

HBL

Habib Bank Limited

2021 performance review

Investor Presentation

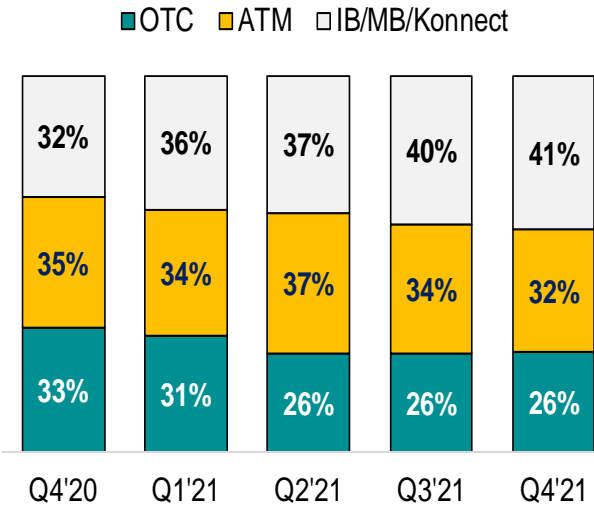
February 25th, 2022



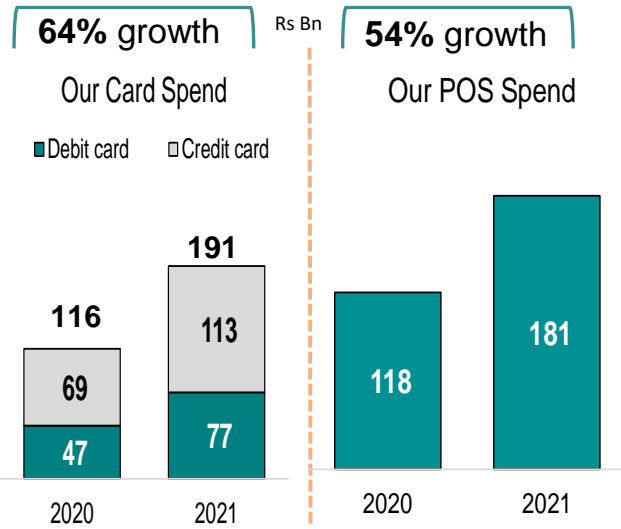
A WORLD OF
DIGITAL POSSIBILITIES

Digital channels usage depicting exponential growth

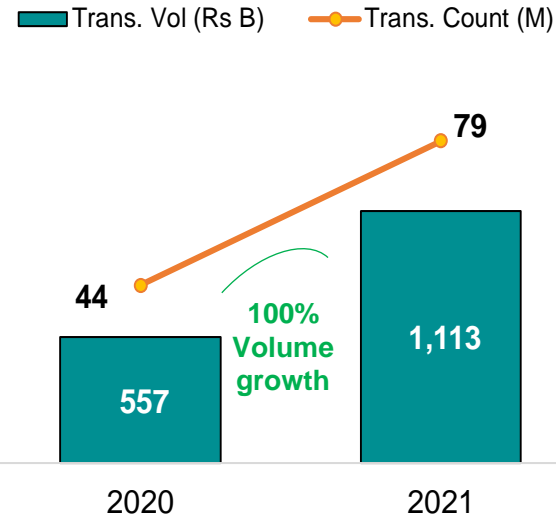
OTC trx. mix maintained at target level of ~25%



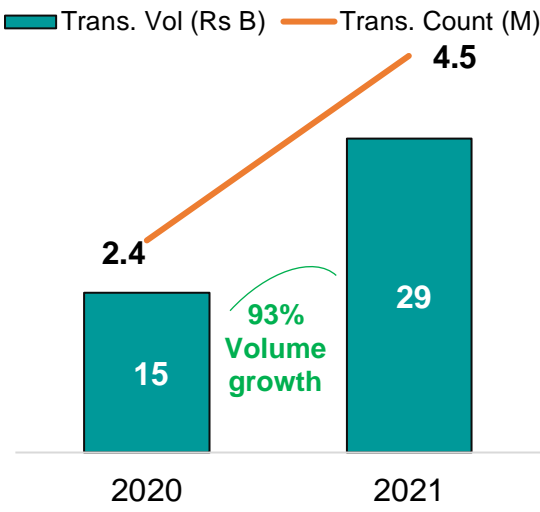
Cards base up by 7% YoY to 6.5M



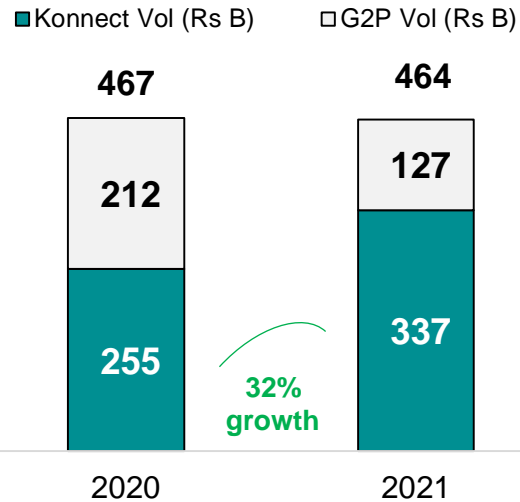
Mobile/IB user base up nearly 40% YoY to 2.5m – volumes up 2x YoY



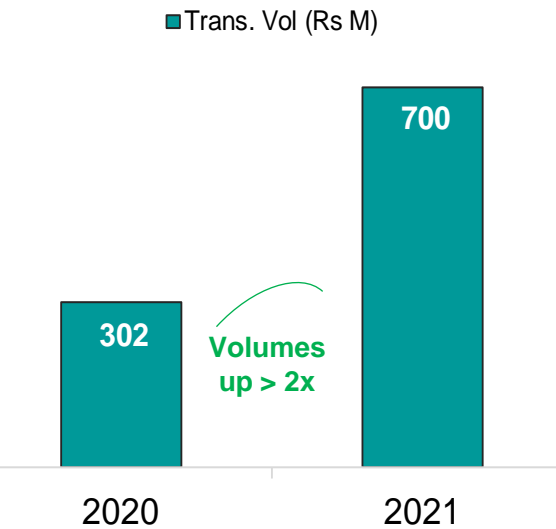
HBL Pay Checkout – 2x growth in both transaction count and volumes



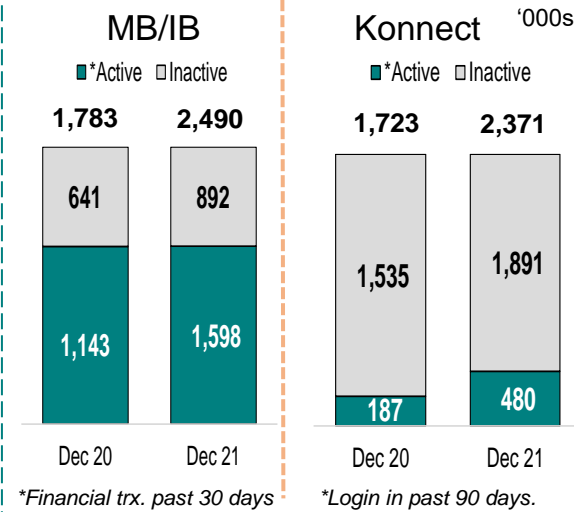
HBL Konnect accounts up 1.3x to 7.1m. Volumes +32% to Rs 337b



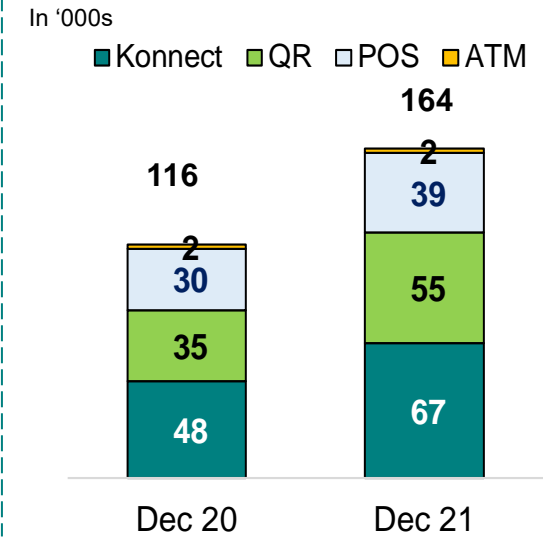
QR Code locations – volumes more than doubled to Rs 700m



Monthly Active Users Mix
MobileApp – at 64% on par with Dec'20
Konnect App – from 10.8% to 20.4%

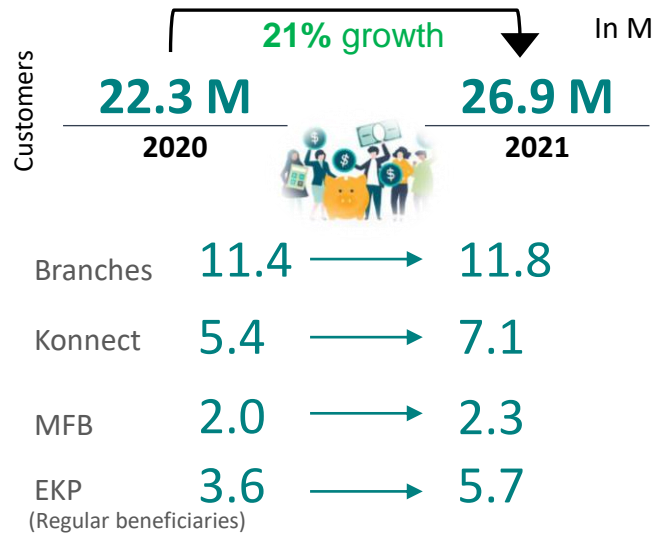


*Financial trx. past 30 days *Login in past 90 days.
ADCs growing: +47k touchpoints added in 2021

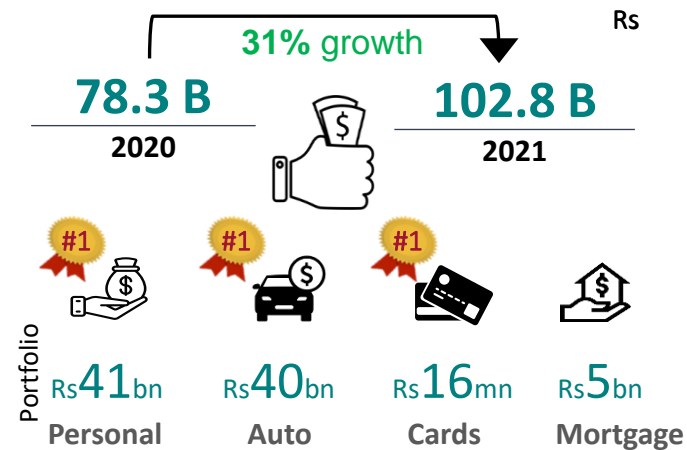


Core business performance remains exceptional

1 4.5 million+ customers added in 2021

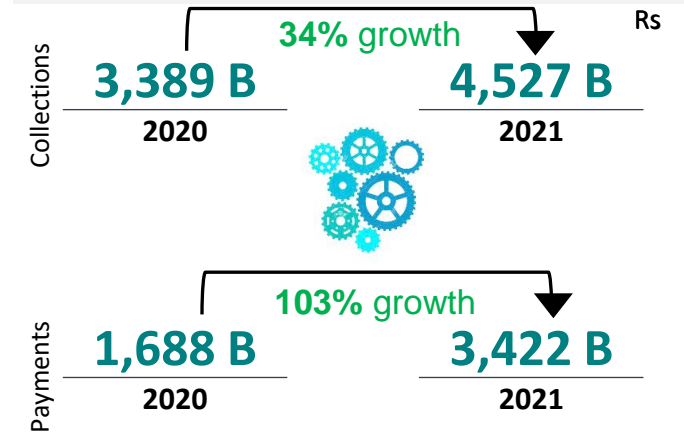


2 Consumer loans cross Rs 100 B



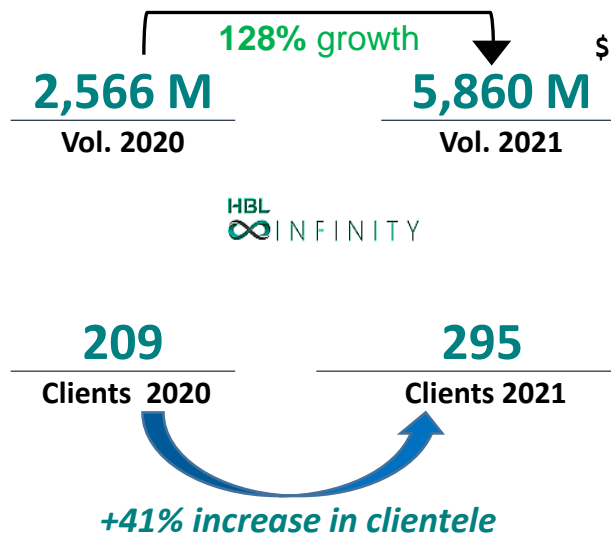
Largest consumer book in the sector

3 Cash management throughput nearly Rs 8.0 T

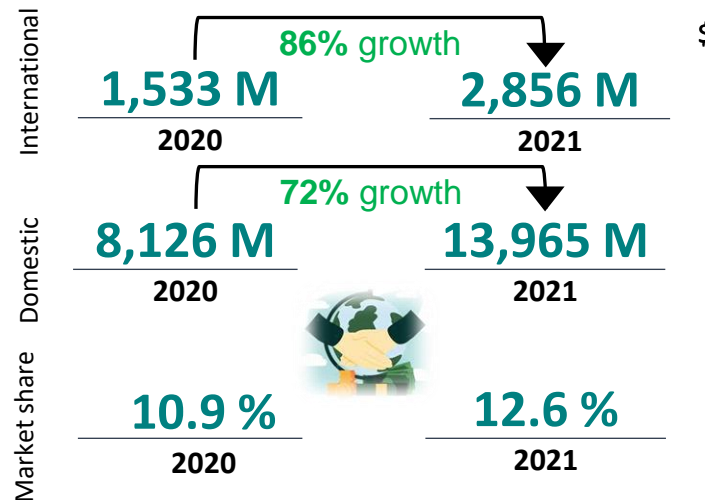


2021 Collection mandates 87 (2020: 75)
2021 Payment mandates 1,203 (2020: 990)

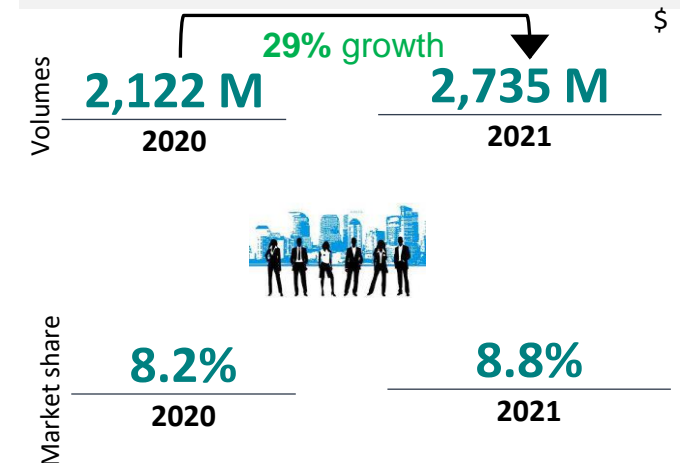
4 HBL Infinity >2x increase in volumes



5 Trade Volumes up 75% to record \$ 16.8b



6 Monthly Remittance market share – 10%+ since Sep'21





Digital and Technology initiatives



PAKISTAN
DIGITAL AWARDS

Best Website of the Year
Best Mobile Bank Application
Web Series of the Year –
HBLPSL Jang Ki Jeet
Best Digital Payment Processor



Best Mobile Bank
Application
Pakistan



Paytech
Leadership Award



Mobile Banking and
Payment initiative of the
year

Best Bank Accreditation



Best Bank in
Pakistan



Best Domestic Bank in Pakistan



Pakistan's Best Bank

Best Bank for Small and Medium
Businesses

Corporate & Investment Banking



Best
Investment
Bank



Best Acquisition
Financing

Best Corporate Sukuk
Best Green Bond
Best Structured Finance
Deal for Pakistan



Pakistan Domestic Cash
Management Bank of the Year
Pakistan Domestic Project Finance
Bank of the Year



Best Investment Bank
Best Bank for Small and
Medium Businesses



Power Deal of the
Year (Punjab
Thermal)



Equity Deal Of The
Year - Pakistan



Best Investment Bank
Deal of the year Syndicated Loan
Deal of the year Bond
Deal of the year Equity
Deal of the year Project Finance



Pakistan Domestic Bank
Market Leader 2021
Pakistan Best Service Bank
2021

Other categories



1 Primary Dealer in
Government Securities
Best Performing Bank –
RDA 2nd Position



Best Influencer
Marketing Campaign –
HBLPSL 6



Environment
Excellence Awards



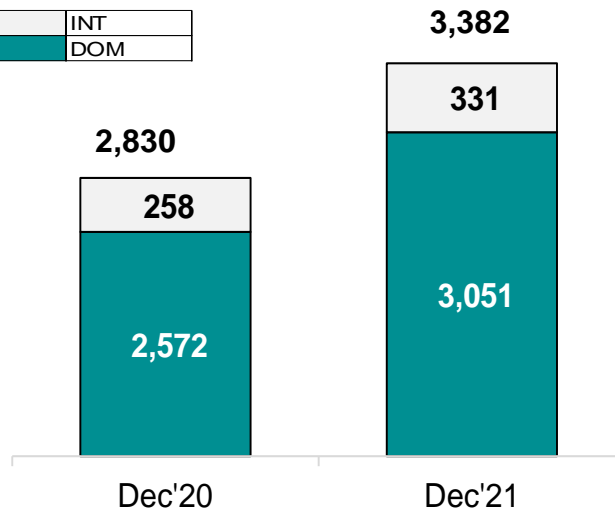
Global Diversity & Inclusion
Benchmarks Award-
Progressive in Recruitment &
Development

HBL's fortress balance sheet maintaining its dominance, at > 4.3 trillion, up 12% over Dec'20

Deposits at Rs 3.4T, up 19%

Rs in B

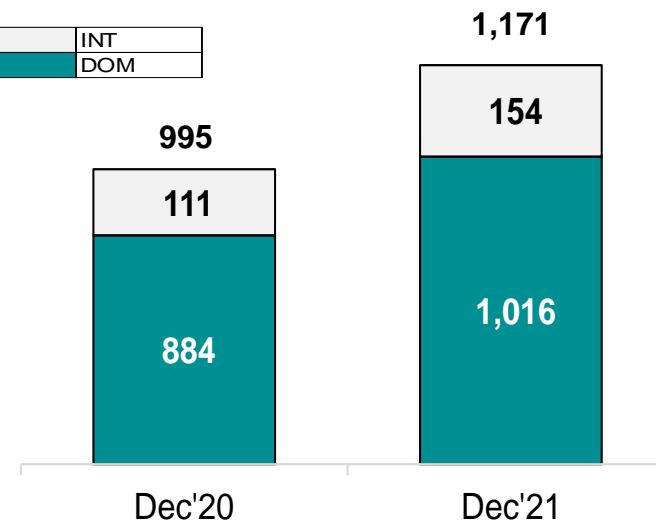
	INT
	DOM



Current deposits up 18% to Rs 1.2T

Rs in B

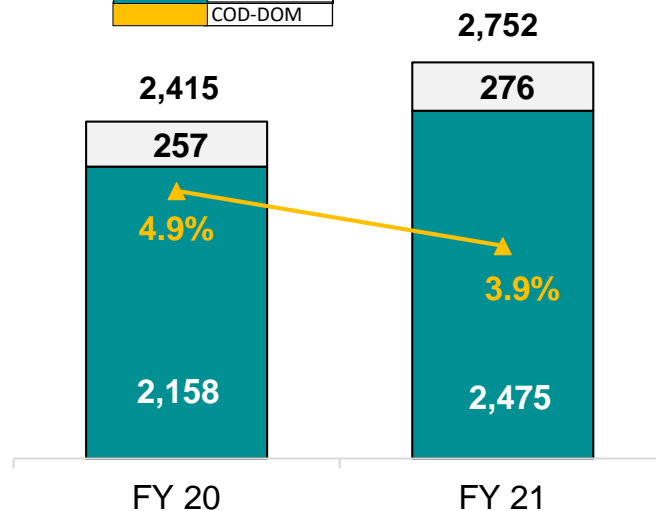
	INT
	DOM



Average Deposits up 14% to Rs 2.8T

Rs in B

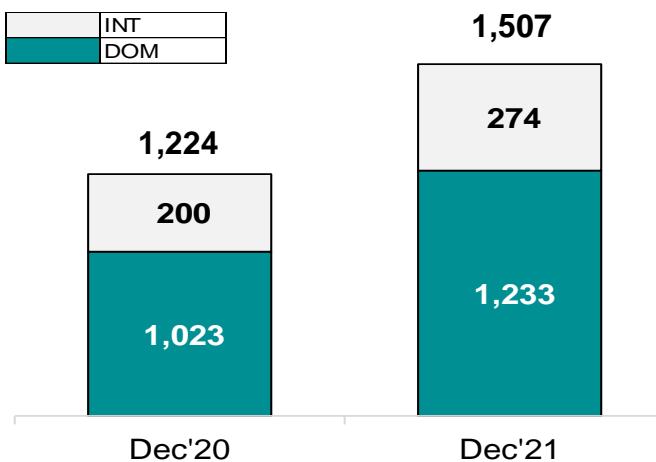
	INT
	DOM
	COD-DOM



Advances up 23% to Rs 1.5T – broad-based growth across all businesses

Rs in B

	INT
	DOM



Deposits

- Domestic deposits crossed the Rs 3.0T milestone, a growth of 19% over Dec'20 with market share improving to 14.14%.
- Domestic current accounts exceeded Rs 1.0T in Dec'21, a growth of 15% over Dec'20
- International deposits grew by 16% (\$ 260m) over Dec'20 to \$ 1.9b.

Advances

- Domestic advances grew strongly by 20% to Rs 1.2T, with a ~20% increase across all segments:
 - Consumer lending up 31% to Rs 102b – No 1 position in Personal Loans, Autos and Cards
 - Microfinance portfolio up 37% to Rs 57b
 - Agriculture lending reached a record Rs 40b..
- International advances reached 7-year high of \$ 1.6b, up 24% with >70% of the growth coming from FI lending

Rs in Mn	FY 21	FY 20	Var%
Net Interest Income	131,419	130,104	1%
Fees and Commissions	25,433	18,796	35%
Treasury related NFI	6,112	1,406	335%
Affiliates Income	2,586	2,963	-13%
Other Income	1,156	376	208%
Core NFI	35,287	23,540	50%
Capital gains	1,024	7,055	-85%
Total NFI	36,311	30,595	19%
Gross Revenue	167,730	160,699	4%
Admin Expenses	(95,785)	(94,018)	-2%
Total Expenses	(97,615)	(95,449)	-2%
Pre Prov. Operating Profit	70,115	65,250	7%
Total Provisions	(8,087)	(12,220)	34%
Profit Before Tax	62,028	53,031	17%
Tax	(26,521)	(22,117)	-20%
Profit After Tax	35,507	30,913	15%
Cost to income	57.1%	58.5%	(140bps)

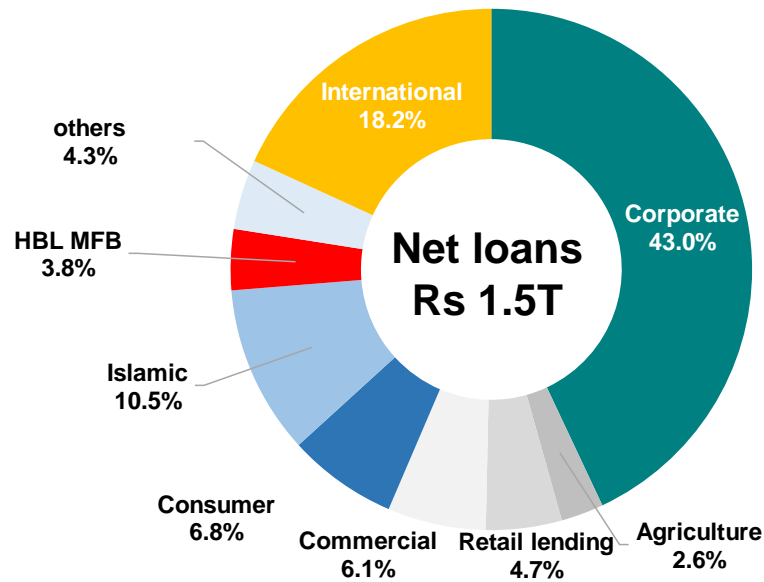
Key Highlights

Profits are at all-time high – PBT at Rs 62.0b, up 17% over 2020 and PAT at Rs 35.5b, 15% higher YoY

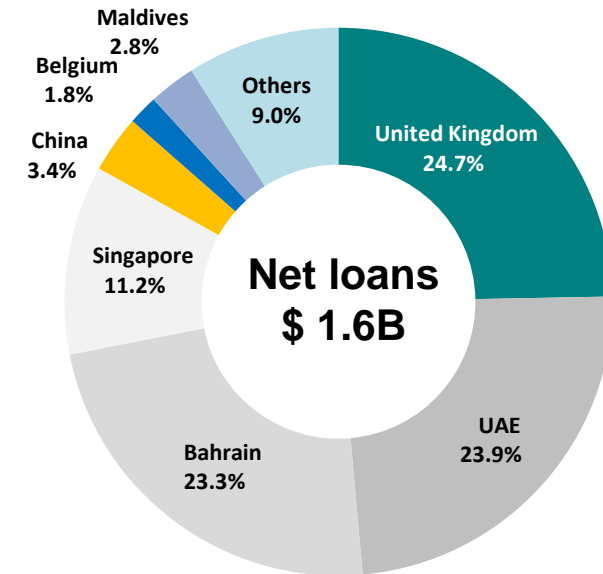
- Despite Rs 6.0 bn lower capital gains and severe spread compression (Impact : Rs 18bn), revenue grew by 4% over 2020 to a record high Rs 168b.
 - NII marginally up 1% to Rs 131b – Impact of NIM compression more than offset by a Rs 450b growth in average balance sheet volumes.
 - Fees showed a stellar growth of 35% to Rs 25.4b – Cards, Consumer and Trade businesses were the primary contributors
 - Treasury-related NFI more than doubled over 2020 to Rs 6.1b, mainly FX.
- Administrative expense growth contained at 2%
 - The cost to income ratio – excluding capital gains – improved from 61.2% in 2020 to 57.5% in 2021
- Provisions declined by 34% to Rs 8.0b
 - Positive swing of Rs 7.8b in Covid related general provision – Release of Rs 1.4b in 2021 vs charge of Rs 6.4b in 2020

Loan book positioning

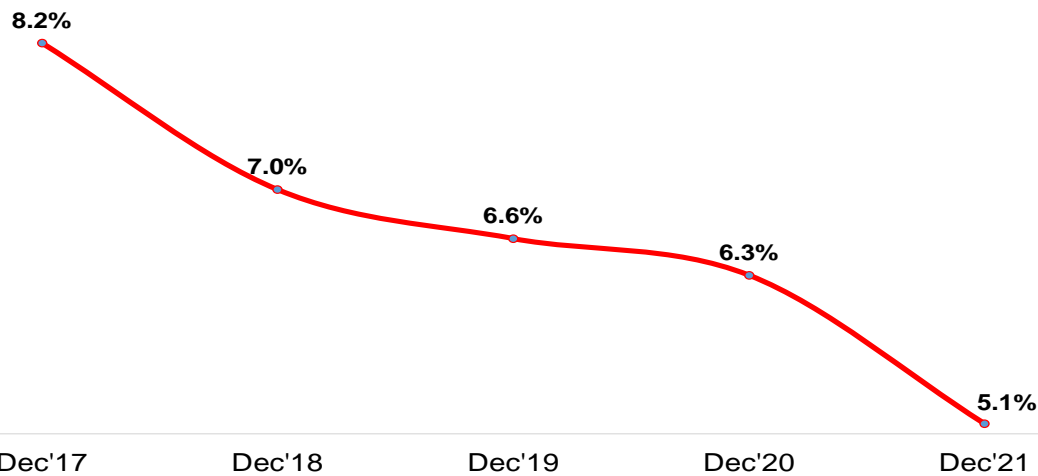
Loan portfolio composition by line of business



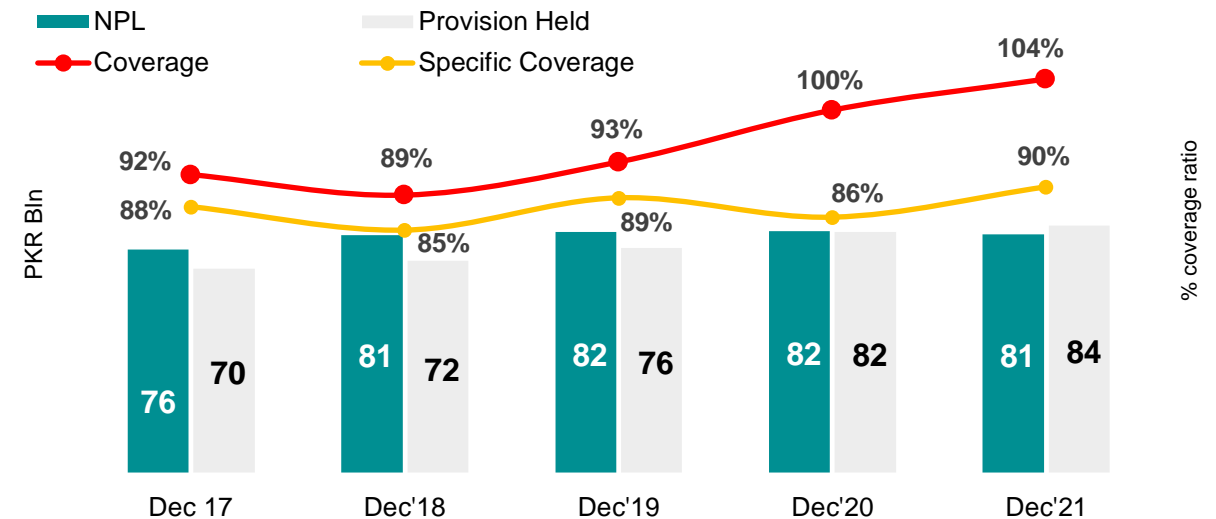
International loan portfolio – location wise



Infection ratio at all-time low and ..

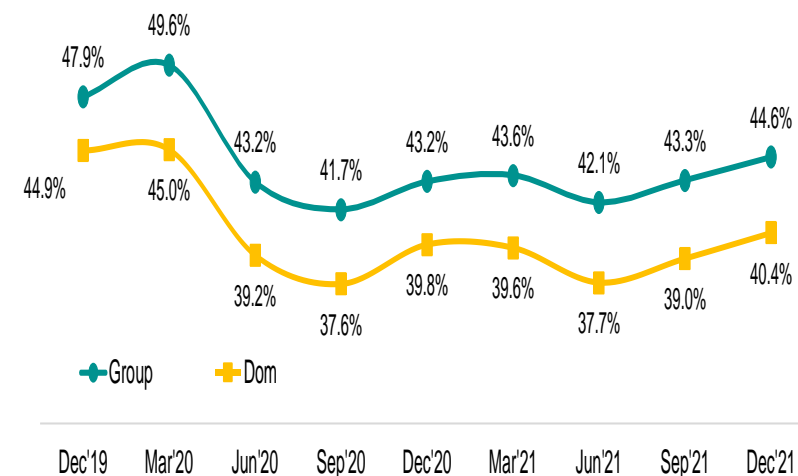


Specific and total Coverage strengthened further

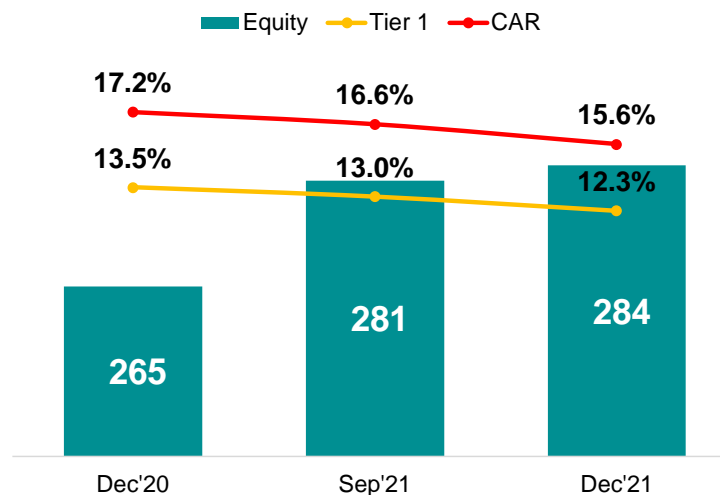


Key Performance Indicators

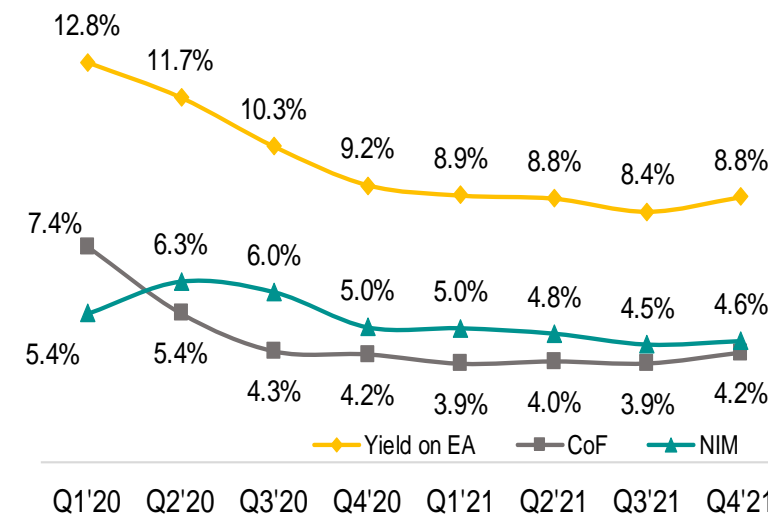
ADR trending upward – from 43.2% in Dec'20 to 44.6% in Dec'21



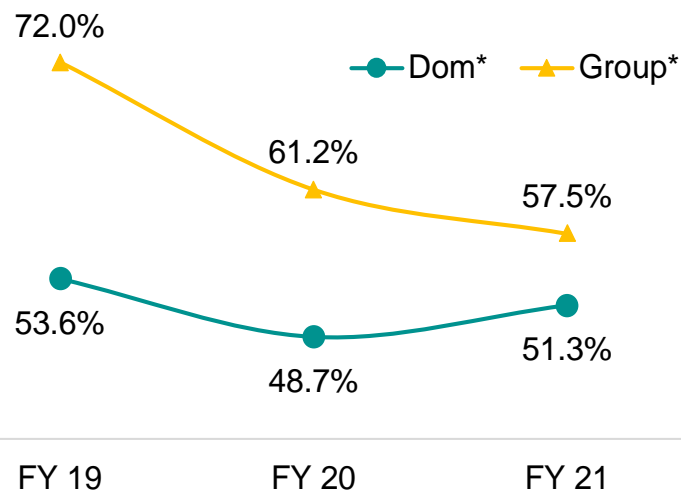
CAR declined over Sep 21 on the back of rupee devaluation and significant balance sheet growth



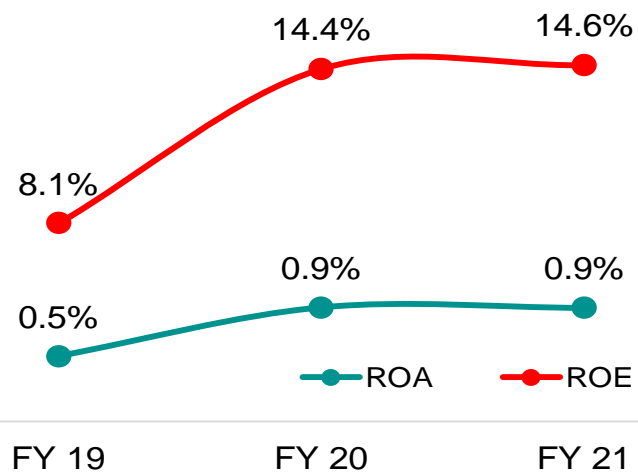
NIMs improved slightly in Q4'21 due to rate hikes, full impact to be realized in 2022



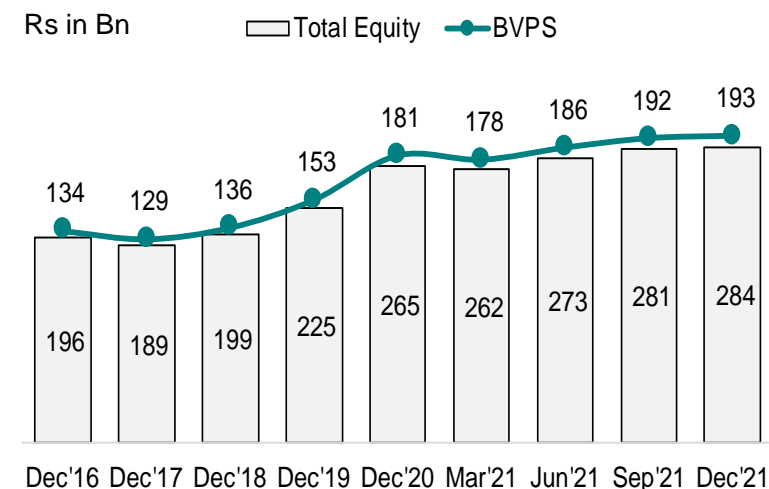
Cost to income ratio – steady improvement continues



ROA maintained at 0.9%, ROE improved from 14.4% in 2020 to 14.6% in 2021



Equity and book value – building steadily



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