Bank Alfalah

Bank Alfalah Limited

Analyst Briefing

1H 2026 - Performance Review & Outlook

13 August 2026

Bank Alfalah Limited
Significant milestones in growth journey

56%
Major Sponsor
Abu Dhabi Group
(sponsors based in Abu Dhabi, UAE)

Over 245 Cities
presence across Pakistan

1,200 Branches

4
International Countries
(11 Overseas Branches)

17,000+
Staff Strength

44%
Dividend Payout Ratio

17.41%
CAR

Share Price
(As of 07 Aug 2026)
PKR 59.02

Market Cap
(As of 07 Aug 2026)
PKR ~187 Bn

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

PKR 20 Billion
Largest Tier II TFC Issuance AAA rated

1HY26 PAT up by 40% YoY

Share price after share split.

Bank Alfalah Limited

Broadening touchpoints and strengthening customer centricity

284K+ Touchpoints

As of 30 Jun 2026

1,200
Branches
including: 450 Islamic and 1 Digital Lifestyle Branch
As of 30 Jun 2026
6% Market share[1]

1,400+
ATMs
As of 30 Jun 2026
7% Market share[1]

850+
CDMs/ CCDMs
As of 30 Jun 2026
42% Market share[1]

28,700+
POS
As of 30 Jun 2026
11% Market share[1]

5,000+
E-Commerce Merchants
As of 30 Jun 2026
29% Market share[1]

44,500+
BB Agents
As of 30 Jun 2026
5% Market share[1]

199K+
Digitally Enabled Merchants*

Pakistan's Best Bank for Customer Experience *for 7th time!*

Customer Penetration

Customers Served *Including G2P beneficiaries* *As of 30 Jun 2026*	**9.8 Mn +** *12% YOY*
Debit Card *5% Market Share[1]* *As of 30 Jun 2026*	**2.99 Mn** *15% YOY*
Credit Card *15% Market Share[1]* *As of 30 Jun 2026*	**483 K** *9% YOY*

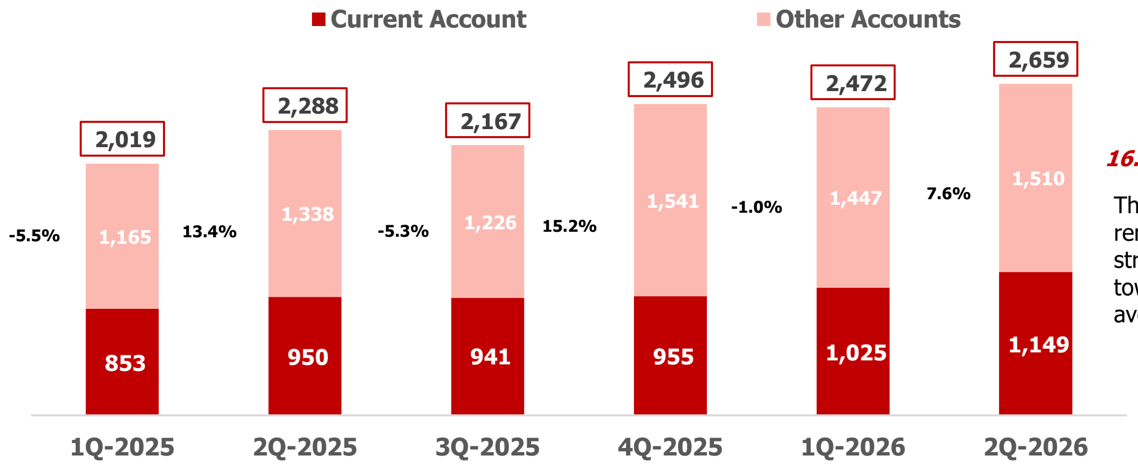
[1]Market share based on the latest SBP data for Mar'26

** These are Raast P2M merchants*

Financial Position

Maintaining a competitive edge through systemic global geopolitical shifts

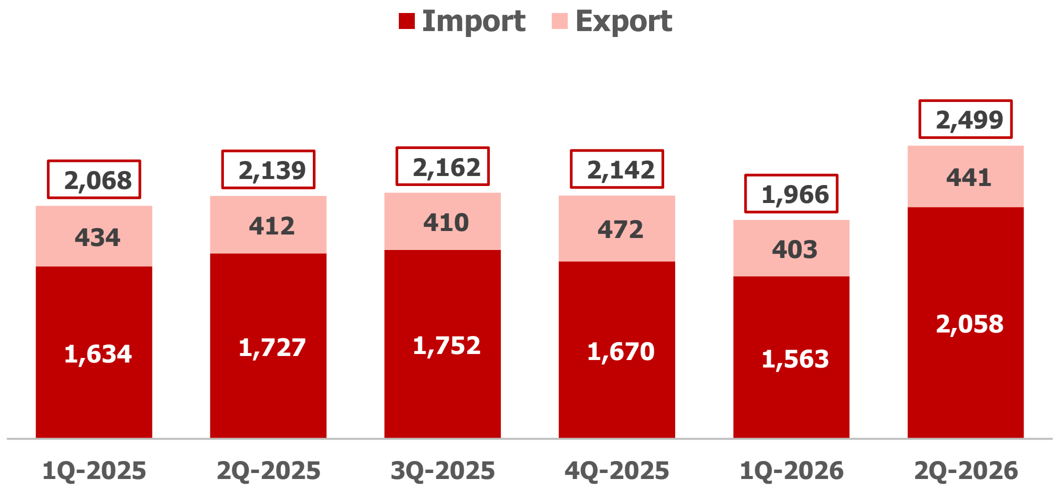
Deposits (PKR Bn)



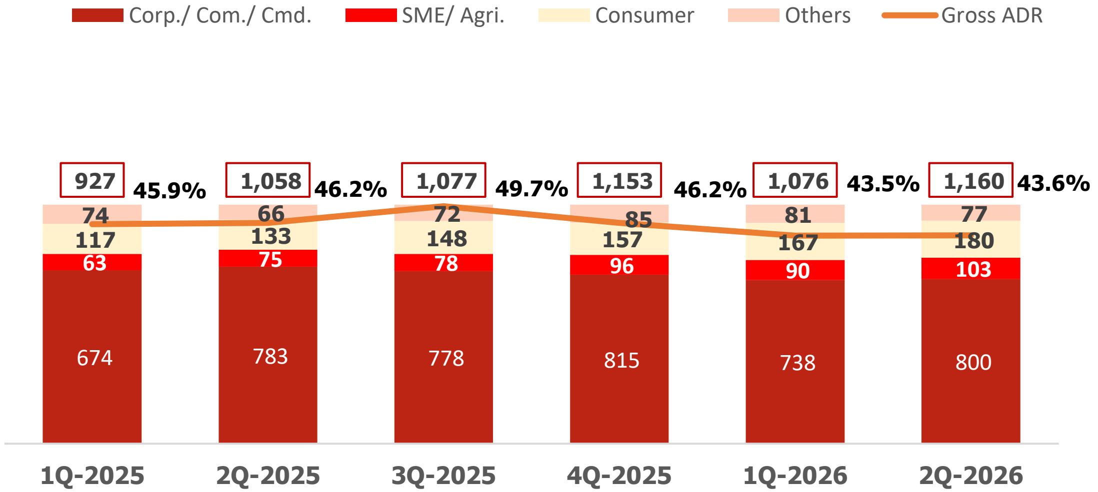
16.2% YoY

The focus remained strongly towards CA averages.

Trade (USD Mn)



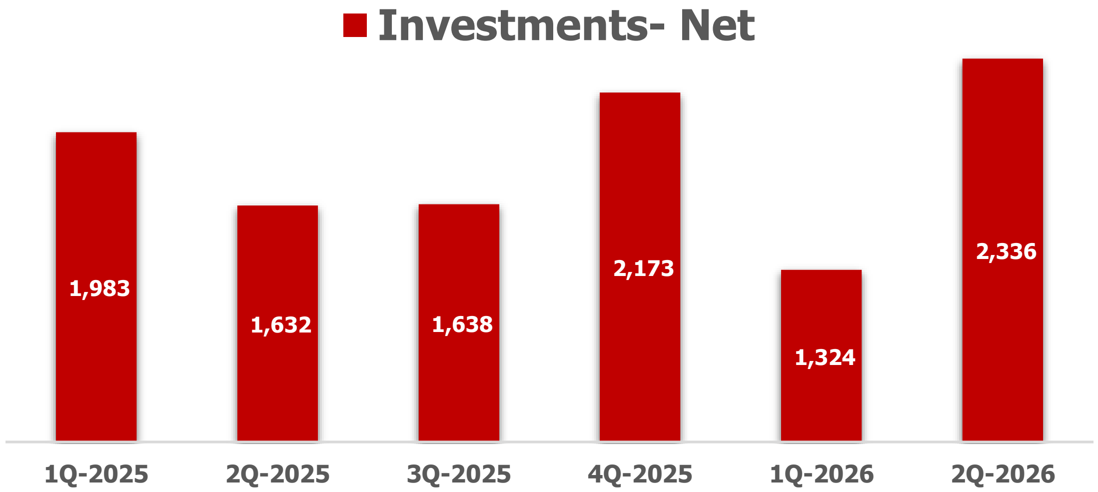
Gross Advances (PKR Bn)



10% YoY

Growth among all segments.

Investments (PKR Bn)



Key Revenue Drivers

Deposits surpassed the 2.5 Trillion mark and closed at PKR 2.66 Trillion (16.2% YoY) with strategic focus on current account averages

Deposits

PKR 2.66 Tn
16% ⬆ YOY
6.1% Market share

Current Deposits

PKR 1.15 Tn
21% ⬆ YOY
6.1% Market share

CA Mix

43.2%
6.1% Market share

Total Assets

PKR 4.02 Tn
22% ⬆ YOY

- **Deposits** grew by 16.2% YoY. Focus remains on building CA averages; rationalization in CoD to support revenue.
- **Trade volumes (foreign)** grew by 6.2% YoY amidst geopolitical volatility.
- **BAFL's Remittance** witnessed decline in line with the strategy of optimizing return
- **Total Assets** grew by 22% YoY and crossed the threshold of 4 trillion.
- Selected as **Primary Dealer** by **SBP** for the financial year 2026-27.

Trade Volume (Foreign)

Total	Import	Export
$ 4,465 Mn 6.2% ⬆ YoY	**$ 3,621 Mn**	**$ 844 Mn**
9.6% Market share	**11.3%** Market share	**5.8%** Market share

Remittance

$ 2,590 Mn
-8.8% ⬇ YOY
11.8% Market share

Primary Dealer

Ranked among Top 3 Primary Dealers by SBP
FY 2025-26

Key Revenue Drivers

Focus remains on driving consistent growth as a dominant player across all products

Gross Advances

PKR 1.16 Tn
10% YOY

7.3% Market share[1]

SME / Agri Lending

PKR 105.8 Bn
34% YOY

7.7% Market share (SME)[2]
4.3% Market share (Agri)[2]

Consumer Lending – PKR 158.1 Bn

33% YOY (gross)

Credit Cards
PKR 54.5 Bn
PKR 15.4 Bn YOY
31.4% Market share (ENR)
1 2

Auto Loans
PKR 54.5 Bn
PKR 15.5 Bn YOY
21.8% Market share (ENR)
1 1

Personal Loans
PKR 14.4 Bn
PKR 2.1 Bn YOY
16.5% Market share (ENR)
2 2

Home Loans
PKR 34.7 Bn
PKR 6.4 Bn YOY
21.7% Market share (ENR)
1 1

- **Auto Loans- Maintained** the **Leading position** in acquisition and wallet size.
- **Home Loans- Leading** the market in acquisition and wallet size.
- **Credit Cards- Leading** the market in acquisition and **2nd** highest in wallet size.
- **Personal Loans- 2nd highest** player in acquisition and wallet size.

Ranking on Acquisitions   Ranking on Size

[1] Market share based on Jun-26.   *[2] Market share based on Mar-26.*

Bank Alfalah Limited

BAFL's Digital Banking Momentum Continues in the 1H2026

Pakistan's Best Bank for Digital Excellence *for 4 th Consecutive time*

Alfa App

Over 1.5 M users
(30 day active)
Throughput **PKR 5.03 Tn**
Alfa and Internet Banking volumes
63% ⬆ YoY

Digital Payment

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

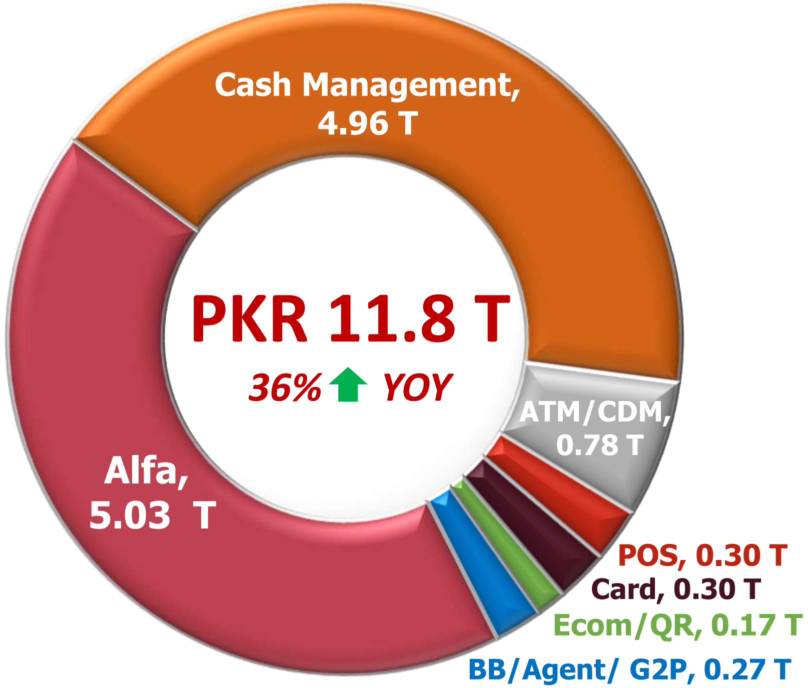
PKR 181.3 Bn

272% ⬆ YoY

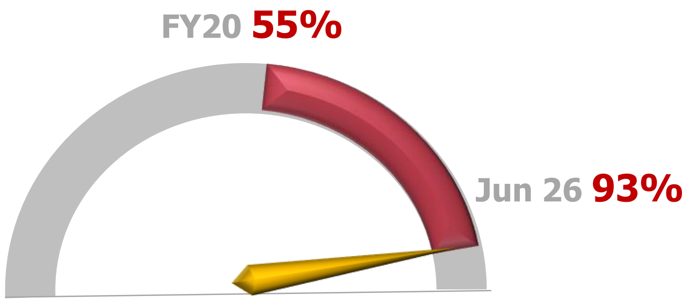
Digital Lending

Disbursement: **PKR 50.7 Bn**
68% ⬆ YoY
[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 **97%**
Branch throughput of **PKR 7.7 Bn**
33% ⬆ YoY

Acquiring Volumes

PKR 472 Bn
60% ⬆ from YoY
Volume includes POS, E-COM, QR and Alfa Mall

Sales & Service Centers (SSC)

Target Locations: Cash-rich markets where digital adoption needs improvement.
Currently active SSCs: **Over 35**

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 269.7 Bn
25% ⬆ from YoY

Financial Results 1H-2026

Financial Results 1H-2026

Balance Sheet Snapshot

Amount PKR Mn	Jun-25	Dec-25	Mar-26	Jun-26	YoY	QoQ
Cash	215,406	227,463	222,018	214,444	*0%*	*-3%*
Bal with banks	17,479	24,110	25,392	21,494	*23%*	*-15%*
Lending to FI	153,895	19,674	173,265	94,305	*-39%*	*-46%*
Advances (net)	1,010,496	1,104,924	1,029,032	1,112,621	*10%*	*8%*
Investments (net)	1,632,474	2,173,447	1,324,432	2,336,148	*43%*	*76%*
Fixed & Others	264,583	280,310	263,859	245,755	*-7%*	*-7%*
Total Assets	**3,294,333**	**3,829,927**	**3,037,998**	**4,024,767**	*22%*	*32%*
Deposits	2,288,228	2,496,208	2,471,520	2,658,878	*16%*	*8%*
Sub Loans/ADT1	14,000	14,000	14,000	32,045	*129%*	*129%*
Borrowings	555,834	832,128	132,734	840,981	*51%*	*534%*
Other Liabilities	249,205	290,079	231,614	298,610	*20%*	*29%*
Total Liabilities	**3,107,267**	**3,632,415**	**2,849,868**	**3,830,514**	*23%*	*34%*
Paid up Capital	15,772	15,772	15,772	15,772	*0%*	*0%*
Reserves	136,334	138,537	144,825	152,126	*12%*	*5%*
Reval Surplus	34,960	43,204	27,533	26,355	*-25%*	*-4%*
Total Equity	**187,066**	**197,512**	**188,130**	**194,253**	*4%*	*3%*
Book Value per Share	59.30	62.62	59.64	61.58	*4%*	*3%*

- Deposits increased by 16% YoY. Domestic deposits witnessed 18% growth outpacing the industry average of 15%. This expansion was anchored in low-cost deposit strategy, with 21% YoY growth in current accounts.
- Net advances witnessed increase of 10% YoY. Bank continues to focus on high-quality lending and financial inclusion.
- Investments increased by 43% primarily to take advantage of yield curve movement.
- As of June 30, 2026, the Bank had received advance subscription money against Tier II TFC issue (PKR 18,045 million). Subsequently, the Bank received the remaining subscription amount (PKR 1,955 million).
- Reserves increased by 12% YoY. Revaluation Surplus decreased by 25% YoY, reflecting capital gain realization and decrease in mark to market value on outstanding positions due to yield curve movements.
- Book value per share at PKR 61.58 after 2 to 1 share split.

Financial Results 1H-2026

Profit & Loss Snapshot

Amount PKR mn	2Q 2025	1Q 2026	2Q 2026	SPLY*	QoQ*	1H 2025	1H 2026	YoY*
Interest Income	93,295	74,037	99,661	*7%*	*35%*	188,388	173,698	*-8%*
Interest Expenses	58,996	39,536	63,364	*7%*	*60%*	120,961	102,900	*-15%*
Net Int Income	**34,299**	**34,501**	**36,297**	*6%*	*5%*	**67,427**	**70,798**	*5%*
Non Int Income	15,044	18,870	16,470	*9%*	*-13%*	24,210	35,340	*46%*
Total Income	**49,343**	**53,371**	**52,767**	*7%*	*-1%*	**91,637**	**106,138**	*16%*
Admin expenses	29,005	30,622	29,845	*3%*	*-3%*	55,978	60,467	*8%*
Other charges	427	618	433	*1%*	*-30%*	831	1,051	*26%*
Profit before prov	**19,911**	**22,131**	**22,489**	*13%*	*2%*	**34,827**	**44,620**	*28%*
Provisions / (Reversal)	1,365	-1,393	814	*-40%*	*n.m.*	897	-579	*n.m.*
Profit before tax	**18,547**	**23,524**	**21,675**	*17%*	*-8%*	**33,931**	**45,199**	*33%*
Taxation	10,312	12,397	11,475	*11%*	*-7%*	18,656	23,872	*28%*
Profit after tax	**8,234**	**11,126**	**10,201**	*24%*	*-8%*	**15,275**	**21,327**	*40%*
EPS (Rupees)**	2.61	3.53	3.23	*24%*	*-8%*	4.84	6.76	*40%*
DPS (Rupees)	1.25	1.50	1.50	*20%*	*0%*	2.50	3.00	*20%*

* ***SPLY*** *2Q26 vs 2Q25,* ***QoQ-*** *2Q26 vs 1Q26,* ***YoY*** *1H26 vs 1H25.*

** *EPS is calculated using current number of the shares*
n.m. denotes not meaningful

- NII expanded by 5% YoY despite lower average interest rates and substantial capital gains realization. This was driven by current account growth, and optimized balance sheet position.
- Non-interest income increased by 46%, driven by higher capital gains realized, and FX Income.
- Increase in Admin expenses was limited to 8%, due to lower home remittance marketing expenses.
- Provision reversals were booked to the tune of PKR 579 million, led by strong recoveries and disposal of overseas investments.
- Effective tax rate reduced to 52.8% vs 55% in last year.
- In addition to PAT, the Bank realized net of tax capital gains amounting to PKR 2.2 billion (HY25: PKR 0.13 billion) from its FVOCI Equity Portfolio which were recycled into Retained Earnings.

Financial Results 1H-2026

Key Ratios

	1Q 25	2Q 25	3Q 25	4Q 25	1Q 26	2Q26
Yield on Advances	12.1%	12.2%	11.5%	12.1%	11.3%	11.8%
Yield on Investments	13.4%	12.4%	11.6%	11.3%	10.9%	11.3%
Cost of Deposits	6.2%	5.7%	5.2%	5.6%	5.0%	5.3%
Cost of Funds	8.3%	7.6%	6.7%	6.8%	5.8%	7.1%
NIM	4.5%	4.5%	4.8%	4.6%	5.1%	4.1%
Spreads	4.6%	4.7%	5.0%	4.8%	5.3%	4.2%
ROA	0.8%	1.0%	0.7%	0.8%	1.4%	1.0%
ROE exc. Surplus	19.6%	22.1%	16.0%	17.7%	28.7%	24.9%
Admin Cost : income	63.8%	58.8%	67.4%	64.1%	57.4%	56.6%
Gross ADR	45.9%	46.2%	49.7%	46.2%	43.5%	43.6%
CASA	76.6%	75.5%	73.1%	69.5%	70.8%	70.8%
CA	42.3%	41.5%	43.4%	38.2%	41.5%	43.2%
Net Loans (YoY)	30.6%	36.8%	25.4%	-0.4%	16.7%	10.1%
Deposits (YoY)	-1.2%	8.9%	1.4%	16.8%	22.4%	16.2%
NPL ratio	4.4%	4.1%	4.0%	4.1%	4.1%	3.9%
Coverage	113.0%	107.6%	110.5%	102.2%	106.1%	104.9%
CAR	17.6%	17.7%	17.9%	15.9%	16.2%	17.4%
Dividend (% of PAR)	25%	25%	25%	30%	30%	30%

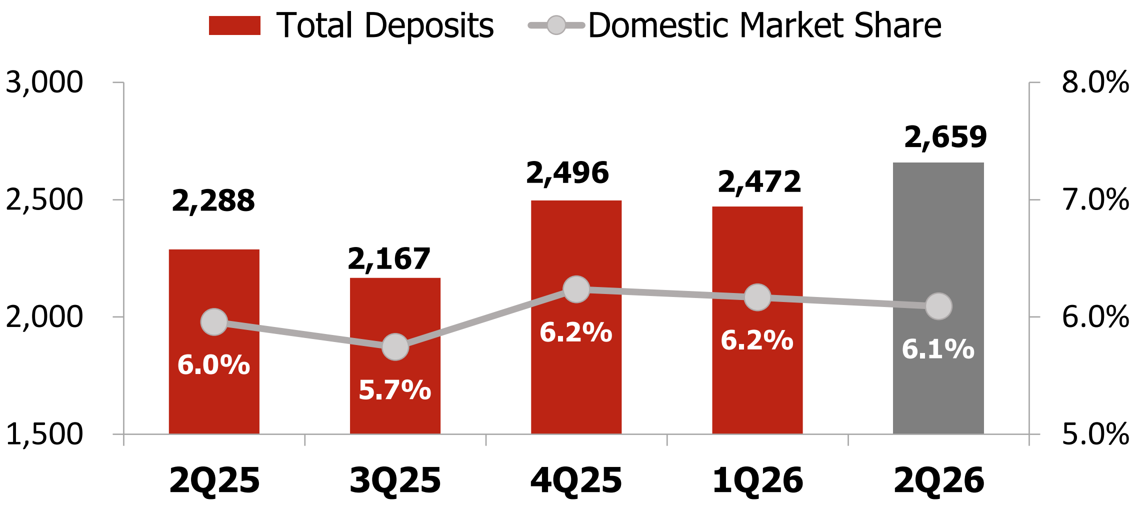
- NIMs contracted to 4.1% due to higher borrowing positions which have lowered spread.
- ROE increased to 24.9%, on account of improved profitability, with growth in both NII and NFI.
- Cost to income ratio came down to 56.6% owing to higher income and lower marketing spend on remittances.
- CA mix improved to 43.2% as Bank is strategically targeting low-cost deposits.
- NPL ratio low at 3.9% with a healthy coverage ratio of 104.9%.
- CAR at 17.41% which is well above the regulatory requirement.

Key Trends

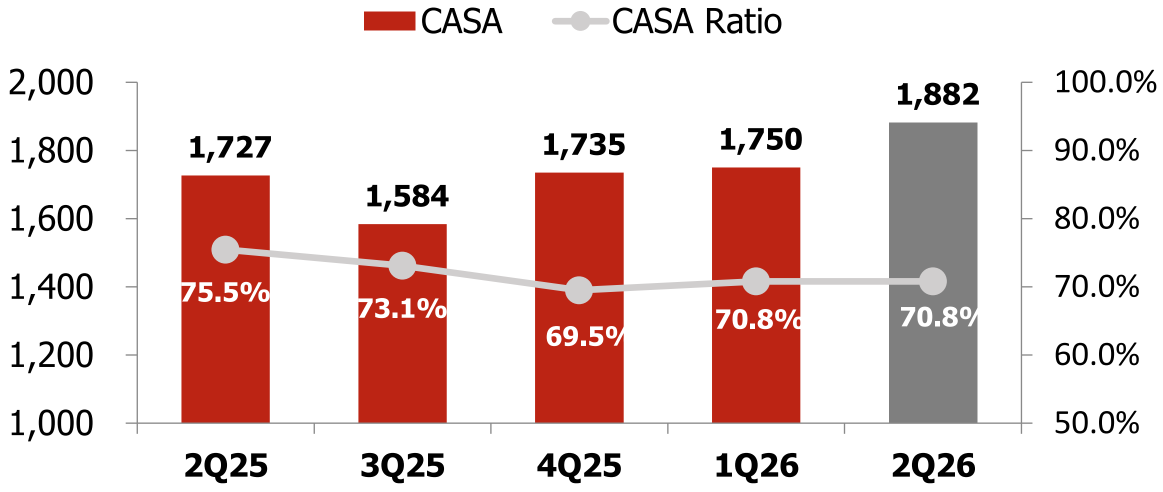
Trends Analysis

Quarterly Financial Snapshot

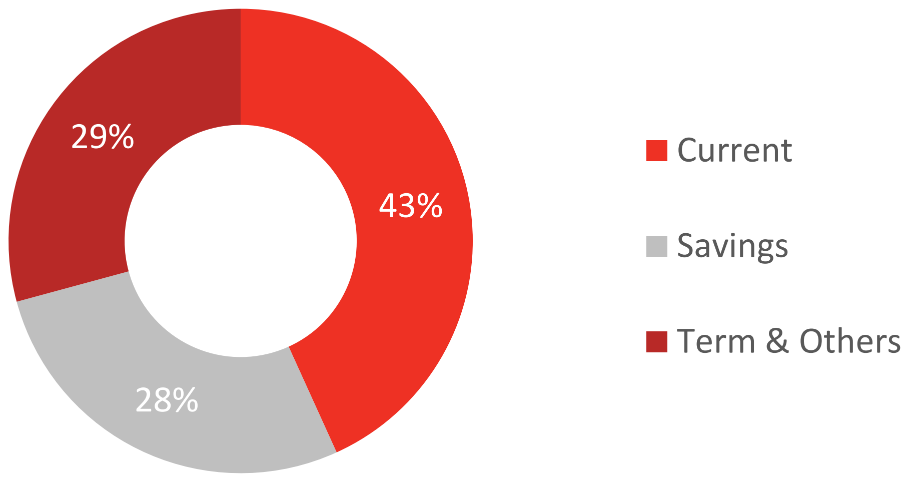
Deposits (PKR Bn) – Domestic Market Share at 6.1% (EOP)



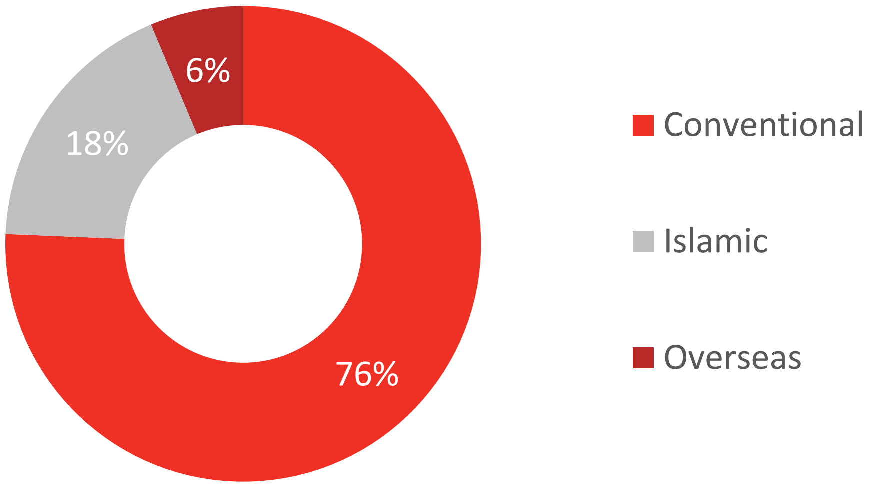
CASA Deposits (PKR Bn) – CASA Ratio at 70.8%



Deposit Mix



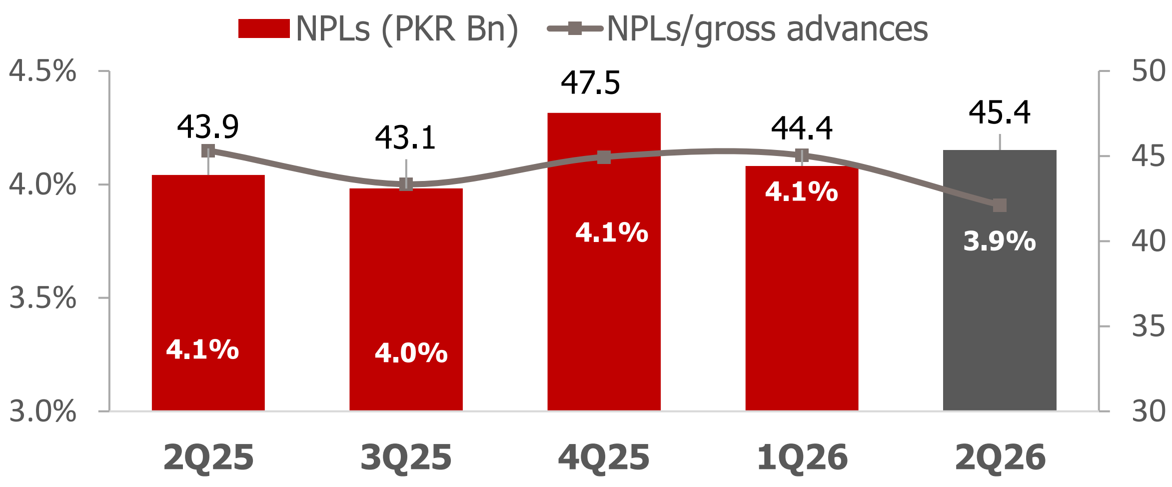
Deposits Composition



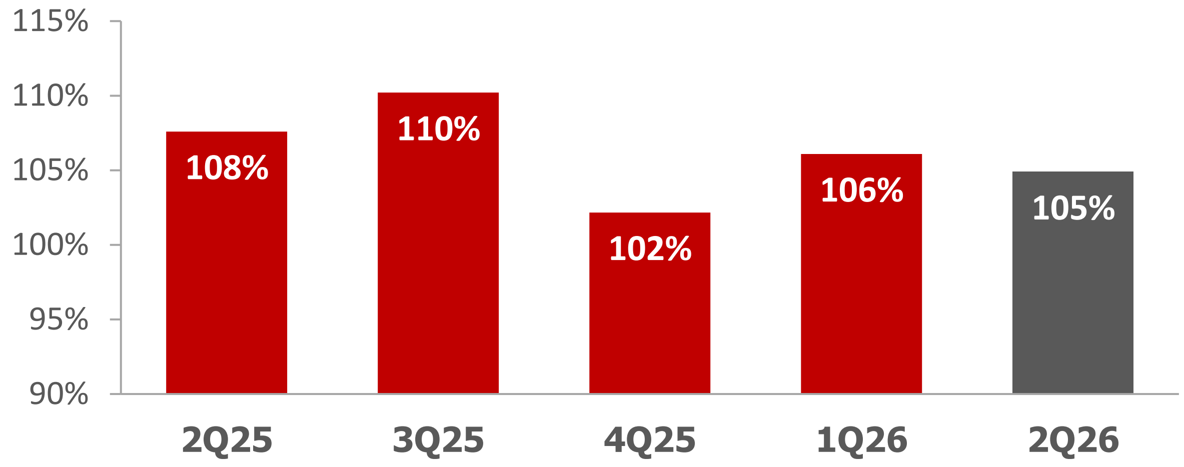
Trends Analysis

Quarterly Advances & Asset quality trends

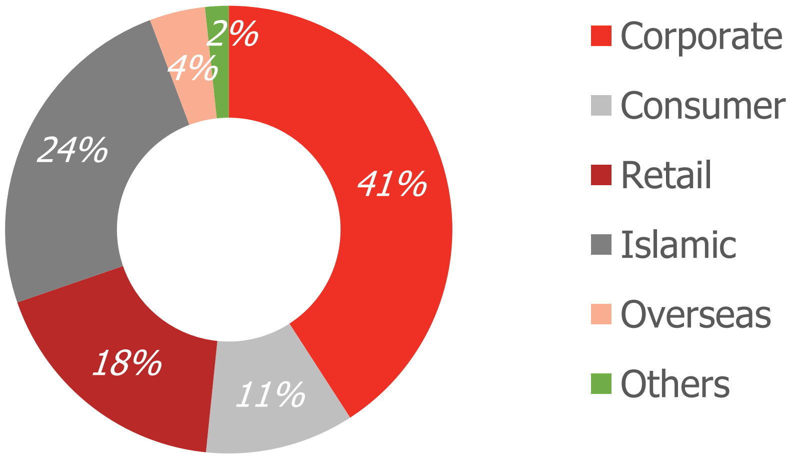
Infection Ratio at 3.9%



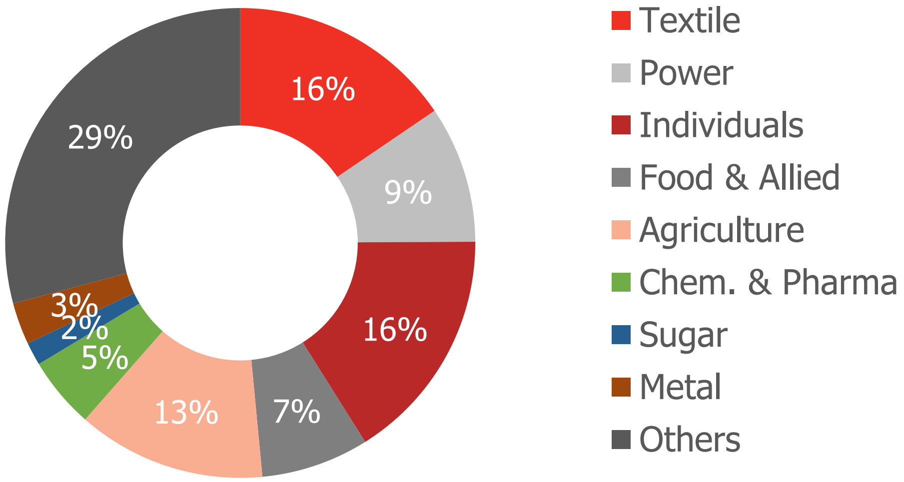
Coverage comfortable at 105%



Performing Advances composition (June 2026)



Advances concentration (Dec 2025)



Islamic book comprises of 59% corporate, 4% Commodity, 21% consumer loans & 16% others

Trends Analysis

Balance Sheet

Amounts in PKR Mn	2020	2021	2022	2023	2024	2025	5yr CAGR
Cash & Bal. With Treasury Bank	99,348	105,606	140,613	202,692	227,824	227,463	18.0%
Balances With Other Banks	6,234	9,783	9,485	16,618	18,470	24,110	31.1%
Lending to FIs	77,306	35,982	115,354	119,554	100,998	19,674	-23.9%
Advances (Net)	577,316	673,881	732,375	735,052	1,109,376	1,104,924	13.9%
Investments (Net)	547,090	809,214	1,114,407	2,067,263	1,991,232	2,173,447	31.8%
Fixed & Other Assets	77,580	99,856	140,963	204,738	262,306	280,310	29.3%
Total Assets	**1,384,874**	**1,734,321**	**2,253,197**	**3,345,917**	**3,710,206**	**3,829,927**	**22.6%**
Deposits	881,767	1,139,045	1,486,845	2,084,997	2,136,913	2,496,208	23.1%
Subordinated Loans	7,000	7,000	14,000	14,000	14,000	14,000	14.9%
Borrowings	314,960	383,809	491,180	909,543	1,141,886	832,128	21.4%
Bills Payable & Other Liabilities	90,129	104,465	161,157	199,453	239,295	290,079	26.3%
Total Liabilities	**1,293,856**	**1,634,319**	**2,153,182**	**3,207,994**	**3,532,094**	**3,632,415**	**22.9%**
Paid - up Capital	17,772	17,772	15,772	15,772	15,772	15,772	-2.4%
Reserves & Retained Profit	62,737	70,790	79,384	110,883	128,562	138,537	17.2%
Revaluation Surplus	10,509	11,441	4,859	11,268	33,779	43,204	32.7%
Total Equity	**91,017**	**100,003**	**100,015**	**137,923**	**178,112**	**197,512**	**16.8%**

Trends Analysis
Profit & Loss

Amounts in PKR Mn	2020	2021	2022	2023	2024	2025	5yr CAGR
Interest Income	92,616	100,402	214,054	411,948	506,898	356,932	31.0%
Interest Expenses	47,911	54,134	136,812	285,877	380,081	221,082	35.8%
Net Int. Income	**44,705**	**46,268**	**77,242**	**126,070**	**126,818**	**135,850**	**24.9%**
Non-Int. Income	12,795	16,254	21,883	28,758	44,414	47,513	30.0%
Total Income	**57,499**	**62,522**	**99,126**	**154,828**	**171,232**	**183,362**	**26.1%**
Admin expenses	31,443	36,316	49,562	65,197	84,369	116,243	29.9%
Other charges	589	524	935	1,994	1,918	1,473	20.1%
Non int. expense	32,032	36,840	50,497	67,191	86,288	117,717	29.7%
Profit before provisions	**25,468**	**25,682**	**48,629**	**87,637**	**84,944**	**65,646**	**20.8%**
Provisions	7,589	2,312	12,468	9,462	1,849	3,310	-15.3%
Profit before tax	**17,878**	**23,370**	**36,160**	**78,175**	**83,095**	**62,336**	**28.4%**
Taxation	**7,403**	**9,154**	**17,954**	**41,719**	**44,777**	**33,998**	**35.6%**
Profit after Tax	**10,475**	**14,217**	**18,206**	**36,456**	**38,318**	**28,337**	**22.0%**
EPS (PKR) *	3.32	4.51	5.77	11.56	12.15	8.98	
Dividend (% of Par value)	40%	40%	50%	80%	85%	105%	

** EPS is calculated using current number of the shares*

Trends Analysis

Key Ratios

	2020	2021	2022	2023	2024	2025
Capital Adequacy Ratio (Tier - I)	12.7%	11.1%	11.1%	13.1%	14.0%	12.3%
Capital Adequacy Ratio Total	16.5%	14.4%	13.8%	16.7%	18.0%	15.9%
Net Interest Margins	4.3%	3.4%	4.2%	5.4%	4.4%	4.6%
Admin Cost to Income Ratio	54.7%	58.1%	50.0%	41.8%	49.3%	63.4%
Non - Interest Income as % of Total Income	22.3%	26.3%	22.1%	18.2%	26.0%	25.9%
Advance to Deposit Ratio (ADR) - Gross	68.1%	61.4%	51.5%	37.3%	54.1%	46.2%
YoY Deposit Growth	12.7%	29.2%	30.5%	40.2%	2.5%	16.8%
YoY Net Advances Growth	12.9%	16.7%	8.7%	0.4%	50.9%	-0.4%
YoY Investments Growth	82.9%	47.9%	37.7%	85.5%	-3.7%	9.2%
Current Deposits Ratio	44.7%	44.0%	44.5%	37.9%	38.2%	38.2%
CASA Ratio	77.9%	76.9%	71.7%	69.3%	77.1%	69.5%
NPL Ratio	4.3%	3.5%	4.0%	4.8%	3.7%	4.1%
Coverage Ratio	91.2%	101.9%	107.6%	112.2%	110.7%	102.2%
ROA	0.9%	1.0%	0.9%	1.3%	1.2%	0.8%
ROE Excluding Reval. Surplus	13.2%	17.1%	19.5%	32.5%	28.5%	18.4%
ROE Including Reval. Surplus	11.5%	15.3%	18.2%	31.7%	24.8%	15.2%
BVPS (Incl. Reval.)*	28.85	31.70	31.71	43.72	56.47	62.62

** BVPS is based on current number of the shares*

Bank Alfalah Limited

Executive Summary 1H-26

NII — Growth in NII supported by higher average CA volumes and improved lending margins on advances.

Profit after tax witnessed 40% YoY growth.

Deposits closed at PKR 2.66 Tn as focus remained on CA averages growth.

1,200 — Branch network expands to 1,200 branches.

Focus remains on digital initiatives, customer centricity and strategic investments.

Strong Capital Adequacy. Bank subsequently issued Largest Tier-II TFC amounting to PKR 20 Bn (AAA rated).

Stock Market Related Data

Bloomberg Code	BAFL PA
Reuters Code	BAFL.KA
Shares Outstanding (Mn)	3,154.33
Market Capitalization (PKR Mn)**	186,169
Market Capitalization (USD Mn)*	670
Average Daily Turnover (Mn shares) - 12M	3.10
Average Daily Turnover (USD Mn) - 12M	1.01
Current Stock Price** (PKR)	59.02
High / Low (PKR) - 12M***	67.81 / 44.28

**Using PKR / USD parity of PKR 277.71*

***Stock Price as of Aug 07, 2026*

****Adjusted for stock split*

Question & Answer Session

Disclaimer

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

Contact Details

For any queries:

Syed Akbar Ali, CFA, FRM
Head of Capital Markets & Investor Relations
Bank Alfalah Limited
Phone: +92 (21) 3820 2478
E-mail: syed.akbar@bankalfalah.com

Bank Alfalah

Thank You