

HBL

Investor Presentation

2023

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کے عیل

HBL

PSL

Pakistan Super League



HBL continues to lead the pack across most metrics

Expanding Reach



#1

Touchpoints



142,234

#1

Branch Network



1,728

#1

ATMs



2,327

#1

Konnect Agents



49,796

#1

POS Terminals



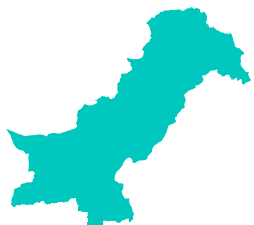
46,000

QR Codes



42,383

Contributing to development



#1

Agri Finance

Rs. 57 Bn



35%

Market share

#1

SME Finance

Rs. 103 Bn



19%

Market share

#1

Employee Banking

2.6Mn Salary Accounts



31.6%*

Market share

#1

Transaction Banking

8,500+ Mandates



27.2%*

Market share



Business Payments



30.8%*

Market share

Financial Stability



#1

Customers Served

37 Mn+

#1

Advances

Rs. 1.9 T



12.1%

Market share

#1

Deposits

Rs. 4.1 T



12.4%

Market share

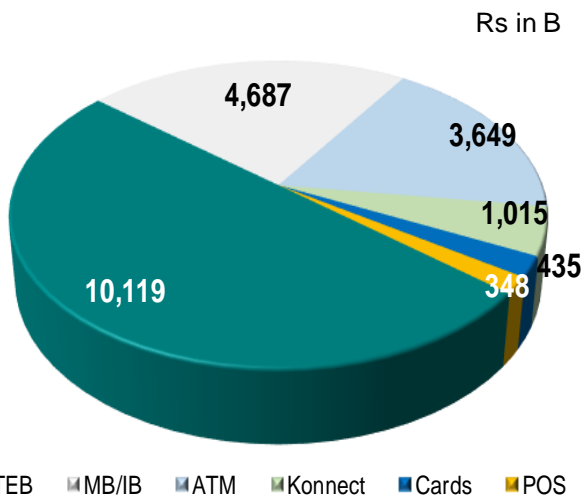
#1

Assets

Rs. 5.5 T

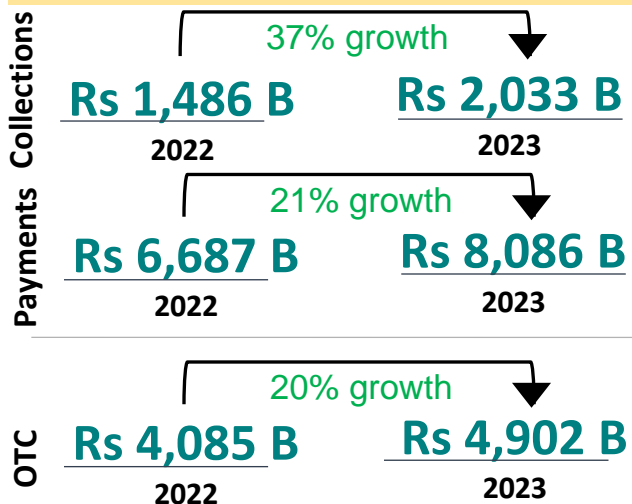
HBL Digital – Throughput up 51% YoY to Rs 20.3T

Digital throughput composition



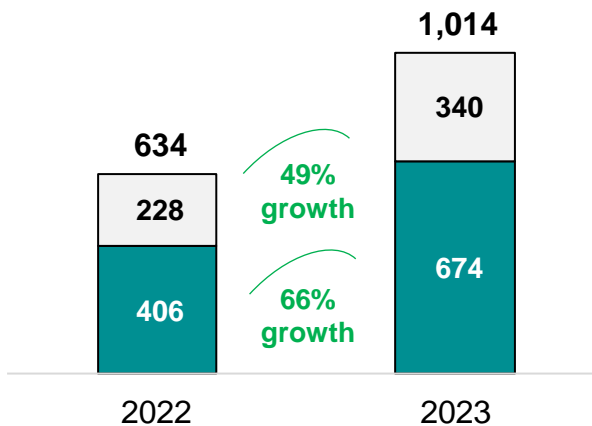
Cash management – Throughput up 22% to Rs 15T, **digital transactions** up 24%, crossing Rs 10T

Digital



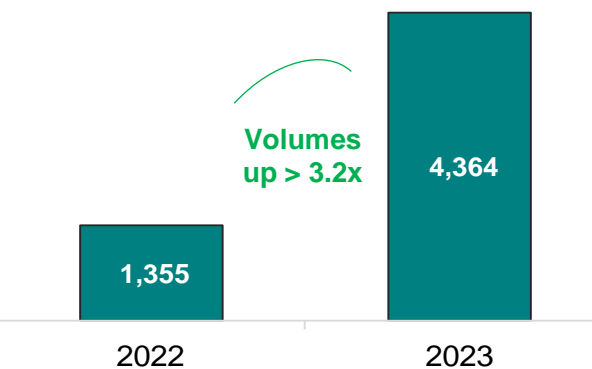
Konnect – Volumes cross the Rs 1T mark, primarily driven by core business

■ Konnect Vol (Rs B) □ G2P Vol (Rs B)



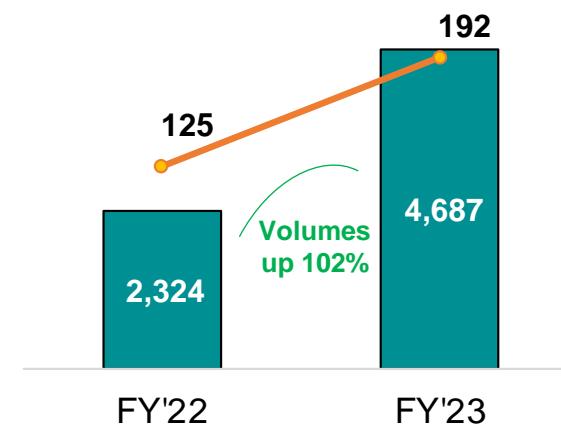
QR – Regulatory push and increased acceptance has re-energized QR. Ticket size increase has tripled volumes

■ Trans. Vol (Rs M)



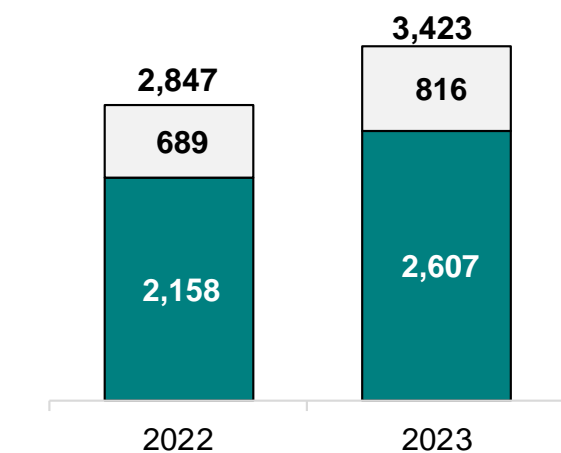
MB/IB – Growth in user base(>3.9m) and higher ticket size have more than doubled volumes

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



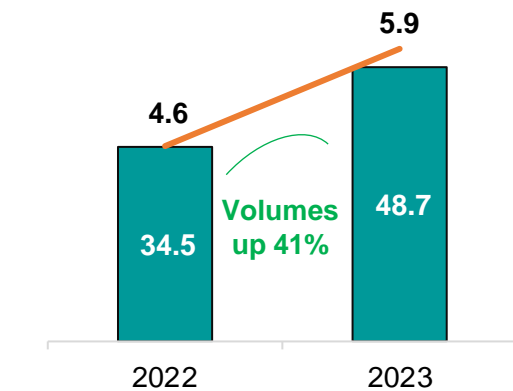
Monthly Active Users* Mobile : 76%

■ Active □ Inactive '000s



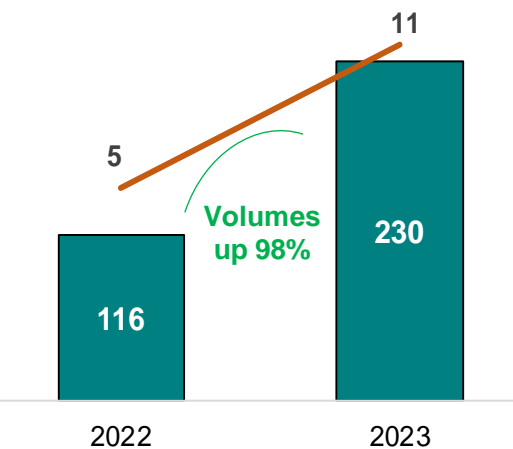
HBL Pay Checkout – Turnover propelled volume growth along with higher ticket size

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

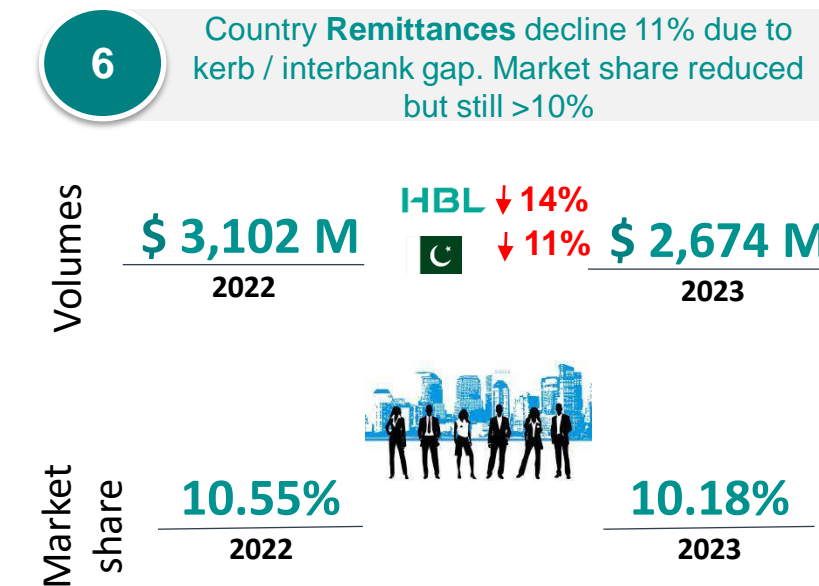
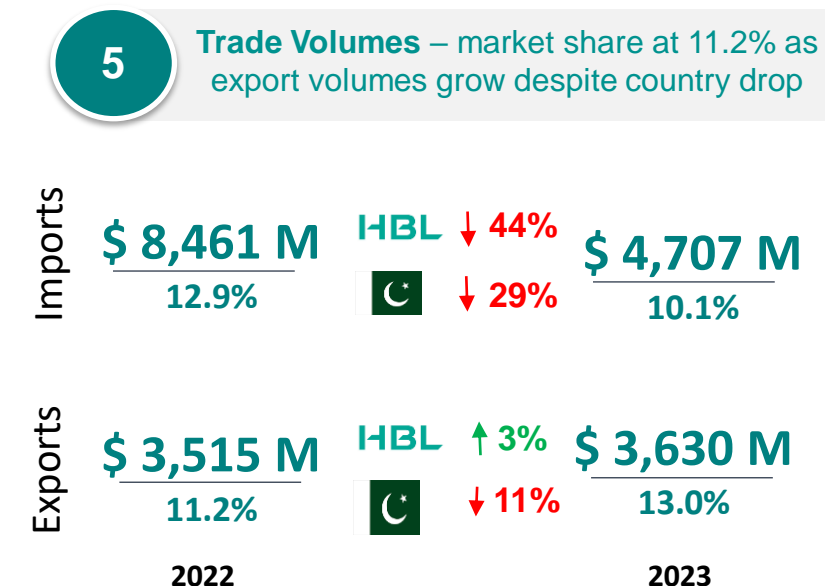
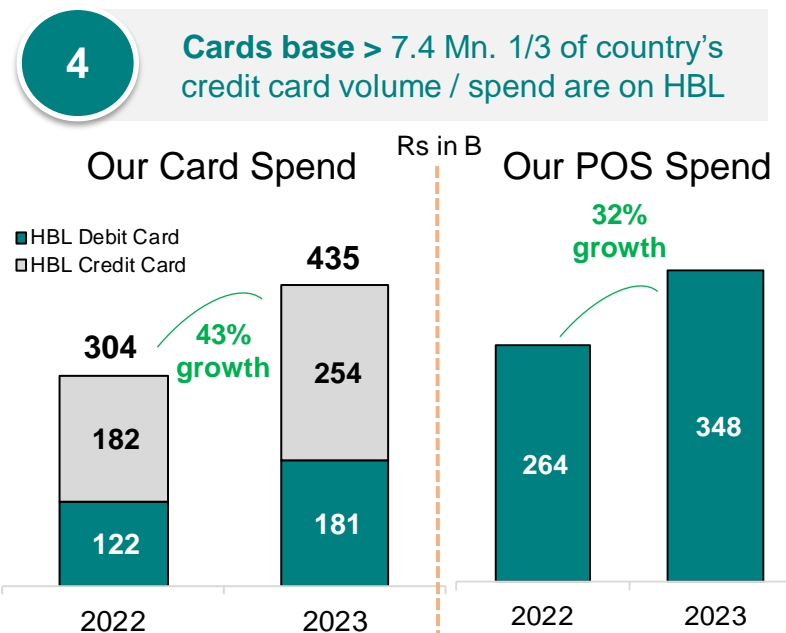
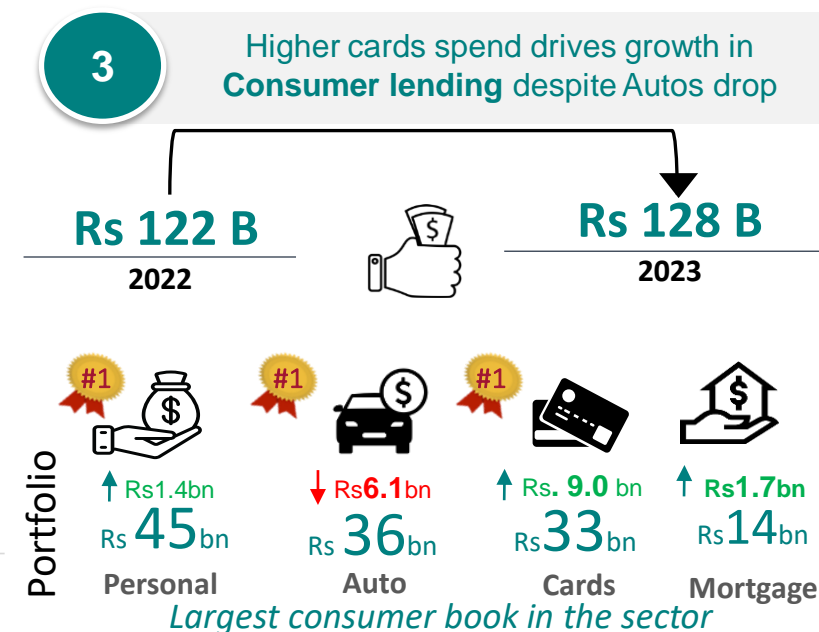
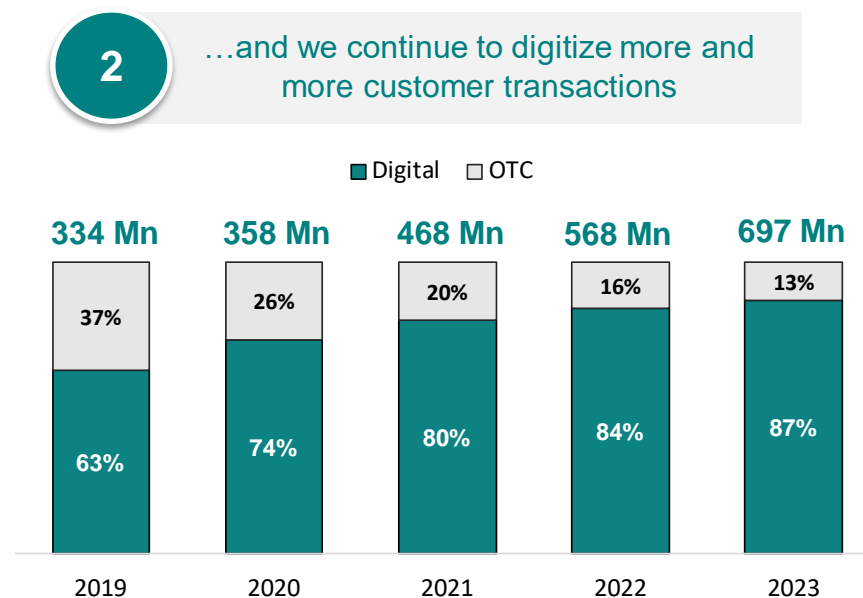
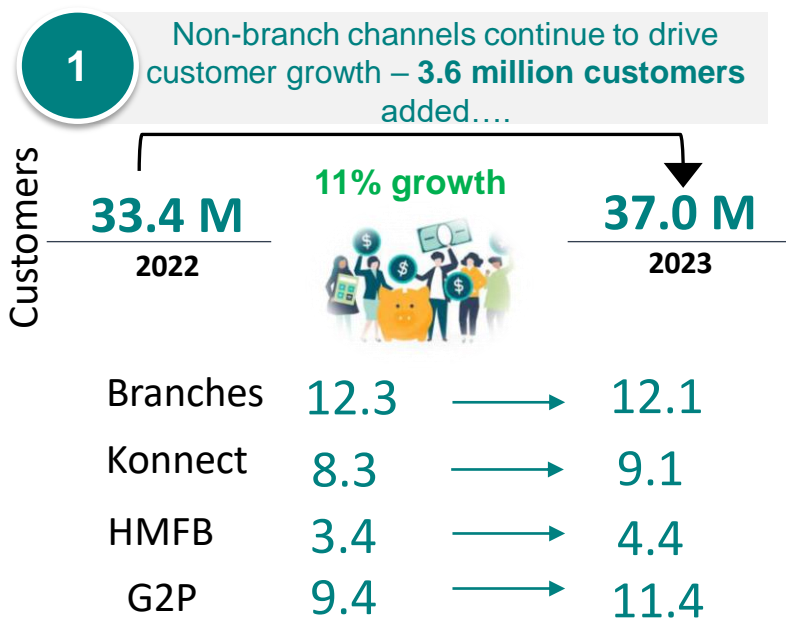


HBL Symphony® - Volumes picking up with customer growth

■ Volumes (B) — Clients



HBL continues its momentum in areas of strategic focus



2023 Banking Awards



**Best Domestic Bank
Best Bank for Digital
Solutions**



**Best Digital
Banking Services
Award 2022**



**Best
Microfinance
Bank**



**Best Consumer
Bank in
Pakistan**



**Best
Microfinance
Bank**



**Best Bank for
Agriculture
Financing**



**Digital
Leadership
Award**

Investment Banking Awards 2023 & 2024



- Best Syndicated Loan 2024
- Best Bond Advisor 2024
- Best Loan Advisor 2024
- Best Acquisition Financing 2024
- Project Finance House of the Year
- Telecom Deal of the Year
- Private Public Partnership (PPP) Deal of the Year
- Best Structured Finance Deal
- Best Project Finance Bank Pakistan 2023
- Best Infrastructure Project Finance Deal
- Largest Power Project Deal of Pakistan
- Best Telecom Deal of Pakistan
- Best Infrastructure Project Finance Deal of Pakistan



- Domestic Project Finance Bank of the Year
- Corporate & Investment Bank of the Year
- Equity Deal of the Year Pakistan.
- Mergers & Acquisition Deal of the year

Best Investment Bank



Business Awards 2023



- Analytics Initiative of the Year
- Digital Business Banking Initiative of the Year in Pakistan
- Digital Consumer Banking Initiative of the Year in Pakistan
- Domestic Cash Management Bank of the Year in Pakistan

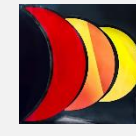
Other Awards



**Excellence in Digital
Transformation**



**Most Innovative
Bank in Asia**



**Market Leader
Digital Adoption**



**Best Social Media
Marketing Campaign**



**Best Digital
Payment
Processor**



**Best Bank in
Pakistan**

Diversity & Inclusion Awards



**Access to Finance
Champion 2023**



**HBL ranked #1
HBLMFB ranked #2**



**HBL – The Most Inclusive
Organization in 2023**

*HBLMFB also won an award
in all 15 categories*

#JahanFansWahanStadium

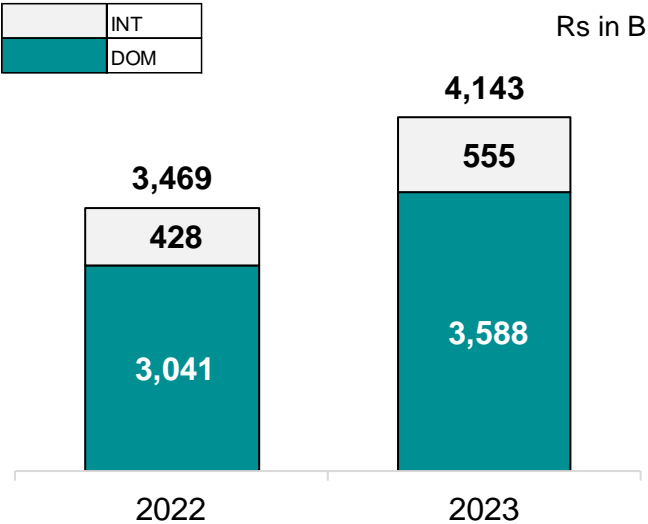
**First Branded Hashtag Challenge by a
Bank in Pakistan**



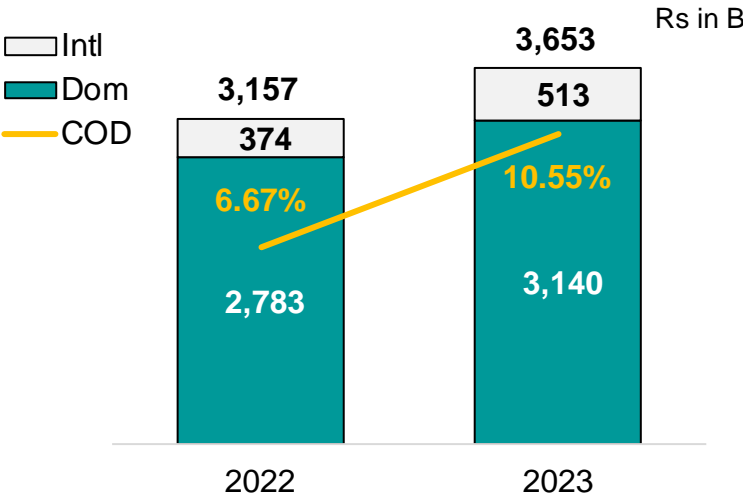
**TikTok published a global case study on
HBL PSL.**

Loan trajectory depicts a V-shaped recovery as economy stabilizes

Deposits grew by 19.4%



Average domestic deposits up 12.8%; growth entirely from low-cost deposits



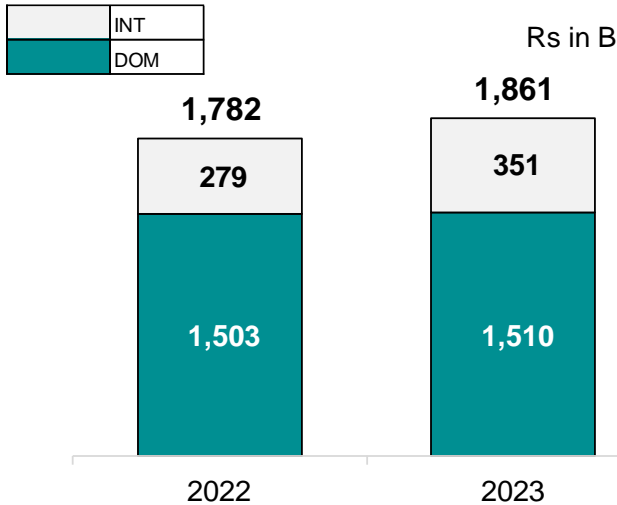
Deposits

- Total deposits grew by 19.4% over Dec'22 to Rs 4.1T.
- Average domestic deposits have increased by Rs 357b to Rs 3.1T in 2023; growth mostly from low-cost deposits
- Average international deposits grew by 4% over Dec' 22 to \$1.97 billion.

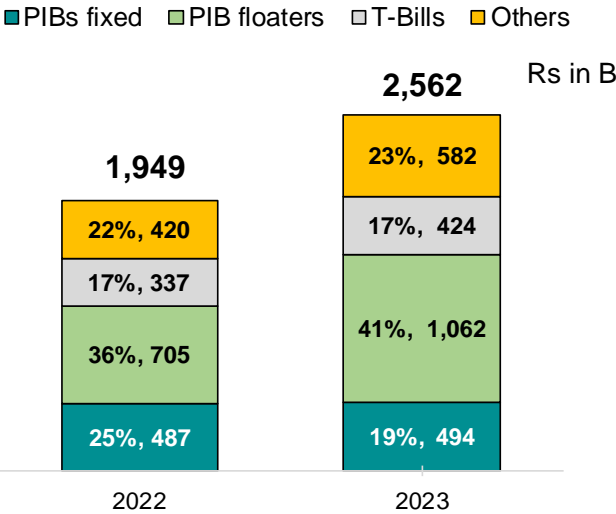
Advances

- With low demand and a net decline in private sector credit, domestic advances, at Rs 1.5T, have recovered from their mid-year low, closing flat to Dec'22.
- Decline in corporate lending is offset by growth in retail, consumer and agriculture.
- Overseas advances at \$1.25B are essentially flat to Dec'22 in \$ terms.

Advances – recover from the mid-year low



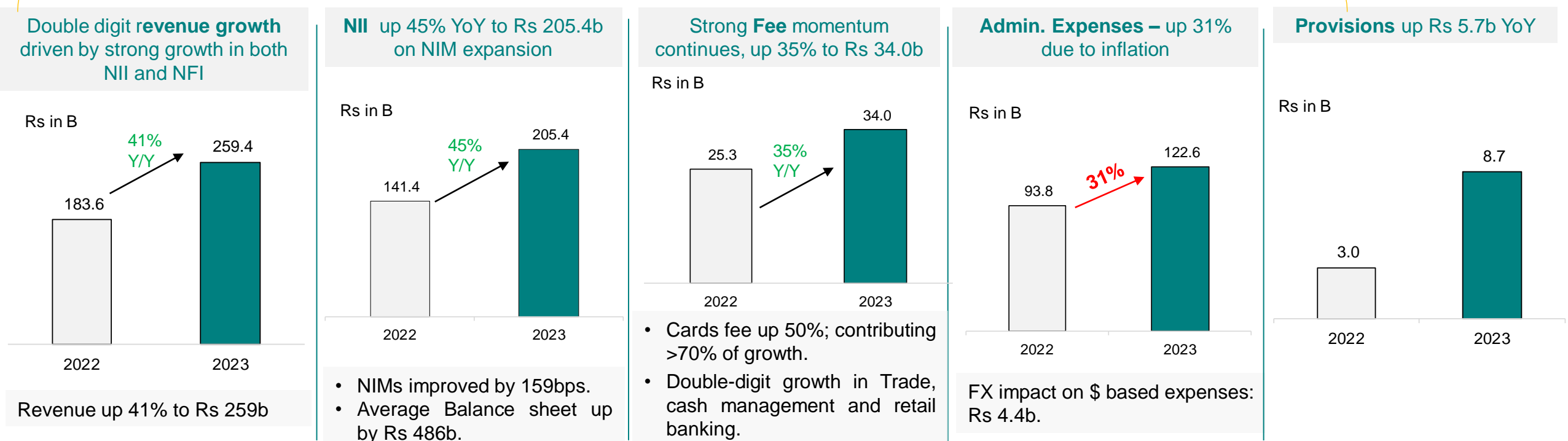
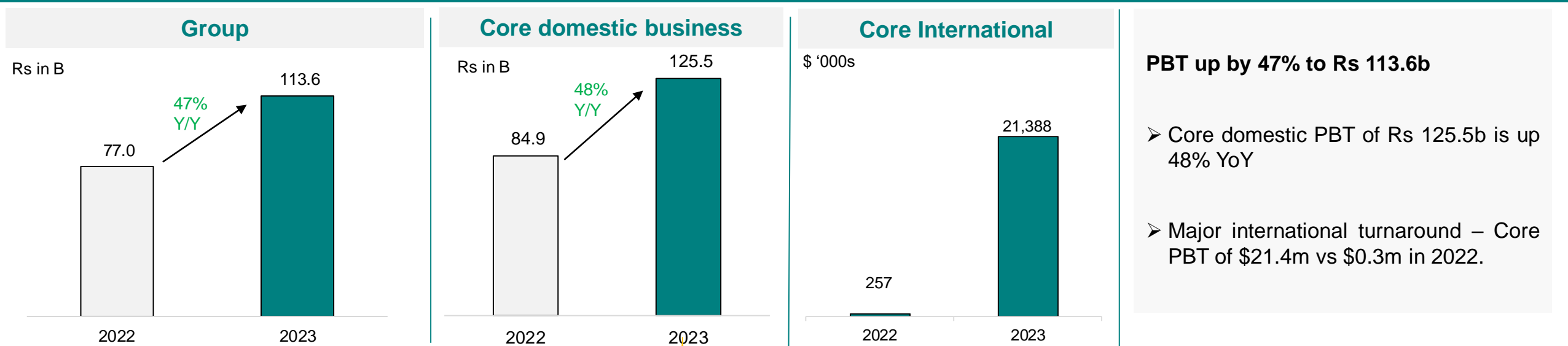
Investment portfolio up 31%, mainly floating PIBs



Investments

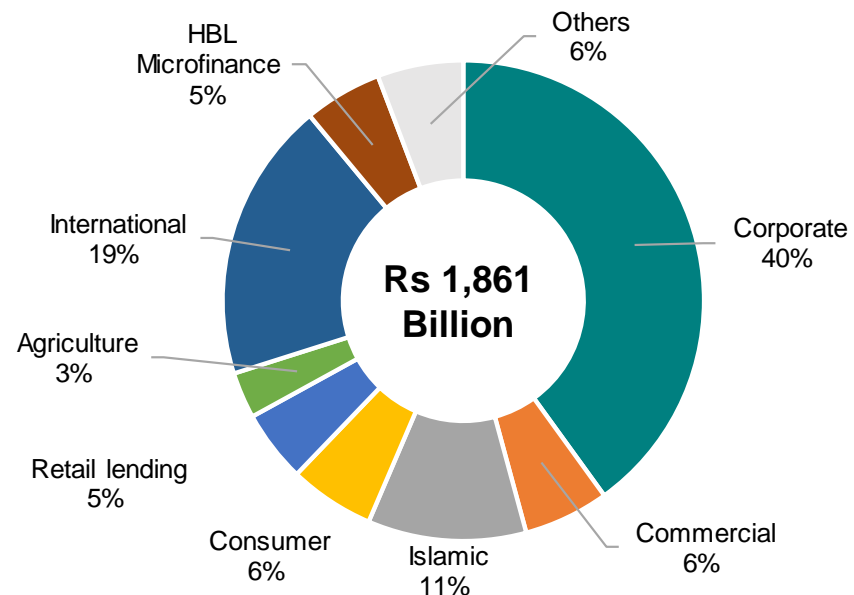
- With weak loan demand, the additional liquidity was mostly deployed in investments, which crossed Rs 2.5T.
- The investments book has remained liquid with new deployments mainly in T-bills and floating rate PIBs.
- Deficit on investments has reduced by Rs 12.3b on the back of improvement in Pakistan Eurobond yields.

2023 record PBT up 47% to Rs 113.6B

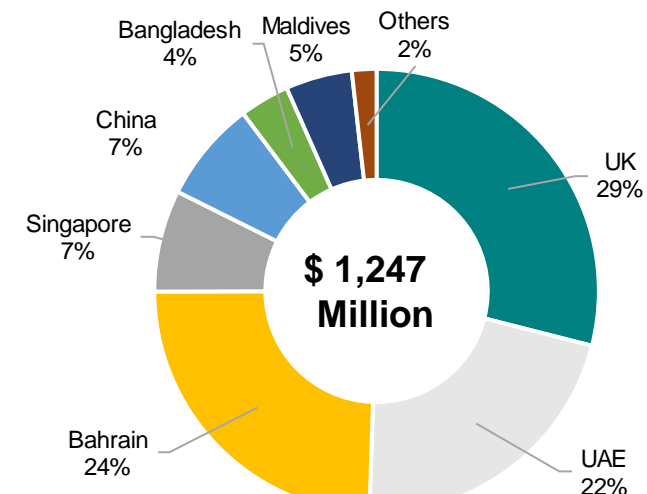


Lending Portfolio continues to hold ground in a turbulent macro-economic environment

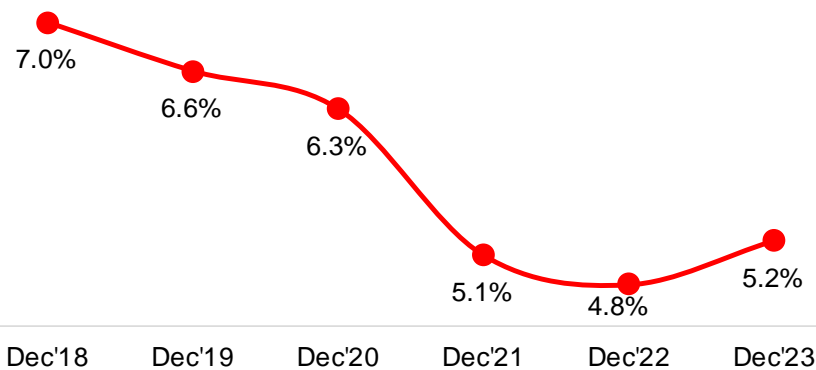
Loan Portfolio composition by line of business



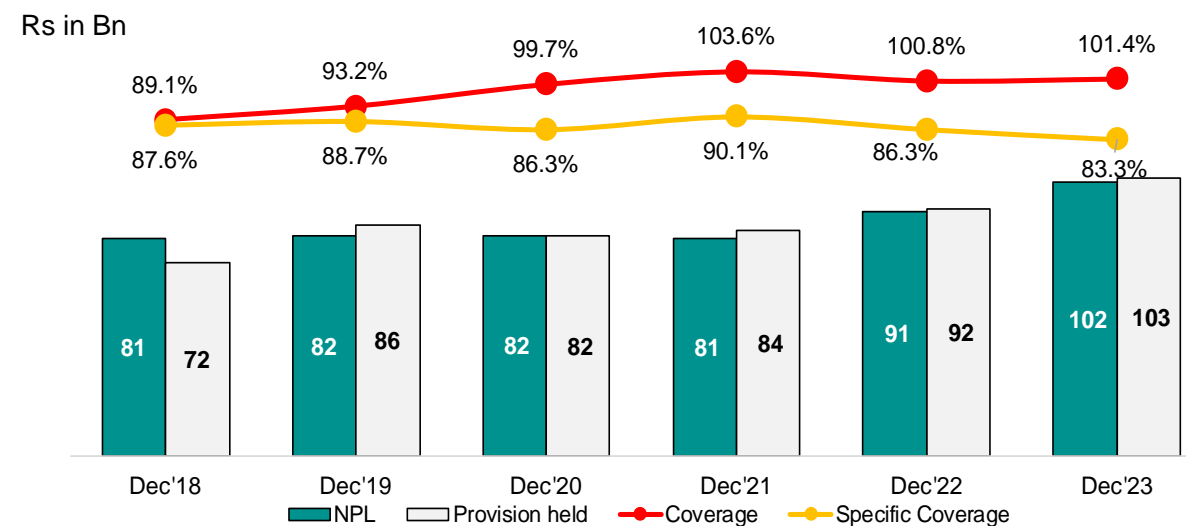
International Loan Portfolio – Location wise



Infection ratio – slight uptick in infection ratio as NPLs increase on a flattish loan book

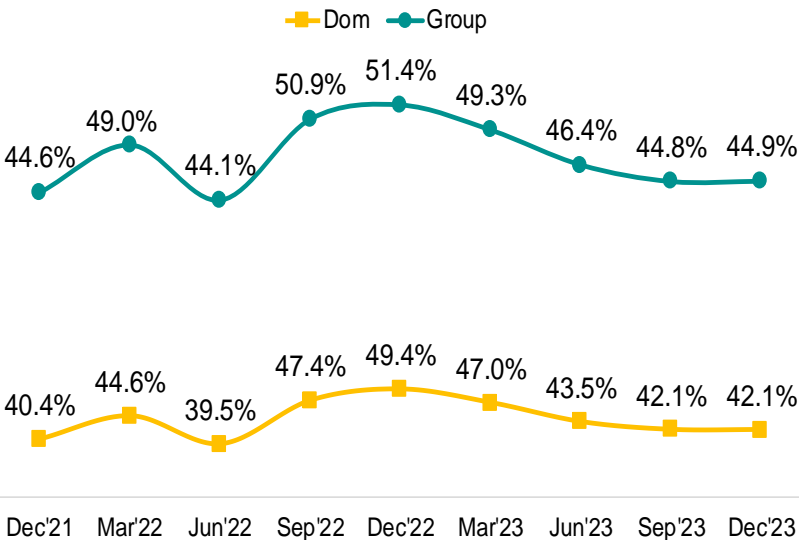


Specific coverage at 83% and total coverage > 100%

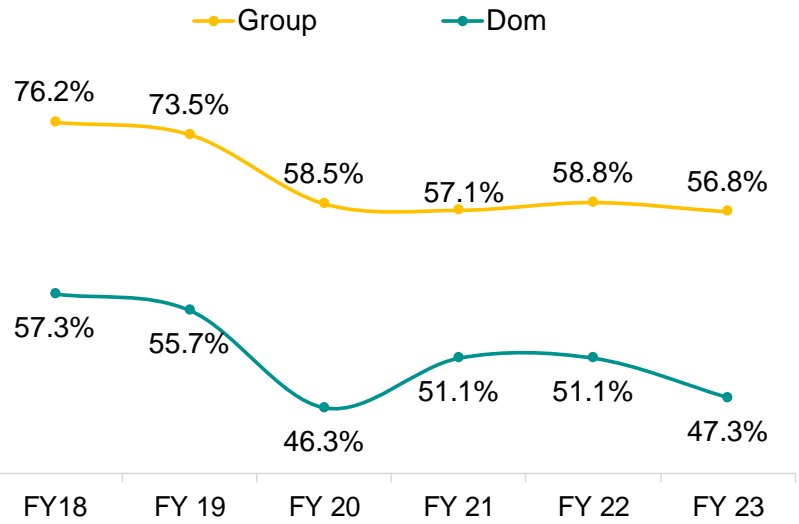


Key Performance Metrics

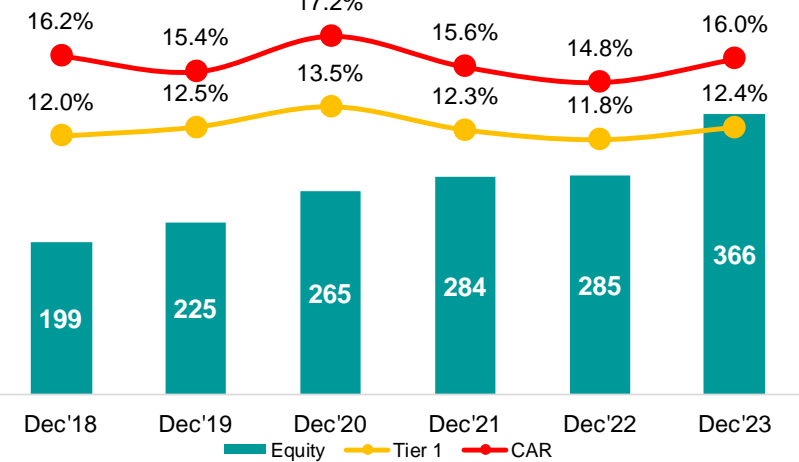
Slowdown in credit demand softens **ADR** to **44.9%**



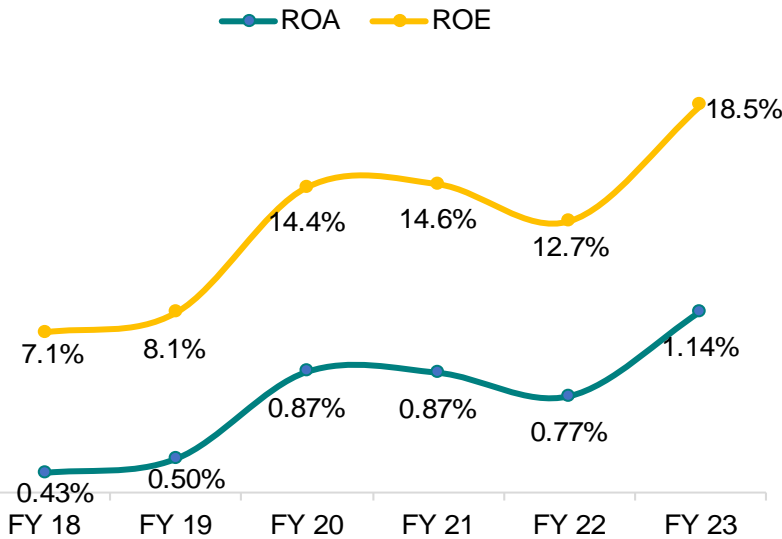
Cost to income ratio – impacted by inflation and devaluation



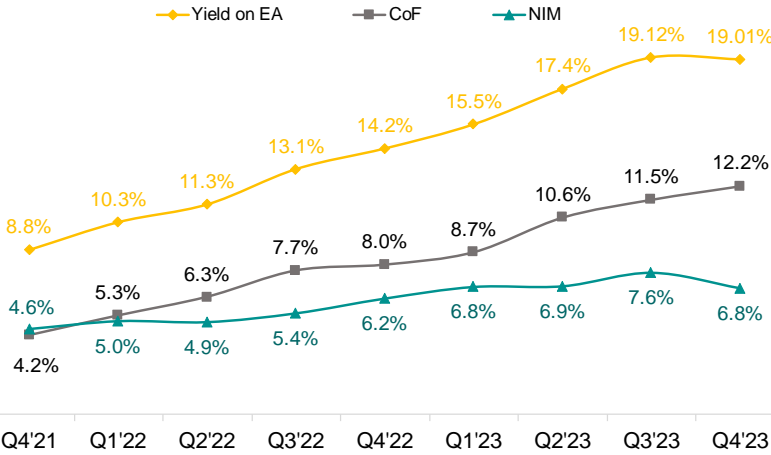
CAR – recovered to Dec'18 levels supported by strong profitability



ROA & ROE – Strong profitability boosts returns



NIM – Turning as market rates soften on expectations of rate cuts



EPS and BVPS – consistent growth despite ever-increasing taxation

