

Bank Alfalah Limited

Corporate Briefing Session 2024
and Half-Year Review 2025

Performance Review & Outlook

08 August 2025

CORPORATE BRANCH
I.I. CHUNDRIGAR ROAD KARACHI



Major Sponsor

Abu Dhabi Group - 56%
(sponsors of the Bank based
in Abu Dhabi, UAE)



Our Presence

Over **240 cities**
across Pakistan, and **4 countries**
Afghanistan, Bahrain,
Bangladesh and UAE.



PSX indicators

As of 06-Aug-25:

- **Share price:** Rs. 90
- **Market Capitalization:** Rs. 142 Bn



Credit Rating

AAA (Long Term)
and
A1+ (Short Term)



Capital Adequacy Ratio

- CAR stands at
- **17.67%** as at 30 June 2025
 - **17.96%** as at 31 Dec 2024



Staff Strength

Staff strength:

- **17,000+** (30 June 2025)
- **16,000+** (31 Dec 2024)



Advances



PKR 1.1 Tn

34.5% ↑ YOY
7.5% Market share

Dec-24: PKR 1.2 Tn

Deposits



PKR 2.3 Tn

8.9% ↑ YOY
6.1% Market share (Avg)

Dec-24: PKR 2.1 Tn

Current Deposits



PKR 950 Bn

9.0% ↑ YOY
6.5% Market share (Avg)

Dec-24: PKR 817 Bn

SME Lending



PKR 55 Bn

9.0% ↑ YOY
8.2% Market share

Dec-24: PKR 52 Bn

Consumer Lending – PKR 118 Bn

Dec-24: PKR 107 Bn



Credit Card

PKR 39 Bn

PKR 9.9 Bn ↑ YOY
30% Market share (ENR)

Dec-24: PKR 32 Bn



Auto Loan *

PKR 39 Bn

PKR 11.3 Bn ↑ YOY
19% Market share (ENR)

Dec-24: PKR 28 Bn



Personal Loan

PKR 12 Bn

PKR 2.6 Bn ↑ YOY
15% Market share (ENR)

Dec-24: PKR 11 Bn



Home Loan

PKR 28 Bn

PKR 6.4 Bn ↑ YOY
21% Market share (ENR)

Dec-24: PKR 23 Bn

Remittance



\$ 2,840 Mn

1.1% ↑ YOY
13.9% Market share

Dec-24: \$ 5,420 Mn

Trade Volume

Total

\$ 4,203 Mn

17% ↑ YoY

9.5% Market share



Import

\$ 3,357 Mn

(Dec-24: \$ 5,405 Mn)

11.2% Market share



Export

\$ 846 Mn

(Dec24: \$ 1,658 Mn)

5.6% Market share



112 K Touchpoints (Dec-24: 105K)

25% YOY



1,184

Branches

including: 448 Islamic
and 1 Digital Lifestyle Branch

13% YOY

6% Market share



1,363

ATMs

13% YOY

6% Market share



578

CDMs

45% YOY

62% Market share



28,654

POS

2% YOY

16% Market share



4,712

IPG
Merchants

17% YOY

50% Market share



39,338

BB Agents

31% YOY

5% Market share



35,965

QR

42% YOY

Customer Penetration



Customers Served

Including G2P beneficiaries

9.3 Mn

36% YOY
Dec-24: 8.7 Mn



Debit Card

5% Market Share

2.7 Mn

18% YOY



Credit Card

20% Market Share

440 K

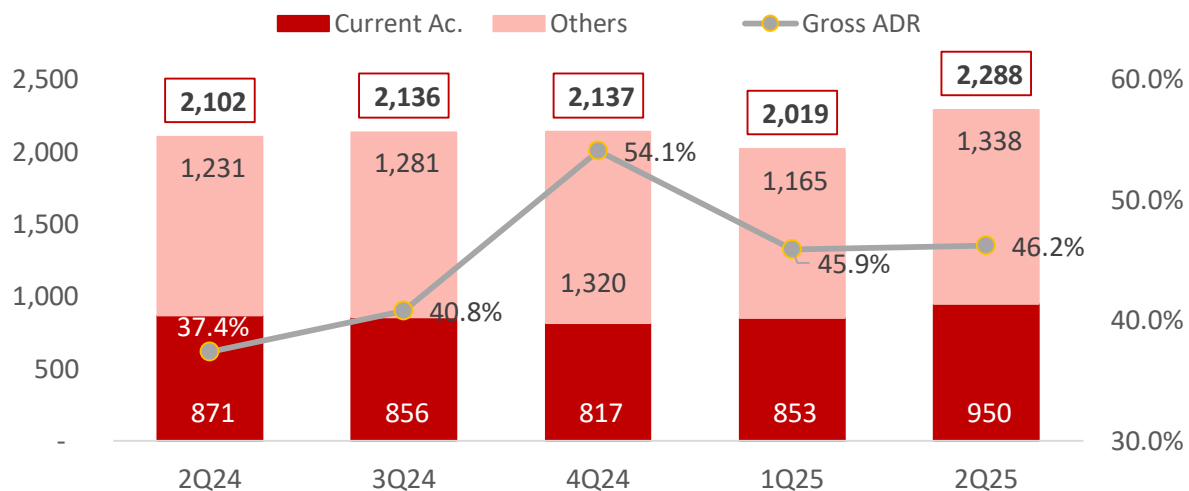
12% YOY

Financial Position

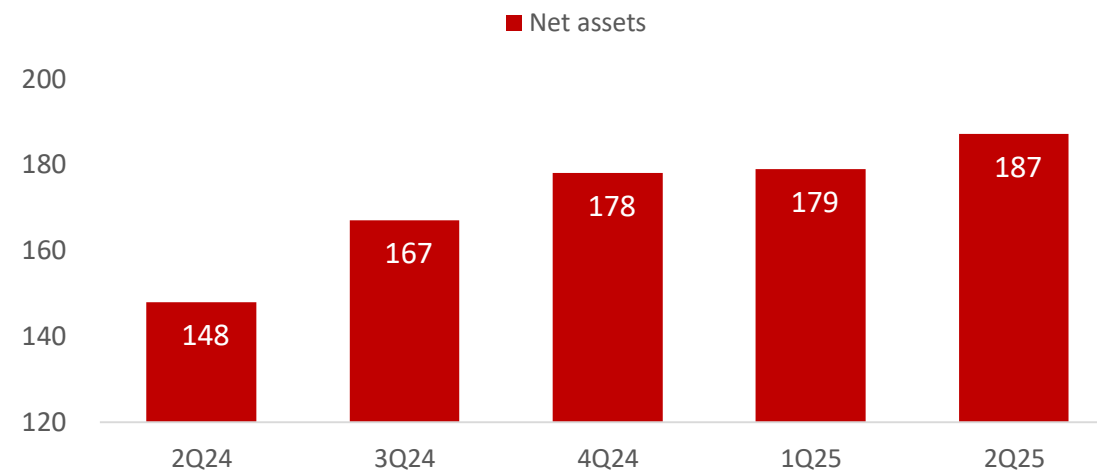
Strategic positioning amidst changing market dynamics



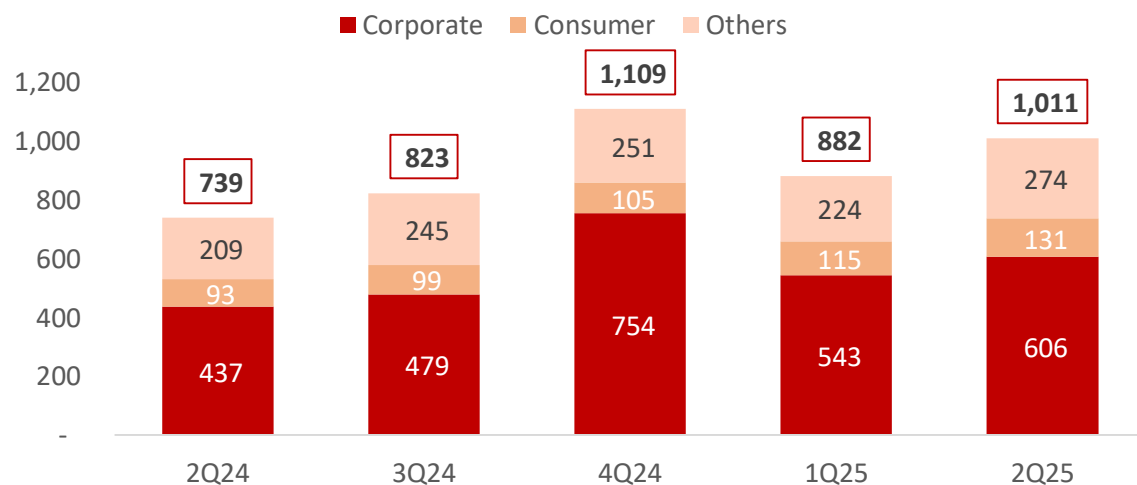
Deposits (PKR bn)



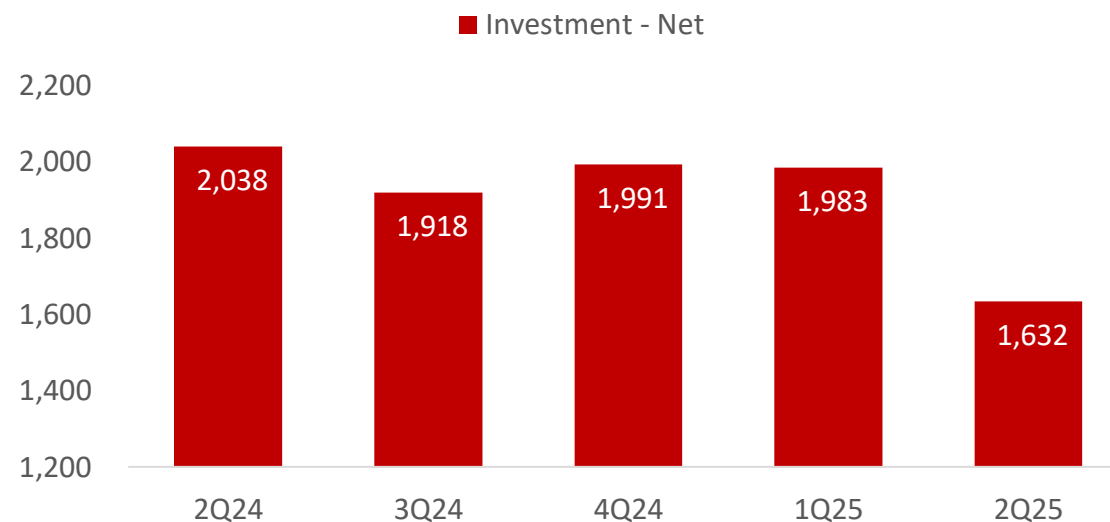
Net Assets (PKR bn)



Net Advances (PKR bn)



Investments (PKR bn)



Financial Results – 2024 Recap

Financial Results – 2024

Balance Sheet Snapshot



Amount PKR mn	Dec-23	Dec-24	YoY
Cash	202,692	227,824	12%
Bal with banks	16,618	18,470	11%
Lending to FI	119,554	100,998	-16%
Advances (net)	735,052	1,109,376	51%
Investments (net)	2,067,263	1,991,232	-4%
Fixed & Others	204,738	262,306	28%
Total Assets	3,345,917	3,710,206	11%
Deposits	2,084,997	2,136,913	2%
Sub Loans/ADT1	14,000	14,000	0%
Borrowings	909,543	1,141,886	26%
Other Liabilities	199,454	239,295	20%
Total Liabilities	3,207,994	3,532,094	10%
Paid up Capital	15,772	15,772	0%
Reserves	110,883	128,561	16%
Reval Surplus	11,268	33,779	200%
Total Equity	137,923	178,112	29%
Book Value per Share	87.45	112.93	29%

- Deposits growth was restricted to 2% YoY, while Net advances increased by 51% YoY as Bank focused to meet ADR targets.
- The ADR based taxation was removed at the end of Dec-24, while Banks' tax rate was increased by additional 5% for 2024, reducing to 4% for 2025, and 3% for 2026 and onwards.
- The impacts were also visible on Investments, which fell by 4% YoY. Fixed rate instruments were increased to lock-in higher rates; however, larger composition remained skewed towards floater PIBs.
- Borrowings increased by 26% YoY to build positions in declining rate environment.
- Reserves include impact of 2023 final dividend of Rs. 7.9 Bn, and impact of interim dividends of Rs. 9.4 Bn as well as IFRS9 opening ECL adjustment.
- Book value per share improved to Rs. 112.93/sh.

Financial Results – 2024

Profit & Loss Snapshot



Amount PKR mn	2023	2024	YoY
Interest Income	411,948	506,898	23%
Interest Expenses	285,877	380,172	33%
Net Int Income	126,070	126,726	1%
Non Int Income	28,758	44,506	55%
Total Income	154,828	171,232	11%
Admin expenses	65,197	84,369	29%
Other charges	1,994	1,918	-4%
Non int expense	67,191	86,288	28%
Profit before prov	87,637	84,944	-3%
Provisions	9,462	1,849	-80%
Profit before tax	78,175	83,095	6%
Taxation	41,719	44,777	7%
Profit after tax	36,456	38,318	5%
Diluted EPS (Rupees) *	23.12	24.3	5%
DPS (Rupees)	8	8.5	6%

- NII remained largely flat in 2024 driven by limited volume growth due to ADR tax, reduction in spreads caused by reversal in interest rate cycle and advances pricing distortion in Q4'24. IFRS 9 related income adjustment against staff loans (Rs. 2.7 Bn) included in Q4'24.
- Non-interest income grew by 55% YoY, where key highlights were:
 - Fee and Commission Income posted 11% YoY growth, led by Remittances, Cards, and Trade.
 - Capital Gains to the tune of Rs. 13.9 Bn mostly on government securities due to position taken by Treasury.
- Increase in Admin expenses is in line with inflationary pressures, ongoing branch network expansion and IFRS 9 related adjustment (Rs. 2.7 Bn).
- Provisions dropped by 80% YoY due to recoveries & reversals.
- The bottom-line increased by 5% YoY.

* EPS is calculated using current number of the shares

Financial Results – 2024

Key Ratios *



	2023	1Q 24	2Q 24	3Q 24	4Q 24	2024
Yield on Advances	15.8%	18.3%	17.7%	17.3%	14.5%	16.7%
Yield on Investments	18.8%	19.7%	19.5%	18.7%	15.3%	18.3%
Cost of Deposits	10.3%	12.2%	12.0%	11.3%	9.3%	11.2%
Cost of Funds	12.3%	14.4%	14.0%	13.1%	11.1%	13.1%
NIM	5.4%	4.6%	4.6%	4.7%	3.9%	4.4%
Spreads	5.3%	4.7%	4.8%	4.9%	4.0%	4.6%
ROA	1.4%	1.3%	1.4%	1.6%	0.5%	1.2%
ROE exc. Surplus	32.5%	31.5%	33.3%	37.8%	13.0%	28.6%
Admin Cost : income	41.8%	48.8%	47.0%	43.8%	58.5%	49.3%
Gross ADR	37.3%	35.3%	37.4%	40.8%	54.1%	54.1%
CASA	69.3%	68.6%	68.9%	72.4%	77.1%	77.1%
CA	37.9%	38.3%	41.4%	40.1%	38.2%	38.2%
Net Loans (YoY)	0.4%	-3.3%	-2.6%	23.6%	50.9%	50.9%
Deposits (YoY)	40.2%	31.5%	18.3%	17.3%	2.5%	2.5%
NPL ratio	4.8%	5.2%	5.1%	4.8%	3.7%	3.7%
Coverage	112.2%	124.6%	118.5%	114.3%	110.7%	110.7%
CAR	16.7%	17.0%	17.1%	19.0%	18.0%	18.0%
Dividend (% of PAR)	80%	20%	20%	20%	25%	85%

- NIMs have contracted YoY on account of downward interest rate movement. Higher borrowings and distorted advances pricing further compressed the margins.
- ROE also contracted to 28.6%, reflecting the impacts of reversal in interest rate cycle.
- Cost to income ratio was impacted due to shrinking spreads; however, it remains below 50%.
- ADR increased to reflect the Banks' strategy to achieve the 50% benchmark ADR Target.
- CASA ratio increased as the bank looks to improve the deposit mix.
- NPL ratio dropped to 3.7%, while coverage remained healthy at 110.7%.
- CAR at 17.96% which is well above the regulatory requirement.

* IFRS 9 impact has been evened out during the year 2024.

Financial Results – 1H 2025

Financial Results – 1H 2025

Balance Sheet Snapshot



Amount PKR mn	Jun-24*	Dec-24	Mar-25	Jun-25	YoY	QoQ
Cash	235,367	227,824	219,762	215,406	-8%	-2%
Bal with banks	16,270	18,470	14,305	17,479	7%	22%
Lending to FI	57,924	100,998	100,040	153,895	166%	54%
Advances (net)	738,290	1,109,376	881,779	1,010,496	37%	15%
Investments (net)	2,037,735	1,991,232	1,983,385	1,632,474	-20%	-18%
Fixed & Others	251,342	262,306	277,873	264,583	5%	-5%
Total Assets	3,336,929	3,710,206	3,477,144	3,294,333	-1%	-5%
Deposits	2,101,808	2,136,913	2,018,645	2,288,228	9%	13%
Sub Loans/ADT1	14,000	14,000	14,000	14,000	0%	0%
Borrowings	833,431	1,141,886	1,043,668	555,834	-33%	-47%
Other Liabilities	239,026	239,295	221,827	249,205	4%	12%
Total Liabilities	3,188,265	3,532,094	3,298,139	3,107,267	-3%	-6%
Paid up Capital	15,772	15,772	15,772	15,772	0%	0%
Reserves	116,611	128,561	131,634	136,334	17%	4%
Reval Surplus	16,281	33,779	31,599	34,960	115%	11%
Total Equity	148,663	178,112	179,005	187,066	26%	5%
Book Value per Share	94.26	112.93	113.50	118.61	26%	5%

- Deposits growth clocked in at 9%. Focus remained on stable low-cost deposits, and on maintaining CA mix; average current deposits saw a 19% YoY growth.
- Net advances increased by 37% YoY, with focus on low-risk corporate advances, consumer loans and SME & agri.
- Investments decreased by 20% YoY due to realization of gains as a result of favorable interest rate movement. Consequently, there was a 33% YoY decline in Borrowings.
- Reserves increased by 17% YoY. This includes impact of profit earned over last twelve months and dividends paid during the same period.
- Revaluation Surplus increased by 115% YoY, reflecting favorable book position amid declining interest rates.
- Book value per share improved to Rs. 118.61/sh.

* Restated Jun 24 numbers for IFRS-9.

Financial Results – 1H 2025

Profit & Loss Snapshot



Amount PKR mn	2Q 2024*	1Q 2025	2Q 2025	1H 2024*	1H 2025	YoY	QoQ	SPLY
Interest Income	128,443	95,094	93,295	258,387	188,388	-27%	-2%	-27%
Interest Expenses	97,171	61,881	58,922	195,831	120,803	-38%	-5%	-39%
Net Int Income	31,272	33,212	34,373	62,556	67,585	8%	3%	10%
Non Int Income	12,294	9,082	14,970	20,307	24,052	18%	65%	22%
Total Income	43,566	42,294	49,343	82,863	91,637	11%	17%	13%
Admin expenses	20,452	26,974	29,005	39,629	55,978	41%	8%	42%
Other charges	495	404	427	1,129	831	-26%	6%	-14%
Profit before prov	22,619	14,916	19,911	42,105	34,827	-17%	33%	-12%
Provisions	1,514	-468	1,365	1,307	897	-31%	n.m.	-10%
Profit before tax	21,105	15,384	18,547	40,798	33,931	-17%	21%	-12%
Taxation	10,410	8,344	10,312	20,200	18,656	-8%	24%	-1%
Profit after tax	10,695	7,040	8,234	20,598	15,275	-26%	17%	-23%
EPS (Rupees)**	6.78	4.46	5.22	13.06	9.68	-26%	17%	-23%
DPS (Rupees)	2.0	2.50	2.5	2.0	2.5	25%	0%	25%

- NII increased by 10% YoY as impact of lower interest rates was alleviated by building fixed-rate PIB book and growth in current accounts.
- Non-interest income grew by 22% YoY, driven by capital gains booked on sale of Government securities. Fee Income came under pressure due to market dynamics of certain products, namely, remittances and acquiring business.
- Increase in Admin expenses is a function of branch expansion (130+ branches vs SPLY), staff compensation and remittances related marketing.
- Provisions charge dropped by 10% despite subjective provisioning.
- The PAT decreased by 23% YoY due to decline in interest rates.

* Restated 2Q24 numbers for IFRS-9.

** EPS is calculated using current number of the shares

*** n.m. denotes not meaningful

Financial Results – 1H 2025

Key Ratios*



	1Q 24	2Q 24	3Q 24	4Q 24	1Q 25	2Q 25
Yield on Advances	18.3%	17.7%	17.3%	14.5%	12.1%	12.2%
Yield on Investments	19.7%	19.5%	18.7%	15.3%	13.4%	12.4%
Cost of Deposits	12.2%	12.0%	11.3%	9.3%	6.2%	5.7%
Cost of Funds	14.4%	14.0%	13.1%	11.1%	8.3%	7.6%
NIM	4.6%	4.6%	4.7%	3.9%	4.5%	4.5%
Spreads	4.7%	4.8%	4.9%	4.0%	4.7%	4.7%
ROA	1.3%	1.4%	1.6%	0.5%	0.8%	1.0%
ROE exc. Surplus	31.5%	33.3%	37.8%	13.0%	19.6%	22.1%
Admin Cost : income	48.8%	47.0%	43.8%	58.5%	63.8%	58.8%
Gross ADR	35.3%	37.4%	40.8%	54.1%	45.9%	46.2%
CASA	68.6%	68.9%	72.4%	77.1%	76.6%	75.5%
CA	38.3%	41.4%	40.1%	38.2%	42.3%	41.5%
Net Loans (YoY)	-3.3%	-2.6%	23.6%	50.9%	30.6%	33.0%
Deposits (YoY)	31.5%	18.3%	17.3%	2.5%	-1.2%	8.9%
NPL ratio	5.2%	5.1%	4.8%	3.7%	4.4%	4.1%
Coverage	124.6%	118.5%	114.3%	110.7%	113.0%	107.6%
CAR	17.0%	17.1%	19.0%	17.9%	17.6%	17.7%
Dividend (% of PAR)	20%	20%	20%	25%	25%	25%

- NIMs remained largely stable despite sharp decline in interest rates, supported by timely book build-up of fixed rates investments, and growth in current accounts.
- ROE dropped to more normalized levels of 22.1% vs 33.3% in SPLY, reflecting reversal in interest rates.
- Cost to income ratio surged to 58.8%, mainly due to branch expansions, incremental inflation, and remittances related marketing expense.
- ADR @ 46.2% as lending remains a priority.
- CA mix remained healthy at 41.5%.
- NPL ratio was 4.1%, while coverage remained healthy at 107.6%.
- CAR at 17.7% which is well above the regulatory requirement.

* IFRS 9 impact has been evened out during the year 2024.

Other Initiatives



Alfa App

Over **1.1 M** users
(30 day active)

Over **70%** of Digital volume comes from
Alfa and Internet Banking

Dec-24: 1.0 M users



Digital Payment

[includes Alfa Mall, QR, Online Acquiring, VDC & School fee]

PKR 48.7 Bn (Dec-24: PKR 70 Bn)

64%  from SPLY

Digital Lending

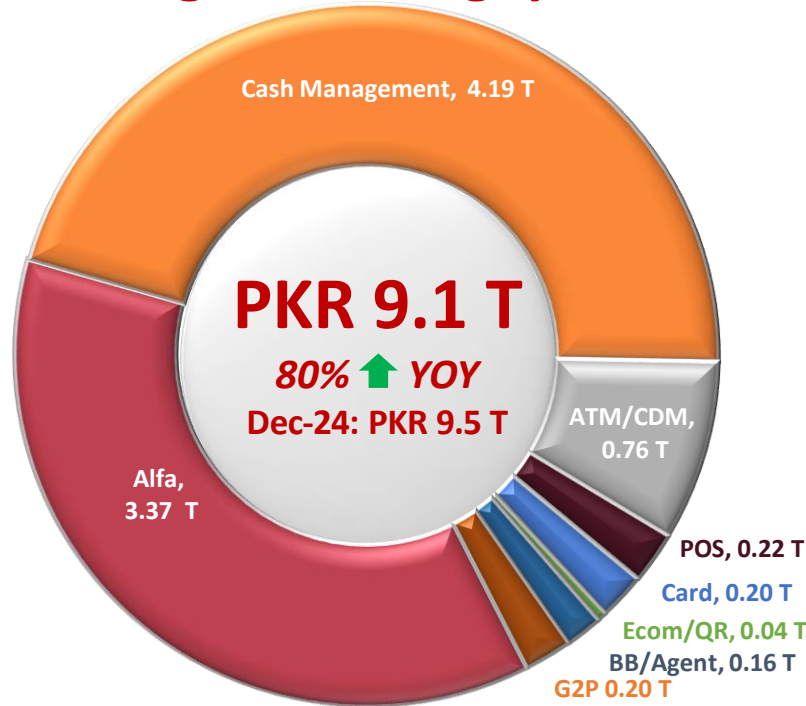
Disbursement: **PKR 30.2 Bn**

(Dec-24: PKR 39 Bn)

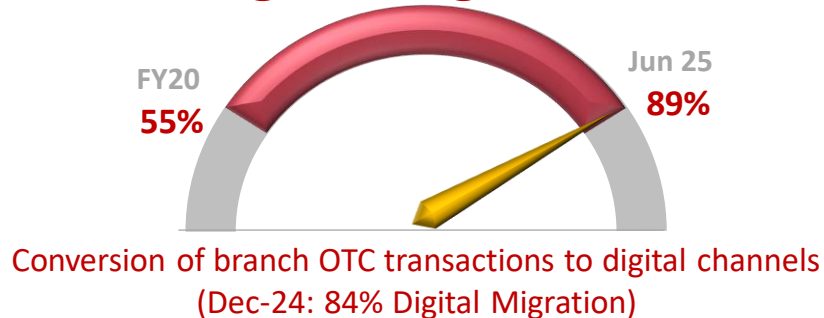
105%  from SPLY

[includes Consumer & SME disbursements via digital channels]


Digital Throughput

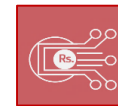


Digital Migration



Digital Lifestyle Branch

Digital Transaction Ratio of **96%**
Branch throughput of **PKR 4.1 Bn**
(Dec-24: PKR 3.9 Bn) **28%**  YoY




Sales & Service Centers

PKR 8.1 Bn (Dec-24: PKR 4 Bn)

Target Locations: Cash-rich markets where digital adoption needs improvement.
Currently 09 centers are live.

G2P & Corp Solutions

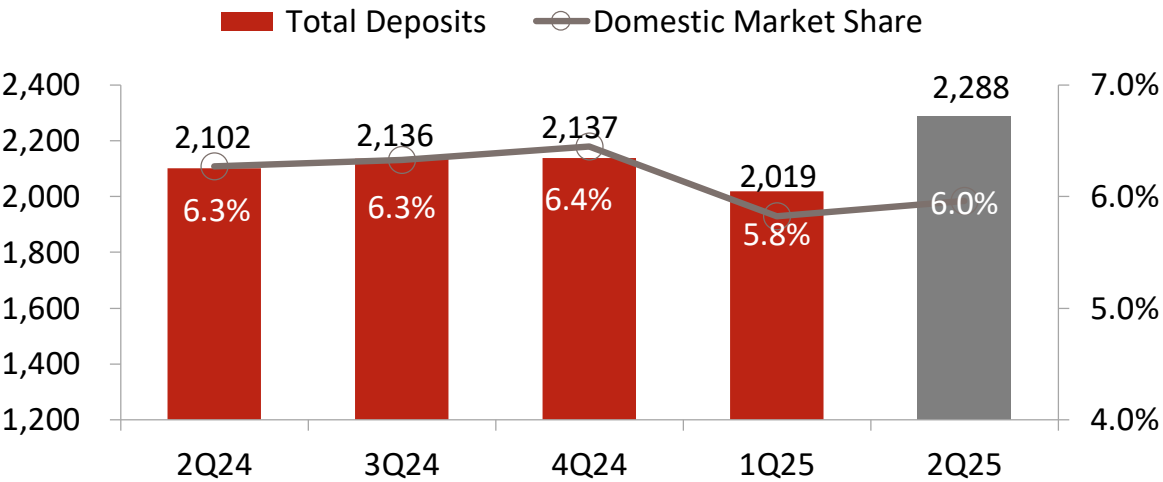
- Blue Collar Payroll,
- Agent Network (Alfa Pay) and
- G2P Payments (BISP, SPHF, EOBI Pension, SSPA, Punjab CM Nigehban etc.)

G2P & Corporate solutions throughput: **PKR 215 Bn**
(Dec-24: PKR 296 Bn) **62%**  from SPLY

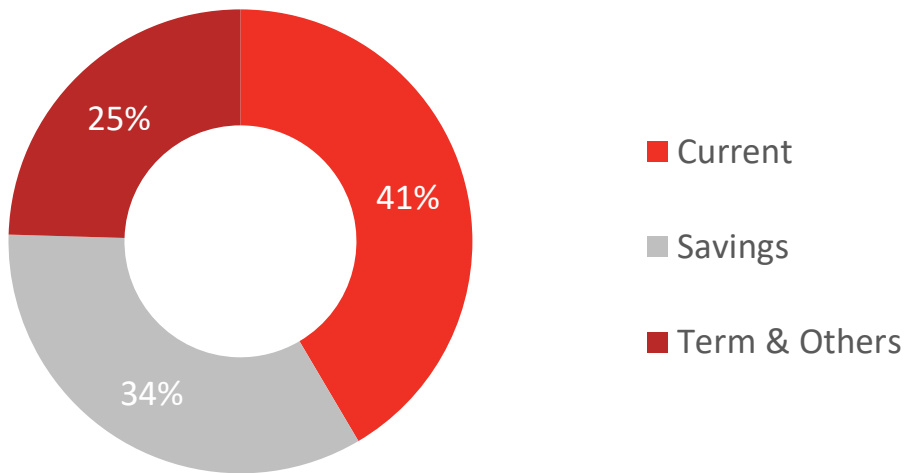
Trends Analysis



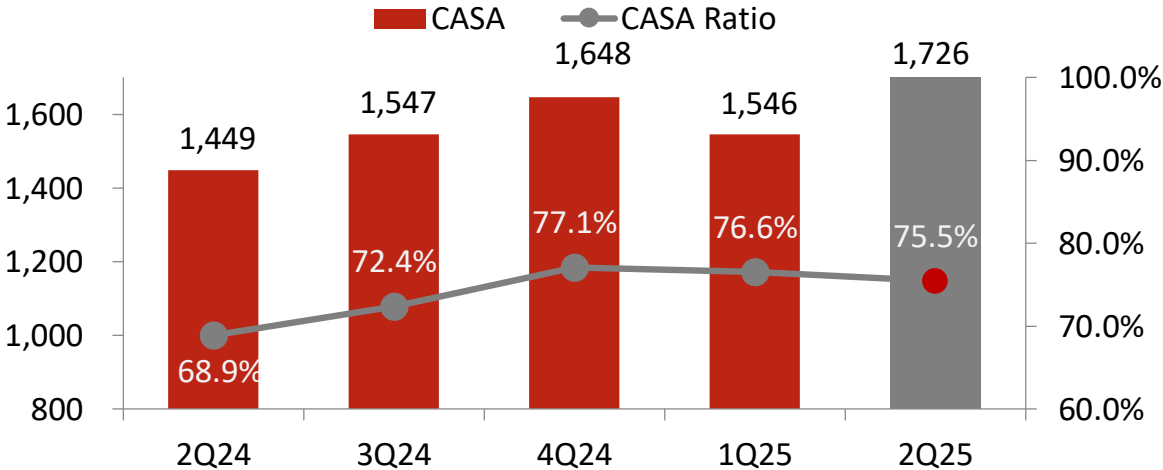
Deposits (PKR bn) – Domestic Market Share at 6.0%



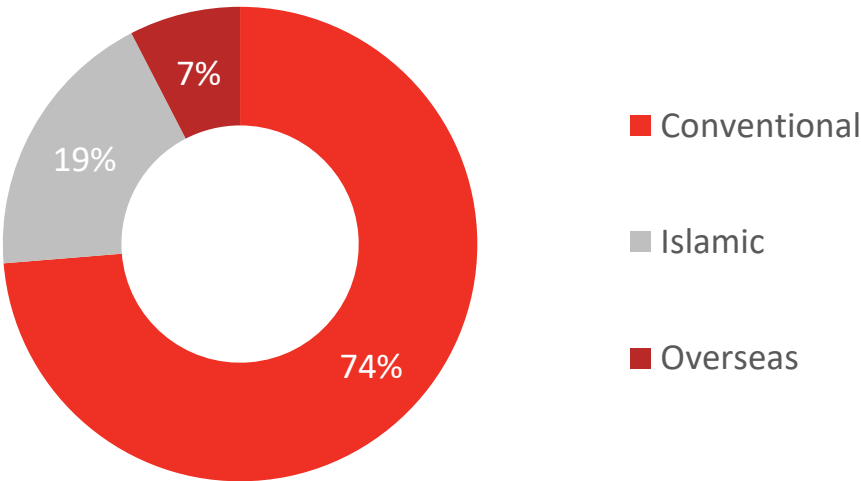
Deposit Mix



CASA Deposits (PKR bn) – CASA Ratio at 75.5%



Deposits Composition

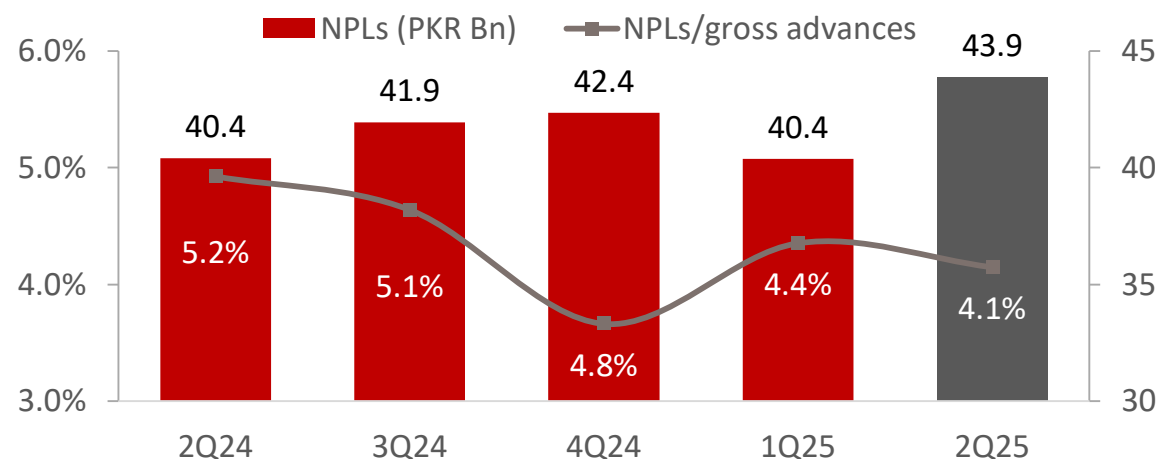


Trends Analysis

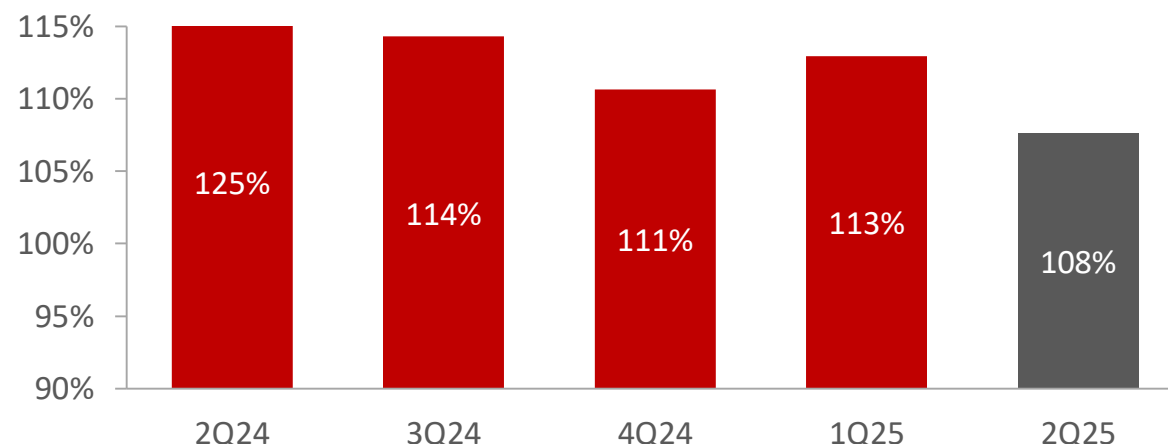
Quarterly Advances & Asset quality trends



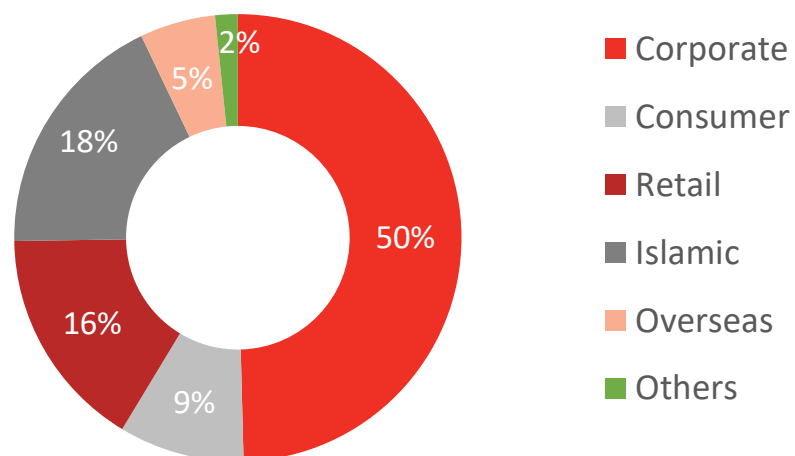
Infection Ratio at 4.1%



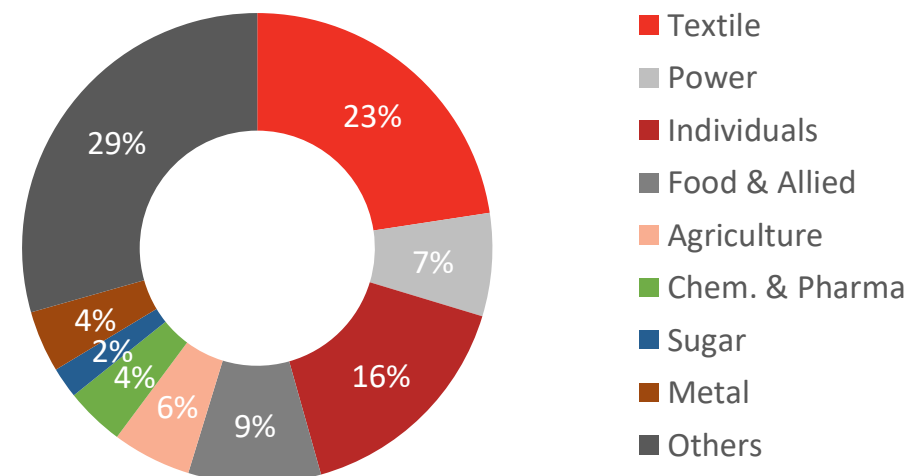
Coverage comfortable at 108%



Performing Advances composition



Advances concentration (Dec 2024)



Islamic book comprises of 52% corporate, 14% Commodity, 19% consumer loans & 14% others

Trends Analysis

Balance Sheet



Amounts in PKR mn	2019	2020	2021	2022	2023	2024	5yr CAGR
Cash & Bal. With Treasury Bank	100,732	99,348	105,606	140,613	202,692	227,824	17.7%
Balances With Other Banks	4,710	6,234	9,783	9,485	16,618	18,470	31.4%
Lending to FIs	71,435	77,306	35,982	115,354	119,554	100,998	7.2%
Advances (Net)	511,236	577,316	673,881	732,375	735,052	1,109,376	16.8%
Investments (Net)	299,098	547,090	809,214	1,114,407	2,067,263	1,991,232	46.1%
Fixed & Other Assets	78,100	77,580	99,856	140,963	204,738	262,306	27.4%
Total Assets	1,065,311	1,384,874	1,734,321	2,253,197	3,345,917	3,710,206	28.3%
Deposits	782,284	881,767	1,139,045	1,486,845	2,084,997	2,136,913	22.3%
Subordinated Loans	11,987	7,000	7,000	14,000	14,000	14,000	3.2%
Borrowings	102,842	314,960	383,809	491,180	909,543	1,141,886	61.8%
Bills Payable & Other Liabilities	80,170	90,129	104,465	161,157	199,454	239,295	24.4%
Total Liabilities	977,284	1,293,856	1,634,319	2,153,182	3,207,994	3,532,094	29.3%
Paid - up Capital	17,772	17,772	17,772	15,772	15,772	15,772	-2.4%
Reserves & Retained Profit	58,889	62,737	70,790	79,384	110,883	128,561	16.9%
Revaluation Surplus	11,367	10,509	11,441	4,859	11,268	33,779	24.3%
Total Equity	88,028	91,017	100,003	100,015	137,923	178,112	15.1%

Trends Analysis

Profit & Loss



Amounts in PKR mn	2019	2020	2021	2022	2023	2024	5yr CAGR
Interest Income	92,519	92,616	100,402	214,054	411,948	506,898	40.5%
Interest Expenses	47,623	47,911	54,134	136,812	285,877	380,172	51.5%
Net Int. Income	44,896	44,705	46,268	77,242	126,070	126,726	23.1%
Non-Int. Income	10,357	12,795	16,254	21,883	28,758	44,506	33.9%
Total Income	55,253	57,499	62,522	99,126	154,828	171,232	25.4%
Admin expenses	29,066	31,443	36,316	49,562	65,197	84,369	23.8%
Other charges	777	589	524	935	1,994	1,918	19.8%
Non int. expense	29,843	32,032	36,840	50,497	67,191	86,288	23.7%
Profit before provisions	25,410	25,468	25,682	48,629	87,637	84,944	27.3%
Provisions	3,029	7,589	2,312	12,468	9,462	1,849	-9.4%
Profit before tax	22,382	17,878	23,370	36,160	78,175	83,095	30.0%
Taxation	9,686	7,403	9,154	17,954	41,719	44,777	35.8%
Profit after Tax	12,696	10,475	14,217	18,206	36,456	38,318	24.7%
EPS (PKR) *	8.05	6.64	9.01	11.54	23.12	24.30	
Dividend (% of Par value)	40%	40%	40%	50%	80%	85%	

* EPS is calculated using current number of the shares

Trends Analysis

Key Ratios



	2019	2020	2021	2022	2023	2024
Capital Adequacy Ratio (Tier - I)	13.3%	12.7%	11.1%	11.1%	13.1%	14.0%
Capital Adequacy Ratio Total	16.9%	16.5%	14.4%	13.8%	16.7%	18.0%
Net Interest Margins	5.3%	4.3%	3.4%	4.2%	5.4%	4.4%
Admin Cost to Income Ratio	52.6%	54.7%	58.1%	50.0%	41.8%	49.3%
Non - Interest Income as % of Total	18.7%	22.3%	26.3%	22.1%	18.2%	26.0%
Advance to Deposit Ratio (ADR) - Gross	67.7%	68.1%	61.4%	51.5%	37.3%	54.1%
YoY Deposit Growth	8.2%	12.7%	29.2%	30.5%	40.2%	2.5%
YoY Net Advances Growth	1.9%	12.9%	16.7%	8.7%	0.4%	50.9%
YoY Investments Growth	6.0%	82.9%	47.9%	37.7%	85.5%	-3.7%
Current Deposits Ratio	43.4%	44.7%	44.0%	44.5%	37.9%	38.2%
CASA Ratio	75.9%	77.9%	76.9%	71.7%	69.3%	77.1%
NPL Ratio	4.2%	4.3%	3.5%	4.0%	4.8%	3.7%
Coverage Ratio	83.6%	91.2%	101.9%	107.6%	112.2%	110.7%
ROA	1.3%	0.9%	1.0%	0.9%	1.3%	1.2%
ROE Excluding Reval. Surplus	17.6%	13.2%	17.1%	19.5%	32.5%	28.6%
ROE Including Reval. Surplus	15.4%	11.5%	15.3%	18.2%	31.7%	24.8%
BVPS (Incl. Reval.)	55.81	57.71	63.41	63.41	87.45	112.93



Bloomberg Code	BAFL PA
Reuters Code	BAFL.KA
Shares Outstanding (mn)	1,577.17
Market Capitalization (PKR mn)**	142,103
Market Capitalization (USD mn)*	500
Average Daily Turnover (mn shares) - 12M	2.06
Average Daily Turnover (USD mn) - 12M	565.01
Current Stock Price** (PKR)	90.10
High / Low** (PKR) - 12M	94.12 / 55.72

*Using PKR / USD parity of PKR 284.22

**Stock Price as of August 06, 2025



For any queries:

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This presentation contains forward-looking statements. Forward-looking statements are statements that are not historical facts; they include statements about our beliefs and expectations and the assumptions underlying them. These statements are based on plans, estimates and projections as they are currently available to the management of Bank Alfalah Limited.

Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

By their very nature, forward-looking statements involve risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement

Thank You
