EPS Q1 FY26	EPS YoY Growth	NAV Per Share	Paid-up Capital (Cr.)	Dividend	52 Week High	52 Week Low	Category
2.90	43.56%	56.12	2289	15% Cash 15% Stock	89.60	49.00	A

Company Outlook

BRAC Bank continues to position itself as one of the strongest and best-managed banks in Bangladesh, supported by exceptional deposit growth, disciplined lending practices, superior asset quality, and the rapidly expanding profitability of its fintech subsidiary, bKash. The bank has particularly benefited from the ongoing migration of deposits from weaker financial institutions toward trusted private commercial banks with stronger governance and balance sheet quality. Deposits increased significantly from BDT 77,787 crore in 2024 to BDT 99,036 crore in 2025, reflecting a strong 27.3% YoY growth. The momentum continued into Q1 2026, with deposits further increasing to BDT 103,344 crore. A major strength of BRAC Bank's funding structure remains its high proportion of low-cost deposits. In 2025, approximately 47% of total deposits consisted of Current and Savings Accounts (CASA), providing the bank with a stable and comparatively low-cost funding base versus many peers. Loans and advances increased from BDT 62,385 crore in 2024 to BDT 73,141 crore in 2025, representing a healthy 17.2% YoY growth. Around 41% of the total loan portfolio consists of SME lending, reinforcing BRAC Bank's long-standing leadership position in Bangladesh's SME banking segment. In Q1 2026, the loan portfolio slightly declined to BDT 71,709 crore, suggesting a cautious lending stance amid elevated interest rates and evolving macroeconomic conditions. Investment in securities increased sharply from BDT 28,671 crore in 2024 to BDT 40,647 crore in 2025, reflecting a substantial 41.8% YoY growth. The bank strategically increased exposure to government securities to capitalize on elevated treasury yields while maintaining relatively lower credit risk. In Q1 2026, investments further increased to BDT 44,965 crore, indicating continued treasury positioning. Meanwhile, balances maintained with other banks rose significantly from BDT 3,226 crore in 2024 to BDT 5,866 crore in 2025, and further to BDT 8,976 crore in Q1 2026. Approximately 16% of these balances are maintained outside Bangladesh, strengthening foreign currency liquidity and international banking flexibility.



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Net interest income declined slightly from BDT 1,645 crore in 2024 to BDT 1,603 crore in 2025, despite strong balance sheet growth. This was mainly due to the bank allocating a larger portion of funds toward safer government securities. However, total operating income increased strongly from BDT 6,433 crore in 2024 to BDT 8,536 crore in 2025, driven largely by substantial growth in investment income and treasury operations. Despite maintaining higher provisioning expenses during the year, consolidated net profit increased sharply to BDT 2,251 crore in 2025 from BDT 1,432 crore in 2024, reflecting an impressive 57.2% YoY growth. Of the 2025 consolidated profit - BDT 1,816 crore belonged to equity shareholders of BRAC Bank and BDT 435 crore belonged to non-controlling interests, primarily linked to subsidiary performance. As a result, EPS increased to BDT 9.12 from BDT 6.18. Profitability metrics remained very strong, with ROE approximately 17% and ROA approximately 1.69%. In Q1 2026, operating income increased to BDT 2,426 crore from BDT 1,903 crore in Q1 2025, reflecting strong operational momentum. Consolidated net profit increased to BDT 696 crore in Q1 2026 from BDT 486 crore in Q1 2025, representing a robust 43.2% YoY growth. BRAC Bank continues to maintain one of the strongest asset quality profiles among large private commercial banks. Total NPL stood at BDT 1,778 crore in 2025, representing only 2.4% of total loans, compared to BDT 1,762 crore or 2.8% in 2024. Importantly, this improvement occurred despite strong loan growth, reflecting excellent credit discipline and recovery capability. The bank also maintained approximately 8% excess provision above regulatory requirements, supporting balance sheet resilience and conservative risk management. Foreign investor confidence also remained strong, with foreign shareholding increasing to approximately 36.22% as of April 2026, one of the highest among listed Bangladeshi banks.

bKash – Key Growth Engine

bKash continues to be a major long-term growth driver for BRAC Bank and remains one of the most valuable fintech assets in Bangladesh. In 2025: Revenue increased from BDT 5,058 crore to BDT 6,566 crore, reflecting a strong 29.8% YoY growth Net profit increased sharply from BDT 316 crore to BDT 676 crore, representing an exceptional 114% YoY growth Customer base increased to approximately 8.22 crore users Trust-cum-settlement account balance rose to BDT 11,262 crore Transaction volume increased by approximately 33% bKash generated approximately 16% ROE in 2025, and profitability is highly likely to improve further as scale efficiencies and digital financial ecosystem penetration continue to strengthen. In Q1 2026, bKash net profit increased by approximately 40% YoY to BDT 184 crore, reinforcing its role as a major contributor to BRAC Bank's consolidated earnings growth.

Stock Price Outlook

BRAC Bank declared a 15% cash dividend for 2025, translating into a relatively modest dividend yield of approximately 2.3% at market price of around BDT 64. The payout ratio remains relatively low at approximately 16%, reflecting management's strategy of retaining a significant portion of earnings to support future expansion, digital banking investment, and capital strength. As of March 2026, the bank's NAV per share stands at approximately BDT 56.12 (before adjustment). Based on 2025 adjusted EPS, the stock is currently trading at a P/E ratio of approximately 8.1x, which is somewhat higher than many local banking peers. However, the premium appears justified considering: Superior asset quality Strong governance High CASA ratio Strong SME franchise Rapidly growing bKash profitability Consistent earnings momentum Strong foreign investor participation The stock has already experienced strong upward movement, so short-term volatility or correction remains possible. However, long-term fundamentals continue to remain highly attractive.

- → 1-Year Price Outlook: Bullish
- → Buy Zone: Around BDT 62
- → Investment Theme: Premium-quality private bank with strong balance sheet growth
- → Resistance: BDT 78
- → Support: BDT 60

