

Result announcement: 1QCY22

Commercial Banks

Askari Bank Limited

Earnings: Askari Bank Limited (AKBL) announced its financial result for the first quarter of the year 2022. As per the financial result, the bank reported earnings of PKR 3.6bn (PKR 2.9/share) compared to last year PKR 2.7bn (PKR 2.2/share), an increase of 31%y.

Dividends/Payouts: The bank did not announce any interim cash dividend this quarter; in fact, the bank has not paid any dividend since final cash dividend of PKR 3/share for the year 2020.

Operating performance: During the period under review, the bank reported net-interest income of PKR 8.5bn (up by 11%y) and non-interest income of PKR 2.5bn (down by -3%y). As a result total revenue of the bank stood at PKR 11bn (up by 8%y). Moreover, the bank recorded operating expenses of PKR 5.1bn (down by -14%y) which significantly improved bank's cost/income ratio to 46% (last year: 57.6%). The bank booked a provision reversal of PKR 0.2mn.

Exhibit: Financial Highlights Askari Bank Limited. (AKBL)							
Latest result published for 1QCY22							
Period (PKRmn)	1q'22	2021	4q'21	3q'21	2q'21	1q'21	2020
Net Interest Income	8.5	32.4	7.9	8.7	8.2	7.6	30.3
Fee Income	1.2	4.6	1.5	1.1	1.0	1.0	3.9
Treasury Income	1.2	4.4	1.1	0.8	0.9	1.5	5.5
Non-Interest Income	2.5	9.4	2.7	2.0	2.1	2.6	9.7
Total Revenue	11.0	41.8	10.6	10.8	10.2	10.2	40.0
Operating Expenses	(5.1)	(21.2)	(5.2)	(5.1)	(5.0)	(5.9)	(20.2)
Provision charge	0.2	(4.9)	(0.9)	(1.3)	(3.0)	0.2	(2.0)
Tax Charge	(2.5)	(5.9)	(1.6)	(1.7)	(0.9)	(1.7)	(7.0)
Profit After tax	3.6	9.7	2.9	2.7	1.4	2.7	10.8
EPS	2.9	7.7	2.3	2.1	1.1	2.2	8.6
DPS	0.0	0.0	0.0	0.0	0.0	0.0	3.0

Source: Company accounts, IGI Research, PSX No. of shares: 1260mn

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Hold if target price on aforementioned security (ies) is in between -10% and 10%, from its last closing price(s)

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