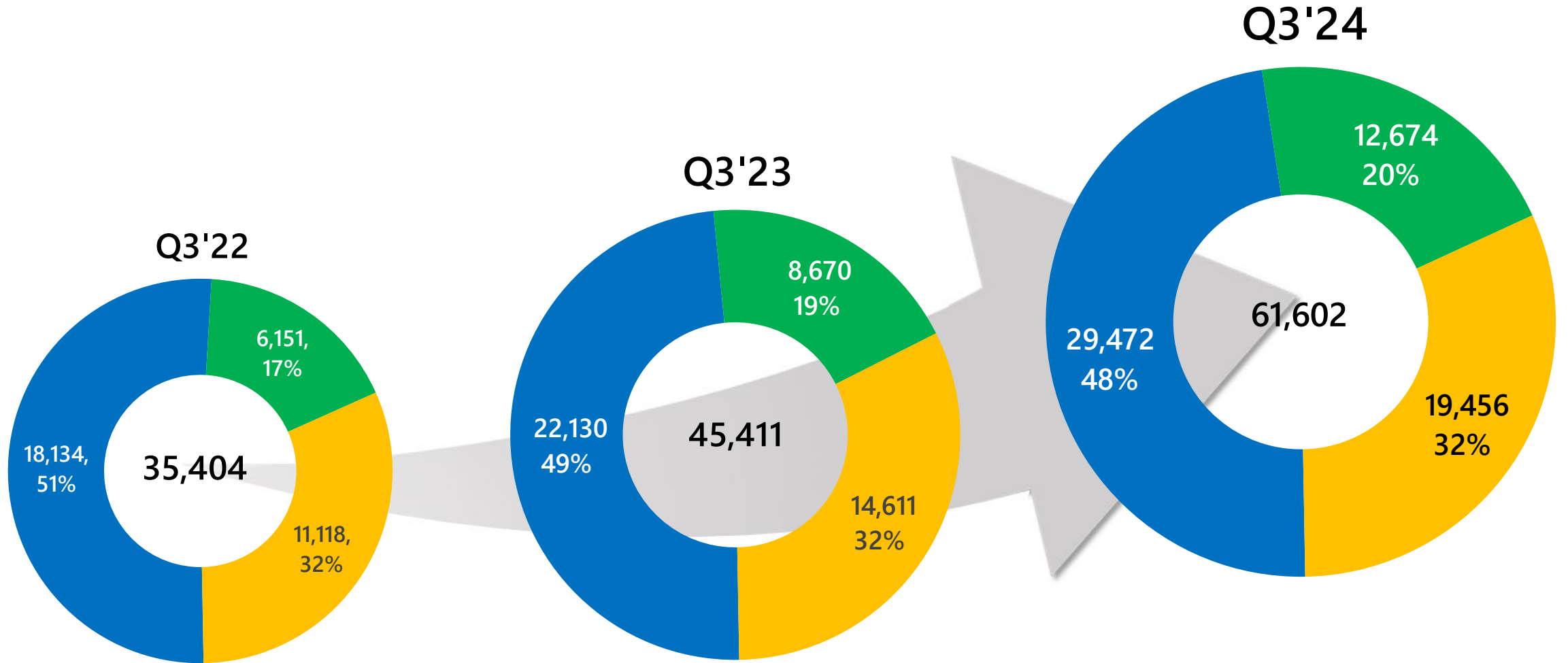


Growth driven by all segments – aligned to strategy

# Segmental Customer Deposits Mix (EOP)

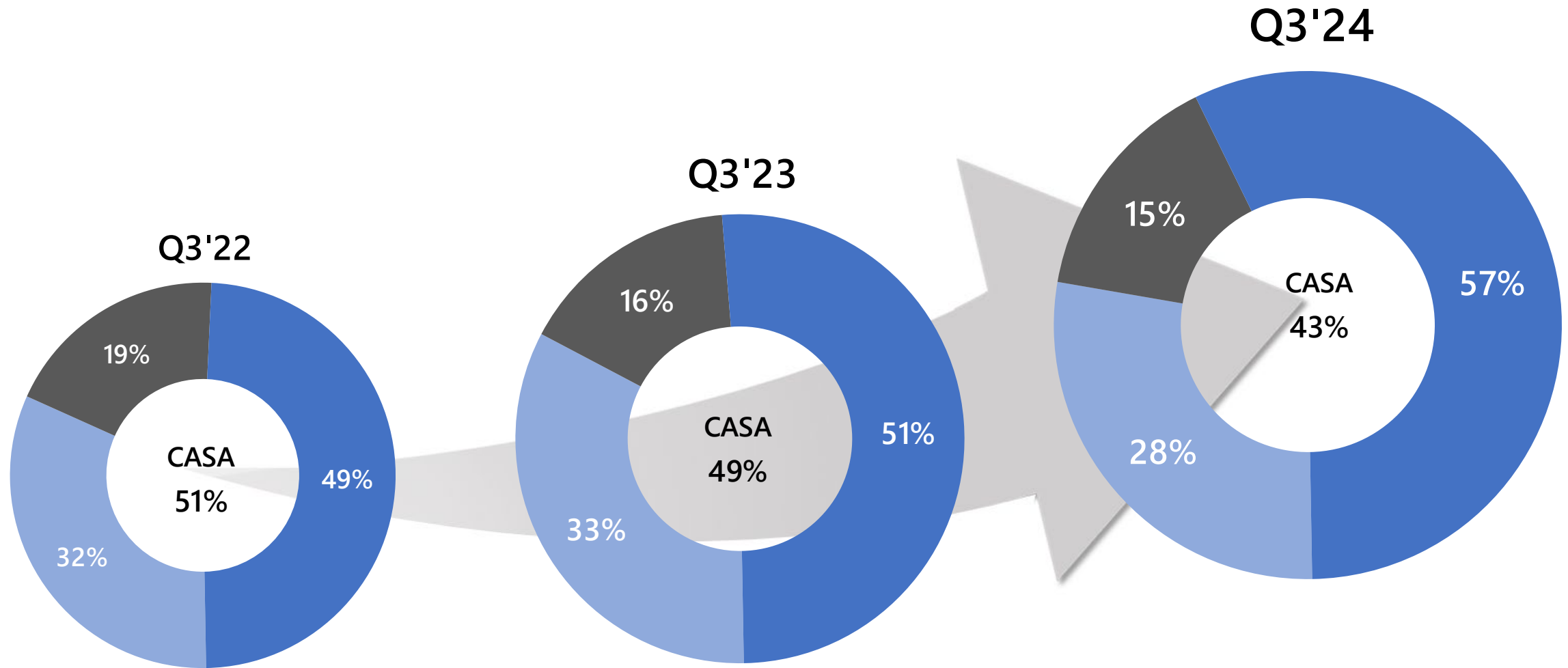
BDT Cr (10 Mn)

● SME      ● Retail      ● Corporate



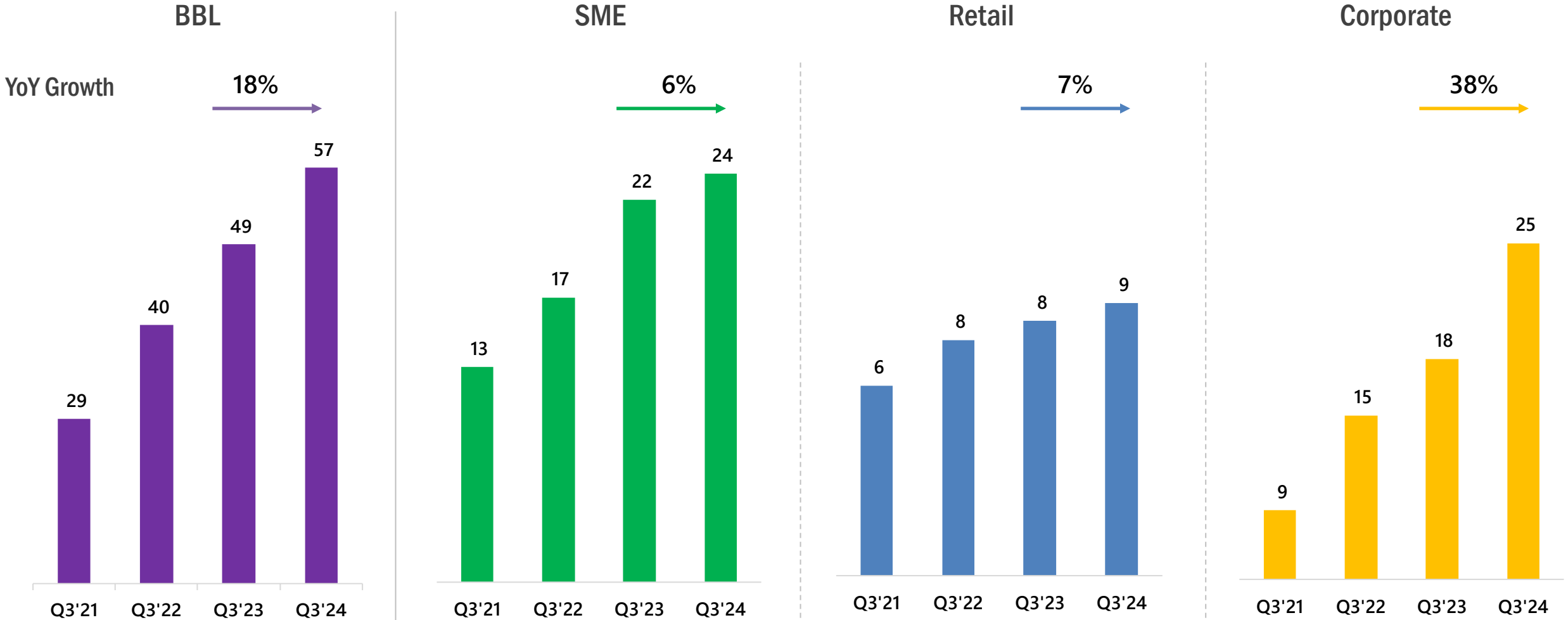
BDT Cr (10 Mn)

● Current ● Savings ● Term



BDT '000 Cr (10 Bn)

As per BB

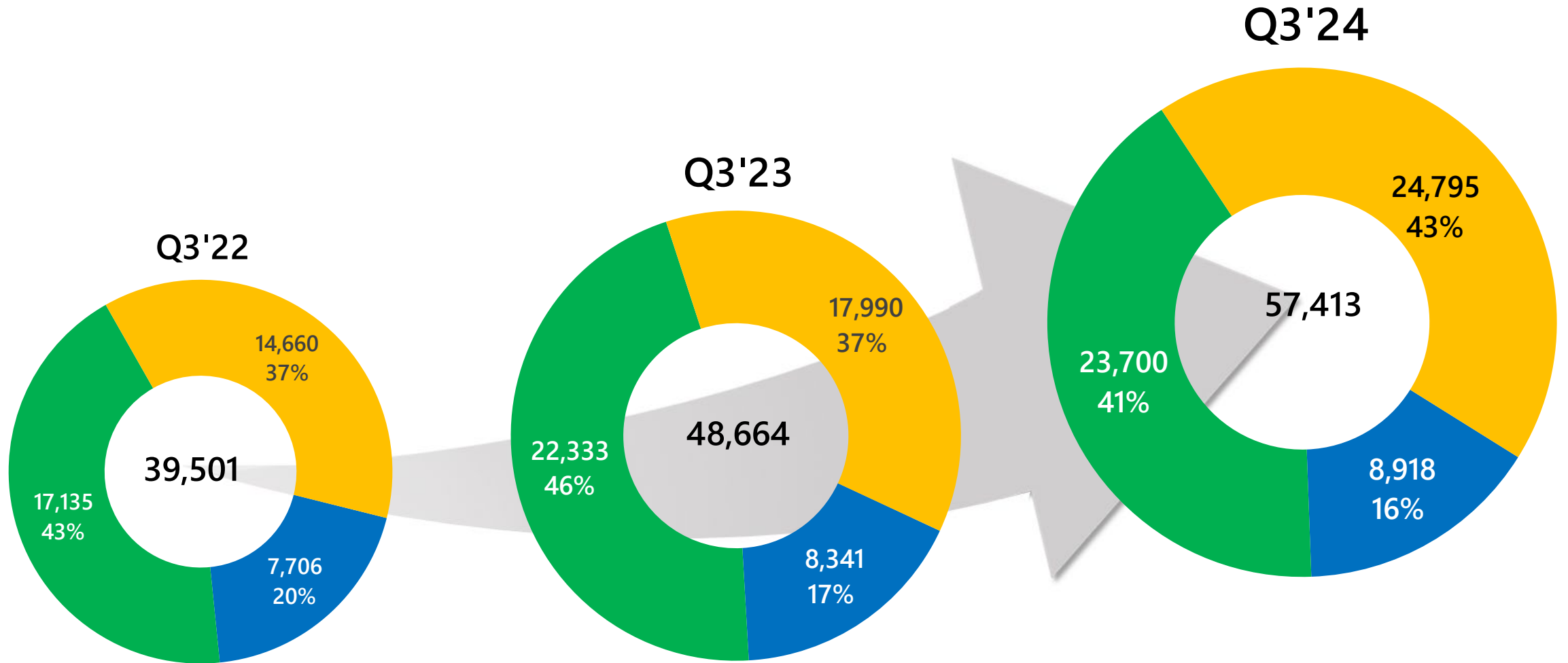


Corporate led the growth | SME is geared for higher productivity

BDT Cr (10 Mn)

As per BB.

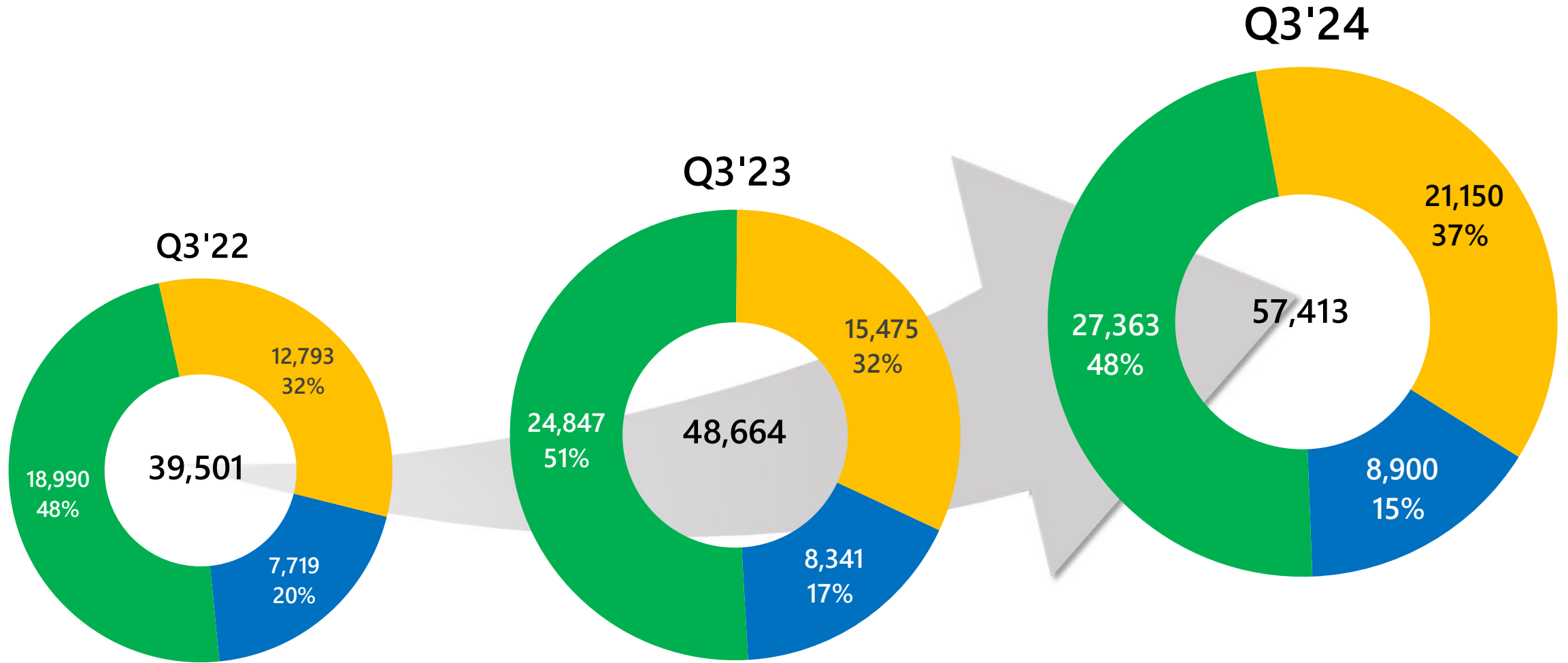
● SME      ● Retail      ● Corporate



BDT Cr (10 Mn)

As per Mgt.

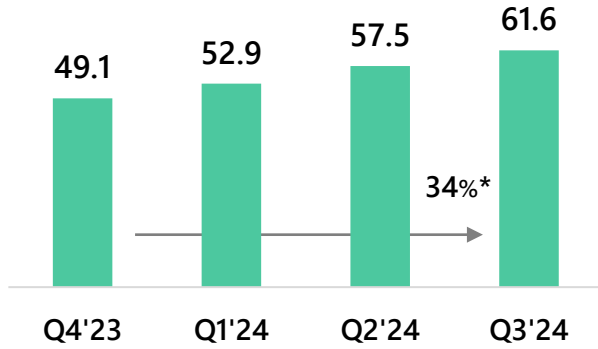
● SME      ● Retail      ● Corporate



BDT Cr unless stated otherwise

## Customer Deposits

BDT000' Cr



## Yield ▲

9.40% Sep'24 vs 7.99% 2023

## CoD ▲

5.39% Sep'24 vs 3.91% 2023

## Spread ▼

4.01% Sep'24 vs 4.08% 2023

## CASA Mix ▼

43% Sep'24 vs 47% Dec'23

## NPL % ▼

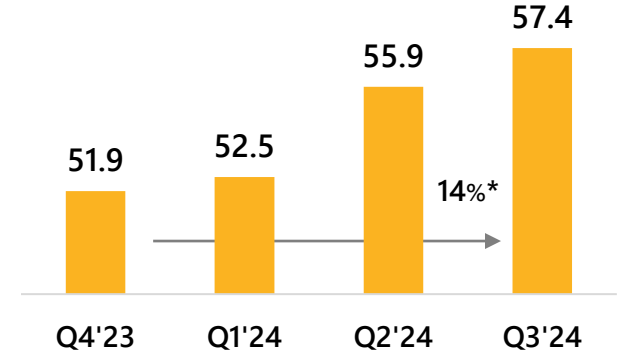
2.80% Sep'24 vs 3.40% Dec'23

## NPL Coverage\*\* ▲

131% Sep'24 vs 115% Dec'23

## Customer Loans

BDT000' Cr



## Revenue ▲

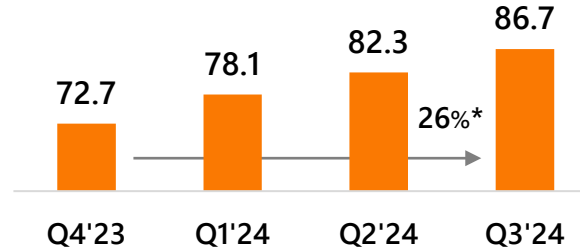
3,147 Sep'24 vs 2,334 Sep'23

## CIR ▼

48% Sep'24 vs 57% 2023

## Total Asset

BDT000' Cr



## Reg. Capital ▲

6,547 Sep'24 vs 5,509 Dec'23

## CRAR ▲

14.68% Sep'24 vs 14.00% Dec'23

827 Sep'24

PAT ▲

503 Sep'23

Highest Common Equity (CET) Tier-I capital in the banking industry

## EPS ▲

BDT

4.67 Sep'24 vs 2.84 Sep'23

## ROA ▲

1.38% Sep'24 vs 1.13% 2023

## ROE ▲

16.20% Sep'24 vs 11.95% 2023

## NAV ▲

BDT

40.84 Sep'24 vs 36.04 Dec'23

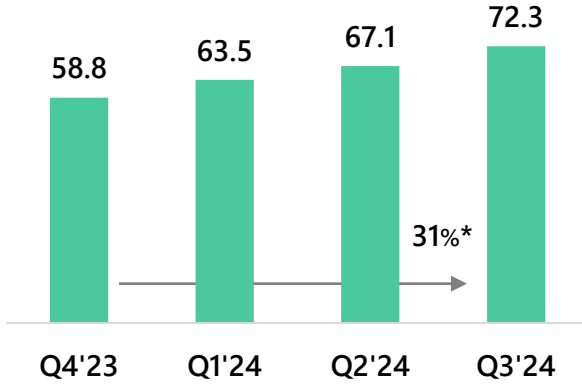
\*Annualized

\*\* NPL Coverage (Excl. GP) : 88% (Dec'23: 75%)

BDT Cr unless stated otherwise

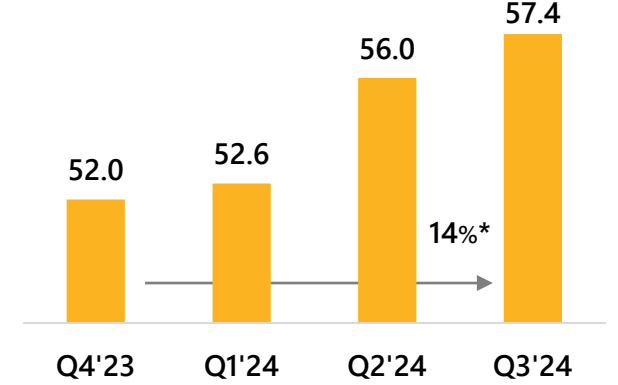
## Deposits

BDT 000' Cr



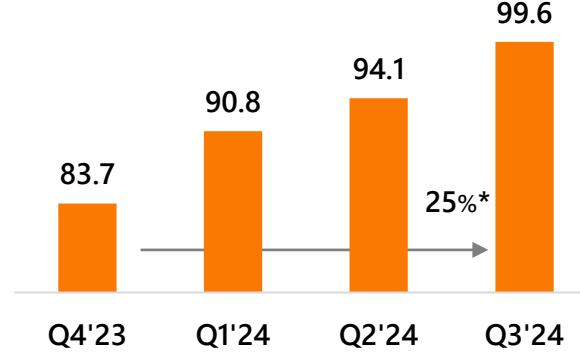
## Loans

BDT 000' Cr



## Total Asset

BDT 000' Cr



### Revenue ▲

4,590  
Sep'24

3,413  
Sep'23

### CIR ▼

58%  
Sep'24

67%  
2023

### Reg. Capital ▲

9,145  
Sep'24

7,965  
Dec'23

### CRAR ▲

18.70%  
Sep'24

18.61%  
Dec'23

1,011  
Sep'24

### PAT ▲

581  
Sep'23

Highest in the banking industry

### EPS ▲

BDT

4.92  
Sep'24

2.97  
Sep'23

### ROA ▲

1.27%  
Sep'24

1.02%  
2023

### ROE ▲

16.41%  
Sep'24

11.92%  
2023

### NAV ▲

BDT

42.38  
Sep'24

37.60  
Dec'23

\*Annualized

\*\* NPL Coverage (Excl. GP) : 88% (Dec'23: 75%)

BDT' Cr (10 Mn)

Particulars	Sep'24	Dec'23	Δ Amt	Δ %	Sep'23	Δ Amt	Δ %
Cash and bank balances	5,858	4,630	1,228	27%	5,101	756	15%
Money at call and short notice	50	300	(250)	-83%	855	(805)	-94%
Investments	18,543	11,566	6,977	60%	8,921	9,622	108%
Loans and advances	57,413	51,945	5,468	11%	48,664	8,750	18%
Fixed assets	836	763	73	10%	759	76	10%
Other assets	3,995	3,467	528	15%	3,036	959	32%
Non-banking assets	1	1	0.1	8%	1.0	0	8%
<b>Total Assets</b>	<b>86,696</b>	<b>72,672</b>	<b>14,024</b>	<b>19%</b>	<b>67,338</b>	<b>19,358</b>	<b>29%</b>
Borrowing from banks	10,625	10,350	274	3%	10,289	336	3%
Affordable housing bond	475	475	-	0%	475	-	0%
<b>BBPLC 2<sup>nd</sup> subordinated bond</b>	<b>346</b>	<b>-</b>	<b>346</b>	<b>100%</b>	<b>-</b>	<b>346</b>	<b>100%</b>
Money at Call and Short notice	504	55	449	816%	-	504	100%
Deposits and other accounts	63,204	51,391	11,813	23%	46,360	16,845	36%
Other liabilities	4,316	4,023	293	7%	4,022	294	7%
Total Liabilities	79,469	66,294	13,175	20%	61,145	18,324	30%
Total shareholders' equity	7,227	6,378	849	13%	6,193	1,034	17%
<b>Total Liabilities and Shareholders' Equity</b>	<b>86,696</b>	<b>72,672</b>	<b>14,024</b>	<b>19%</b>	<b>67,338</b>	<b>19,358</b>	<b>29%</b>

## Balance Sheet – Consolidated

BDT' Cr (10 Mn)

Particulars	Sep'24	Dec'23	Δ Amt	Δ %	Sep'23	Δ Amt	Δ %
Cash and bank balances	8,014	7,450	564	8%	7,873	141	2%
Money at call and short notice	50	300	(250)	-83%	855	(805)	-94%
Investments	27,525	19,114	8,410	44%	16,155	11,370	70%
Loans and advances	57,439	52,029	5,411	10%	48,771	8,668	18%
Fixed Asset	1,417	1,302	115	9%	1,298	118	9%
Other assets	4,984	3,382	1,602	47%	2,927	2,057	70%
Non-banking assets	1.1	1	0.1	8%	1	0.08	8%
Goodwill	137	137	-	0%	137	-	0%
<b>Total Assets</b>	<b>99,567</b>	<b>83,715</b>	<b>15,852</b>	<b>19%</b>	<b>78,018</b>	<b>21,548</b>	<b>28%</b>
Borrowing	10,627	10,371	256	2%	10,310	317	3%
Affordable housing bond	475	475	-	0%	475	-	100%
<b>BBPLC 2<sup>nd</sup> subordinated bond</b>	<b>346</b>	<b>-</b>	<b>346</b>	<b>100%</b>	<b>-</b>	<b>346</b>	<b>100%</b>
Money at call and on short notice	504	55	449	816%	-	504	100%
Deposit and other accounts	72,332	58,843	13,489	23%	53,902	18,430	34%
Other liabilities	5,594	5,268	326	6%	4,816	778	16%
Total Shareholders' Equity	7,501	6,654	847	13%	6,471	1,030	16%
Non Controlling interest	2,188	2,048	140	7%	2,044	143	7%
<b>Total Liabilities and Equity</b>	<b>99,567</b>	<b>83,715</b>	<b>15,852</b>	<b>19%</b>	<b>78,018</b>	<b>21,548</b>	<b>28%</b>

BDT' Cr (10 Mn)

Particulars	YTD Sep'24	YTD Sep'23	Δ Amt	Δ %
Net interest income	1,032	1,309	(277)	-21%
Investment income	1,436	562	874	155%
Commission, exchange and brokerage	664	453	211	46%
Other operating income	16	10	6	62%
<b>Total operating income</b>	<b>3,147</b>	<b>2,334</b>	<b>813</b>	<b>35%</b>
Staff Cost	867	738	129	17%
Other Operating Cost	652	584	67	11%
<b>Total operating expenses</b>	<b>1,518</b>	<b>1,322</b>	<b>196</b>	<b>15%</b>
<b>Profit/(loss) before provisions</b>	<b>1,628</b>	<b>1,011</b>	<b>617</b>	<b>61%</b>
General Provision inc. off-balance sheet	54	67	(13)	-20%
Specific Provision	278	243	35	14%
Write off recovery	(47)	(64)	17	26%
Other Provision	13	(0)	13	nm*
<b>Total provision</b>	<b>298</b>	<b>246</b>	<b>52</b>	<b>21%</b>
<b>Profit/(loss) before taxes</b>	<b>1,331</b>	<b>765</b>	<b>565</b>	<b>74%</b>
Provision for Tax	504	262	242	93%
<b>Profit/(loss) after taxes</b>	<b>827</b>	<b>503</b>	<b>323</b>	<b>64%</b>
<b>Earnings Per Share (EPS)</b>	<b>4.67</b>	<b>2.84</b>	<b>1.83</b>	<b>64%</b>
<b>Effective Tax Rate (ETR)</b>	<b>38%</b>	<b>34%</b>		

\*Not mentionable

BDT' Cr (10 Mn)

Particulars	YTD Sep'24	YTD Sep'23	Δ Amt	Δ %
Net interest income	1,258	1,535	(277)	-18%
Investment income	1,965	925	1,040	112%
Commission, exchange and brokerage	1,350	942	409	43%
Other operating income	16	11	5	48%
<b>Total operating income</b>	<b>4,590</b>	<b>3,413</b>	<b>1,177</b>	<b>34%</b>
Staff Cost	1,271	1,076	195	18%
Other Operating Cost	1,372	1,202	170	14%
<b>Total operating expenses</b>	<b>2,643</b>	<b>2,278</b>	<b>365</b>	<b>16%</b>
<b>Operating profit</b>	<b>1,947</b>	<b>1,135</b>	<b>812</b>	<b>71%</b>
Share of profit/(loss) of associates	(0.8)	(0.6)	(0.2)	-39%
Gain/(loss) on disposal of associates	-	-	-	0%
<b>Profit/(loss) before provisions</b>	<b>1,946</b>	<b>1,135</b>	<b>811</b>	<b>72%</b>
General Provision inc. off-balance sheet	54	67	(13)	-20%
Specific Provision	278	243	35	14%
Write off recovery	(47)	(64)	17	26%
Other Provision	13	0.1	13	nm*
<b>Total provision</b>	<b>298</b>	<b>246</b>	<b>52</b>	<b>21%</b>
<b>Profit/(loss) before taxes</b>	<b>1,648</b>	<b>888</b>	<b>760</b>	<b>86%</b>
Provision for Tax	637	307	331	108%
<b>Profit/(loss) after taxes</b>	<b>1,011</b>	<b>581</b>	<b>429</b>	<b>74%</b>
<b>Earnings Per Share (EPS)</b>	<b>4.92</b>	<b>2.97</b>	<b>1.95</b>	<b>66%</b>

\*Not mentionable

# CONSO Financials with each company's contribution

BDT' Cr (10 Mn)

Subsidiary	YTD Sep'24		YTD Sep'23		Δ Amt	
	PAT	BBL's Share in PAT	PAT	BBL's Share in PAT	PAT	BBL's Share in PAT
BRAC EPL Investments Limited	(24)	(24)	(2)	(2)	(21)	(21)
BRAC EPL Stock Brokerage Limited	(0.7)	(0.6)	2	2	(2)	(2)
BRAC SAAJAN Exchange Limited	(9)	(9)	(9)	(9)	(0.3)	(0.2)
bKash Limited	218	78	88	32	130	47
<b>Sub-Total</b>	<b>185</b>	<b>45</b>	<b>79</b>	<b>22</b>	<b>106</b>	<b>23</b>
BRAC Bank Ltd	827	827	503	503	323	323
Goodwill Impairment of BRAC Saajan	-	-	-	-	-	-
Share of profit/(loss) of associates	(0.8)	(0.8)	(0.6)	(0.6)	(0.2)	(0.2)
<b>CONSO PAT</b>	<b>1,011</b>	<b>871</b>	<b>581</b>	<b>525</b>	<b>429</b>	<b>346</b>
Contribution from Subsidiary in CONSO PAT	18.29%	5.18%	13.51%	4.24%		



**bKash**  
Updates



**77.9 Mn**  
Customers  
(EOP)

**40.2 Mn**  
Active customers  
(EOP)

**65.2%**  
Market share in  
Tnx. Vol

**1,012.6K**  
Merchants  
(EOP)

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

**405.1k**  
Agents  
(EOP)

# Subsidiary Financials - bKash Limited: YTD Sep'24

BDT' Cr (10 Mn)

Particulars	YTD Sep'24	YTD Sep'23	Δ Amt	Δ %
Gross revenue	4,130	3,468	662	19%
VAT	484	417	67	16%
<b>Revenue</b>	<b>3,646</b>	<b>3,050</b>	<b>595</b>	<b>20%</b>
Cost of services	2,364	2,142	222	10%
<b>Gross profit</b>	<b>1,282</b>	<b>909</b>	<b>373</b>	<b>41%</b>
Operating and administrative expenses	773	651	122	19%
Commercial expenses	284	245	39	16%
<b>Operating profit</b>	<b>225</b>	<b>12</b>	<b>213</b>	<b>1728%</b>
Net finance income	134	122	12	10%
<b>Profit before contribution to WPPF</b>	<b>359</b>	<b>135</b>	<b>225</b>	<b>167%</b>
Contribution to WPPF	18	7	11	167%
<b>Profit before tax</b>	<b>341</b>	<b>128</b>	<b>213</b>	<b>167%</b>
Income tax (expense)/income	123	40	83	208%
<b>Profit after tax</b>	<b>218</b>	<b>88</b>	<b>130</b>	<b>148%</b>



# ▶ Outlook

# Thank You



For any queries, please write to us on [earningsdisclosure@bracbank.com](mailto:earningsdisclosure@bracbank.com)



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# Q&A

