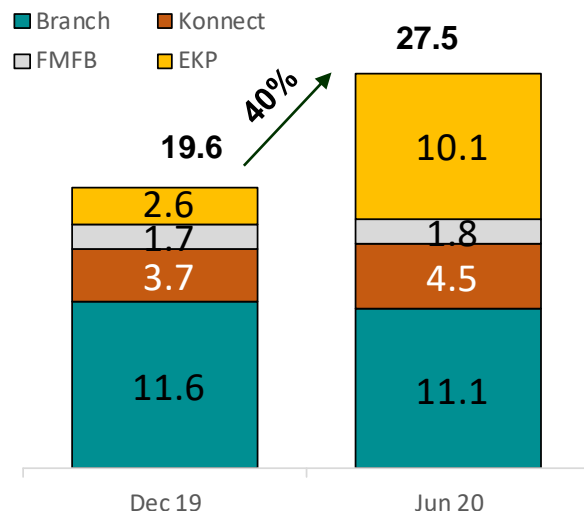




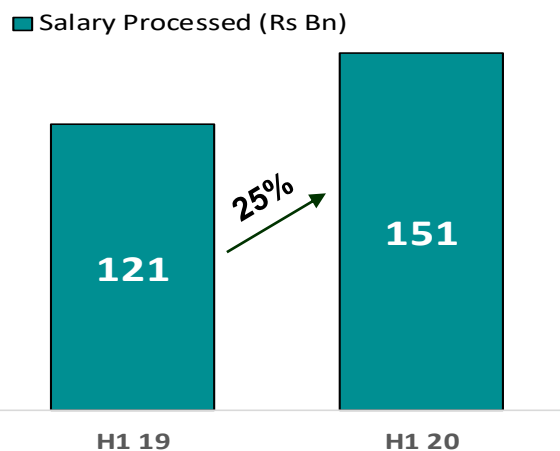
Financial Results – June 2020

Investor Presentation

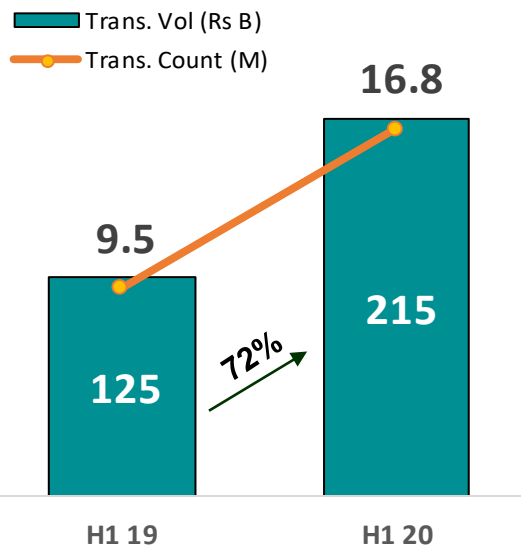
Digital base enhancing at an accelerated pace –
Total Customers ~ 27M



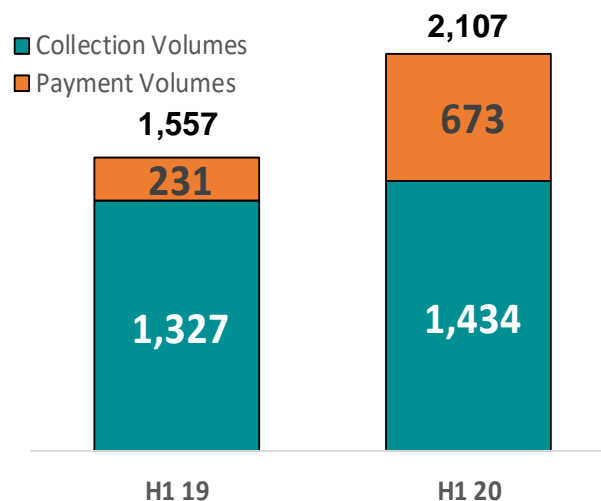
Employee Banking maintaining dominance with 1.13m accounts



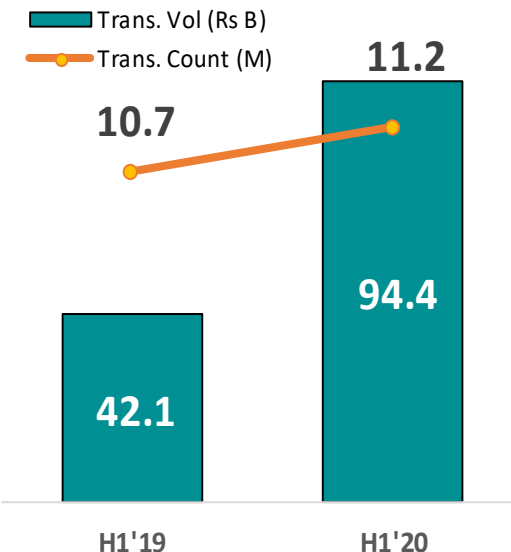
HBL Mobile & Internet Banking - 1.4M Subscribers



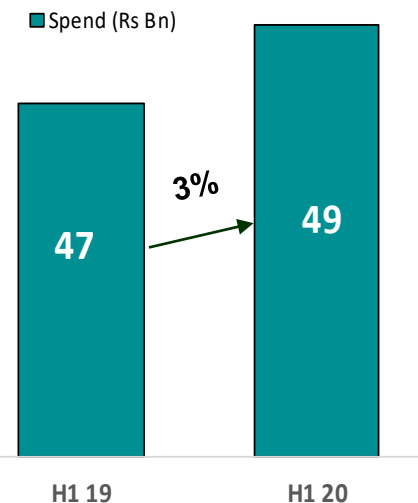
Cash Management throughput up 35% despite lockdowns



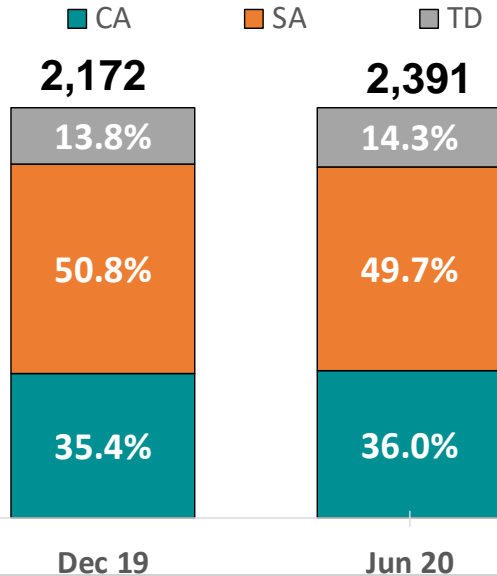
HBL Konnect – volumes more than doubled



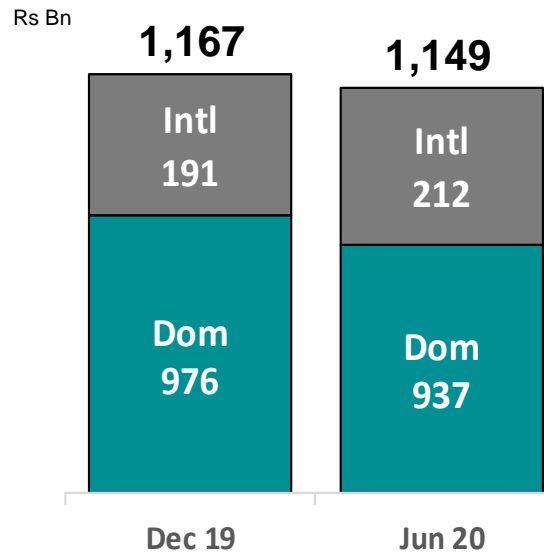
Cards base 5.8m – Industry leadership



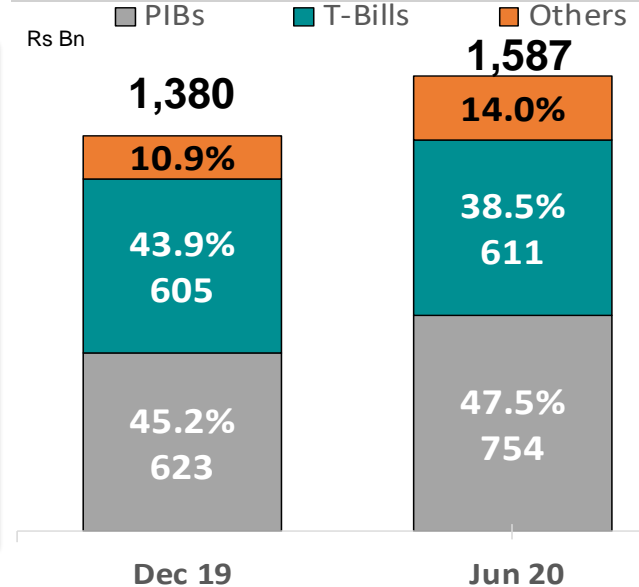
Domestic Deposits - leadership maintained, reached nearly Rs 2.4t



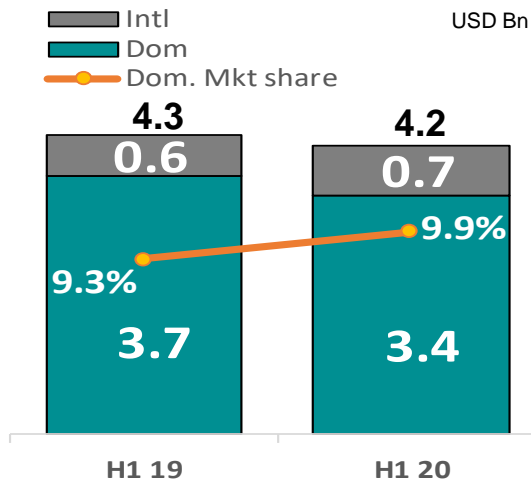
Advances - Rs 1.1 Trillion, with ADR at 43.2%



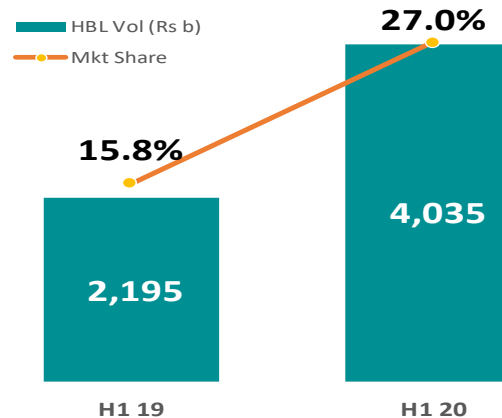
Investments - Rs 1.6 Trillion, mix skewed towards PIBs



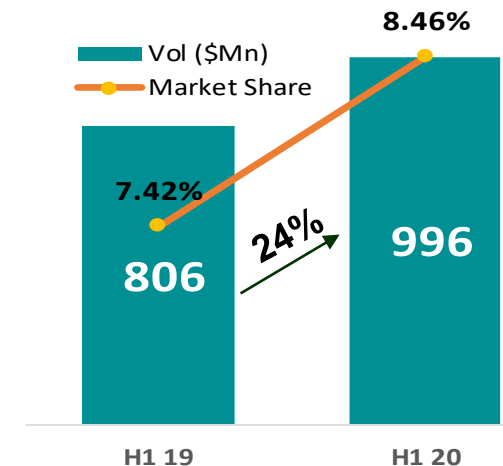
Trade Volumes – H1'20 market share increased to 10%; Jun'20 at 14%



HBL Treasury – Consistent top-performing Primary Dealer for the past decade



Home Remittance – New partnerships restoring volumes



Profitability

- Profit after tax for H1'20, at Rs 15.2 billion, a nearly fourfold increase over the Rs 3.9 billion in H1'19
- Profit before tax for H1'20 is Rs 25.8 billion, more than 2.5 times the Rs 9.9 billion in H1'19
- Core domestic PBT has increased by 50% over H1'19 to Rs 38.0 billion

Total Revenue increased by 43% over H1'19 to nearly Rs 80 billion

- Net interest income rose by 32% over H1'19 to Rs 63.1 billion
 - Domestic NII grew by 36% to Rs 58.9 billion
 - NIMs improved by 79bps to 5.8% due to immediate downward repricing of deposits while asset yields maintained due to long investments book.
 - Average balance sheet grew by Rs 294 billion driven by 11% growth in average deposits
- Non-fund income more than doubled to Rs 16.6 billion
 - There is a swing of Rs 8.8 billion in capital gains – In H1'20, there is a Rs 6.9 billion gain on fixed income bonds due to timely realization of surplus. In H1'19, there was a loss of Rs 2.2 billion on equities.
 - Fees declined by 17% to Rs 8.9 billion as a result of slowdown in overall business activity – the reductions were mainly in Bancassurance, and investment banking fees. However, consumer finance, trade/loan fees and income from G2P payments have shown a steady growth.

Administrative expenses reduced by 14% from Q1'20 and have increased by only 6% YoY to Rs 47.7 billion

- With the closure of New York branch and completion of the business transformation program, the costs have now started to normalize.
- The Bank's cost to income ratio reduced from 80.8% in H1'19 to 59.8% in H1'20
- The domestic cost to income ratio reduced from 56.8% to 46.1% in H1'20 (Ex. Capital gains: 50.4% in H1'20)

Provisions are Rs 5.0 billion higher than H1'19

- Total NPLs have increased by Rs 1.7 billion over Dec'19 as a result of rupee devaluation impact of Rs 2.7 billion on overseas NPLs. With a lower loan book and higher NPLs, the infection ratio slightly increased to 6.8% in Jun'20 (Dec'19: 6.6%)
- In H1'20, the Bank has taken a general provision of Rs 2.4 billion to cater to the potential impact of Covid-19
- International provisions, at \$17.2 million, are \$15.9 million higher than H1'19 - driven by 1 large ticket exposure and a \$ 4.2 million IFRS-9 related ECL charge
- The coverage ratio has improved from 93.2% in December 2019 to 95.0% in June 2020

Balance Sheet has increased by 6% over Dec'19 to Rs 3.4 trillion

Total deposits have increased by 9.2% (Rs 227 billion) over Dec'19 to Rs 2.7 trillion

- Total domestic deposits grew by Rs 219 billion (10.1%) to Rs 2.4 trillion – market share improved from 13.9% in Dec'19 to 14.1% in Jun'20
 - Current accounts increased by Rs 92 billion (12.0%) to Rs 860 billion, with the mix improving from 35.4% in Dec'19 to 36.0% in Jun'20.
 - Low cost savings deposits have grown by 14.3% (Rs 91 billion) to Rs 728 billion
- Average domestic deposits have increased by Rs 203 billion (11.1%) to Rs 2.0 trillion.
- International deposits have increased by 2.3% to Rs 272 billion

Total advances have declined by 1.5% over Dec'19 to Rs 1.1 trillion

- Domestic advances reduced by 4.0% from Dec'19 to Rs 937 billion due to a seasonal reduction in commodity financing and lower corporate lending
- International advances increased by 2.2% to \$ 1.3 billion (Rs 212 billion)



Pakistan's Best Bank



Best Investment Bank



Best Investment Bank



**Asia's Best
Bank Transformation**



**Best Project Finance
House – Pakistan**



**Awards for Recruitment, Retention,
Development & Advancement**



Best Domestic Bank



**Best Investment
Bank**



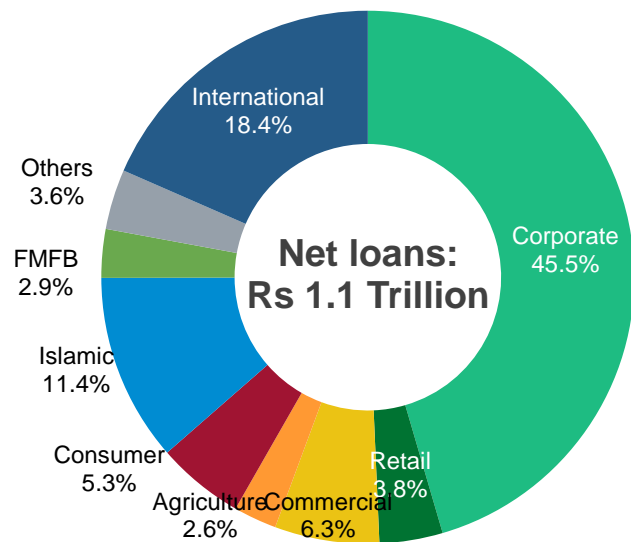
**Best Bank for Small and
Medium Businesses**



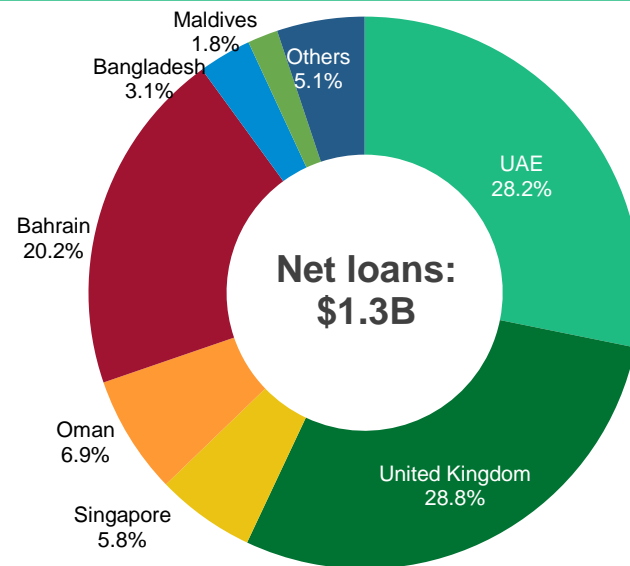
**#1 Primary Dealer in
Government Securities**

PKR Bln	Jun 20	Dec 19	Var%
Cash & Bank Balances	397.7	408.8	-3%
Lending to Financial Institutions	80.7	45.3	78%
Investments	1,586.7	1,379.6	15%
Net Advances	1,149.3	1,167.0	-2%
Others	216.5	226.4	-4%
Total Assets	3,430.9	3,227.1	6%
Deposits - Domestic	2,390.5	2,171.7	10%
Deposits - International	272.1	265.9	2%
Total Deposits	2,662.6	2,437.6	9%
Borrowings	310.0	382.2	-19%
Subordinated loan	22.4	22.4	0%
Others	181.3	160.2	13%
Total Liabilities	3,176.3	3,002.4	6%
Shareholders' equity	215.0	199.9	8%
Surplus on revaluation (Net)	39.6	24.9	59%
Total Liabilities & Equity	3,430.9	3,227.1	6%

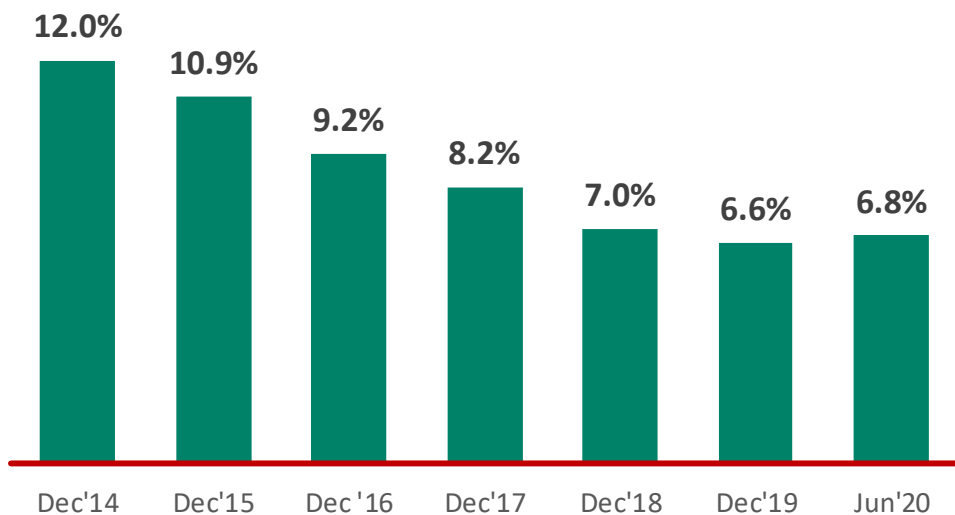
Loan portfolio composition by line of business



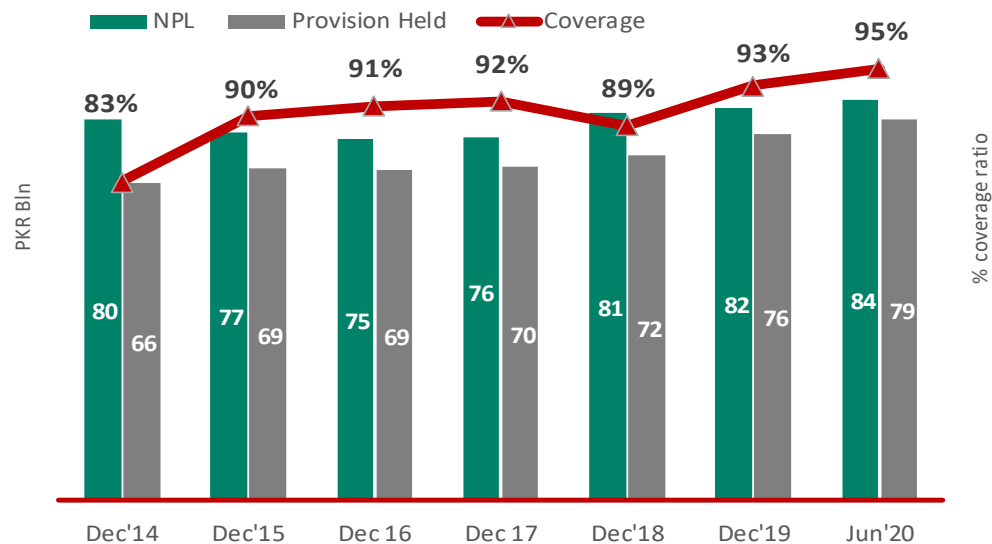
International Advances – Location wise



Asset quality



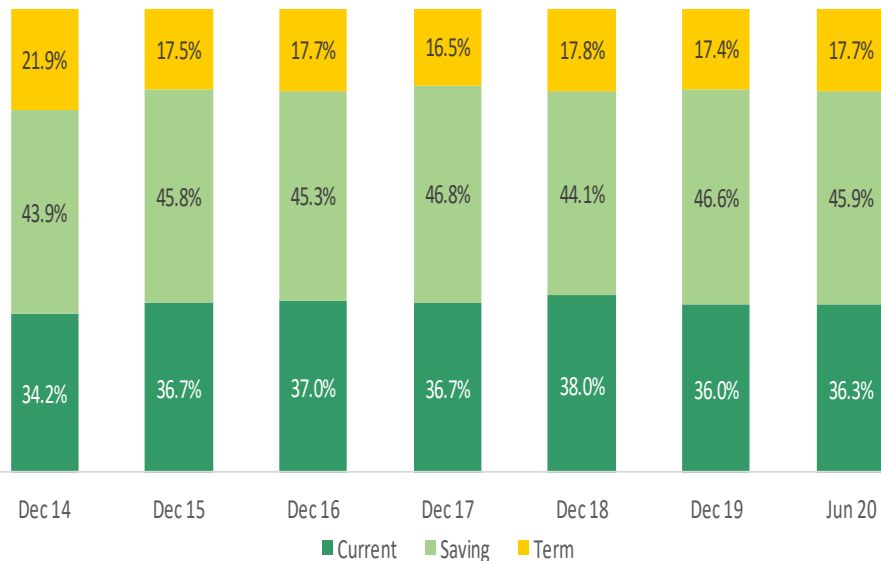
Coverage ratio



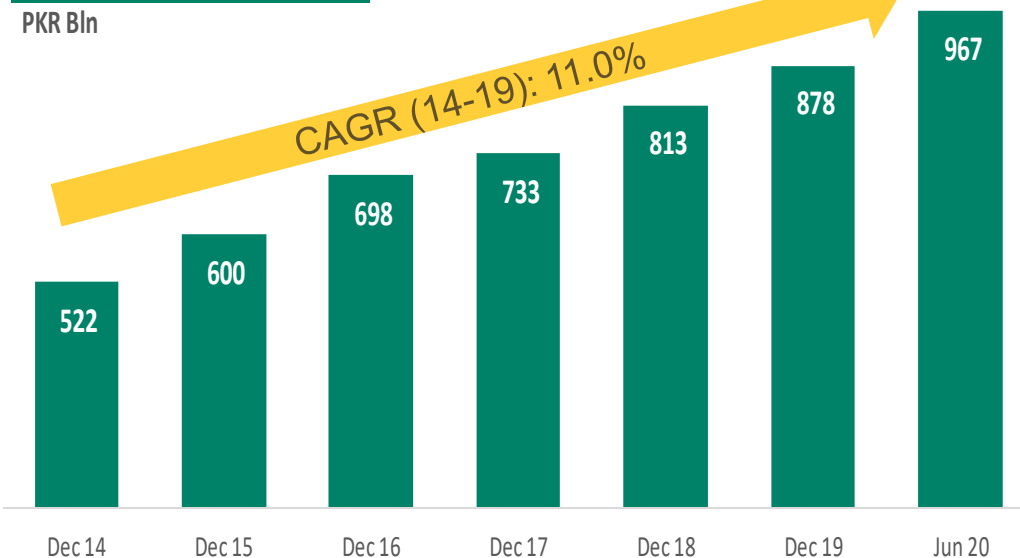
Period End Deposits			
PKR Bln	Jun 20	Dec 19	Var%
Current	859.8	768.4	12%
Saving	1,187.9	1,102.9	8%
Term	342.8	300.3	14%
Domestic	2,390.5	2,171.7	10%
International	272.1	265.9	2%
Group	2,662.6	2,437.6	9%
CASA - Domestic	85.7%	86.2%	-0.5%
CASA - Group	82.3%	82.6%	-0.4%

Average Deposits			
PKR Bln	H1 20	H1 19	Var%
Current	725.7	665.1	9%
Saving	1,010.8	887.8	14%
Term	289.6	270.2	7%
Domestic	2,026.0	1,823.2	11%
International	253.9	223.0	14%
Group	2,279.9	2,046.1	11%
CoD - Dom	5.84%	5.15%	+ 69 bps
CoD - Group	5.45%	4.80%	+ 65 bps

Deposits Composition

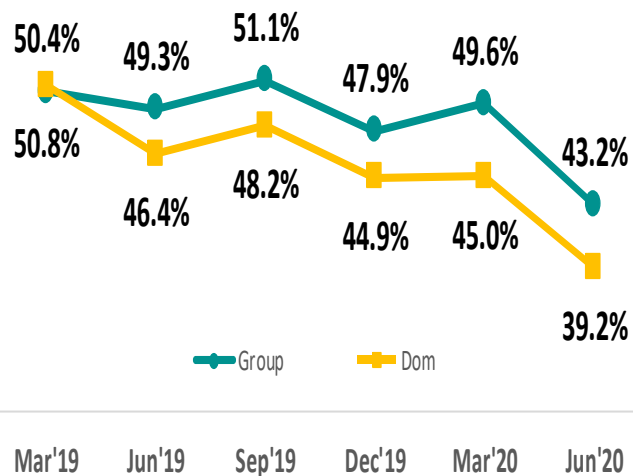


Growth in current deposits

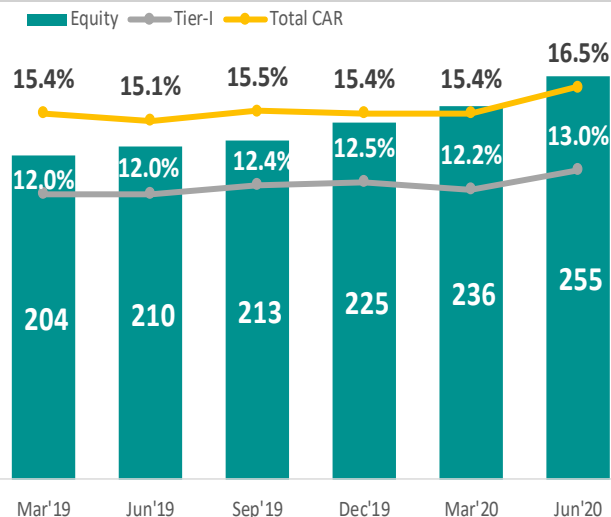


PKR Mn	H1 20	H1 19	Var%
Net Interest Income	63,075	47,703	32%
Core Non Fund Income	19,552	14,003	40%
Reval. loss on open position	(2,908)	(6,049)	52%
Total Non Fund Income	16,644	7,953	109%
Gross Revenue	79,719	55,656	43%
Operating Expenses	(48,421)	(45,252)	-7%
Pre Provision Operating Profit	31,298	10,405	201%
Provisions	(5,468)	(511)	-970%
Profit Before Tax	25,829	9,894	161%
Tax	(10,641)	(5,966)	-78%
Profit After Tax	15,189	3,927	287%

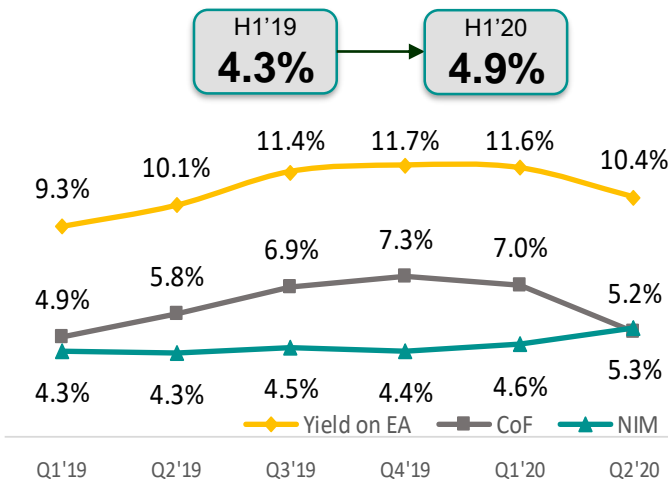
Strong deposits growth and lower loan demand reducing ADR



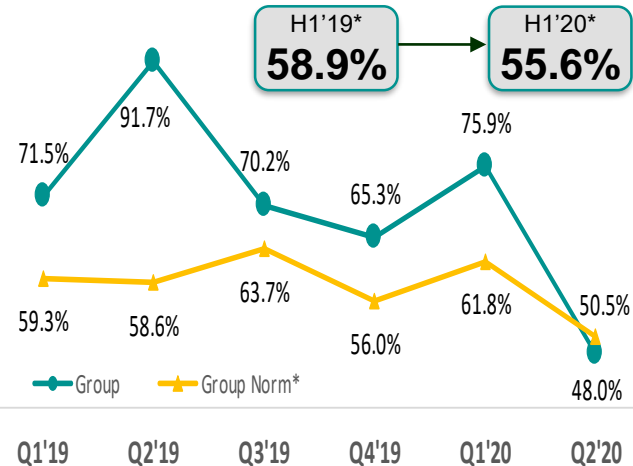
Increasing CAR driven by higher profitability and CCB relaxation



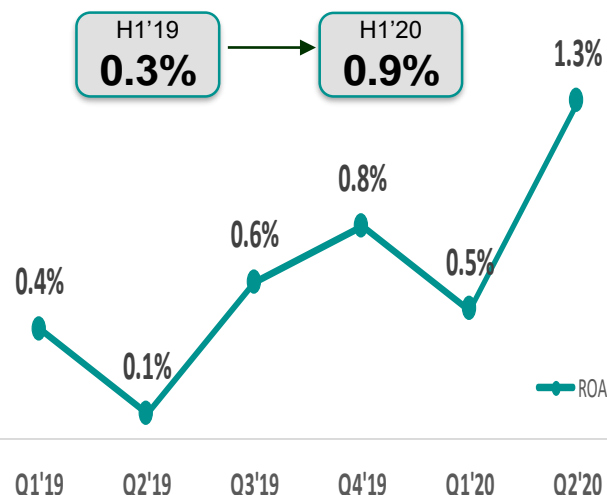
Net Interest Margins – Q2'20 at multi-year high due to timing



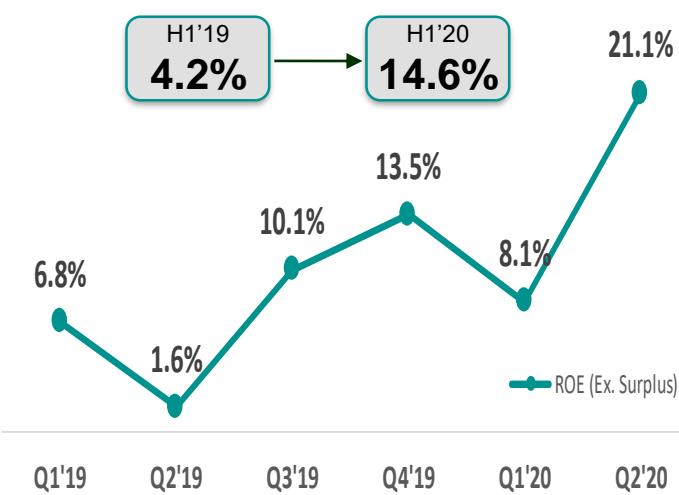
Cost to Income starting to normalize



Higher profits have improved ROA



Leading to higher ROE



* Normalized C/I ratio excludes revaluation loss on open position, capital gains and USA