

Bank Alfalah Limited

Analyst Briefing Session Q3 2025

Performance Review & Outlook

31 October 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 27-Oct-25:

- **Share price:** Rs. 106.3
- **Market Capitalization:** Rs. 168 Bn



Credit Rating

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



Capital Adequacy Ratio

- CAR stands at
- **17.94%** as at 30 September 2025

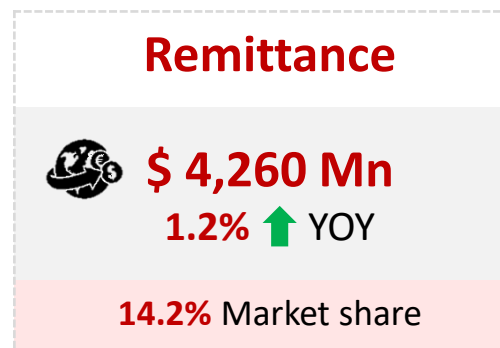
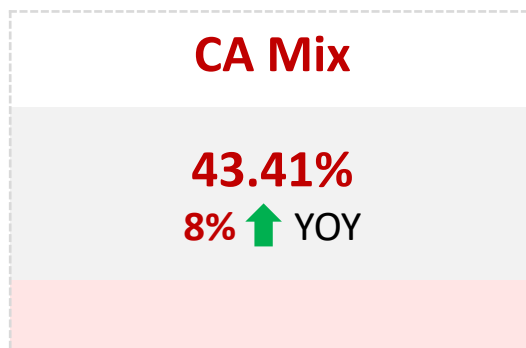


Staff Strength

- Staff strength:
- **17,000+** (30 September 2025)

Bank Alfalah Limited

Driving consistent growth as a dominant player across all products



- Advances achieved significant growth of 24% as the Bank was successful in its strategy to increase exposure across all business segments. Composition of advances as at Sep 25 stood at:
 - Corporate/Commercial - 72%
 - Consumer - 14%
 - SME/Agri - 7%
 - Other - 7%
- Deposits remained above the 2 Trillion mark. Focus remained on Current Account (CA) growth where CA Mix improved to 43.41% in 3Q25 from 41.5% in 2Q25.
- BAFL continued to maintain 2nd position in the Remittance industry with YTD market share of 14.2% (3Q25 14.9%).
- Trade volumes grew by 21% YoY mainly from Foreign imports; primarily driven by robust foreign exchange liquidity position.

^a Market share is based on June 2025.

^b Expected Market share as of Sep 2025.



Consumer Lending – PKR 131.3 Bn

46% ↑ YOY (gross)



Credit Cards

PKR 45 Bn

PKR 13.8 Bn ↑ YOY

31% Market share (ENR)



Auto Loans*

PKR 44 Bn

PKR 14.9 Bn ↑ YOY

21% Market share (ENR)



Personal Loans

PKR 13 Bn

PKR 2.8 Bn ↑ YOY

18% Market share (ENR)



Home Loans

PKR 30 Bn

PKR 7.4 Bn ↑ YOY

22% Market share (ENR)



Credit Cards

- Highest acquisition
- 2nd highest market player with faster growth.

Auto Loans

- Leading the market in acquisition & wallet size.

Personal Loans

- 2nd highest acquisition
- 2nd highest player with improved wallet size share.

Home Loans

- Leading the market in acquisition & wallet size.

Ranking on Acquisitions Ranking on Size

*Auto loans are net of security deposit; gross value is PKR 61 Bn



114 K Touchpoints

20% ↑ YOY



1,185

Branches

including: **449** Islamic
and **1** Digital Lifestyle Branch

11% ↑ YOY

6% Market share



1,419

ATMs

15% ↑ YOY

6% Market share



689

CDMs

72% ↑ YOY

62% Market share



28,262

POS

6% ↑ YOY

16% Market share



4,890

**Payment Gateway
Merchants**

16% ↑ YOY

50% Market share



41,050

BB Agents

22% ↑ YOY

5% Market share



37,132

QR

32% ↑ YOY

5% Market share

Customer Penetration



Customers Served

Including G2P beneficiaries

9.6 Mn

23% ↑ YOY



Debit Card

5% Market Share

2.9 Mn

30% ↑ YOY



Credit Card

20% Market Share

461 K

17% ↑ YOY

Financial Results – 9M 2025

Financial Results – 9M 2025

Balance Sheet Snapshot



Amount PKR mn	Sep-24*	Dec-24	Jun-25	Sep-25	YoY	QoQ
Cash	207,107	227,824	215,406	218,802	6%	2%
Bal with banks	13,207	18,470	17,479	10,483	-21%	-40%
Lending to FI	22,406	100,998	153,895	62,253	178%	-60%
Advances (net)	821,308	1,109,376	1,010,496	1,029,575	25%	2%
Investments (net)	1,918,262	1,991,232	1,632,474	1,638,416	-15%	0%
Fixed & Others	280,424	262,306	264,583	263,202	-6%	-1%
Total Assets	3,262,712	3,710,206	3,294,333	3,222,731	-1%	-2%
Deposits	2,136,416	2,136,913	2,288,228	2,166,828	1%	-5%
Sub Loans/ADT1	14,000	14,000	14,000	14,000	0%	0%
Borrowings	707,947	1,141,886	555,834	620,552	-12%	12%
Other Liabilities	236,475	239,295	249,205	229,256	-3%	-8%
Total Liabilities	3,094,838	3,532,094	3,107,267	3,030,635	-2%	-2%
Paid up Capital	15,772	15,772	15,772	15,772	0%	0%
Reserves	126,262	128,562	136,334	138,535	10%	2%
Reval Surplus	25,841	33,779	34,960	37,789	46%	8%
Total Equity	167,875	178,112	187,066	192,096	14%	3%
Book Value per Share	106.44	112.93	118.61	121.80	14%	3%

- Total deposits improved marginally YoY as focus remained on current accounts, which increased 21% on average basis.
- Net advances increased by 25% YoY, the Bank is strategically focusing on loans amid recovering credit demand. Across sectors, SME / Agri Lending improved by 41% while Consumer advances grew by 46%.
- Investments decreased by 15% YoY due to realization of gains on account of our view on interest rates. Consequently, there was a 14% YoY decline in Borrowings.
- Reserves increased by 10% YoY. This includes impact of profit earned over last twelve months and dividends paid during the same period.
- Revaluation Surplus increased by 46% YoY, reflecting favorable book positions on both fixed income and equities.
- Book value per share improved to Rs. 121.80/sh.

* Restated Sep 24 numbers for IFRS-9.

Financial Results – 9M 2025

Profit & Loss Snapshot



Amount PKR mn	3Q 2024*	2Q 2025	3Q 2025	9M 2024*	9M 2025	SPLY	YoY	QoQ
Interest Income	132,920	93,295	82,434	391,307	270,822	-31%	-38%	-12%
Interest Expenses	98,423	58,996	48,385	294,222	169,346	-42%	-51%	-18%
Net Int Income	34,497	34,299	34,049	97,085	101,476	5%	-1%	-1%
Non Int Income	12,931	15,044	11,011	33,206	35,221	6%	-15%	-27%
Total Income	47,428	49,343	45,060	130,291	136,697	5%	-5%	-9%
Admin expenses	20,878	29,005	30,376	60,507	86,354	43%	45%	5%
Other charges	456	427	269	1,585	1,100	-31%	-41%	-37%
Profit before prov	26,094	19,911	14,415	68,199	49,242	-28%	-45%	-28%
Provisions	439	1,365	1,051	1,746	1,948	12%	139%	-23%
Profit before tax	25,655	18,547	13,364	66,453	47,295	-29%	-48%	-28%
Taxation	12,625	10,312	7,200	32,826	25,856	-21%	-43%	-30%
Profit after tax	13,030	8,234	6,165	33,628	21,439	-36%	-53%	-25%
EPS (Rupees)**	8.26	5.22	3.91	21.32	13.59	-36%	-53%	-25%
DPS (Rupees)	2.00	2.50	2.50	6.00	7.50	25%	25%	0%

- NII improved by 5% during 9M despite significant fall in interest rates, courtesy Bank's timely build-up of fixed-rate PIB book and growth in current account.
- Non-interest income increased by 6% during 9M, driven by capital gains booked on sale of Government securities, higher dividend and FX Income. Fee Income came under pressure due to market dynamics of certain products, namely, remittances and acquiring business.
- Increase in Admin expenses due to branch expansion (115+ branches vs SPLY), staff compensation and remittances related marketing expenses compared to SPLY. However, excluding the impact of remittance related costs, increase in expenses was in line with the Bank's growth strategy.
- Provisions charge is slightly higher as last year had higher recoveries, and a top up charge related to Afghanistan.
- Effective tax rate is higher this year.

* Restated numbers for IFRS 9

** EPS is calculated using current number of the shares

*** n.m. denotes not meaningful

Financial Results – 9M 2025

Key Ratios*



	2Q 24	3Q 24	4Q 24	1Q 25	2Q 25	3Q 25
Yield on Advances	17.7%	17.3%	14.5%	12.1%	12.2%	11.5%
Yield on Investments	19.5%	18.7%	15.3%	13.4%	12.4%	11.6%
Cost of Deposits	12.0%	11.3%	9.3%	6.2%	5.7%	5.2%
Cost of Funds	14.0%	13.3%	11.1%	8.3%	7.6%	6.7%
NIM	4.6%	4.7%	3.9%	4.5%	4.5%	4.8%
Spreads	4.8%	4.9%	4.0%	4.6%	4.7%	5.0%
ROA	1.4%	1.6%	0.5%	0.8%	1.0%	0.7%
ROE exc. Surplus	33.3%	37.8%	13.0%	19.6%	22.1%	16.0%
Admin Cost : income	47.0%	43.8%	58.5%	63.8%	58.8%	67.4%
Gross ADR	37.4%	40.8%	54.1%	45.9%	46.2%	49.7%
CASA	68.9%	72.4%	77.1%	76.6%	75.5%	73.1%
CA	41.4%	40.1%	38.2%	42.3%	41.5%	43.4%
Net Loans (YoY)	-2.6%	23.6%	50.9%	30.6%	36.8%	25.4%
Deposits (YoY)	18.3%	17.3%	2.5%	-1.2%	8.9%	1.4%
NPL ratio	5.1%	4.8%	3.7%	4.4%	4.1%	4.0%
Coverage	118.5%	114.3%	110.7%	113.0%	107.6%	110.5%
CAR	17.1%	19.0%	18.0%	17.6%	17.7%	17.9%
Dividend (% of PAR)	20%	20%	25%	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 16%, reflecting reversal in interest rates.
- Cost to income ratio of 67.4% is mainly due to branch expansion, incremental inflation and remittances related marketing expense. Normalized YTD cost to income is 56% if the impact of HRB is excluded.
- ADR @ 49.7% as Bank is focusing on loans amid economic recovery and fall in yields on govt. securities.
- CA mix improved to 43.4% as Bank is strategically targeting low-cost deposits.
- NPL ratio dropped to 4.0%, while coverage remained healthy at 110.5%.
- CAR at 17.9% which is well above the regulatory requirement.

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

Other Initiatives



Alfa App

Over **1.3 M** users
(30 day active)

Alfa and Internet Banking volumes
69% ↑ SPLY



Digital Payment

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

PKR 77.52 Bn

63.23% ↑ from SPLY

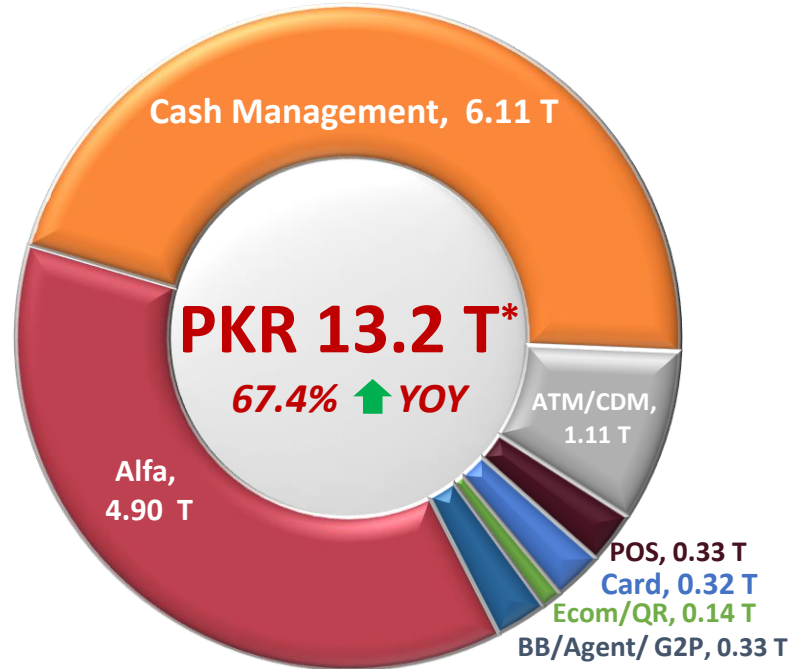
Digital Lending

Disbursement: **PKR 51 Bn**

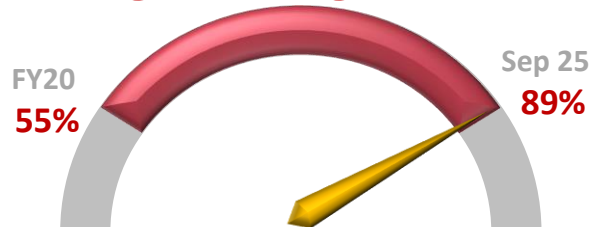
116% ↑ from SPLY

[includes Consumer & SME disbursements via digital channels]

Digital Throughput



Digital Migration



Conversion of branch OTC transactions to digital channels



Digital Lifestyle Branch

Digital Transaction Ratio of **96%**
Branch throughput of **PKR 8.8 Bn**
16% ↑ SPLY



Sales & Service Centers (SSC)

PKR 13 Bn

Target Locations: Cash-rich markets where digital adoption needs improvement.
Currently active SSCs: **27**

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 320 Bn**
73% ↑ from SPLY

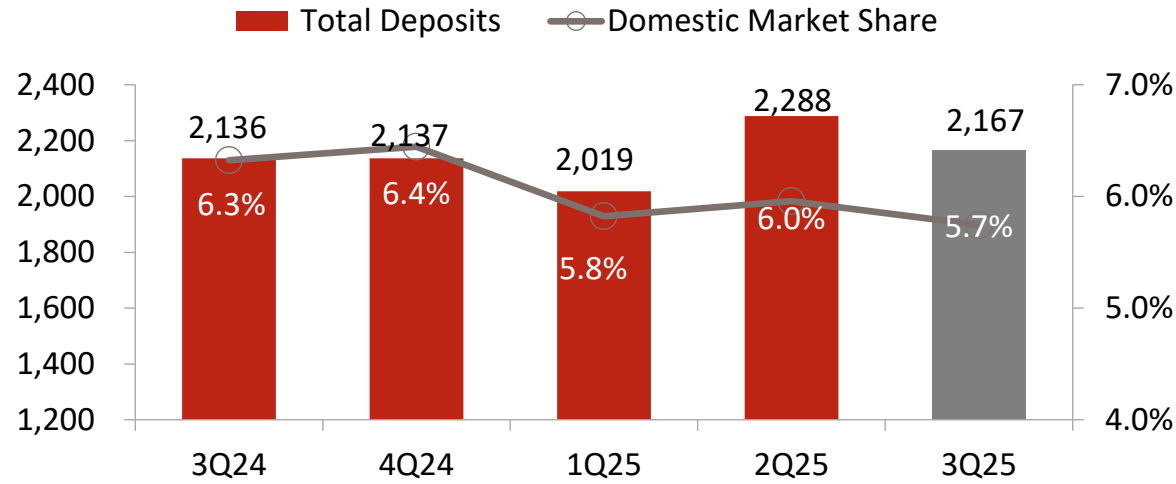
Trends Analysis

Trends Analysis

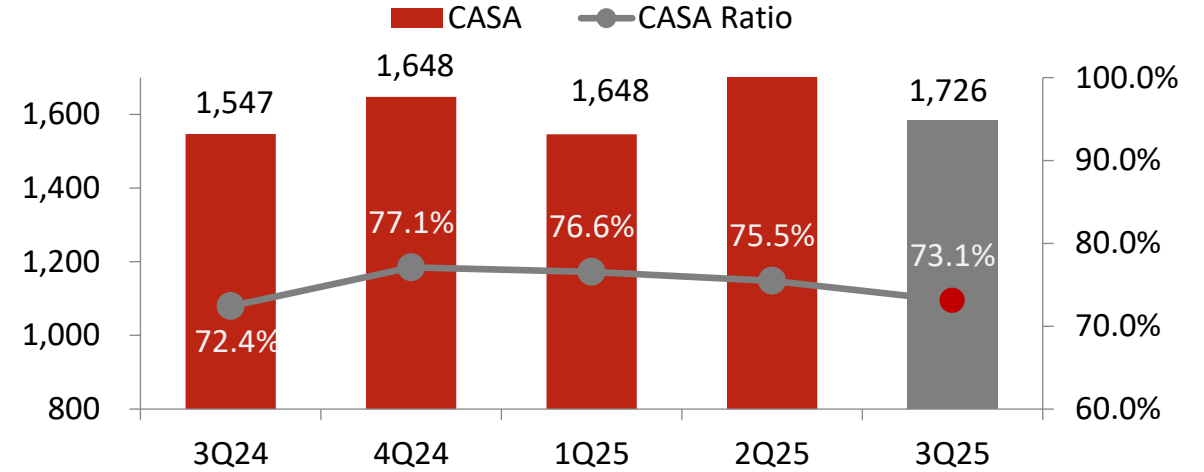
Financial Snapshot



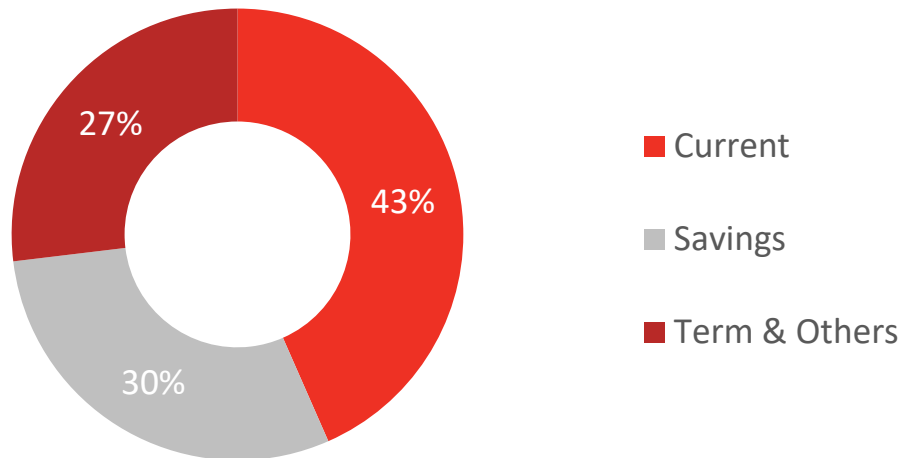
Deposits (PKR bn) – Domestic Market Share at 5.7% (EOP)



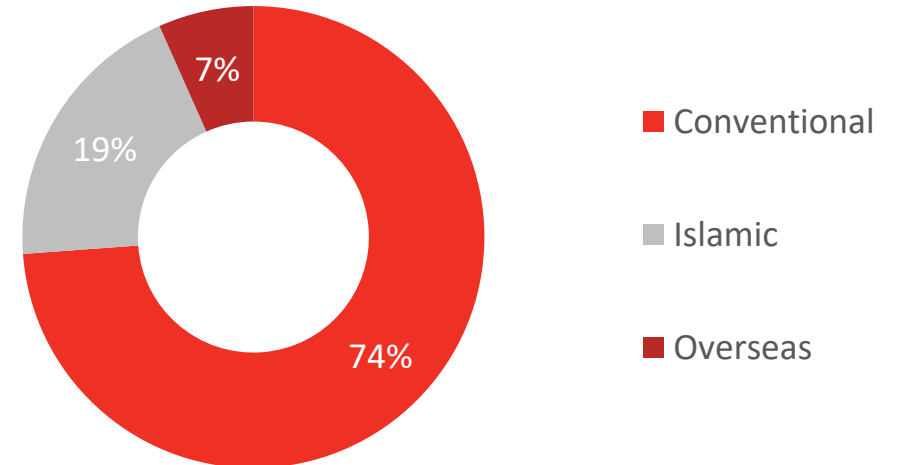
CASA Deposits (PKR bn) – CASA Ratio at 73.1%



Deposit Mix



Deposits Composition

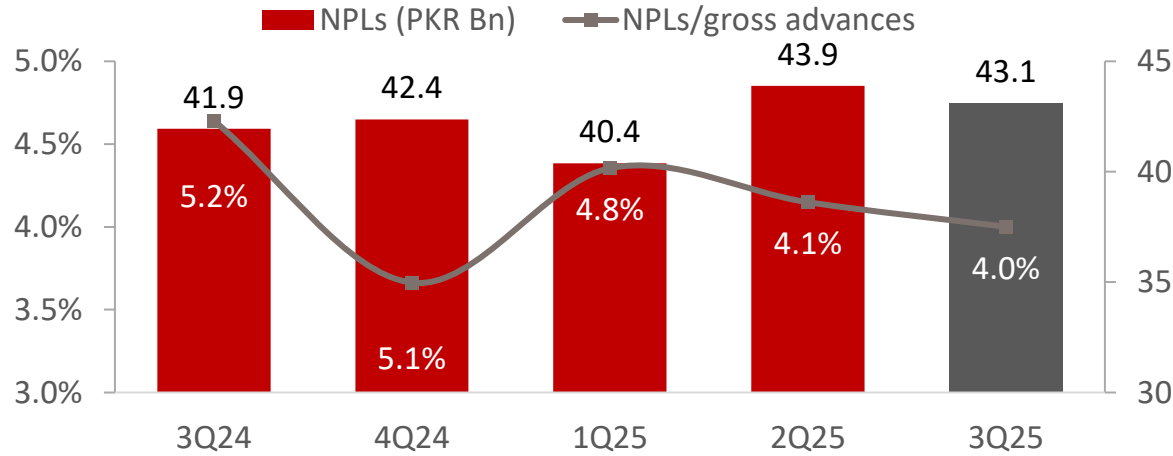


Trends Analysis

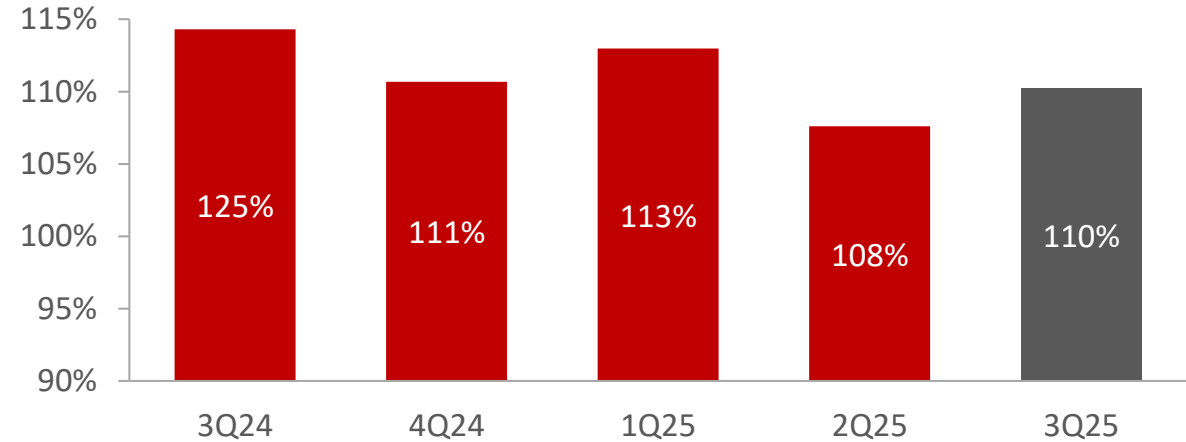
Quarterly Advances & Asset quality trends



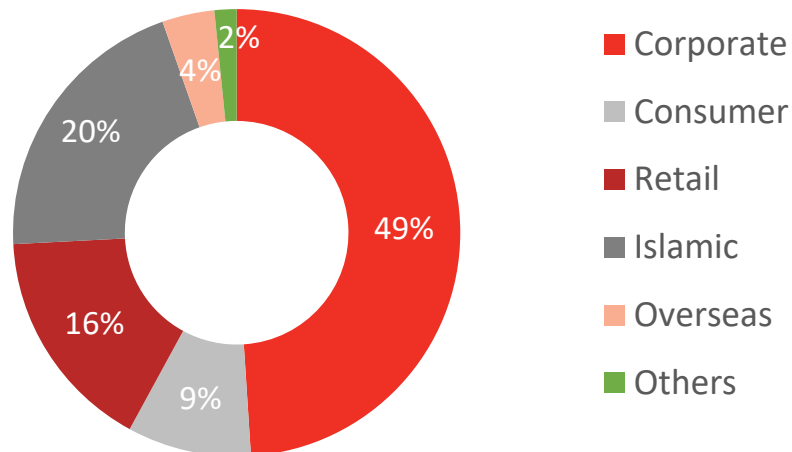
Infection Ratio at 4.0%



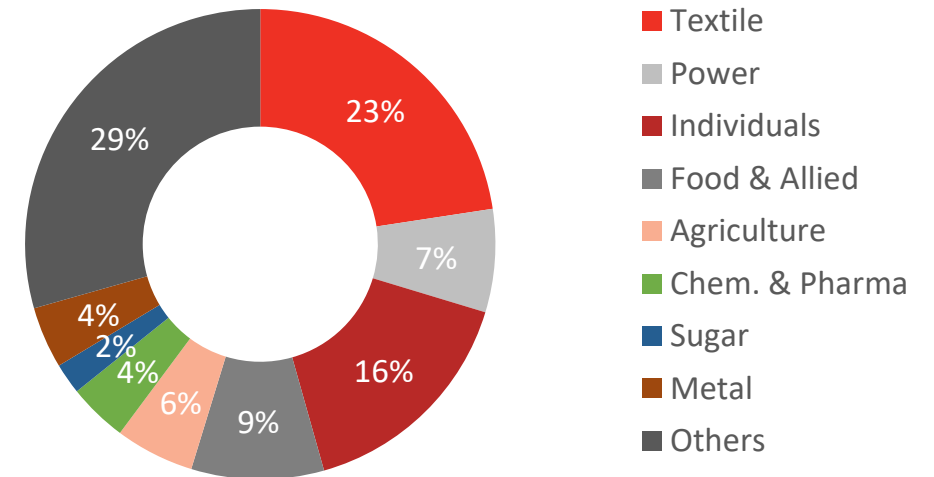
Coverage comfortable at 110%



Performing Advances composition



Advances concentration (Dec 2024)



Islamic book comprises of 46% corporate, 21% 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)**	168,047
Market Capitalization (USD mn)*	598
Average Daily Turnover (mn shares) - 12M	2.83
Average Daily Turnover (USD mn) - 12M	877.47
Current Stock Price** (PKR)	106.55
High / Low** (PKR) - 12M	116.6 / 65.52

*Using PKR / USD parity of PKR 281.01

**Stock Price as of October 27, 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
