

HBL's 9M'25 profit rises to Rs 112 billion, on the back of broad scale growth in all client segments

Pakistan, Karachi – 23 October 2025: HBL today declared a record profit before tax of Rs 112.2 billion for the first nine months of 2025, 31% higher than in the same period last year. Despite higher tax rates burdening the banking sector, profit after tax increased 19% to Rs 51.4 billion. EPS for 9M'25 improved to Rs 34.97 from Rs 30.03 in 9M'24. Along with the results, the Bank declared an interim dividend of Rs. 5.0/- per share for the quarter.

HBL's balance sheet has grown by 20% since the start of the year, to Rs 7.2 trillion. With total deposits of Rs 5.1 trillion, the Bank continues to lead the industry, with domestic deposits increasing by 18% to Rs 4.3 trillion. Current account mobilization remained a key focus for the Bank; a growth of Rs 384 billion over Dec'24 helped maintain the CA mix at above 40%, while the CASA ratio stood at 87%. The Bank's flagship Consumer business continued its solid growth trajectory, crossing Rs 163 billion in lending, while total loans remained steady at nearly Rs 2.0 trillion.

HBL's net interest income increased 11% to Rs 207 billion, even as monetary easing continued. The improved average current account mix helped reduce the cost of deposits, supporting margins while a volumetric increase of Rs 381 billion in the balance sheet further drove revenue. Non-fund income increased to Rs 68 billion, driven by an exceptional Treasury performance and double-digit growth in the domestic fee franchise during the quarter. HBL's total revenue thus increased to Rs 275 billion.

Cost optimizing initiatives remained intact across the Bank which helped contain the YoY expense growth at 8%, driving down the cost/income ratio to 55.5% in 9M'25. A strong recovery performance decreased the Bank's non-performing loans, further reducing the infection ratio to 4.9% as at end-Sep'25. The specific coverage strengthened to over 90%, with the total coverage well above 100%. The Tier 1 Capital Adequacy Ratio (CAR) of 14.39% and the Total CAR of 18.32% both strengthened over the previous quarter and remained well above required levels.

Commenting on the Bank's performance, Muhammad Nassir Salim, President & CEO – HBL, said, "HBL accelerated its performance across all business verticals in Q3'25. The Bank continues to deliver against its strategic objective of supporting its clients and playing its part in the economic development of the country. Enhancing Pakistan's capital markets, supporting the 'S' of SMEs and

championing banking in Balochistan were the highlights of this quarter. Its people, and clients remain the backbone for HBL.”

Delivering value for stakeholders

To enhance capital markets, HBL became the first Bank to partner with National Clearing Company of Pakistan Limited (NCCPL). The Bank aims to pursue opportunities such as Margin Trading, evaluating the custodian clearing member's role, and utilizing NCCPL's Capital Gains Tax (CGT) services.

To equip SMEs, sole proprietors, and entrepreneurs with the means to transact securely and seamlessly, HBL is supporting the national agenda of enabling businesses to grow, formalize, and contribute to Pakistan's economic progress. To this effect, the Bank partnered with Mastercard to launch Business Debit Cards to empower Pakistan's SMEs. The Bank remains the largest issuer of debit cards in Pakistan.

HBL is fully committed to growing the “S” of SME business in a significant and sustainable way. The Bank inaugurated nine Trade Business Centers for Commercial/SME clients in Q3'25, focusing on trade while providing an enhanced client experience. Moreover, the Bank formalized a strategic partnership with Sindh Enterprise Development Fund (SEDF) to provide subsidized credit to Small and Medium Enterprises (SMEs) across the province of Sindh.

HBL, as the champion Bank for Balochistan hosted the 13th Regional Agricultural Coordination Committee (RACC) meeting centered on agricultural financing, fostering financial inclusion, and tackling existing industry challenges within the region. Moreover, the Bank partnered with Balochistan Land Records Management Information System (BLRMIS) and Systems Limited to enable secure digital verification of agricultural loans, replicating the successful model previously implemented in Punjab. The Bank continues to hold a significant position at the enterprise level, maintaining a 29% share of total agricultural financing in the region.

In line with the Government of Pakistan's vision of a Digital Pakistan, HBL's strategic partnership with P@SHA continues to bolster the Bank's engagement and outreach within the tech ecosystem, amplifying its impact on the digital economy. The HBL-P@SHA ICT Awards 2025 achieved a record milestone with more than 1,600 applications received from across Pakistan, the highest in the history of the Awards.

In Q3'25, HBL Foundation contributed Rs. 138.4 million to healthcare, education, sports, and humanitarian assistance. Moreover, HBL Foundation supported relief operations for communities affected by the recent floods in Gilgit Baltistan and Khyber Pakhtunkhwa.

In recognition of the Bank's leadership, performance, and innovative approach, HBL has been honored with 27 prestigious accolades during 9M'25, including 'Best Bank in Pakistan' by Euromoney Awards 2025. Some other notable awards in Q3'25 include 'Sukuk Adviser of the Year – Pakistan' and 'Best Islamic Project Finance Deal – Pakistan' by The Asset Triple A Islamic Finance Awards 2025, 'Media & Entertainment & Game of the Year' by HBL P@SHA ICT Awards 2025 and Employer of Choice (Among top 10 organizations and the best in Financial sector) by International Finance Corporation (IFC).