

CHAIRMAN'S MESSAGE

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report of OLP Financial Services Pakistan Limited (OLP/ the Company) for the year ended June 30, 2022.

Pakistan's economy is facing economic challenges in the wake of international events and domestic political crisis. The Board and Management are closely monitoring the prevailing business environment and are guiding the Company well in these adverse circumstances. Against a backdrop of multi-faceted challenges, the Company continues to perform well and distributes a fair return to our valued shareholders by way of interim and final dividends.

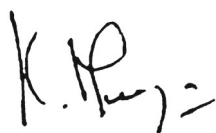
A cautious approach was adopted for business growth in FY2022. OLP has a well diversified and strong loan book which increased by 16% to reach Rs. 25 billion (2021: Rs. 21.5 billion). As of June 30, 2022, the Company had total assets of Rs. 30 billion which were 20% higher than last year's total assets of Rs. 25 billion.

Profit before tax for the year at Rs. 1,377 million was 7% higher than last year (2021: Rs. 1,284 million). However, the profit after tax was 4% lower at Rs. 882 million compared to Rs. 915 million last year due to higher tax provision. The Government has levied 4% super tax on companies earning income of more than Rs. 300 million and has also made some other amendments in tax laws. Consequently, the Company has recorded total tax expense of Rs. 495 million which was 34% higher than last year.

OLP's strong risk management framework has been instrumental in the Company's success over the years. I appreciate the Board and its sub-committees efforts which continue to focus on risk management, especially credit and operational risks, to maintain a high level of operational efficiency and improve the Company's performance.

During the year, the Company was rebranded in line with its vision of enhancing its corporate image as an SME focused financial services company and not merely a leasing company. The Board is of the view that a change in the Company's name was essential to develop the Company's image as a financial institution which offers a full spectrum of financial services to its customers. The principal shareholder of the Company, ORIX Corporation, has fully endorsed this rebranding and is committed to the future growth of OLP with the new image.

On behalf of the Board of Directors, I would like to extend my heartfelt gratitude to all our stakeholders and employees for their contribution in steering the Company during these challenging times and creating value through their outstanding level of commitment and dedication. I would also like to thank the Regulators for their continued direction and support during the year.



Khalid Aziz Mirza
Chairman Board of Directors