

The logo for Allied Bank Limited features a stylized letter 'A' composed of two overlapping shapes: a blue shape on the left and an orange shape on the right. 

# ALLIED BANK LIMITED

Financial Presentation – June 2021

## ABL at a Glance & Economic Highlights

## Investments

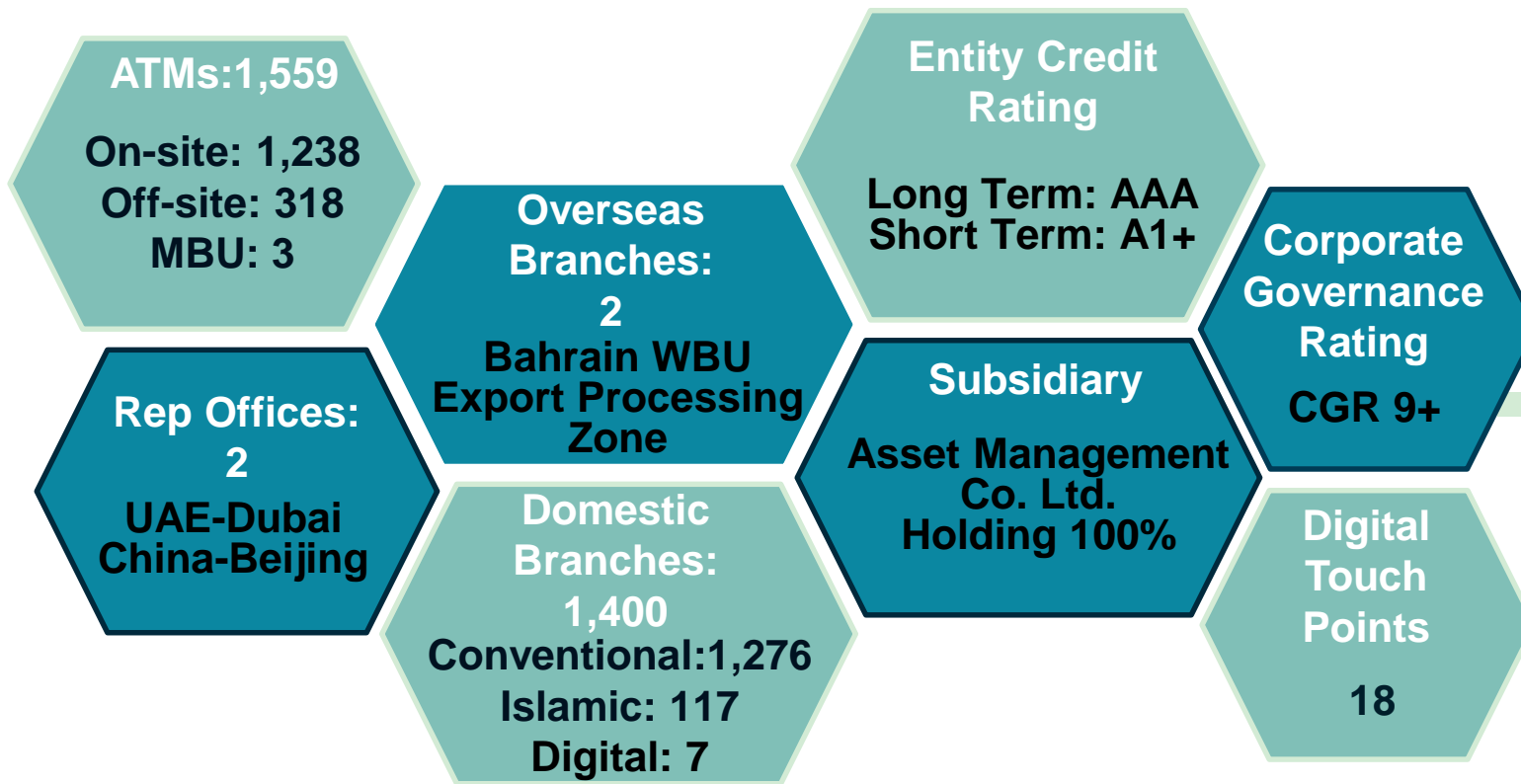
## Deposits

## Stock Market Data

## Annexures



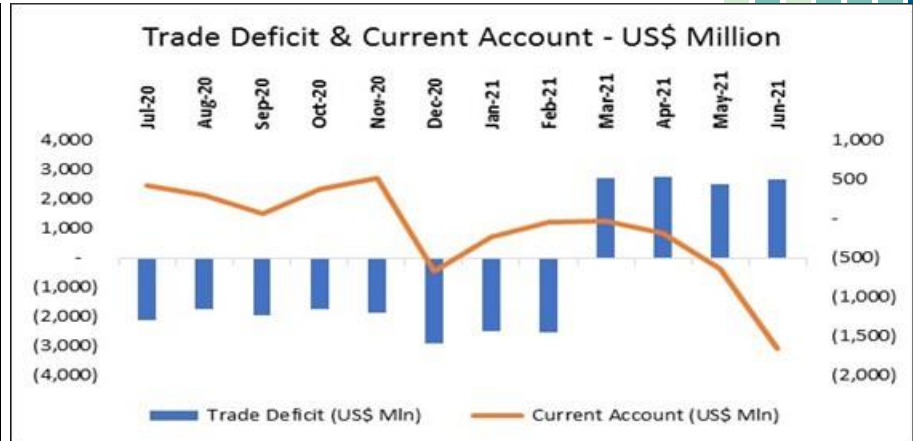
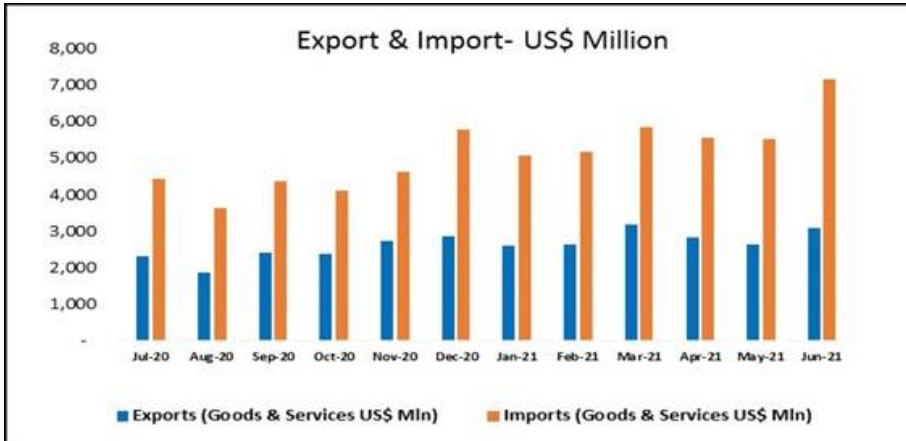
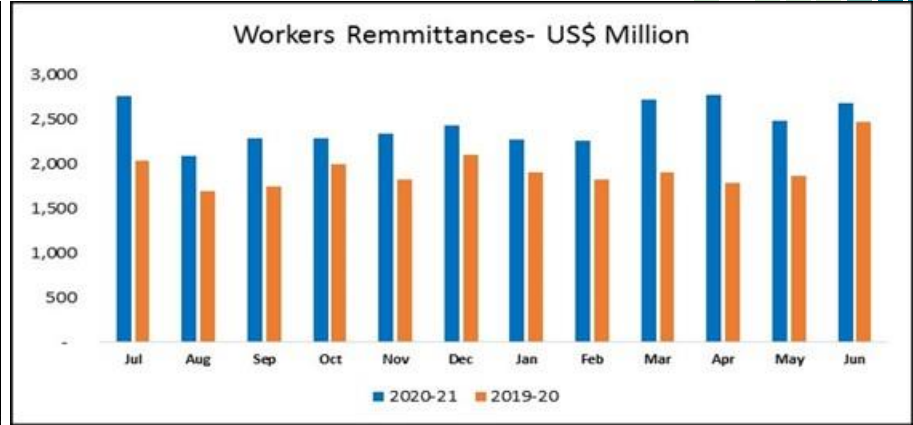
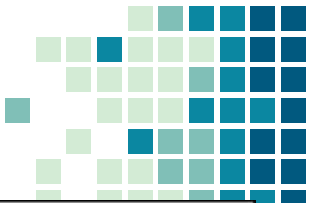
# ABL at Glance





# Economic Highlights

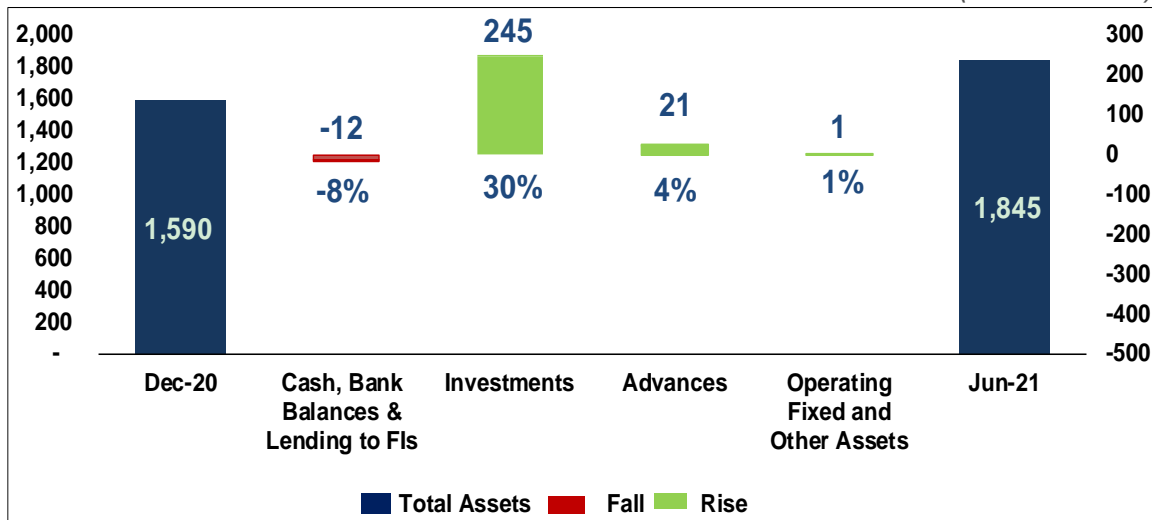
\*(US\$ Millions)





# Highlights Financial Position (Assets)

(Rs. in Billion)



- Total Assets reached at Rs. 1,845 billion (Increase of 16%).

- Investment portfolio optimized by increasing the mix of Government Securities to Total Investments to 96% Jun 21 (Dec-20; 94%)
- Total Investments thereby reached Rs. 1,075 billion (Increased by 30%).

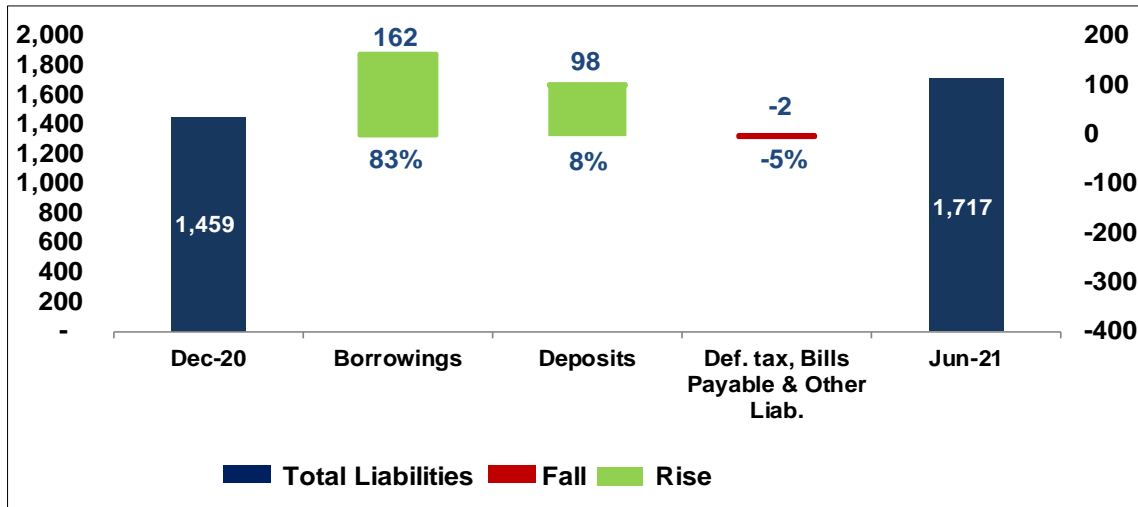
- Lending to Financial Institutions contracted to reach at Rs. 7 billion (Dec 20; 18 billion) due to decrease in Call money lending.

Particulars	Jun' 21	Dec'20	ABL Growth	Industry Growth
Cash, Bank Balance & Lending to FI's	142	154	-8%	6%
Investments	1,075	830	30%	19%
Advances - Net	517	496	4%	6%
Operating fixed and other assets	112	111	1%	4%
<b>Total Assets</b>	<b>1,845</b>	<b>1,590</b>	<b>16%</b>	<b>12%</b>



# Highlights Financial Position (Liabilities)

(Rs. in Billion)

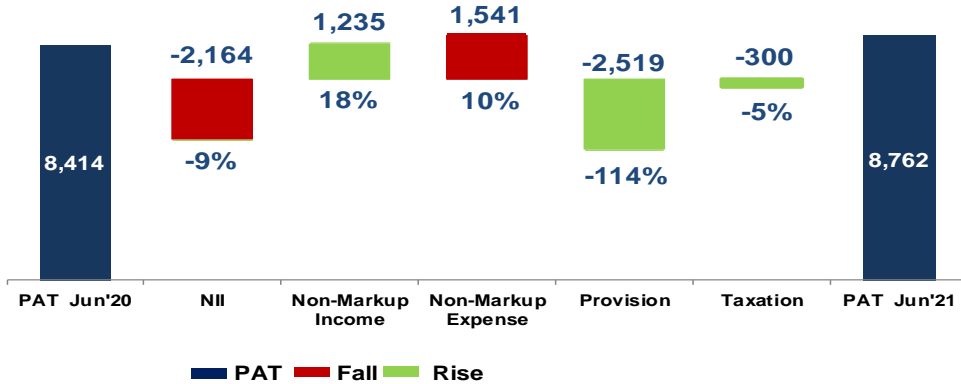


- Total Liabilities stood at Rs. 1,717 Billion (Increased by 18%)
- CASA June'21 Stood at: 86% (Dec'20: 87%).
- Deposits aggregated to reach Rs. 1,315 billion; increase of 8%; Industry growth 11%.
- Total Equity stood at Rs.128.5 billion (US\$ 816 Million); decreased by 2% (Dec20: Rs.132 billion)
- CAR: 25.7%; as at June 30, 2021 (Dec 20: 25.2%); Industry CAR Mar'21 :18.3%

Particulars	Jun'21	Dec'20	ABL Growth	Industry Growth
Borrowings	356	194	83%	30%
Deposits and Other Accounts	1,315	1,217	8%	11%
Deferred Tax, Bills Payable & Other Liabilities	46	48	-5%	3%
<b>Total Liabilities</b>	<b>1,717</b>	<b>1,459</b>	<b>18%</b>	<b>13%</b>

# A Highlights Income Statement

(Rs. in Million)



- Net interest income (NII) stood at Rs. 23,018 million during period under review, down by 9%.
- Fee & Commission, Dividend Income and Capital Gains increased by 17%, 53% and 9% respectively.
- Non Mark-up income stood at Rs. 7,933 million increased by 18% (Jun 20: 12%)
- Attributable to comparatively stable swap curves (FX) income stood at Rs. 663 million in June 2021 (June 2020; 687 million)

• Administrative cost growth maintained at 11% in June 2021 despite resumption of branch activity after COVID-19 lockdowns, technological uplift and hiked inflation

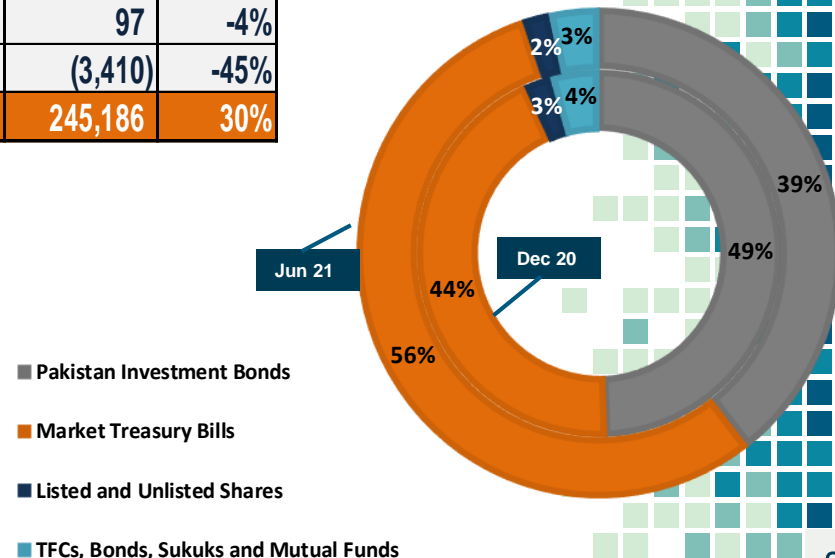
• Profit after tax increased by 4%; EPS Increased to Rs. 7.65 per share (Jun 2020; 7.35)

Particulars	Jun' 21	Jun'20	Growth
Interest Income	53,337	61,947	-14%
Interest Expense	30,319	36,765	-18%
Net Interest Income (NII)	23,018	25,182	-9%
Non Markup Income	7,933	6,698	18%
Gross Income	30,951	31,880	-3%
Non Markup Expense	16,550	15,008	10%
Profit Before Provisions	14,401	16,871	-15%
Provision Charge	(310)	2,209	-114%
Profit Before Taxation	14,711	14,662	0%
Taxation	5,949	6,249	-5%
Profit After Taxation (PAT)	8,762	8,414	4%
Earnings Per Share (EPS)	7.65	7.35	4%

(Rs. in Million)

Investments	Jun' 21	Dec'20	Var.	Growth
Pakistan Investment Bonds (PIBs)	423,081	407,300	15,781	4%
Market Treasury Bills	594,841	360,865	233,976	65%
Listed and Unlisted Shares	18,898	20,604	(1,705)	-8%
TFCs, Bonds, Sukuks and Mutual Funds	35,732	35,285	447	1%
Subsidiary	500	500	-	0%
<b>Investments at Cost</b>	<b>1,073,052</b>	<b>824,553</b>	<b>248,499</b>	<b>30%</b>
Provision for diminution in value of investments	(2,336)	(2,433)	97	-4%
**Surplus on Revaluation	4,092	7,501	(3,410)	-45%
<b>Investments at Carrying Value</b>	<b>1,074,807</b>	<b>829,621</b>	<b>245,186</b>	<b>30%</b>

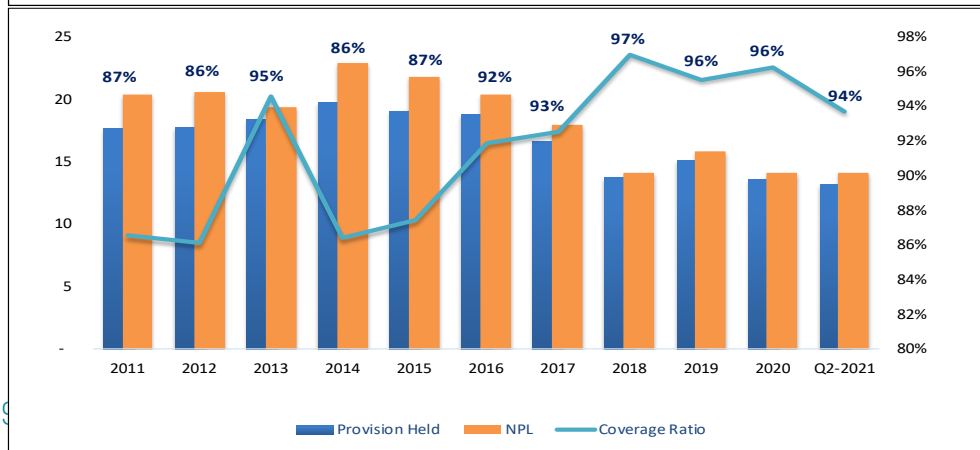
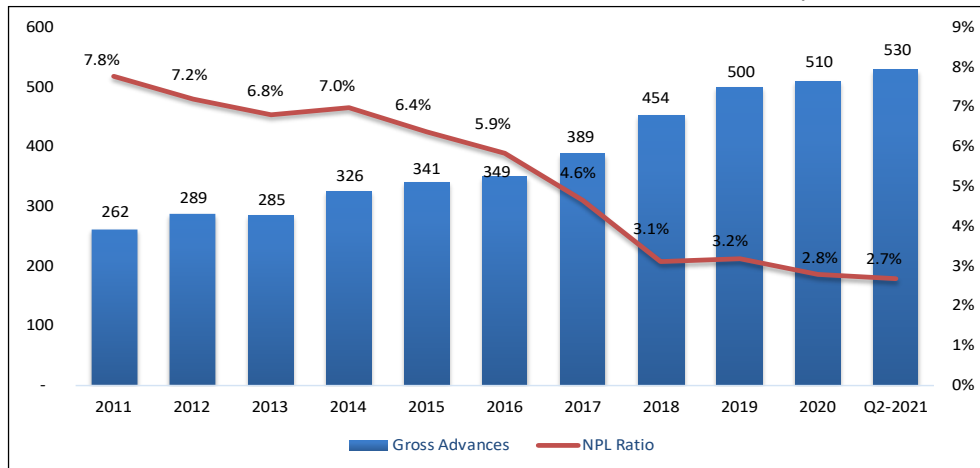
**Surplus on revaluation of securities	Jun'21	Dec'20
Pakistan Investment Bonds	(1,020)	1,134
Market Treasury Bills	244	35
Listed and Unlisted Shares	4,136	5,787
TFCs, Bonds, Sukuks and Mutual Funds	731	546
<b>Surplus on revaluation of securities</b>	<b>4,092</b>	<b>7,501</b>





# Advances & Asset Quality

(Rs. in Billion)



- Gross advances stood at RS. 530 billion (4%↑) (Industry Increase; 6%↑)

- Gross ADR ratio reached 40% (Industry Jun'21 ADR: 45%)

- NPLs at 14.2 Billion (0.01%↑)

- NPL Ratio 2.7% (0.1% ↓); Industry Jun'21: 9.3%

- Specific NPL Coverage 94% (3%↓) and Overall NPL Coverage at 94%; Industry Mar'21: 87.6%

## Key Lending Sectors;

- Non Financial Public Sector Enterprises,
- Government (incl. Trust and Corporate Bodies),
- Textile,
- Utilities, Chemical, Pharmaceutical & Petroleum products
- NBFIs

# A Deposits

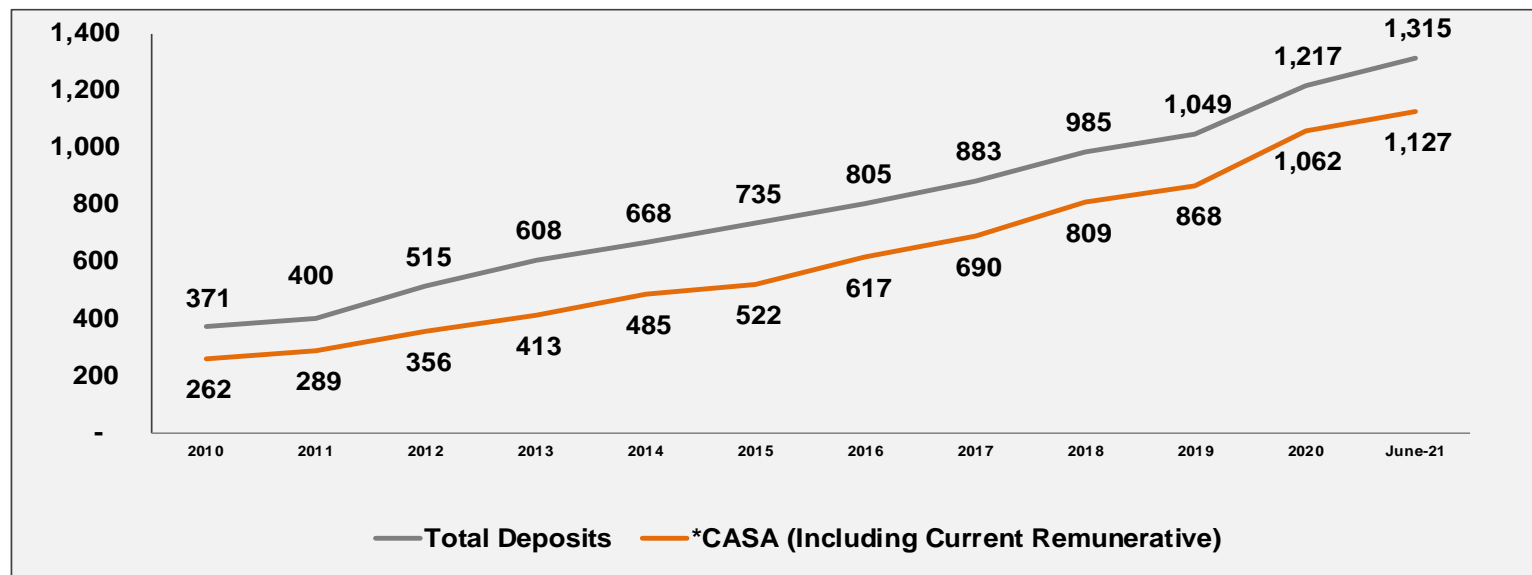
(Rs. in Billion)

Particulars	Jun' 21	Dec' 20	Var (%)
Current	546	491	11%
Saving	580	570	2%
Term	189	155	22%
<b>Total Deposits</b>	<b>1,315</b>	<b>1,217</b>	<b>8%</b>

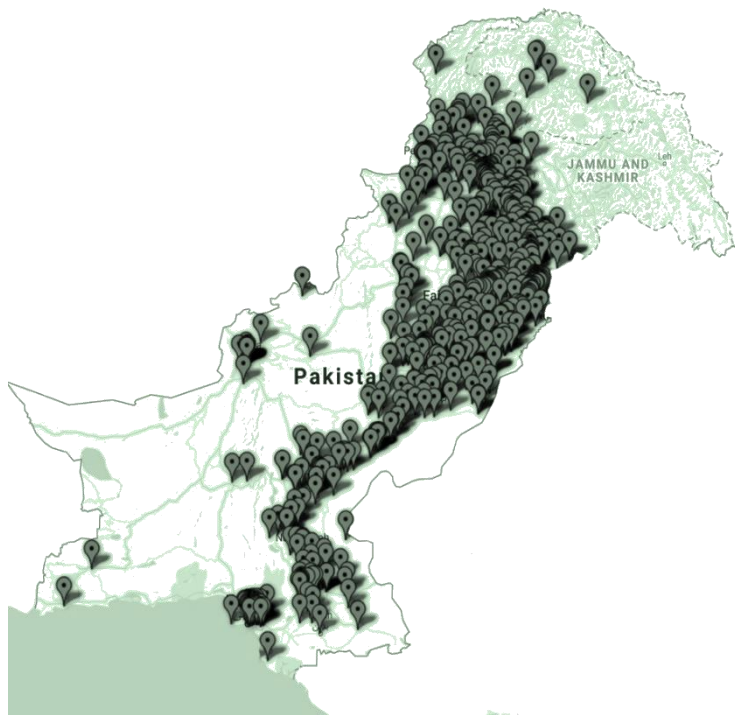
Market Share: 6.6%

Industry Growth: 11%

CASA Mix: 86%



# A Key Ratios & Channels



Key Ratios			
Particulars	Jun'21	Dec'20	Variance
Return on Assets (%)	1.0%	1.2%	-0.2%
Return on Equity (Tier I) (%)	17.2%	18.8%	-1.6%
Capital Adequacy Ratio (%)	25.7%	25.2%	0.5%

Channels	Jun' 21	Dec' 20	Growth
<b>Total Branches</b>	<b>1,402</b>	<b>1,402</b>	<b>-</b>
Conventional	1,285	1,285	-
Islamic	117	117	-
<b>Total Automated Teller Machines (ATMs)</b>	<b>1,559</b>	<b>1,558</b>	<b>1</b>
On-site	1,238	1,222	16
Off-site	318	333	(15)
Mobile Banking Units	3	3	-
ATM Network Uptime (%)	97%	96%	1%
Digital Touchpoints	18	17	1
Digital vs Counter Transactions	63:37	57:42	6%
Islamic Windows	104	85	19

# Stock Market Data

**Pakistan Stock Exchange Code: ABL**

**Bloomberg Code: ABL PA**

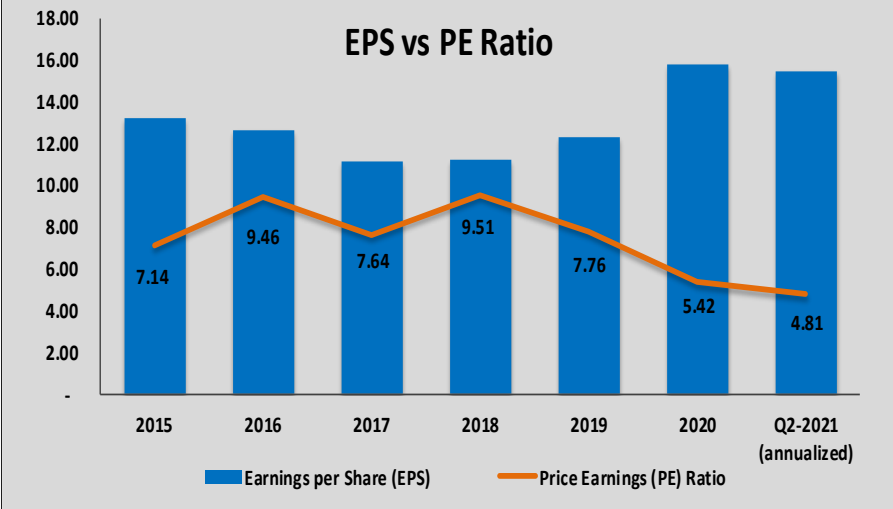
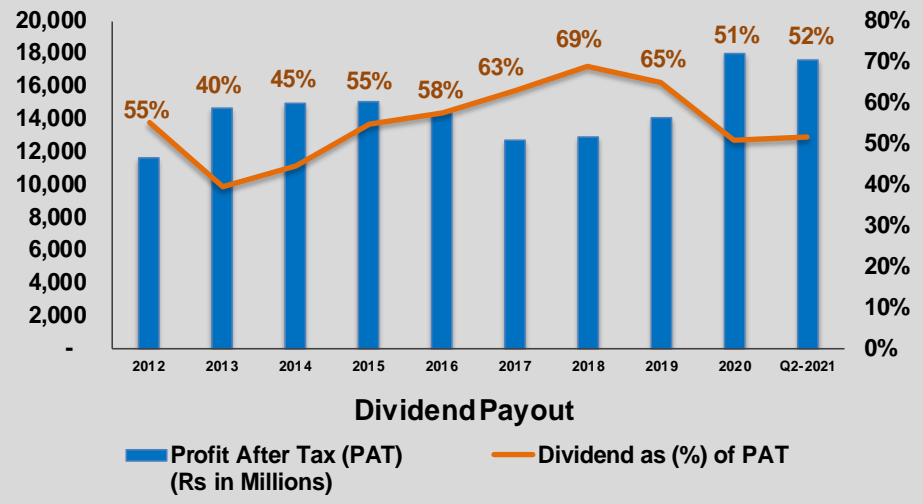
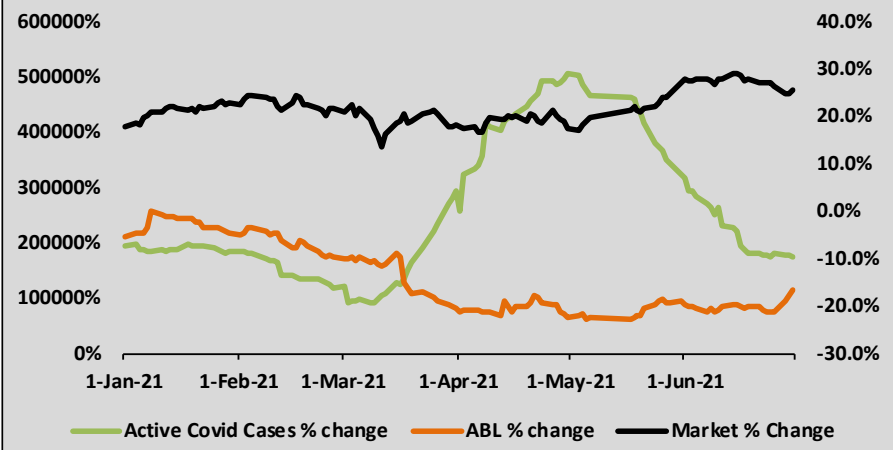
**Shares Outstanding (mln): 1,145.07**

**Market Capitalization (Rs. bln): 84.91**

**Stock Price as at June 30: Rs.74.15**

**Period High/Low: 75.00/72.00**

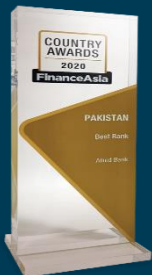
**Allied Bank Limited (ABL) Stock Price vs Market - Trend**



# Awards and Accolades

1

Finance Asia Country Awards 2020 – Best bank



2

Corporate Excellence Award - Management Association of Pakistan



3

Asian Banking and Finance (ABF) Wholesale Banking Awards 2020 - Pakistan Domestic Initiative for Green Banking



4

Pakistan Digital Awards 2020  
 1. Best Mobile Banking App Awards  
 2. Best Digital Innovation Award  
 3. Best App and Web Enabled Market Award



5

Asian Banking and Finance (ABF) Corporate & Investment Banking Awards 2020  
 1. Green Deal of the Year – Pakistan  
 2. Syndicated Loan of the Year – Pakistan



6

The Asset Triple A Asia Infrastructure Awards 2020 –  
 1. Best Telecom Deal of the Year  
 2. Utility Deal of the year  
 3. Best Loan Advisor



7

Asia Money-Best Bank for CSR 2021



8

Global Diversity & Inclusion Benchmarks Award 2021 – Best Progressive Bank in Leadership & Recruitment & Development



# Corporate Governance & Ratings

## Entity Rating

### PACRA

- AAA (Long Term)
- A1+ (Short Term)
- A very low expectation of credit risk emanating from a very strong capacity for timely payment of financial commitments and not being significantly vulnerable to foreseeable events

## CGR

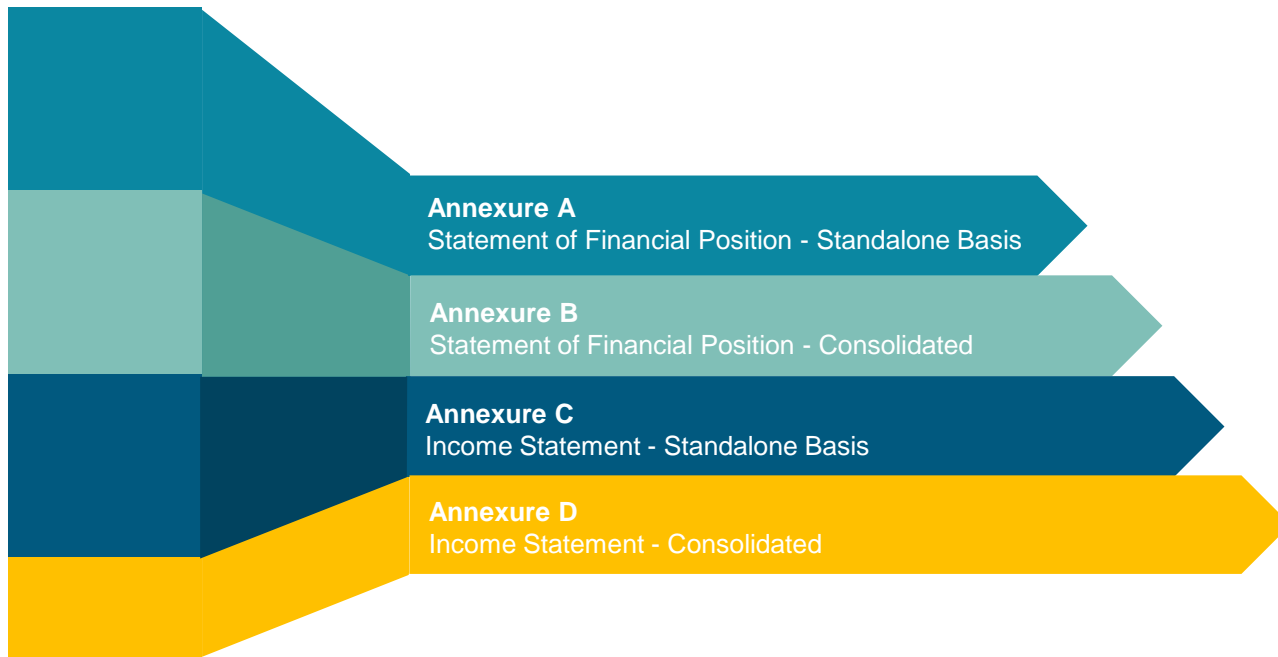
### VIS Credit Rating Company

- CGR-9+ (Corporate Governance Rating)
- Very high level of corporate governance; the rating action takes into consideration the continued commitment of the board and management of the Bank to maintain a sound governance framework.

## Deposits

### Moody's

- B3
- Rating reflects bank's stable deposits-based funding profile, high liquidity buffer and good earnings generating capacity.
- Outlook stable, constrained by the stable outlook on the sovereign rating.





# Statement of Financial Position : Standalone

ASSETS	Rs. in Million			US\$ in Million			Growth
	Jun'21	Dec'20	Variance	Jun'21	Dec'20	Variance	
Cash and Balances with Banks	134,458	135,628	(1,171)	853	861	(7)	-1%
Lending to FIs	7,369	17,996	(10,627)	47	114	(67)	-59%
Investments - net	1,074,807	829,621	245,186	6,822	5,266	1,556	30%
Advances - net	516,723	496,432	20,292	3,280	3,151	129	4%
Fixed Assets	77,536	76,246	1,290	492	484	8	2%
Other Assets	34,169	34,534	(365)	217	219	(2)	-1%
<b>TOTAL ASSETS</b>	<b>1,845,063</b>	<b>1,590,458</b>	<b>254,604</b>	<b>11,711</b>	<b>10,095</b>	<b>1,616</b>	<b>16%</b>
LIABILITIES							
Deposits	1,315,055	1,216,678	98,376	8,347	7,723	624	8%
Borrowings	355,604	193,928	161,676	2,257	1,231	1,026	83%
Bills Payable	9,117	9,622	(505)	58	61	(3)	-5%
Other Liabilities	36,772	38,670	(1,898)	233	245	(12)	-5%
<b>TOTAL LIABILITIES</b>	<b>1,716,547</b>	<b>1,458,898</b>	<b>257,650</b>	<b>10,896</b>	<b>9,260</b>	<b>1,636</b>	<b>18%</b>
<b>NET ASSETS</b>	<b>128,516</b>	<b>131,560</b>	<b>(3,044)</b>	<b>816</b>	<b>835</b>	<b>(19)</b>	<b>-2%</b>
EQUITY AND RESERVES							
Share Capital	11,451	11,451	-	73	73	-	0%
Reserves	91,098	91,272	(174)	578	579	(1)	0%
Equity Tier I	102,549	102,722	(174)	651	652	(0)	0%
<b>Total Equity</b>	<b>128,516</b>	<b>131,560</b>	<b>(3,044)</b>	<b>816</b>	<b>835</b>	<b>(19)</b>	<b>-2%</b>





# Statement of Financial Position : Consolidated

ASSETS	Rs. in Million			US\$ in Million			Growth
	Jun' 21	Dec'20	Variance	Jun' 21	Dec'20	Variance	
Cash and Balances with Banks	134,458	135,625	(1,168)	853	861	(7)	-1%
Lending to FIs	7,369	17,996	(10,627)	47	114	(67)	-59%
Investments - net	1,076,655	831,704	244,951	6,834	5,279	1,555	29%
Advances - net	516,845	496,502	20,343	3,281	3,152	130	4%
Operating fixed assets	77,909	76,375	1,534	495	485	10	2%
Other Assets	34,519	34,887	(370)	219	221	(2)	-1%
<b>TOTAL ASSETS</b>	<b>1,847,755</b>	<b>1,593,090</b>	<b>254,664</b>	<b>11,729</b>	<b>10,112</b>	<b>1,616</b>	<b>16%</b>
LIABILITIES							
Deposits	1,315,028	1,216,668	98,360	8,347	7,723	624	9%
Borrowings	355,604	193,928	161,676	2,257	1,231	1,026	83%
Bills Payable	9,117	9,622	(505)	58	61	(3)	-5%
Other Liabilities	37,168	39,103	(1,934)	236	248	(12)	-5%
<b>TOTAL LIABILITIES</b>	<b>1,716,916</b>	<b>1,459,321</b>	<b>257,597</b>	<b>10,898</b>	<b>9,263</b>	<b>1,635</b>	<b>18%</b>
<b>NET ASSETS</b>	<b>130,839</b>	<b>133,769</b>	<b>(2,930)</b>	<b>830</b>	<b>849</b>	<b>(19)</b>	<b>-2%</b>
EQUITY AND RESERVES							
Share Capital	11,451	11,451	-	73	73	-	0%
Reserves	93,400	93,481	(81)	593	593	(1)	0%
<b>Equity Tier I</b>	<b>104,851</b>	<b>104,932</b>	<b>(81)</b>	<b>666</b>	<b>666</b>	<b>(1)</b>	<b>0%</b>
<b>Total Equity</b>	<b>130,839</b>	<b>133,769</b>	<b>(2,930)</b>	<b>830</b>	<b>849</b>	<b>(19)</b>	<b>-2%</b>



# Income Statement : Standalone

Particulars	Rs. in Million			US\$ in Million			Growth
	Jun' 21	Jun'20	Variance	Jun' 21	Jun'20	Variance	
Mark-up and Interest Income	53,337	61,947	(8,610)	339	393	(55)	-14%
Mark-up and Interest Expensed	30,319	36,765	(6,446)	192	233	(41)	-18%
Net Mark-up and interest Income	23,018	25,182	(2,164)	146	160	(14)	-9%
Capital Gain and Dividend	3,745	3,138	607	24	20	4	19%
Fee based Income and Others	4,188	3,560	628	27	23	4	18%
Non Mark-up and Interest Income	7,933	6,698	1,236	50	43	8	18%
Gross Income	30,951	31,880	(929)	196	202	(6)	-3%
Human Resource Cost	7,440	6,881	559	47	44	4	8%
Other Operating Cost	9,110	8,127	983	58	52	6	12%
Total Operating Cost	16,550	15,008	1,542	105	95	10	10%
Operating Profit	14,401	16,872	(2,469)	91	107	(16)	-15%
Total Provisions	(310)	2,209	(2,519)	(2)	14	(16)	-114%
Profit Before Tax	14,711	14,663	48	93	93	0	0%
Taxation-Current	5,949	6,249	(300)	38	40	(2)	-5%
Profit After Tax	8,762	8,414	348	56	53	2	4%



# Income Statement : Consolidated

Particulars	Rs. in Million			US\$ in Million			Growth
	Jun' 21	Jun'20	Var.	Jun' 21	Jun'20	Var.	
Mark-up and Interest Income	53,339	61,948	(8,609)	339	393	(54)	-14%
Mark-up and Interest Expensed	30,330	36,767	(6,437)	193	233	(41)	-18%
Net Mark-up and interest Income	23,009	25,181	(2,172)	146	160	(14)	-9%
Capital Gain and Dividend	3,875	3,075	800	25	20	5	26%
Fee based Income and Others	4,493	3,927	565	29	25	3	14%
Non Mark-up and Interest Income	8,367	7,002	1,364	53	44	8	19%
Gross Income	31,376	32,183	(807)	199	204	(5)	-3%
Human Resource Cost	7,616	7,028	588	48	45	4	8%
Other Operating Cost	9,182	8,194	990	58	52	6	12%
Total Operating Cost	16,799	15,221	1,578	107	97	10	10%
Operating Profit	14,577	16,962	(2,385)	93	108	(15)	-14%
Total Provisions	(310)	2,209	(2,519)	(2)	14	(16)	-114%
Profit Before Tax	14,886	14,753	133	94	94	1	1%
Taxation - Current	6,010	6,276	(266)	38	40	(2)	-4%
Profit After Tax	8,876	8,477	399	56	54	3	5%

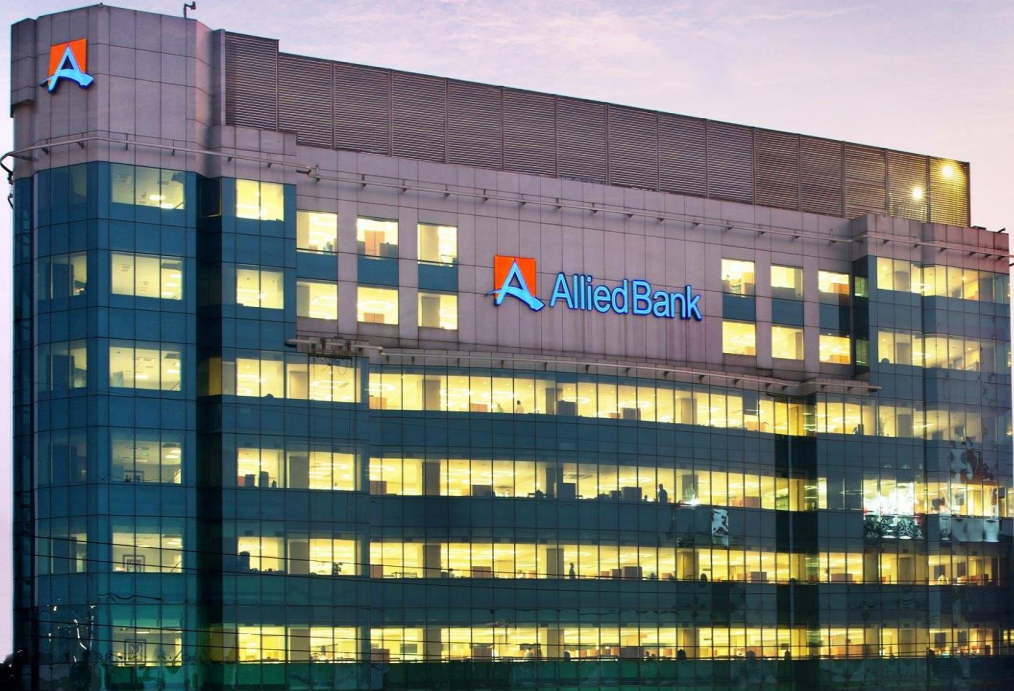


# Disclaimer

The information being presented herein is solely for your information.

Except for the historical information, statements that describe the Bank's objectives, plans or goals discussed in Investor Conference Call are forward-looking statements. These forward looking statements involve a number of risks, uncertainties and other factors and are made based on management's current expectations or beliefs as well as assumptions made by and information currently available to management.

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**THANK YOU**

