NOTICE

PSX/N-1171 Dated: September 23, 2026

LISTING OF RATED, UNSECURED, SUBORDINATED, PRIVATELY PLACED TERM FINANCE CERTIFICATES OF PKR 20,000 MILLION OF BANK ALFALAH LIMITED

Pakistan Stock Exchange Limited is pleased to notify the listing of Rated, Unsecured, Subordinated, Privately Placed Term Finance Certificates ("TFCs") of PKR 20,000 Million of Bank Alfalah Limited (the "Bank") on the Exchange w.e.f. **Friday, September 25, 2026,** pursuant to Chapter 5C of PSX Rule Book, i.e. "Privately Placed Debt Securities' Listing Regulations". Trading in the TFCs will commence from **Monday, September 28, 2026,** through PSX provided trading platform and will be settled through National Clearing Settlement System (NCSS) on T+1 basis.

The TFCs have a tenor of up to 10 years from the Issue date and offer a floating coupon rate of 6 months KIBOR plus 100 bps. Pak Oman Investment Company Limited is acting as the Investment Agent. Only **Qualified Institutional Buyers (QIBs)**, as defined in Chapter 5C of the PSX Rule Book, are allowed to trade in the TFCs of the Bank. The Market Lot will be one certificate of face value of PKR 100,000/- each. The Registrar/Transfer Agent for the TFCs of the Bank is F.D. Registrar Services (Pvt) Ltd. whose contact details are given below:

- Address: Suit 1705 – A. 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi.
- Tel No: (021) 32271905
- URL: www.fdregistrar.com

The National Clearing Company of Pakistan Limited has assigned the Security Symbol **"BAFLTFC9"** to the TFCs of the Bank.

The Term Sheet of the Issue is attached for the information of all concerned.

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Syed Ahmad Abbas
Head of Business Development & Listing

<u>Copy to:</u>
HOD, PMADD, SMD - SECP
Head of Operations – Central Depository Company of Pakistan Limited
Head of Operations – National Clearing Company of Pakistan Limited
President & CEO – Bank Alfalah Limited
PSX Website

TERMS AND CONDITIONS FOR

Privately Placed/DSLR Listed, Rated, Unsecured and Subordinated Debt Instrument in the nature of Tier 2 Capital Term Finance Certificates of PKR 20,000 Million by Bank Alfalah Limited (Inclusive of Greenshoe option of PKR 10,000 Million)

Issuer	Bank Alfalah Limited (the "Bank").
Instrument	Unsecured, fully paid-up, Privately Placed/ DSLR Listed, Rated and Subordinated Term Finance Certificates ("TFCs" or the "Instrument") issued as instrument of redeemable capital under Section 66(1) of the Companies Act, 2017 and as outlined by State Bank of Pakistan ("SBP") under BPRD Circular No. 6 dated August 15, 2013 (hereinafter referred to as the "Circular").
Issue Amount	Up to PKR 20,000 Million, inclusive of a Green Shoe option of PKR 10,000 million, raised by way of private placement (subject to the approval of the State Bank of Pakistan).
Purpose	The Issue Amount is intended to contribute towards BAFL's Tier 2 Capital (i.e. for the Bank's Capital Adequacy Ratio (CAR) requirements and not for the Bank's Minimum Paid-up Capital (net of losses) (MCR) requirements) as per guidelines set by SBP. The funds so raised will be utilized in BAFL's normal business operations as permitted by its Memorandum & Articles of Association.
Issue Date	8th July 2026
Tenor	10 Years
Coupon Type and Frequency	Profit will be payable semi-annually in arrears on the outstanding Issue Amount and will be calculated on the basis of actual number of days elapsed in a year of 365 or 366 days. The first such profit payment will fall due six months from the Issue Date and subsequently every six months thereafter;
Interim Profit Payment	Subject to applicable laws, if any investor disburses its respective contribution amounts in respect of the issuance of the TFCs prior to the Issue Date, the Issuer shall pay such investor(s) an interim profit payment on such amounts disbursed by the investor(s) prior to the Issue Date in accordance with the terms of the transaction documents. The interim profit payment shall be payable within 15 Business Days from the Issue Date.
Profit Rate	Floating rate of Base Rate plus spread of 100 bps per annum. Base Rate is defined as the six months KIBOR (ask side) prevailing on the relevant Base Rate setting date. The Base Rate will be set for the first profit payment on the Issue Date and for each subsequent semi-annual profit

	payment period on the day immediately preceding the start of each semi-annual profit payment period
Principal Repayment	The instrument is structured to redeem 100% of the Issue Amount at the Maturity Date
Call Option	BAFL may call the TFCs (either partially or in full), with prior approval of SBP, on or after five years from the date of issue, with a prior notice being given to the investors. The Call Option once announced will be Irrevocable.
Lock-in Clause	As per the Lock-in requirement for Tier 2 Issues, neither profit nor principal will be payable (even at maturity) in respect of the TFC, if such payment will result in a shortfall in the Bank's Minimum Capital Requirement (MCR), Capital Adequacy Ratio (CAR) or Leverage Ratio (LR), or result in an increase in any existing shortfall in MCR, CAR or LR;
Security	The instrument will be unsecured and subordinated as to payment of principal and profit to all other indebtedness of the Bank, including deposits, and will not be redeemable before maturity without prior approval of SBP. However, the Tier 2 Issue will rank pari passu with any other Tier 2 capital issues of the Bank (if any) and superior to outstanding Additional Tier 1 issues.
Put Option	The TFC holders shall have no put option.
Issuance Mechanism	The instrument will be issued in book entry form through CDS of Central Depository Company of Pakistan Limited ("CDC").
Loss Absorbency Clause	The instrument will be subject to loss absorption and/or any other requirements under Clause SBP's Basel III Capital Rules. Upon the occurrence of a Point of Non-Viability event as defined by SBP's Basel III Capital Rules, SBP may at its option, fully and permanently convert the Instrument Into common shares of the Bank and/or have them Immediately written off (either partially or in full). The amount of TFCs to be converted into common shares upon the occurrence of a Point of Non-Viability event shall be determined by SBP. Number of shares to be Issued to the TFC holders at the time of conversion will be equal to the 'Outstanding Fair Value of the TFCs' divided by Market value per share of the Bank's common share on the date of trigger event as declared by SBP, subject to a cap of 400,000,000. Approval of relevant regulatory authorities for conversion into common shares will be obtained in due course. [It is hereby clarified that in the event the aggregate size of the TFC Issue is closed at / reduced to an amount below PKR 20,000,000,000/- (Pak Rupees Twenty Billion), the number of shares issuable upon the occurrence of any and all conversion events shall be proportionately reduced and capped at a figure lower than the number previously determined. Such reduced number shall be

	calculated in accordance with the same methodology and calculation metrics applied in determining the originally stipulated number of shares. Accordingly, the final maximum number of shares so determined shall be fixed, hard coded and expressly incorporated in the transaction documents relating to the TFC Issue at the time of execution thereof but shall in any case not exceed the maximum thresholds set out above]
Face Value	The Face Value of each TFC will be PKR 100,000/- (Pakistani Rupees One Hundred Thousand Only).
Issue Price	At par.
Issuer Rating	Long Term Rating: AAA (triple A) Short Term Rating: A1+ (A one plus) Issuer Rating by The Pakistan Credit Rating Agency Limited (PACRA)
TFC Rating	Long Term Rating: AAA (Triple A) Instrument Rating by PACRA.
Eligible Investors	To eligible institutional and other investors pursuant to the provisions of Section 66 of the Companies Act, 2017.
Fit and Proper Criteria	Investors entitled to 5% or more ordinary shares of the Issuer upon conversion of the TFCs shall require “fit and proper” clearance from the SBP
Minimum Investment	PKR 100,000/- (Pakistani Rupees One Hundred Thousand Only)
Listing	Will be subsequently listed under the Privately Placed Debt Securities Listing Regulations attached as Chapter 5-C of the PSX Rule Book.
Classification on the Balance Sheet	TFCs shall be classified as "Liabilities" in the Balance Sheet.
Issue Agent to the Issue	Pak Oman Investment Company Limited
Transaction’s Legal Counsel	Mohsin Tayebaly & Co (MTC).
Zakat/ Deduction of Tax at Source	As per applicable laws/ regulations
Transferability	Transfer shall be made in accordance with the Central Depositary Act, 1997 and CDC Regulations.

Applicable Laws	Banking Companies Ordinance, 1962; SBP Circular No. 6 of 2013 dated August 15, 2013 and other SBP Prudential Regulations issued from time to time; Companies Act, 2017, Securities Act, 2015 and relevant rules and regulations issued thereunder by the Securities and Exchange Commission of Pakistan; and rules of the Stock Exchanges.
Governing Law	Laws of the Islamic Republic of Pakistan.
Issuer's Registered Office	B.A Building I.I Chundrigar Road, Karachi, Pakistan.
Registrar to the Issue	F.D. Registrar Services (Pvt) Ltd.

Annexure A: Details of TFC Investors

S.No	Security Holder Name	Participation Amount (PKR)	Number of Units Allotted
1	Allied Bank Limited	3,000,000,000	30,000
2	Pak China Investment Company Limited	3,000,000,000	30,000
3	Bank Al Habib Limited	3,000,000,000	30,000
4	Pakistan Kuwait Investment Company (Private) Limited	2,850,000,000	28,500
5	Askari Bank Limited	1,500,000,000	15,000
6	National Bank Of Pakistan	1,500,000,000	15,000
7	CDC Trustee HBL Financial Sector Income Fund Plan 1	720,000,000	7,200
8	NBP Financial Sector Income Fund	600,000,000	6,000
9	MCB Bank Limited	500,000,000	5,000
10	CDC Trustee Al Habib Income Fund	500,000,000	5,000
11	Jubilee Life Insurance Company Limited	500,000,000	5,000
12	UBL Growth And Income Fund	300,000,000	3,000
13	National Management Foundation	300,000,000	3,000
14	Pak Oman Investment Company Limited	250,000,000	2,500
15	UBL Income Opportunity Fund	250,000,000	2,500
16	UBL Retirement Saving Fund Debt Sub Fund	200,000,000	2,000
17	Century Insurance Company Limited	160,000,000	1,600
18	NBP Income Opportunity Fund	100,000,000	1,000

19	CDC Trustee Lakson Tactical Fund	100,000,000	1,000
20	CDC Trustee Lakson Asset Allocation Developed Market Fund	100,000,000	1,000
21	IGI Life Insurance Limited	75,000,000	750
22	CDC Trustee Atlas Income Fund	50,000,000	500
23	CDC Trustee Apf Debt Sub Fund	50,000,000	500
24	Pakistan Human Development Fund	48,000,000	480
25	Nestle Pakistan Limited Employees Pension Fund	43,000,000	430
26	IGI General Insurance Limited	36,000,000	360
27	Eastern Garments (Private) Limited - Employees Provident Fund	30,000,000	300
28	Pakistan Petroleum Executive Staff Pension Fund	28,000,000	280
29	Pakistan Petroleum Senior Provident Fund	28,000,000	280
30	NAFA Pension Fund Debt Sub Fund	25,000,000	250
31	Packages Limited Management Staff Pension Funds	25,000,000	250
32	Pakistan Petroleum Non Executive Staff Pension Fund	23,000,000	230
33	Nestle Pakistan Limited Employees Gratuity Fund	20,000,000	200
34	Pakistan Petroleum Junior Provident Fund	12,000,000	120
35	Novartis Pharma Pakistan Limited Senior Provident Fund	9,000,000	90
36	Crescent Steel And Allied Products Limited - Pension Fund	8,000,000	80
37	AKZO Nobel Pakistan Limited Management Staff Provident Fund	7,000,000	70
38	AKZO Nobel Pakistan Limited Management Staff Gratuity Fund	7,000,000	70

39	Pakistan Petroleum Non Executive Staff Gratuity Fund	7,000,000	70
40	Pakistan Petroleum Executive Staff Pension Fund- Dc Conventional	7,000,000	70
41	Askari Life Assurance Company Limited - Conventional	5,000,000	50
42	Service Sales Corporation Gratuity Fund	5,000,000	50
43	Pakistan Petroleum Executive Staff Gratuity Fund	5,000,000	50
44	UBL Fund Managers Employee Gratuity Fund Trust	4,000,000	40
45	AKZO Nobel Pakistan Limited Management Staff Pension Fund	4,000,000	40
46	AKZO Nobel Pakistan Limited Management Staff Defined Contribution Superannuation Fund	4,000,000	40
47	I2C Pakistan Pvt Ltd Employees Provident Fund Trust	3,000,000	30
48	Crescent Steel And Allied Products Limited - Staff Provident Fund	2,000,000	20
Grand Total[1]		**20,000,000,000**	**200,000**

[1] On July 10, 2026, City School Group Employees Provident Fund transferred its units to Nestlé Pakistan Limited Employees Pension Fund through a novation agreement, resulting in a decrease in the number of investors from 49 to 48.