



Bank Alfalah

The Chief Executive Officer
The National Clearing Company of Pakistan Limited
Stock Exchange Building
Stock Exchange Road
Karachi



LDN/CA/3188
13th May 2019

ISSUANCE OF SHARES UNDER EMPLOYEES STOCK OPTION SCHEME OF BANK ALFALAH LIMITED

Dear Sir,

This is in furtherance to our letter dated 13th May 2019, addressed to Pakistan Stock Exchange and a copy of the same was endorsed to you (copy enclosed for ready reference).

We would like to reiterate that in accordance with the Employees Stock Option Scheme ("ESOS") of Bank Alfalah Limited ("the Bank"), a total 2,802,245 new ordinary shares of the Bank have been issued, without issuance of right shares as per list attached, and have been credited into the CDC sub accounts of the eligible employees on the close of day on May 10, 2019. As a result of issuance of said shares, the paid up capital of the Bank stands increased from Rs. 17,743,628,740 divided into 1,774,362,874 shares of Rs. 10/- each to Rs. 17,771,651,190 divided into 1,777,165,119 shares of Rs. 10/- each.

We hereby confirm that for the purpose of calculating the taxable income of an employee, the closing market price of the day when shares were credited i.e. May 10, 2019 (Rs. 44.55) was taken as a consideration received from an employee and accordingly, the difference between the strike price and the closing market price has been added to the income of respective employees for taxability under the head "Salary". Therefore, for the purpose of calculating the capital gain tax, the issue price of the entire 2,802,245 new shares shall be Rs. 44.55, being the Closing Market Price on the day of credit of shares, i.e. May 10, 2019.

In view of the above, the capital gain tax for onward disposal by the employees shall be determined in accordance with the closing-market price on the share issuance date i.e. Rs. 44.55 per share.

Thanks and Best regards,

Yours truly,

Muhammad Akram Sawleh
Company Secretary

Anjum Hai
Chief Financial Officer

Encl: as above

✓ c.c. The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Karachi



Bank Alfalah

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi



LDN/CA/3187
13th May 2019

**ISSUANCE OF SHARES UNDER EMPLOYEES STOCK OPTION SCHEME
OF BANK ALFALAH LIMITED**

Dear Sir,

This refers to the Employees Stock Option Scheme (“ESOS/the Scheme”) of Bank Alfalah Limited (“BAFL/the Bank”) duly approved by the shareholders and SECP.

In accordance with the Scheme, 3rd and last vesting period of the grant for the year 2016 (“3rd Grant”) have been concluded on 31st March 2019. Accordingly, the exercise period for the options vested under the aforesaid grants commenced from 1st April 2019. The eligible employees have exercised their options granted to them by the Compensation Committee of BAFL.

We would like to inform you that a total of 62 employees (“entitled employees”) have exercised their respective options, and have made payments for subscription of aggregate 2,802,245 ordinary shares of Rs. 10/- each of the Bank. Consequent, upon exercise of Options and receiving subscription money from the eligible employees, the Bank has arranged to issue 2,802,245 ordinary new shares of Rs. 10/- each, without issuance of right shares, which were duly credited to the respective CDC sub-account of the eligible employees, as confirmed by Central Depository Company of Pakistan at the end of the day of 10th May 2019. No physical shares were issued to any employee.

The entitled employees have exercised their adjusted Options in accordance with the adjusted Strike Price on account of issuance of 10% interim bonus shares i.e. Rs.13.59 per share, already mentioned in the Bank’s Annual Report for the year 2018. The closing market price for the aforementioned shares at the date of credit of shares into the respective CDC sub accounts of the entitled employees, i.e. on 10th May 2019 was Rs. 44.55 per share (“the Closing Market Price”).

We hereby confirm that for the purpose of calculating the taxable income of an employee, the closing market price will be taken as a consideration received from an employee and accordingly, the difference between the strike price and the closing market price will be added to the income of respective employees for taxability under the head “Salary”. Therefore, for the purpose of calculating the capital gain tax, the issue/deal price of the entire 2,802,245 new shares of Rs. 10/- each issued/credited under ESOS shall be Rs. 44.55 per share, being the Closing Market Price on the day of credit of shares to the respective CDC accounts of the entitled employees.

As a result of issuance of 2,802,245 new ordinary shares of Rs.10/- each, without issuance of right shares, the paid up capital (shares) of the Bank stands increased from 1,774,362,874 shares to 1,777,165,119 shares; pay orders for increase in capital are attached.

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Bank Alfalah

The incident of capital gain tax for onward disposal by the employees shall be determined in accordance with the closing market price i.e. Rs. 44.55 per share.

We enclose the following for your information and records:

1. Copies of SECP's letter No. SMD/CIW/ESOS/02/2013 dated September 3, 2013 and letter No. SMD/CIW/ESOS/02/2013 dated December 27, 2013, approving the ESOS of the Bank.
2. Attested copy of the Bank's Statutory Auditors' Certificate dated 8th May 2019 confirming increase in paid-up capital of the Bank along with total paid-up capital after issuance of shares other than right shares.
3. A list of eligible employees, who have exercised their Options under ESOS and to whom the Bank issued the ordinary shares of Rs. 10/- each, without issuance of right shares.
4. Copy of CDC's letter No. OPS/CA/FI/003 dated 13th May 2019.
5. Pay Order No. BC HOF 00020069 dated 8th May 2019 for Rs. 25,780.65 (net of tax) in favor of Pakistan Stock Exchange Limited being fee @ one tenth of one percent of the increase in the paid-up capital i.e. Rs. 28,022,450/- (divided into 2,802,245 ordinary shares of Rs.10/- each)
6. Pay Order No. BC HOF 00020068 dated 8th May 2019 for Rs. 2,802.25 in favor of Pakistan Stock Exchange Limited in respect of Listed Company Supervisory Fee of SECP.

The copy of Return of Allotment (Form-3) will be submitted in due course.

Yours truly,

Muhammad Akram Sawleh
Company Secretary

Anjum Hai
Chief Financial Officer

Encl: as above

- c.c.
- 1) The Chief Executive Officer
National Clearing Company of Pakistan Limited
Stock Exchange Building
Off. I.I. Chundrigar Road,
Karachi
 - 2) The Director Enforcement
Securities & Exchange Commission of Pakistan
NIC Building, Jinnah Avenue
Blue Area, Islamabad

AC/AAR/483/19
8 May 2019

Mr. Nauman Ansari
Chief Executive Officer
Bank Alfalah Limited (the Bank)
Karachi

[Handwritten Signature]
BANK ALFALAH LIMITED
ATTESTED
Company Secretary

Dear Sir,

CERTIFICATE ON ISSUANCE OF SHARES UNDER EMPLOYEE STOCK OPTION SCHEME

We have been requested to provide you with a certificate on the annexed statement of Exercise/Subscription of Option/Shares by Employees (the Statement) of Bank Alfalah Limited (the Bank) as statutory auditors of the bank under Employee Stock Option Scheme (ESOS) for the period from 01 April 2019 to 30 April 2019 as required under the Central Depository System (CDS) Standard Operating Procedures.

Scope of certificate

This certificate is being issued in terms of the requirement of CDS Standard Operating Procedures.

Management's responsibility

It is the management responsibility to provide the statement for the period from 01 April 2019 to 30 April 2019 in compliance with the Companies Act, 2017, Public Companies (Employee Stock Option Scheme) Rules, 2001 and CDS Standard Operating Procedures.

Auditor's responsibility

Our responsibility is to certify the compliance of the requirements of CDS Standard Operating Procedures in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the procedures as mentioned below:

1. Reviewed the approval of shareholders of the Bank in the Extra Ordinary General Meeting held on 22 November 2013 to issue 40,474,689 shares of Rs. 10 each to the employees under ESOS and the approval of ESOS by the shareholders in the 21st Annual General Meeting held on 29 March 2013.
2. Reviewed the Securities and Exchange Commission of Pakistan (SECP) letter no. SMD/CIW/ESOS/02/2013 dated 27 December 2013 allowing the Bank to issue 40,474,689 shares to the employees under ESOS.
3. Obtained confirmation from F.D. Registrar Services (SMC-Pvt) Ltd. (the Share Registrar) of the Bank vide its letter dated 06 May 2019 that all the necessary and procedural requirements with regard to allotment of shares in the name of CDC nominee shareholding have been duly complied.
4. Obtained and reviewed minutes of compensation committee meeting held on 28th March 2016.
5. Obtained the statement as attached in Annexure-A containing the exercise of options by the eligible employees from 01 April 2019 to 30 April 2019 (the exercise period).

[Handwritten Signature]

6. Checked that the subscription price is calculated in accordance to ESOS.
7. Checked that the calculation of the amount received in the statement is in accordance to the ESOS approved by SECP.
8. Reviewed the option letter dispatched to the employees and the ESOS option notice received from the employee confirming the exercise of option and checked that the amount to be received from the employees for exercise of options has been received in the account specified by the Bank.
9. Trace the total subscription amount to the total debit balance in the bank statement of the account specified by the bank.

Certificate

Based on procedures mentioned above, we certify that the Bank has received the following amounts against subscription by employees under ESOS:

Grant year	Shares subscribed	Market price of share on grant date	Subscription Price	Date of Deposit	Subscription amount
2016	2,802,245	Rs. 24.92	Rs. 13.59	01 April 2019 to 30 April 2019	Rs. 38,082,556

The paid-up capital before issuance of shares to employees was Rs. 17,743,628,740/- (divided into 1,774,362,874 shares of Rs. 10/- each) and after issuance of shares to employees has increased to Rs. 17,771,651,190/- (divided into 1,777,165,119 shares of Rs. 10/- each).

We certify that all the requirements with regards to allotment of shares in the name of CDC nominee shareholding have been complied by the Bank and allotment register has also been updated as confirmed by the Share Registrar of the Bank vide its letter dated 06 May 2019.

Restriction on use and distribution

This certificate is issued at the specific request of the management of the Bank for onward submission to Pakistan Stock Exchange Limited and Central Depository Company of Pakistan Limited. This certificate is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours faithfully



OC/AAR:bf.

S. No	Name	CNIC No.	No. of Shares	CDC Account No.
1	Haroon Khalid	4230188443557	61,234	05512-74503
2	Muhammad Akram Choudary	4230109686409	31,166	06122-56291
3	Zain Alam	4220150061803	19,066	04010-23684
4	Mohammad Shoaib Rizwani	3630274787085	41,800	10629-146871
5	Muhammed Farrukh Aslam Chughtai	3630204779005	24,934	00364-190437
6	Muhammad Ali Rafiq	4210116447801	25,116	03277-93233
7	Waqar Haroon Yousuf	4220165309313	35,200	04457-60510
8	Waqas Jawaid Bukhari	4220164570929	31,166	04457-85871
9	Muhammad Azhar Khan	4210119473707	36,666	03277-89435
10	Ali Ayub	4230181622099	23,834	01826-91165
11	Khurram Zaman	3310084444399	73,334	10629-31420
12	Tahir Khurshid	3520221863371	36,666	06700-17169
13	Husnain Zaigham	3740504441981	38,500	10629-119837
14	Suhail Siddiqui	4230187840315	22,366	12674-7936
15	Shahzad Gulzar	3520228354439	40,334	03350-110482
16	Muhammad Ayyaz Ashraf	3520015732949	40,334	06700-13200
17	Masood Ahmed Awan	5440005045493	38,500	04705-92914
18	Shahzad Ishaq	3520229820939	69,666	00364-229458
19	Muhammad Arshaque Memon	4230158139473	28,234	05512-83231
20	Ijaz Muhammad Chauhdry	6110120147605	29,334	05512-90723
21	Syed Mohsin Ali Shah	3520116031915	60,500	00307-92761
22	Talal Ali Raza	3740522104297	42,166	03525-96584
23	Ehtisham Ul Haq	3130360035967	28,967	04366-21802
24	Mohammad Ali	3520299889345	31,166	11692-28436
25	Shehzad Lalani	4220105819081	33,000	05512-51170
26	Abid Razaq	3520267026621	31,166	11759-25244
27	Muhammed Omer	3520229597005	55,000	00364-232775
28	Muhammad Umer Farooq Mallick	3520297638927	55,000	03525-89750
29	Fakhar Ahmad	3520228542425	58,666	00307-92928
30	Mehvish Waliyani	4220104275430	44,000	01826-67728
31	Imtiaz Gadar	4230107439713	91,666	03277-89599
32	Imran Babur	4220177855281	17,784	12674-8470
33	Mohammad Hussain	4220103438593	48,766	10629-119647
34	Mehreen Ahmed	4230108470850	119,166	05660-2226
35	Afsheen Jawad Chaudhry	4220105912724	36,666	03277-97317
36	Wasim Akhter	4210115681935	27,500	05512-30513
37	Amin Sukhiani	4220104661689	58,666	01826-81745
38	Omer Waqas Malik	3520116175477	40,334	10629-119662
39	Mohammad Farooq	6110117527473	38,500	05587-55372
40	Mustafa Rabbani	6110119502113	55,000	10629-119514
41	Saud Shahid Khan	3520210425907	18,700	10629-70196
42	Aamish Ahmed	3520267591423	22,000	03525-89694
43	S. M. Iffat Ali Rizvi	4210115668575	22,000	06452-22658
44	Khurram Jamshed	4220104098297	42,900	10629-143068
45	Asif Maqbool	3520227876063	25,666	00307-101786
46	Ali Zaman Khan	3520115941043	38,500	12674-7381
47	Aasim Wajid Jawad	4230141122601	91,666	05660-8868
48	Khawaja Zia Abbas	4220151844815	47,667	05512-18278
49	Syed Ali Sultan	4230116859331	119,166	03277-86611
50	Zeeshan Zulfiqar Ali Shalwani	4230195926353	12,650	06122-86249
51	Muhammad Qasim Rashid	3740505868205	56,834	00935-37505
52	Kamran Mahmood	4210186873701	56,834	006684-147689
53	Muhammad Sheeraz Zafar	3520226042861	30,434	10629-127863
54	Javed Iqbal	4200003661991	64,166	03525-96741
55	Khawaja Muhammad Ahmad	3520276602135	183,334	04085-92344
56	Muhammad Ashraf	4210117826085	44,000	05512-83264
57	Bilal Shami	4220103638597	22,366	06122-102566
58	Muhammad Faisal Khan	4220193100909	19,067	03277-30883
59	Syed Muhammad Asif	6110163807165	55,000	00364-231033
60	Ali Asghar	3520222869513	27,500	00307-101802
61	Farooq Qamar Khan	3520222689401	47,666	03525-89600
62	Hasan Ahmed Khan	4230195409137	33,000	05264-58573
Total			2,802,245	



Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shakra-e-Faisal
Karachi - 74400. Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326034
URL: www.cdcpakistan.com
Email: info@cdcpak.com

May 13, 2019

OPS/CA/FI/003



Mr. Muhammad Akram Sawleh
Company Secretary
Bank Alfalah Limited
B.A. Building,
I.I. Chundrigar Road,
Karachi

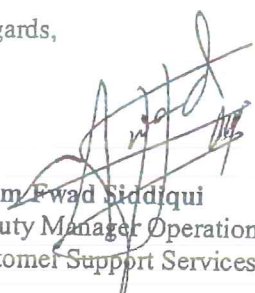
Dear Sir,

Bank Alfalah Limited
Credit of shares (without right offer - ESOS) into CDS

We refer to your confirmation letter regarding the captioned subject. This is to state that 2,802,245 shares of the above mentioned security have been credited into respective accounts in the Central Depository System at the end of day of May 10, 2019.

We shall be pleased to provide you with any other information / clarification should you so require.

Regards,


Azam Fwad Siddiqui
Deputy Manager Operations &
Customer Support Services


Abdul Basit Kothari
Senior Manager Operations &
Customer Support Services

C.C. **Mr. Muhammad Aamir**
Chief Executive Officer
F.D. Registrar Services (SMC-Pvt) Limited
1705, 17th Floor, Saima Trade Tower - A,
I.I. Chundrigar Road,
Karachi.