



AMB/PSX/CS/36 /2024

June 13, 2024

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Dear Sir,

Corporate Briefing Session (CBS)

This is to inform you that the Corporate Briefing Session of Apna Microfinance Bank Limited, (AMBL) is scheduled on Friday the June 21, 2024 at 12:00 noon at Registered Office, K-4/3 & 4/4, Ch. Khaliq-uz-Zaman Road, Gizri, Karachi to brief about the bank financial performance and future outlook.

Considering the safety and will-being of the Shareholders. It has been decided to hold the CBS electronically as well as physical attendance at the above given date and time. The members can send their comments/ suggestions related to the meeting through following means.

WhatsApp	Email
0317-8222038	agm@apnabank.com.pk


The members are also attend the Session through video link facility via Zoom. Accordingly, those investors, analysts and shareholders who desire to attend the Session are requested to register themselves by sending an email along at above address with the following particular with subject to "Registration for AMBL- CBS-2023 by end of June 18, 2024.

Name of Shareholder/ investor/ analyst	CNIC Number	Folio No/CDC Account Number Name of Organization	Contact Number
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Video Link to join the Session will be shared with only those investors, analysts and shareholders whose email containing the aforementioned particulars are received at the above mentioned email address.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours truly,


Noshad Ahmed
Company Secretary





Micro Finance
apna bank
Limited

Corporate Briefing Session (CBS)

The analysts, investors and shareholders are cordially invited to attend the Corporate Briefing Session (CBS) of Apna Microfinance Bank Limited, (AMBL) on Friday the June 21, 2024 from 12:00 to 1:00 p.m. To attend the Session Video Link Zoom facility is also available, wherein the Bank the Senior Management of the Apna Microfinance Bank Limited shall discuss the bank financial performance and future outlook.

Date	:	June 21, 2024
Venue	:	Apna Microfinance Bank Limited, Registered Office, K-4/3 & 4/4, Ch. Khaliq-uz-Zaman Road, Gizri, Karachi.
Registration	:	12:00 noon
Presentation	:	12:15 pm
Q&A	:	12:45 pm
Contact	:	0317-8222038

We look forward to your participation.

Noshad Ahmed
Company Secretary

Corporate Briefing Session

For the year ended December 31, 2023 to be held on Friday 21st June 2024 at 12:00
Noon at Registered office K-4/3 & 4/4 Ch. Khaliq-uz-Zaman, Road, Gizri, Karachi.

Company Profile

Company Profile:

Board of Director:

- Mr. M.A Shahid – Chairman
- Mr. Imad Mohammad Tahir – Director
- Mr. Muhammad Asghar – Director
- Mr. M. Saleem Shaikh – Director
- Mr. Shahid Hassan – Director
- Syed Rahat Ali Shah – Director (*Resigned*)
- Mr. Abdul Aziz Khan – Director
- Ms. Tahira Raza – Director (*Resigned*)
- Mr. Wajahat Malik – Executive
Director/President/CEO

Corporate Information:

- **President/Chief Executive:**
Mr. Wajahat Malik
- **Company Secretary:**
Mr. Noshad Ahmad
- **Chief Financial Officer:**
Mr. Mansoor Ahmad
- **Auditors:**
RSM Avais Hyder Liaquat Nauman *Chartered Accountant*
- **Legal Advisor:**
Mumtaz Najam Law Chambers
- **Tax Consultant:**
Grant Thornton Pakistan

Company Profile:

Background:

- Incorporated in May 2003 as a Public Limited Company.
- Certificate of commencement of business was granted in December 28, 2004.
- Started operations on January 01, 2005.
- The Bank operate at national level in Pakistan.
- Principal business is to provide microfinance services to poor and underserved segment of the society.
- The Bank has 106 Business locations (Branches: 105 and Service Centers: 1).
- Registered office is situated at K-4/3 & 4/4 Ch. Khaliq-uz-Zaman Road, Gizri, Karachi.
- Head office is situated at 23/A Sunderdas Road Zaman Park, Lahore.

Company Profile:

Credit Rating:

The long-term rating of the Bank is “BBB-” (Triple B negative) and the short-term rating is “A4” (A Four) with a “Negative” future outlook as determined by The Pakistan Credit Rating Agency Ltd. (PACRA) in their statement issued on July 27, 2023.

Major Loans Products:

- Apna Agri Loan
- Apna Gold
- Apna Pension Loan
- Apna Business Loan
- Apna Sawari 4 Wheeler
- Apna Sawari Deals
- Apna Salary Loan
- Apna Tractor Loan
- Apna House Loan
- Apna Live Stock Loan

Branch Network:

- Punjab
- Sindh
- Baluchistan
- KPK
- Gilgit Baltistan
- Azad Jammu Kashmir
- Islamabad

ABOUT APNA MICROFINANCE BANK LIMITED (AMBL)

Introduction:

Apna Microfinance Bank Limited is managed by group of highly experienced bankers. We are committed to providing specialized financial services to the less privileged, marginalized and poor segments of society. We support economic empowerment of women & micro-entrepreneurs in the Agri and Micro enterprises in rural areas of Pakistan. The Bank has been operating at national level in Pakistan.

Our main focus is to provide personalized services to the poor segment of the society through our dedicated products aimed at changing their life-style by entering them in micro-entrepreneurship at the lowest mark-up rate in the market.



FINANCIAL HIGHLIGHTS

Financial Performance:

- The Bank has incurred loss for the year amounting to Rs. 3,594 million and, its accumulated loss was Rs. 10,973 million (2022: Rs. 7,379 million).
- This has resulted in negative net assets amounting to Rs. 6,640 million as at December 31st 2023.
- The Bank has been non-compliant with Minimum Capital Requirements (MCR) and Capital Adequacy Ratio (CAR) requirements of Prudential Regulations for Microfinance Banks, 2014.

Strategic Plan:

The management has developed and is implementing a multi-faceted plan to overcome the financial and operational difficulties faced by the Bank. Salient features of the same are as under:

❖ **Commitment by the Sponsors and Injection of Further Equity:**

The Sponsors have demonstrated their unwavering commitment to rescuing the Bank from its current difficulties. In December 2023, they injected an additional Rs. 1 billion, building on their previous investment of Rs. 350 million in share deposit money. Furthermore, they have issued a formal letter of support to the Bank's management, pledging to provide additional funding in the coming years. This incremental funding will not only enable the Bank to meet its maturing commitments but also empower it to expand its advances portfolio, leading to increased markup income and improved financial position.

❖ Increasing Secured Advances Portfolio

Following the additional equity injection by the sponsors, the Bank is prioritizing the expansion of its secured advances portfolio. Significant growth in our advance's portfolio will enable the Bank to significantly increase its markup income, covering markup costs and other expenses, and ultimately improving financial position of the Bank.

❖ Recovery of Non-Performing Advances

The non-performing advances were largely a consequence of the unprecedented economic downturn following the Covid-19 pandemic, which was beyond the borrowers' control. The Bank has already made substantial provisions to date, and therefore, significant additional provisions are not anticipated in future periods. Management is optimistic about the recoverability of these non-performing advances and is proactively pursuing their recovery. Notably, the Bank has successfully recovered Rs. 117.06 million subsequently. These recoveries will not only enhance the Bank's financial results through the reversal of related provisions but will also enable the Bank to further expand its secured advances portfolio by utilizing these recovered funds.

❖ Reducing Cost of Deposits

The management is proactively implementing strategies to attract a higher volume of corporate customer deposits into current accounts, offering competitive incentives and introducing innovative products. This approach is expected to yield a significant increase in current accounts with the Bank. As a result, the management anticipates a reduction in the cost of deposits, leading to a positive impact on the Bank's overall financial performance and profitability.

❖ Optimization of Operations and Reduction of Costs

The Bank is implementing strategic measures to optimize its branch operations, including the closure of non-productive and non-strategic branches, to effectively control costs. As a result, the number of branches has been reduced from 105 to 91 subsequently, yielding significant cost savings, which will be reflected in the future periods. Additionally, the management is focused on streamlining administrative expenses without compromising the Bank's operational efficiency. These initiatives are expected to have a positive impact on the Bank's financial performance, enhancing its overall profitability.

Strategic Plan:

The management believes the all-adverse elements have fully impacted the Bank resulting in negative net assets and non-compliance with Minimum Capital Requirements (MCR) and Capital Adequacy Ratio (CAR) and from now onward, the results of the measures being taken by the management will start reflecting their positive impact in the years to come. The management is confident that with the implementation of its plan, it will be able to overcome all adverse financial and operational factors and the Bank will be able to continue as a going concern.

BALANCE SHEET:

	2023	2022
	Rupees	Rupees
ASSETS		
Cash and balances with SBP and NBP	2,003,589,450	1,720,318,818
Balances with other banks/NBFIs/MFBs	2,388,034,342	2,236,767,029
Investments - net of provisions	1,253,744,740	2,466,243,246
Advances - net of provisions	6,590,855,560	8,354,266,042
Operating fixed assets	809,093,371	905,888,333
Right of use assets	404,201,211	478,513,372
Other assets	1,870,083,936	1,725,479,702
Deferred tax asset	1,700,000,000	1,700,000,000
Total Assets	17,019,602,610	19,587,476,542
LIABILITIES		
Deposits and other accounts	22,449,764,944	22,606,344,550
Lease Liabilities	510,706,239	543,145,813
Other Liabilities	699,933,482	484,971,476
Total Liabilities	23,660,404,665	23,634,461,839
NET ASSETS	(6,640,802,055)	(4,046,985,297)
<i>REPRESENTED BY:</i>		
Share capital	4,289,849,620	4,289,849,620
Capital reserves		
Discount on issue of shares	(1,335,963,831)	(1,335,963,831)
Share deposit money	1,350,390,279	350,390,276
Statutory reserve	22,078,496	22,078,496
Depositors' protection fund	5,519,624	5,519,624
Revenue reserve		
Unappropriated loss	(10,972,676,243)	(7,378,859,482)
Total Capital	(6,640,802,055)	(4,046,985,297)

PROFIT AND LOSS ACCOUNT

	2023	2022
	Rupees	Rupees
Mark-up / Return / Interest Earned	2,526,908,227	2,265,996,265
Mark-up / Return / Interest Expensed	(2,731,115,695)	(1,600,191,347)
Net mark-up/Interest (loss) / Income	(204,207,468)	665,804,918
Provision against Non-performing loans and advances	(1,311,581,077)	(3,535,765,376)
Recovery against bad debts written off	6,577,137	56,961,055
	(1,305,003,940)	(3,478,804,321)
Net mark-up/Interest loss after provisions	(1,509,211,408)	(2,812,999,403)
NON MARK-UP/NON INTEREST INCOME		
Fee, Commission and Brokerage Income	154,042,505	126,156,713
Other Income	58,027,559	44,393,553
Total non mark-up/non interest Income	212,070,064	170,550,266
	(1,297,141,344)	(2,642,449,137)
NON MARK-UP/NON INTEREST EXPENSES		
Administrative expenses	(2,261,434,587)	(2,232,257,861)
Other charges	(1,728,946)	(1,273,059)
Total non mark-up/non interest expenses	(2,263,163,533)	(2,233,530,920)
Loss for the year before taxation	(3,560,304,877)	(4,875,980,057)
Provision for taxation		
- Current	(33,511,884)	(29,901,912)
- Deferred	-	416,518,066
	(33,511,884)	386,616,154
Loss for the year	(3,593,816,761)	(4,489,363,903)

QUESTION & ANSWER SESSION

DISCLAIMER:

This presentation, prepared for the information purpose only, is not and dose not form part of any offer for sale or solicitation of any offer to subscribe for or purchase or sell any securities nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever.

THANK YOU