

Flash Note

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Commercial Banks

Allied Bank Limited (ABL)

Earnings: Allied Bank Limited (ABL) announced its financial result for the third quarter of the year 2023. As per the financial result, the Bank reported unconsolidated earnings of PKR 11.22bn (PKR 9.80/share) during 3QCY23 compared to PKR 5.74bn (PKR 5.01/share) last year, an increase of +14%q/q and a jump of +95%/y/y. This brings total profitability for 9MCY23 to PKR 28.66bn (PKR 25.03/share), up by +2.3xy/y.

Dividend/Payout: The Company announced a cash dividend of PKR 3.0/share along with the result bringing total cash payout for 9MCY23 to PKR 8.0/share.

Operating Performance: During the 3QCY23 period under review, the Bank reported net-interest income of PKR 30bn (up by +68%/y/y) and non-interest income of PKR 5bn (down by 13%/y/y). As a result, the bank's total revenue stood at PKR 35bn (up by +49%/y/y). Moreover, ABL recorded operating expenses of PKR 13bn (up by +19%/y/y), which improved the bank's cost/income ratio to 36% (last year: 45%). The bank booked a provision charge of PKR 0.2bn during 3QCY23 compared to a provision reversal of PKR 0.1bn in the same period last year. The tax charge for this quarter came at PKR 11bn (effective tax rate of 50% compared to 56% in 3QCY22. This brings total effective tax rate for 9MCY23 to 50% compared to 62% in the same period last year.

Exhibit: Financial Highlights Allied Bank Limited (ABL)

Latest result published for 3Q'/23

Period (PKRbn)	9M'/23	3Q'/23	2Q'/23	1Q'/23	9M'/22	3Q'/22	2Q'/22	1Q'/22
Net Interest Income	81	30	30	21	45	18	15	13
Fee Income	8	3	3	3	6	2	2	2
Treasury Income	8	2	2	4	10	4	5	2
Non-Interest Income	16	5	4	7	16	6	7	4
Total Revenue	97	35	35	27	62	24	22	17
Op. Exp.	(37)	(13)	(13)	(12)	(29)	(11)	(10)	(9)
Provision charge/(reversal)	(2.5)	0.2	(0.4)	(2.3)	0.7	(0.1)	0.5	0.3
Profit Before Tax	58	23	22	13	33	13	12	8
Tax	(29)	(11)	(12)	(6)	(20)	(7)	(10)	(3)
Profit After tax	28.66	11.22	9.85	7.59	12.63	5.74	2.06	4.83
EPS	25.03	9.80	8.61	6.63	11.03	5.01	1.80	4.22
DPS	8.00	3.00	2.50	2.50	6.00	2.00	2.00	2.00

Source: Company accounts, IGI Research. No. of shares: 1,145.1mn

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