

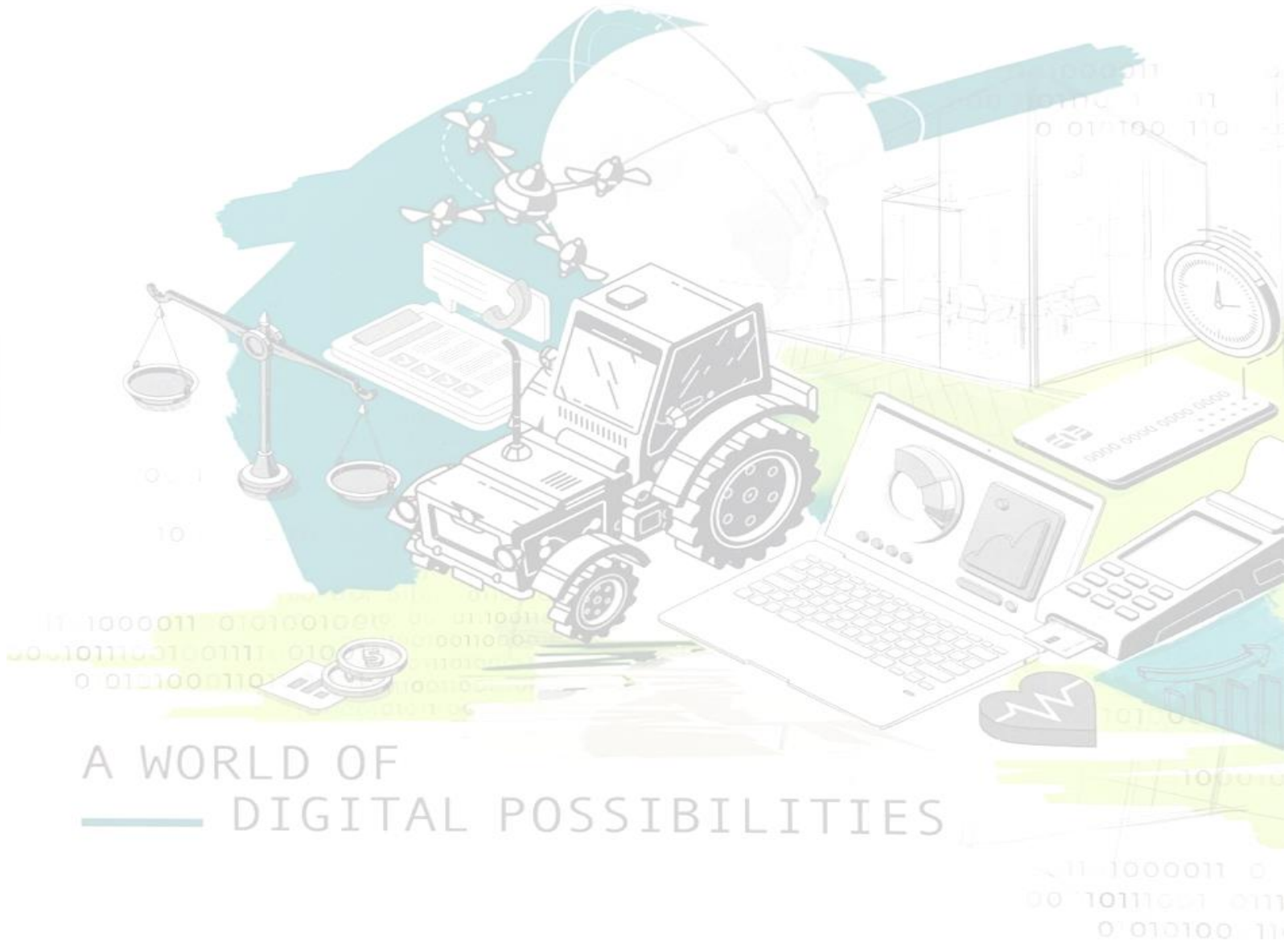


Habib Bank Limited

Q1'23 performance review

Investor Presentation

April 28th, 2023



A WORLD OF
DIGITAL POSSIBILITIES

HBL continues to lead the pack across most metrics

Expanding Reach



#1

Touchpoints



164,096

#1

Branch Network



1,754

#1

ATMs



2,281

#1

Konnect Agents



61,242

QR Codes



52,419

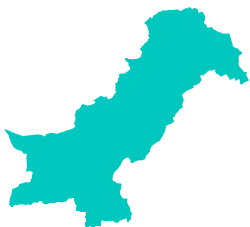
#1

POS Terminals



46,400

Contributing to development



#1

Agri Finance

Rs. 49 Bn



36%

Market share*

#1

SME Finance

Rs. 83 Bn



16.5%

Market share*

#1

Employee Banking

1.5Mn Salary Accounts



31.6%

Market share*



Transaction Banking

8,500+ Mandates

Collections



28.5%

Market share*

Business Payments



34.1%

Market share*

Financial Stability



#1

Customers Served

34 Mn+

#1

Advances

Rs. 1.8 T



12.3%

Market share

#1

Deposits

Rs. 3.6 T



12.7%

Market share

#1

Assets

Rs. 4.96 Trillion

HBL continues its momentum in areas of strategic focus

1

1.3 million **customers** added, mostly through non-branch channels

Customers

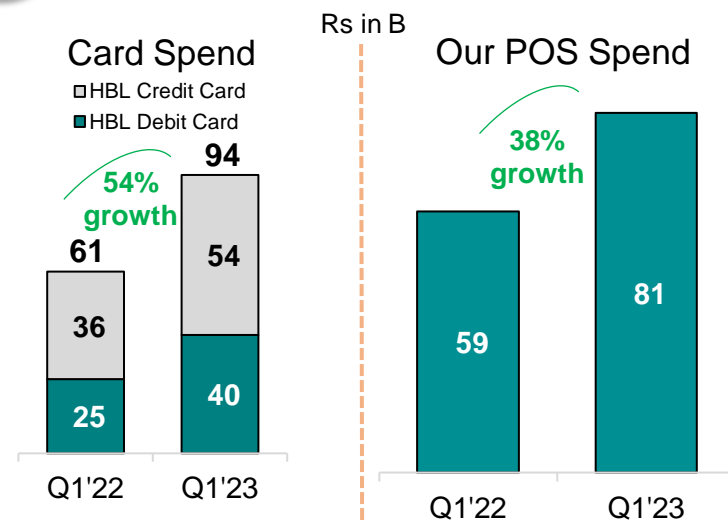
33.4 M Dec'22 **4% growth** **34.7 M** Mar'23



Channel	Dec'22	Mar'23
Branches	12.3	12.4
Konnect	8.3	9.0
HMFB	3.4	3.5
G2P	9.4	9.8

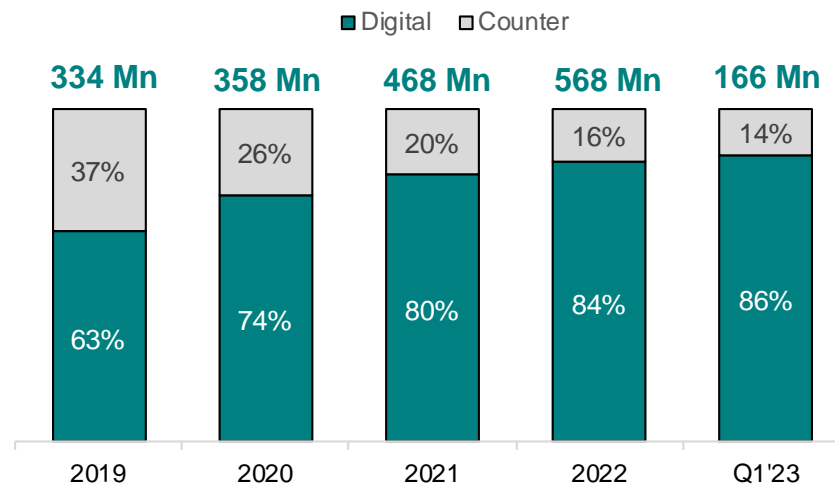
4

Cards base 8.4Mn. 1/3 of country's credit card volume / spend are on HBL



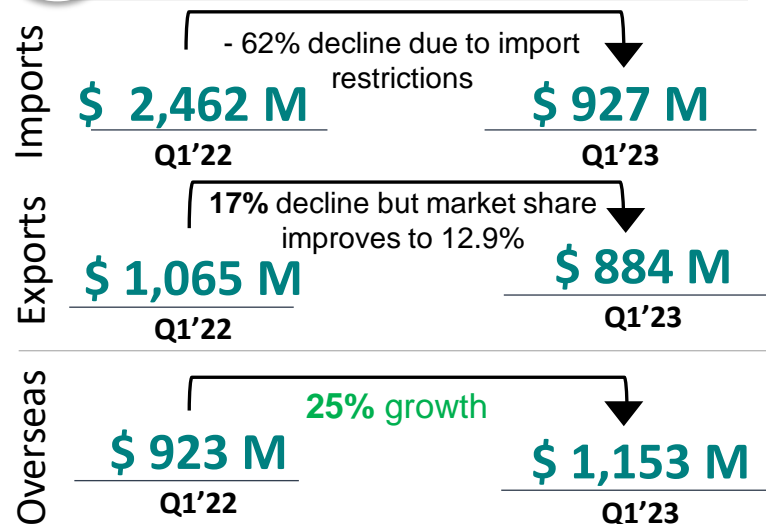
2

We continue to digitize more and more transactions...



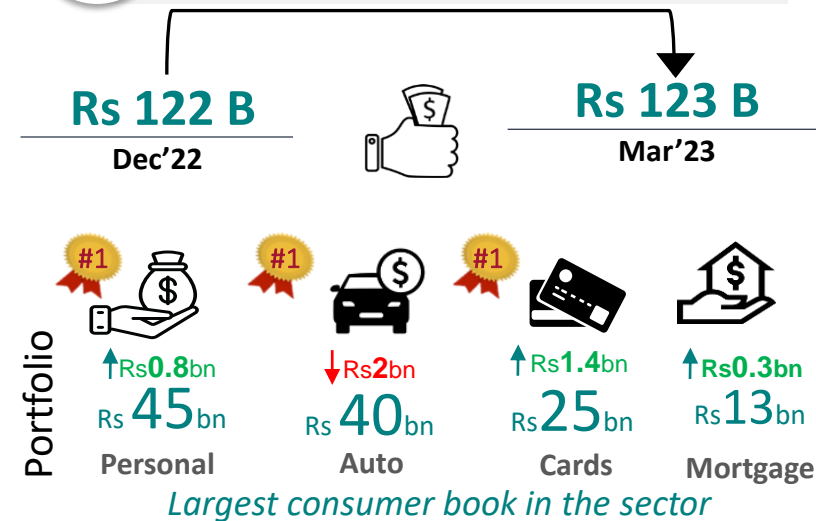
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Trade Volumes – domestic volumes depressed due to macro fundamentals.



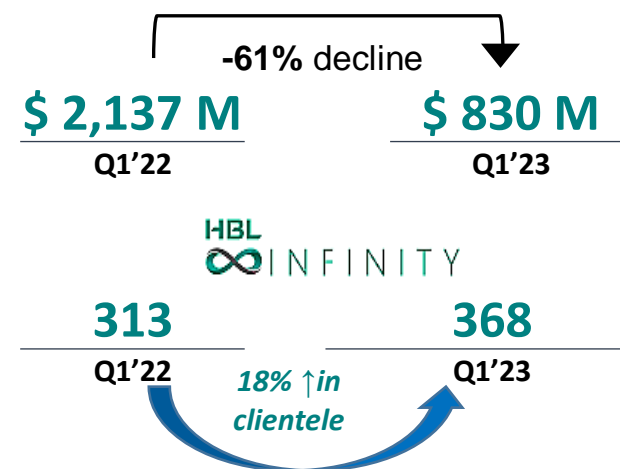
3

Consumer lending slowing down as cost of borrowing increases



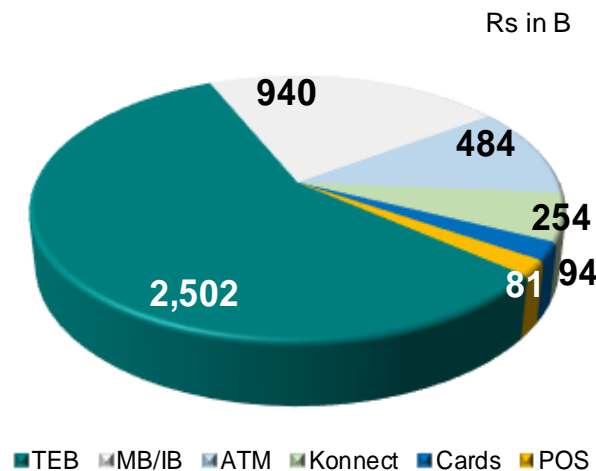
6

HBL Infinity volumes impacted by constrained FX market



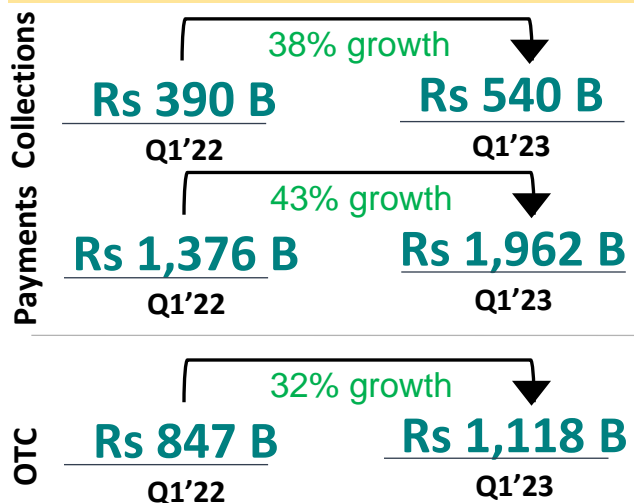
HBL Digital – Throughput up 54% YoY to Rs 4.4 T

Digital throughput composition



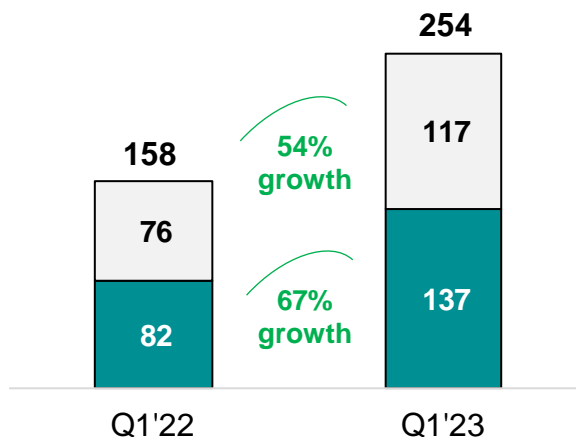
Cash management – Leadership fortified; throughput up 39% to Rs 3.6T

Digital

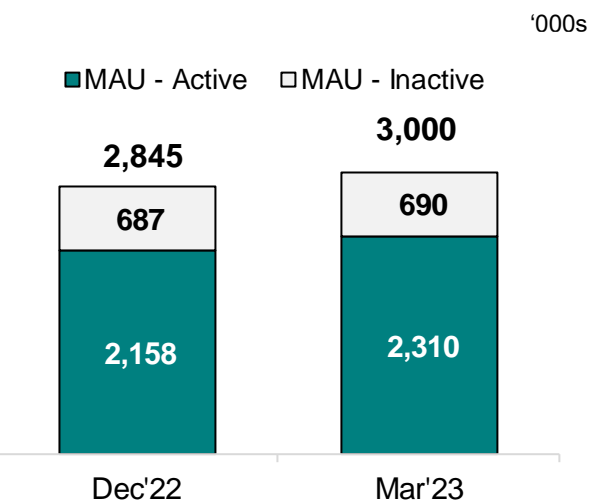


Konnect – Total volumes up 61% YoY

■ Konnect Vol (Rs B) □ G2P Vol (Rs B)

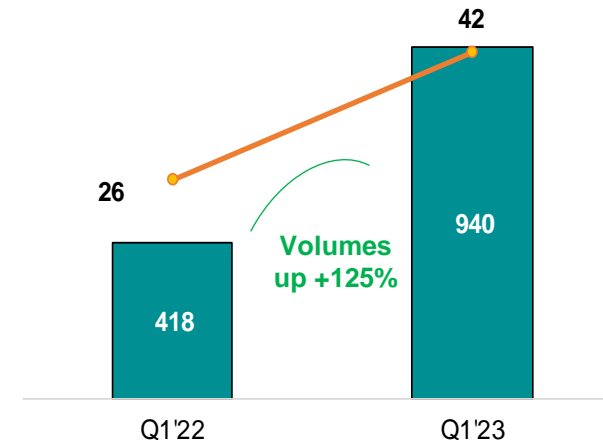


Monthly Active Users*
Mobile : 77%

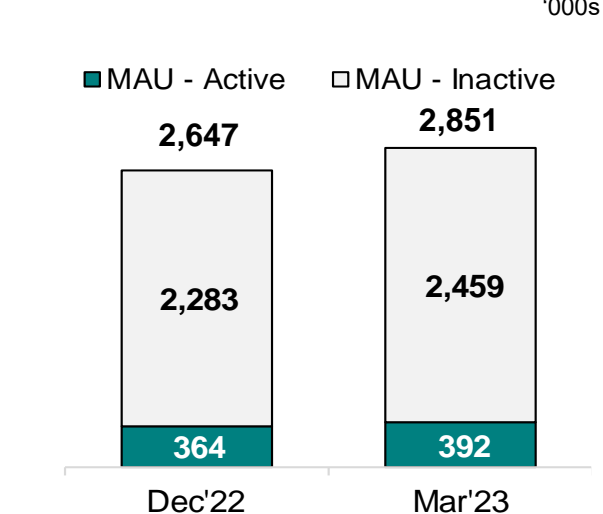


MB/IB – Growing user base(>3.4m) and ticket size have more than doubled volumes

■ Trans. Vol (Rs B) — Trans. Count (M)

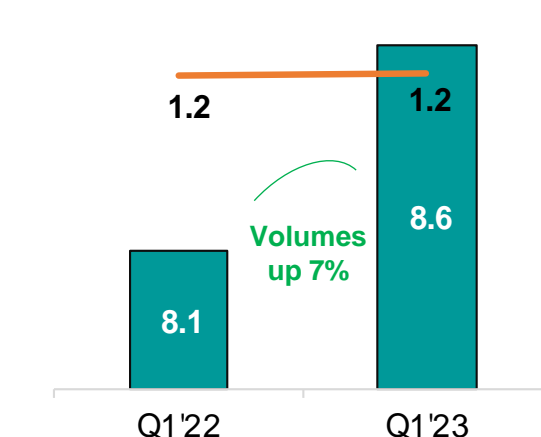


Monthly Active Users*
Konnect App : 14%



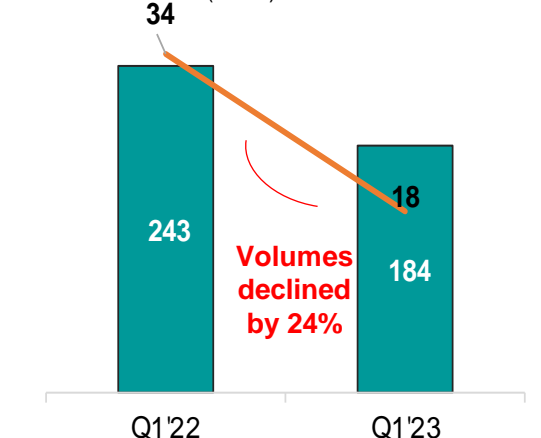
HBL Pay Checkout – Higher ticket size drives volume growth

■ Trans. Vol (Rs B) — Trans. Count (M)



QR Codes – Ticket size increased by 43%; lack of push campaign in Q1'23 has led to lower volumes

■ Trans. Vol (Rs M) — Trans. Count - '000s



Independent Recognition – A testament to HBL's continued endeavors to raise the bar

Best bank awards



Best Bank in Pakistan



Best Microfinance Bank



**Global
Diversity & Inclusion
Benchmarks**

**Most Inclusive
Organization in
2022**

*HBL is the only bank to
win an award in all 15
categories*



Best Domestic Bank

Business awards



- Best Project Finance Bank Pakistan 2022
- Infrastructure Project Finance Deal
- Syndicated Loan Deal of Pakistan
- Power Project Finance Deal of Pakistan
- Equity Deal of the Year
- Power/Utilities Project Finance Deal of the Year



- Domestic Trade Finance Bank of the Year
- Voted as Market Leader for Cash Management in Pakistan
- Voted for Best Services for Cash Management in Pakistan
- Domestic Cash Management Bank of the Year
- Domestic Project Finance Bank of the Year
- Corporate & Investment Bank of the Year
- Equity Deal of the Year Pakistan.
- Green Deal of the Year Pakistan
- Point of Sale Initiative for the year



- Project Finance House of the Year
- Renewable Energy Deal of the Year
- Power/Utilities Deal of the Year
- Transport Deal of the Year
- Best Syndicated Loan - Pakistan
- Water Deal of the Year

Other awards



- Best Green Bond
- Best Structured Finance Deal



**Safest Bank in
Pakistan**



**Best Emerging
Technology**
**Best Social Media
Marketing Campaign**



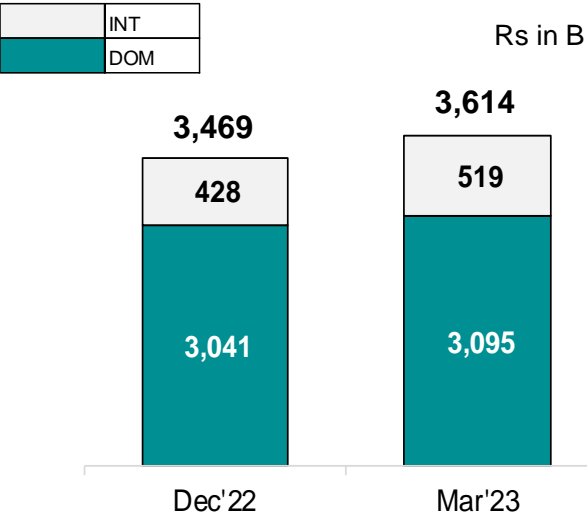
Best Investment Bank



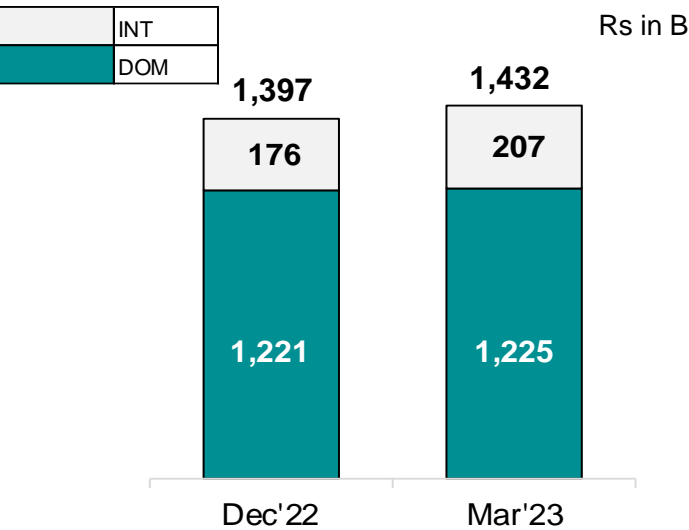
**Best Bank for
Agriculture Financing**

Subdued loan growth reflects slowdown amid a rapidly changing macro landscape

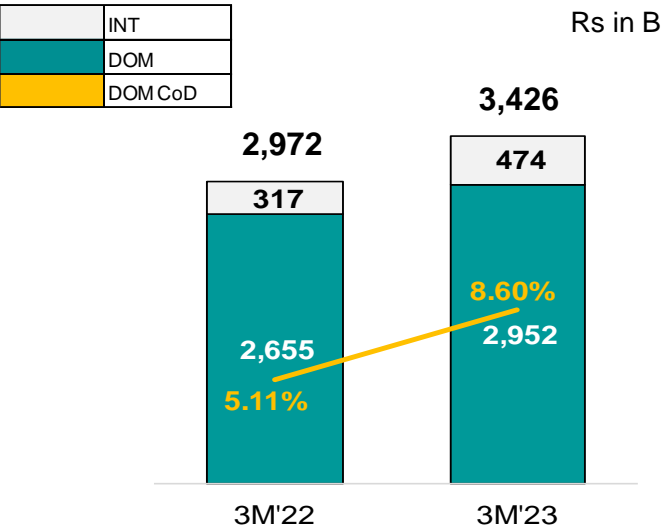
Deposits increased by 4%..



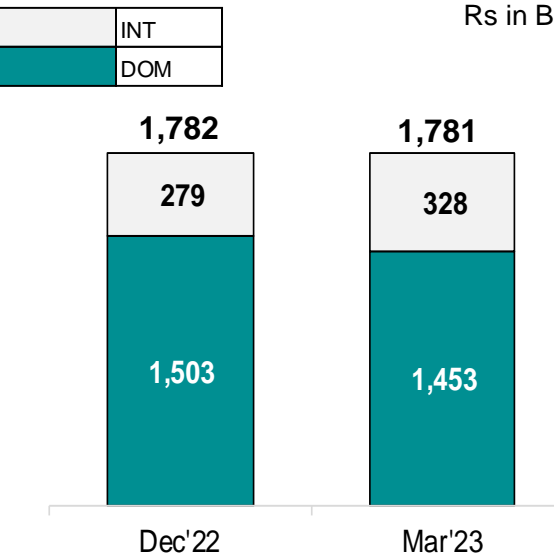
.. With increase in Current deposits



Average domestic deposits up by 11% (~Rs 300b) to Rs 2.95T



Advances remained flat

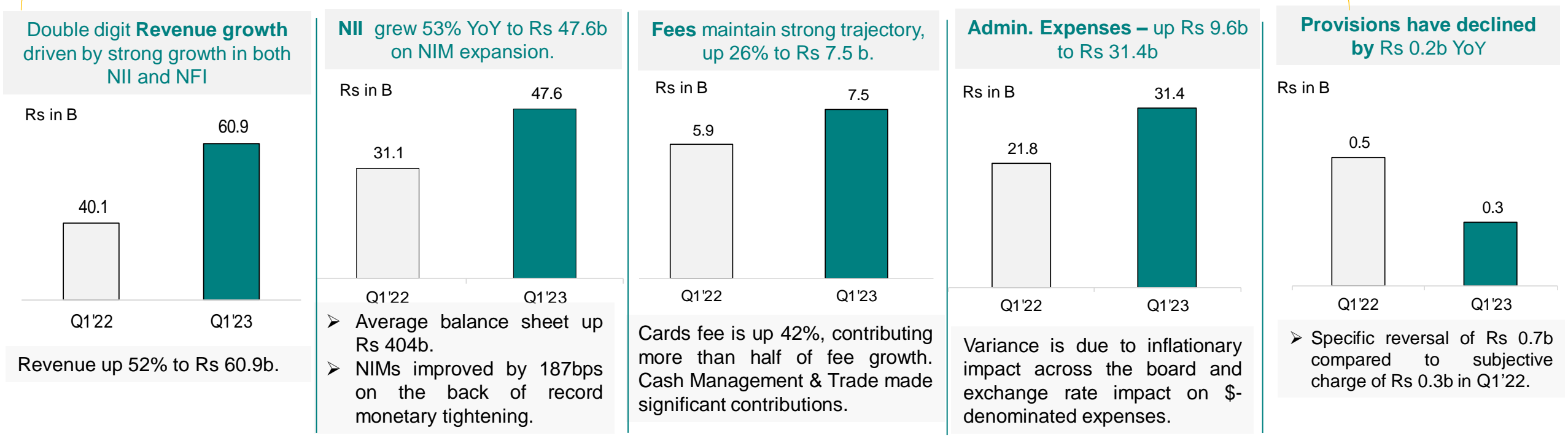
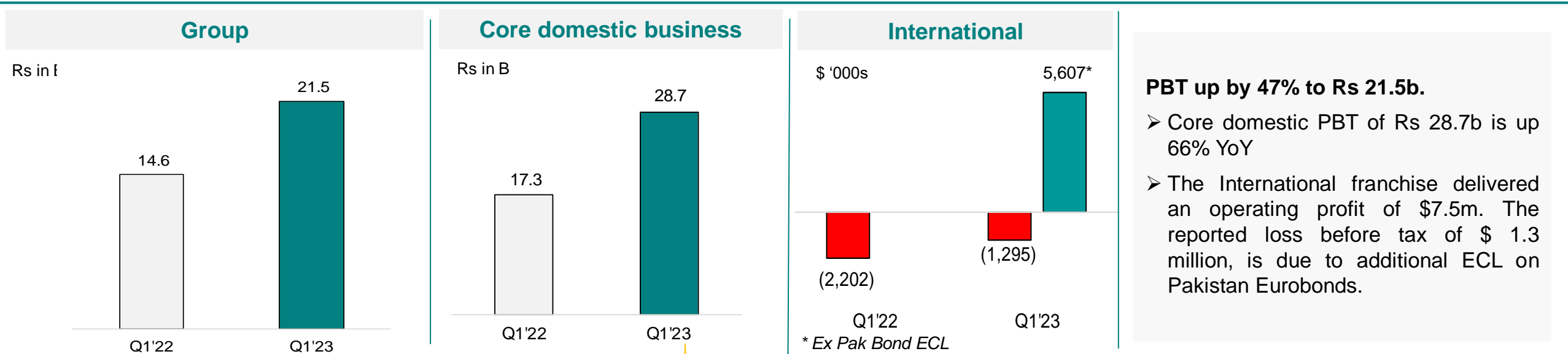


Deposits

- Focus remains on increasing low-cost deposits to keep cost at sustainable levels.
- Domestic current deposits flat to Dec'22 at Rs 1.2T. The CA mix held at 40.8%.
- Total domestic deposits, at Rs 3.1T, have increased by Rs 54b from Dec'22.
- International deposits have declined by 3.2% to \$1.8b but in Rupee terms, have risen by Rs 91b.

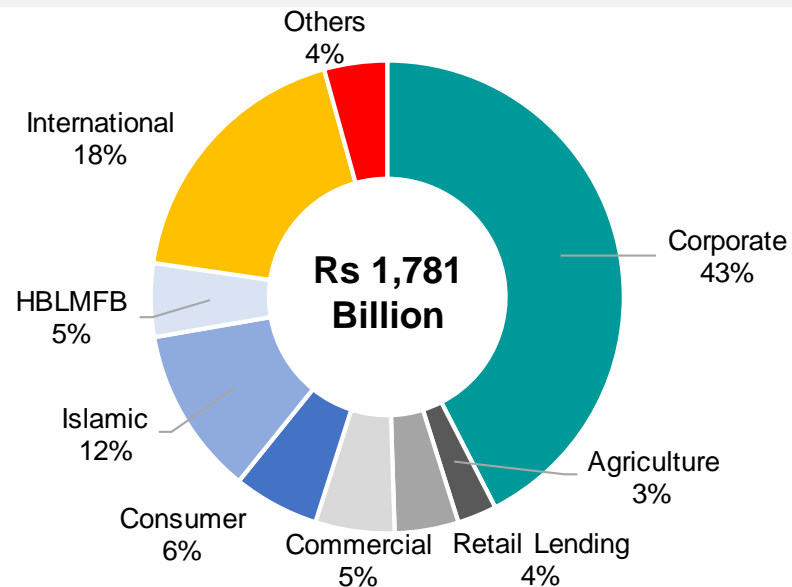
Advances

- Due to the economic slowdown, domestic advances decreased over Dec'22 by 3.3% to Rs 1.45T.
- Main declines are in commodity lending (Rs 37b) and Islamic (Rs 21 b).
- Total advances remained flat at Rs 1.8 billion.

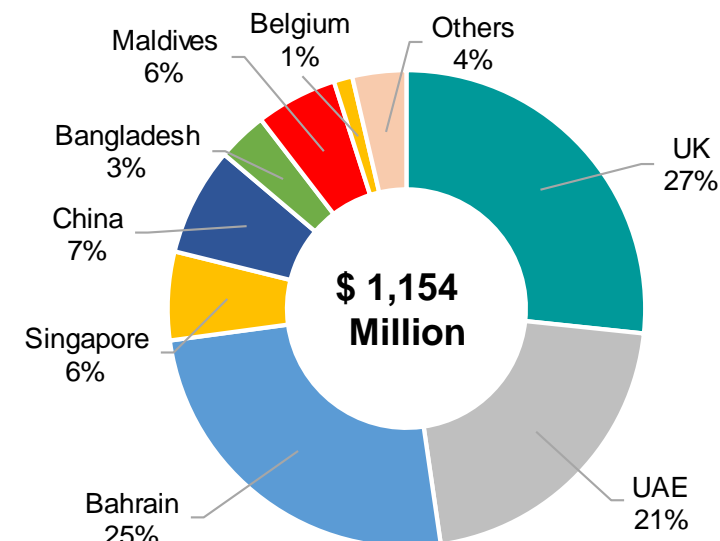


Lending Portfolio remains resilient

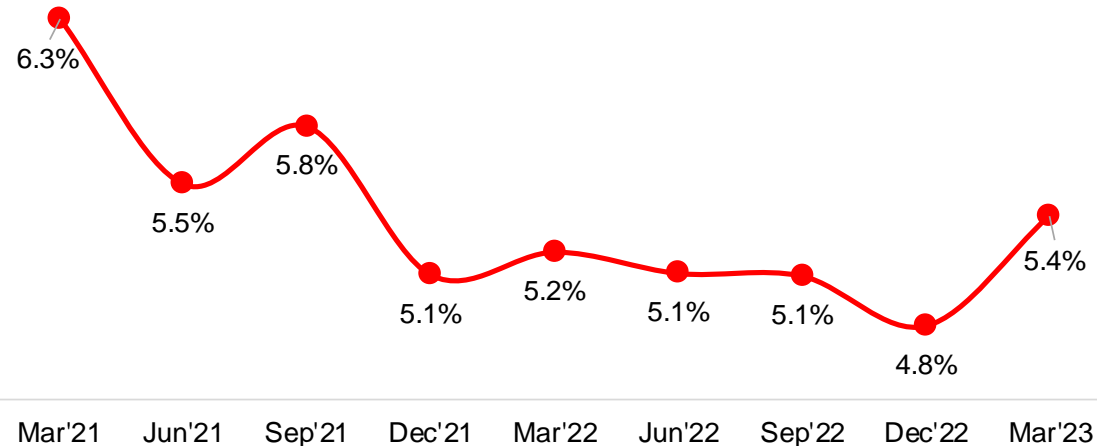
Loan Portfolio composition by line of business



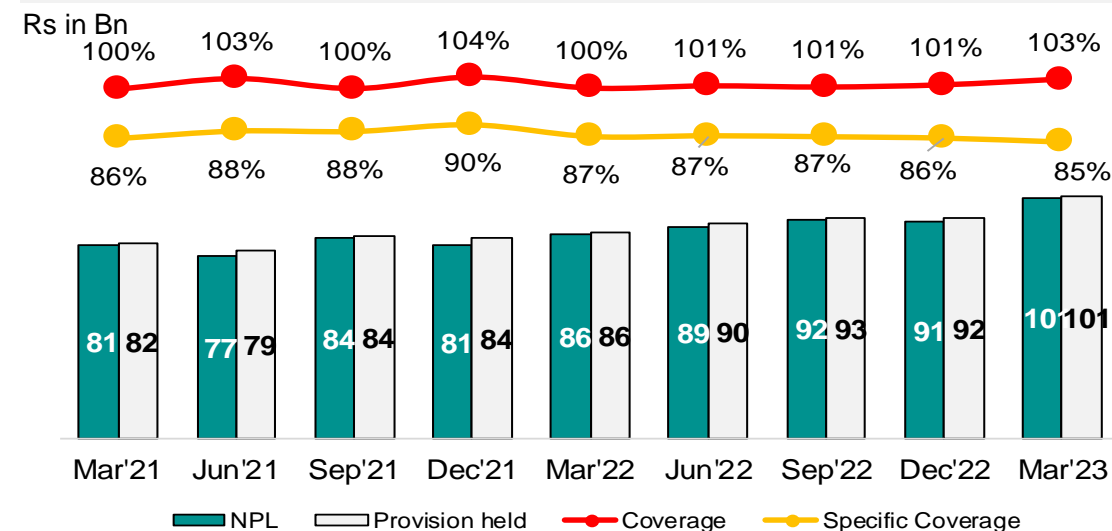
International Loan Portfolio – Location wise



Infection ratio up to 5.4% due to decline in lending

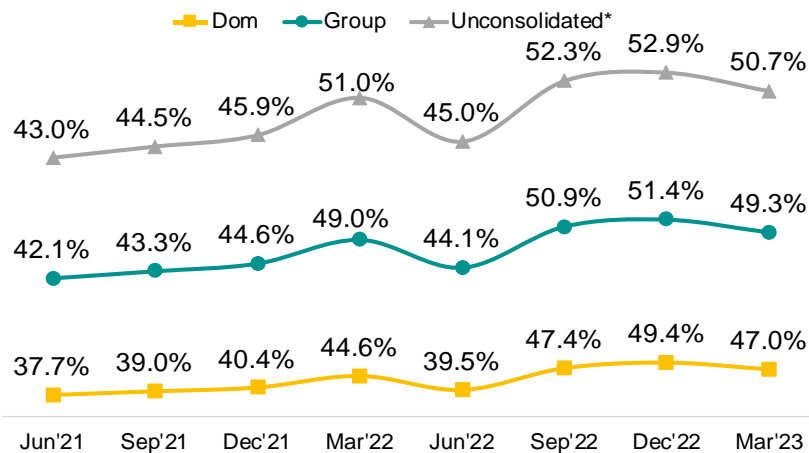


Specific coverage now at 85% and total coverage > 100%



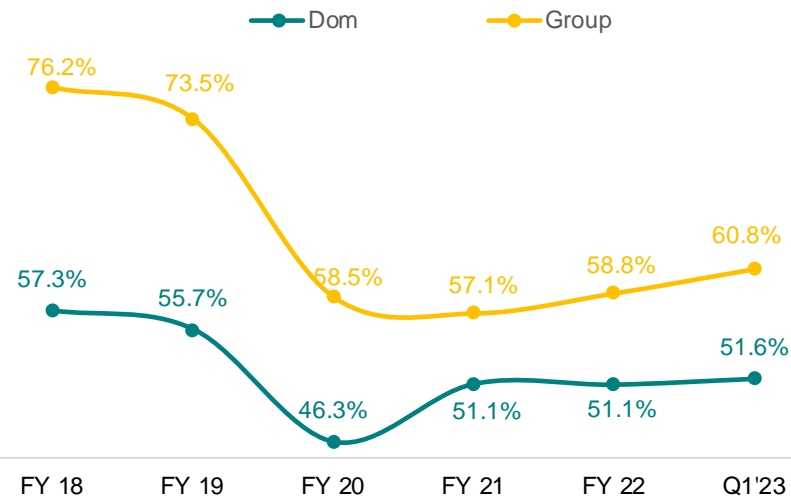
Key Performance Metrics

ADR declined to 49.3% as credit demand slows down

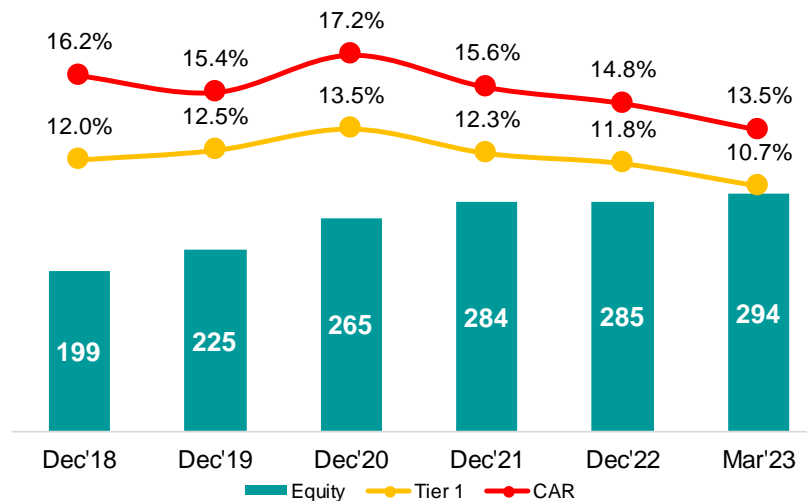


**Gross advances / deposits as per tax definition*

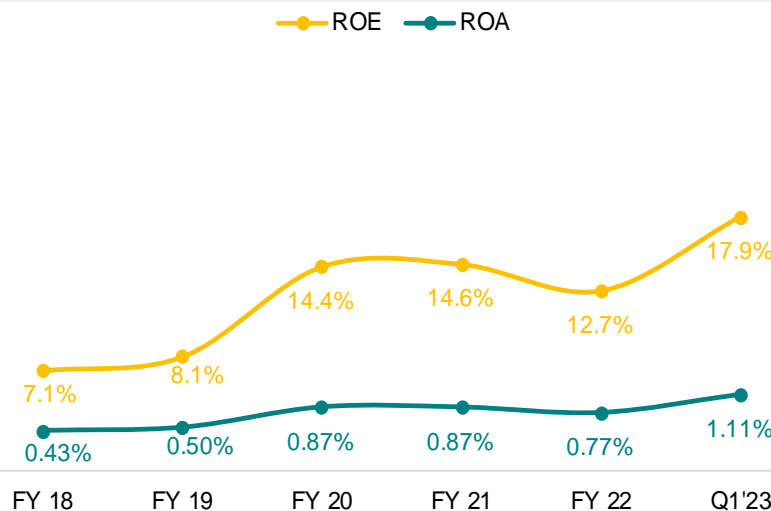
Cost to income ratio – high inflation and rupee devaluation continues to impact CI



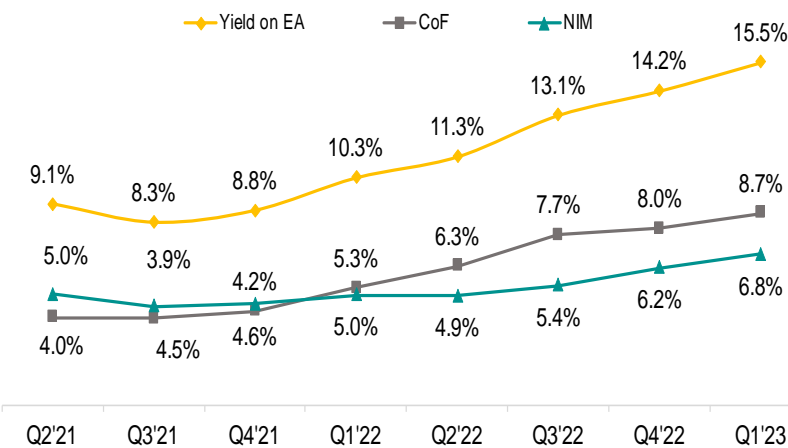
CAR – impacted from unprecedented rupee devaluation and MTM losses during the quarter



ROA & ROE – Strong profitability and lower taxation boost returns



NIM – improves to 6.8% as impact of earlier rate hikes flows through to asset repricing



Total Equity and BV/share continue to increase despite deficits, driven by strong profitability

