

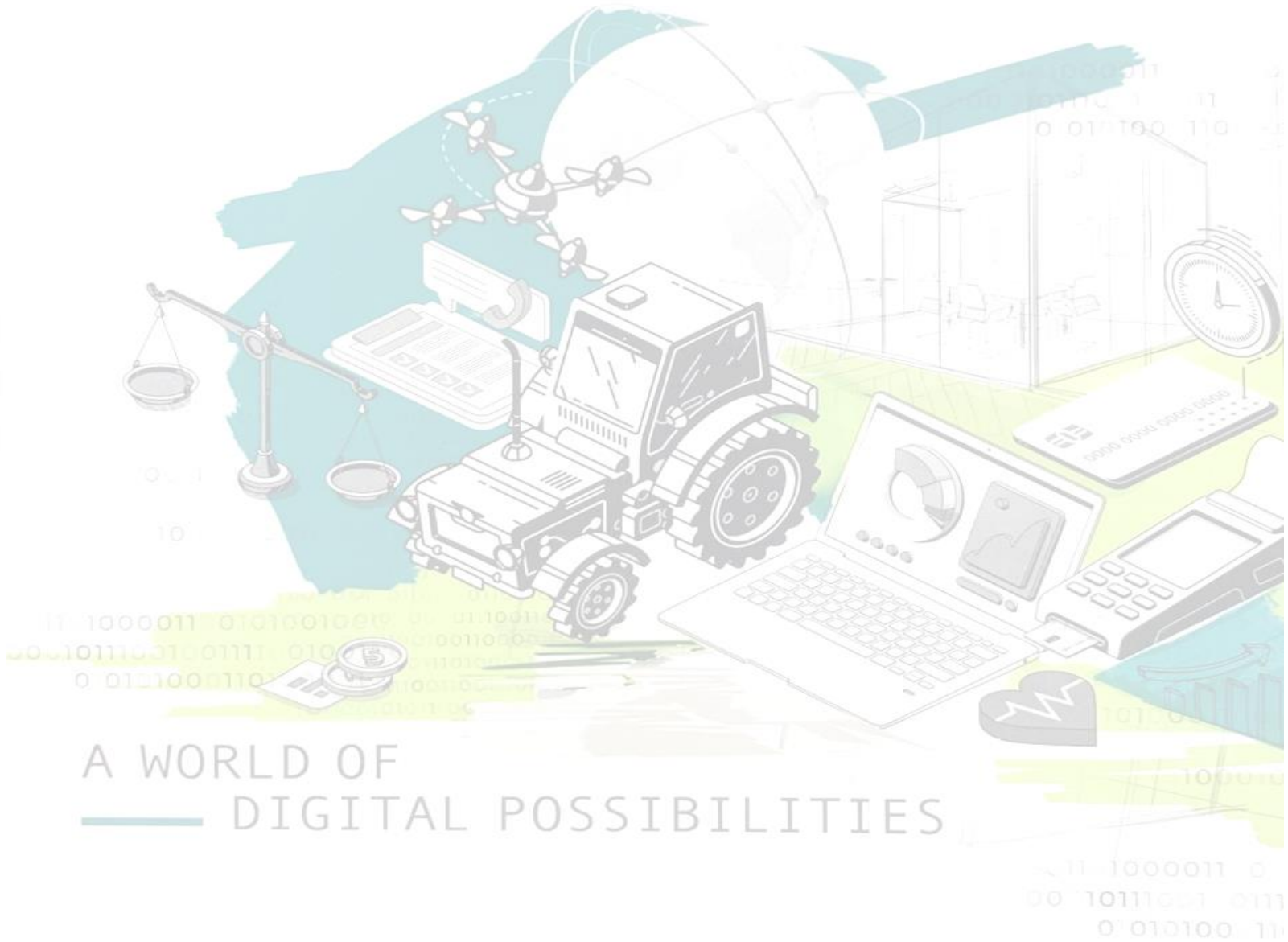
# HBL

**Habib Bank Limited**

*H1 2022 performance review*

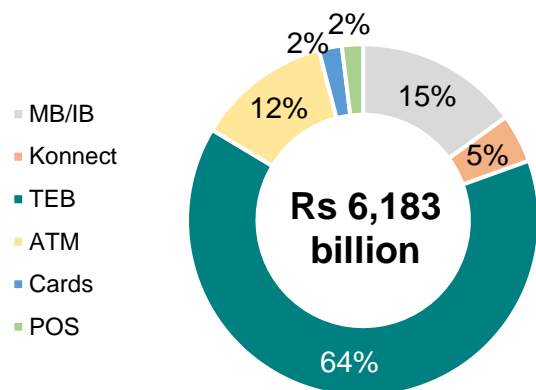
**Investor Presentation**

*Friday July 29<sup>th</sup>, 2022*

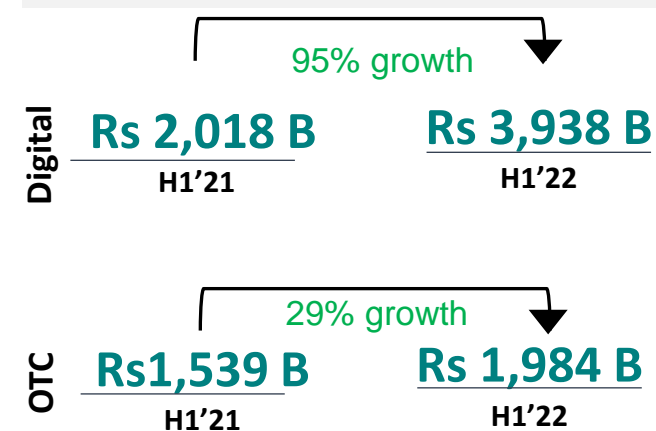


# HBL Digital – Throughput breaking new barriers reaching Rs 6.18 T, up by 73% YoY

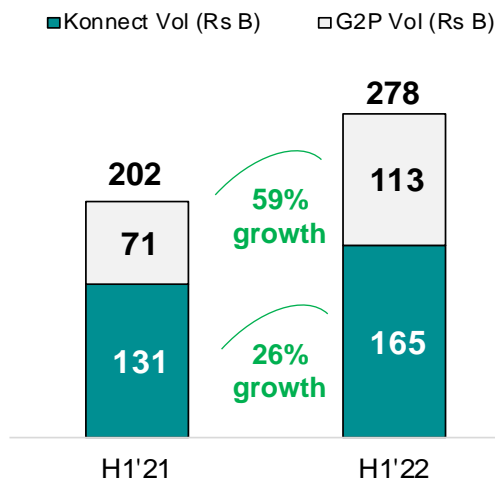
## Digital throughput composition



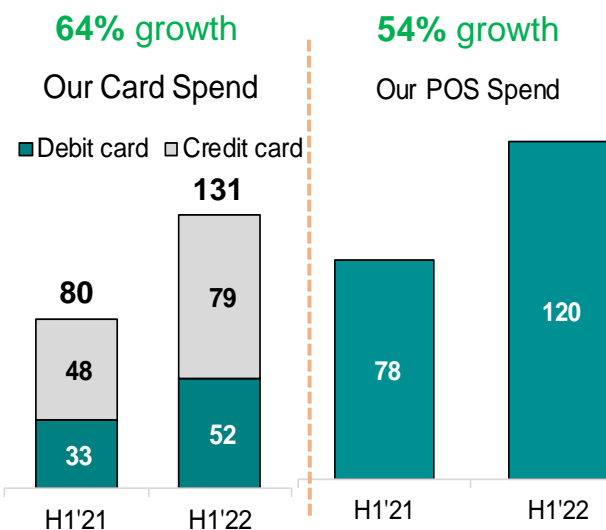
**Cash management** – Total throughput of Rs 5.9T, up 68% YoY. Digital channel volume nearly doubled



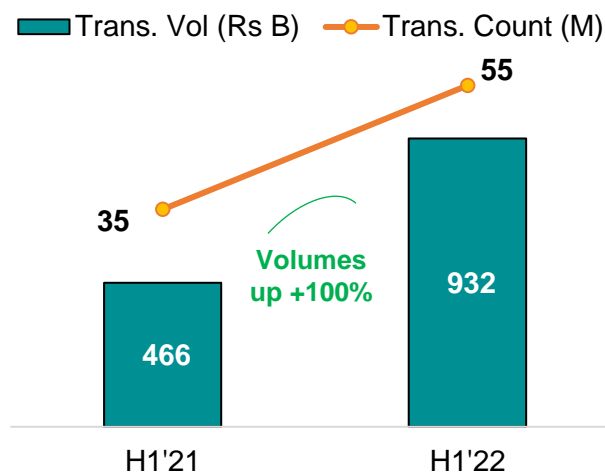
**Konnect** – volumes up 37% YoY; customer base up 0.5m to 7.6m



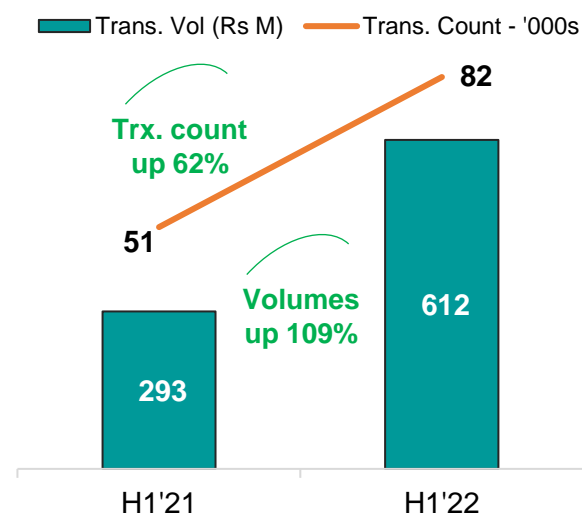
**Card base** at 6.5 Mn, with credit card spend growing by 64% YoY



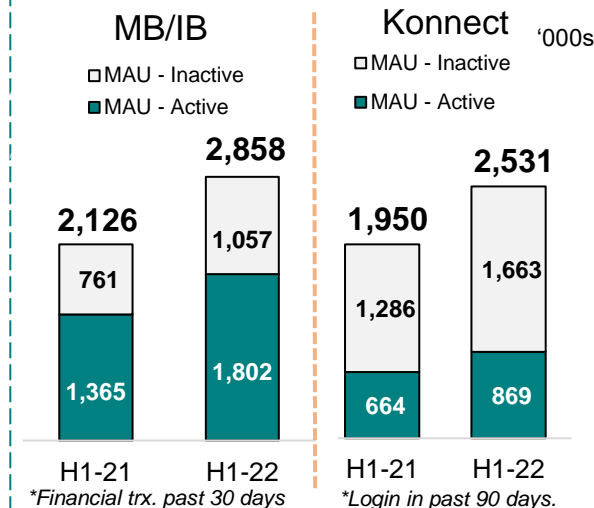
**MB/IB** – volumes doubled YoY, crossing Rs 1T in July. Subscribers reached 2.9m



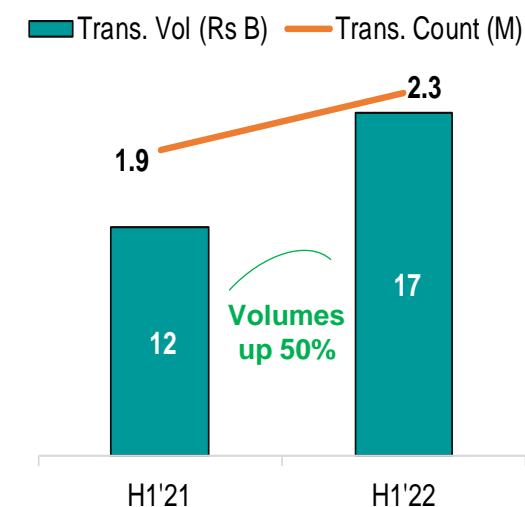
**QR Codes** – increasing ticket size has doubled volumes



**Monthly Active Users**  
Mobile : 63%, Konnect App : 34%



**HBL Pay Checkout** – volume up by ~50% to Rs 17B



# Core business segments continuing solid momentum

1

3.5 million+ **customers** added



Branches 11.8 → 12.0

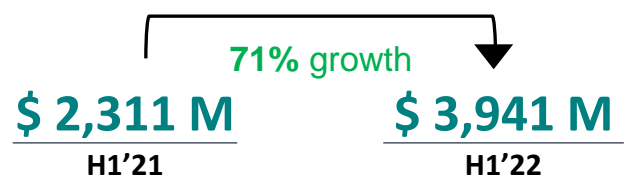
Konnect 7.1 → 7.6

HMFB 2.3 → 3.2

EKP 6.2 → 8.1

4

**HBL Infinity** more clients transacting more. **HBL Symphony** (Fixed Income platform) in pilot phase



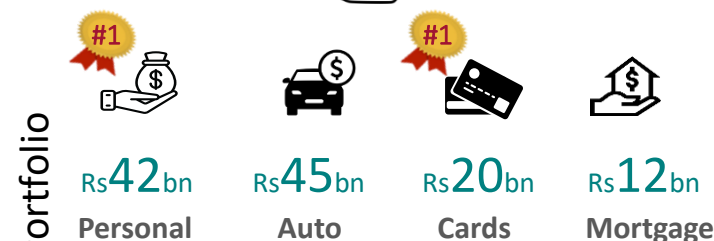
250 H1'21

336 H1'22

34% ↑ in clientele

2

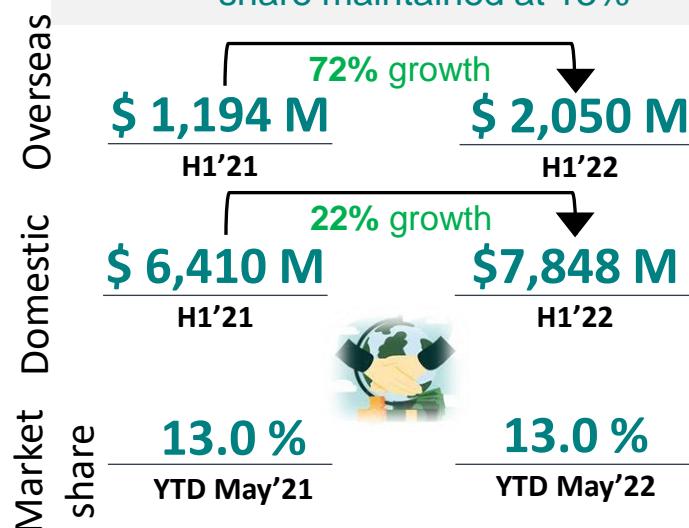
Strong **Consumer lending** momentum



*Largest consumer book in the sector*

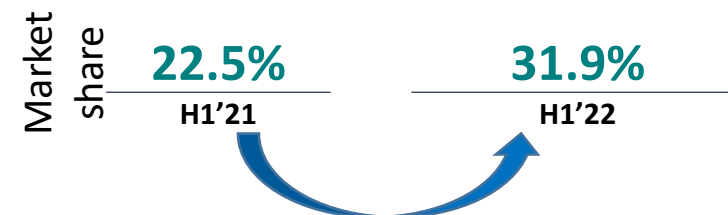
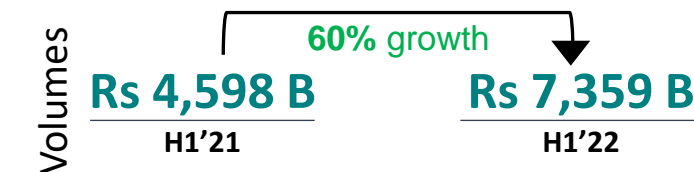
5

**Trade Volumes** – up 30% to \$ 9.9 B, share maintained at 13%



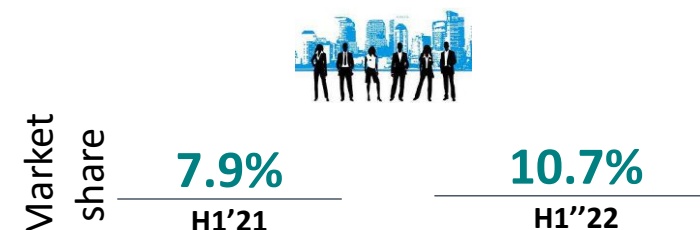
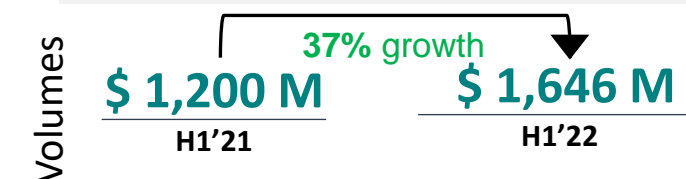
3

**Secondary Market Volumes** up 60% with share increased from 23% to 32%



6

**Remittance** – volumes up 37% to \$1.6 B with share improved from 7.9% to 10.7%



# Recognition and awards – A testament to HBL's exceptional performance as the largest bank in the Pakistan



**Best Bank in Pakistan**



**Best Domestic Bank**



**Best Investment Bank**



- Infrastructure Project Finance Deal of the Year Pakistan
- Syndicated Loan Deal of Pakistan
- Power Project Finance Deal of Pakistan
- Equity Deal of 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
- Water Deal of the Year



## **Best Practice in Pakistan for Diversity, Equity and Inclusion**

- Vision, Strategy and Business Impact
- Leadership and Accountability
- Structure and Implementation
- Recruitment and Development
- Learning and development.
- Connecting Diversity, Equality and Inclusion and Sustainability.
- Community, Government Relations and Philanthropy
- Services and Product Development.



**Global  
Diversity & Inclusion  
Benchmarks**



- Best Green Bond
- Best Structured Finance Deal



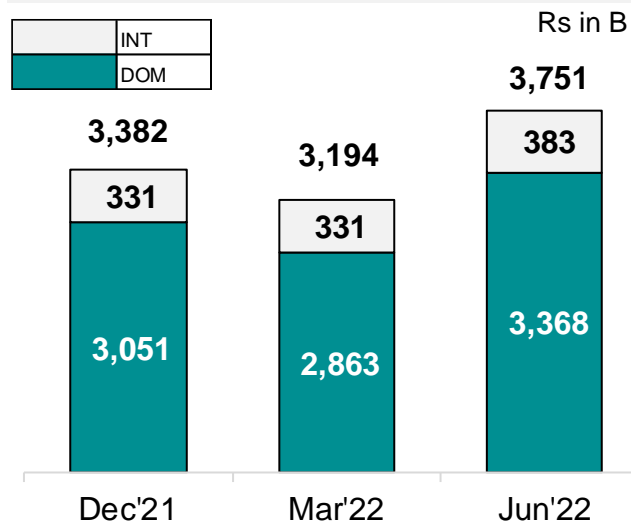
**Best Emerging Technology**



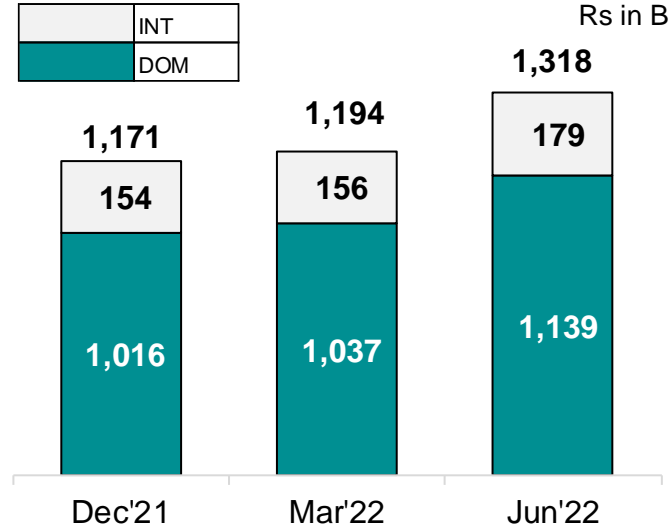
**Best Social Media  
Marketing Campaign**

# HBL's fortress balance sheet achieved milestone of Rs 5.0 trillion, 16% growth over Dec'21

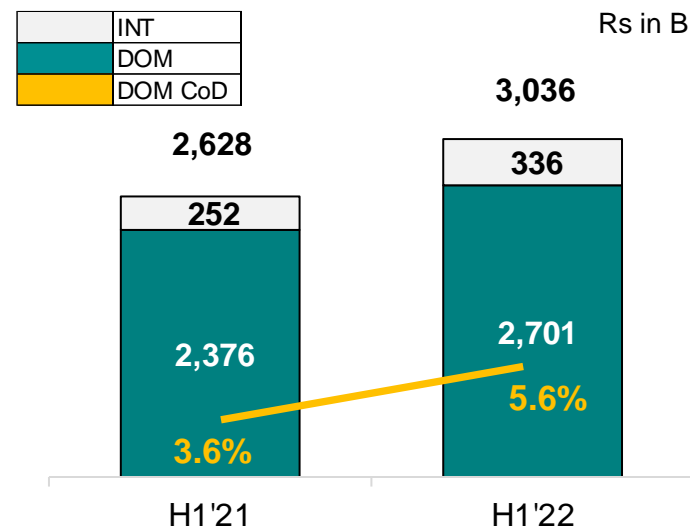
**Deposits** up 11% over Dec'21 to Rs 3.75T



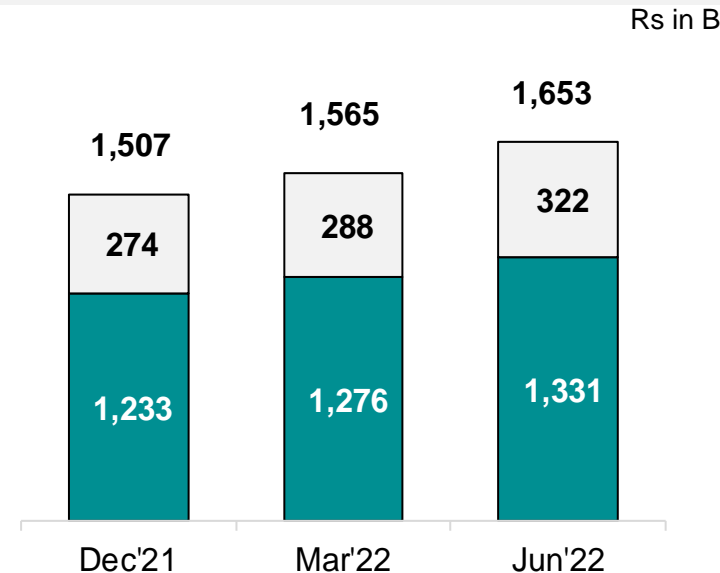
**Current deposits** up 13% to Rs 1.3T



**Average deposits** up 15.5% (Rs 400b+) to over Rs 3.0T



**Advances** up by 10% to Rs 1.7 T



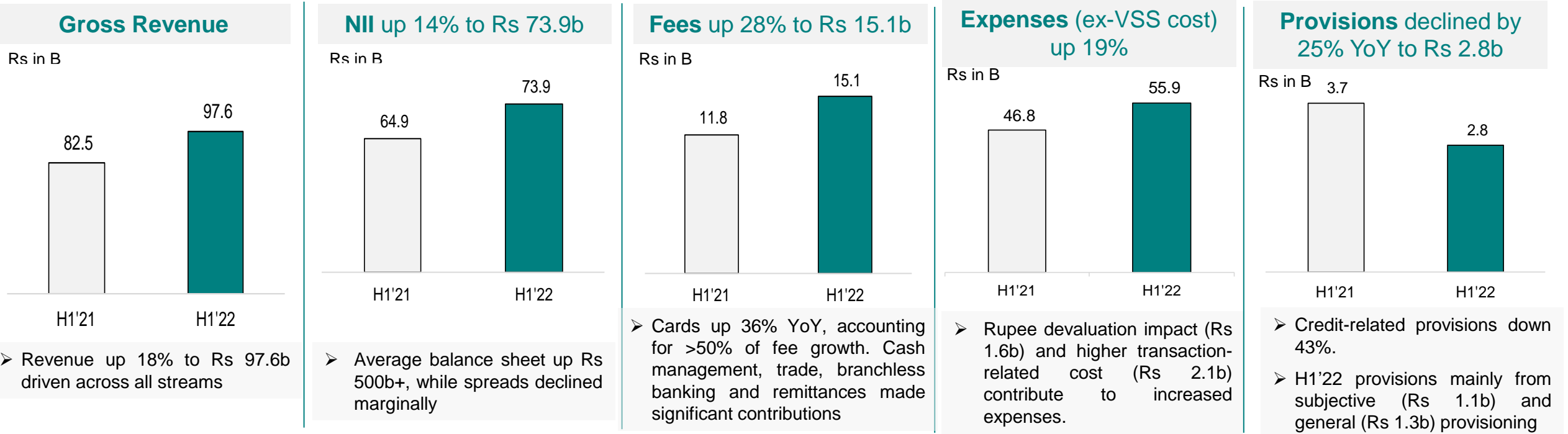
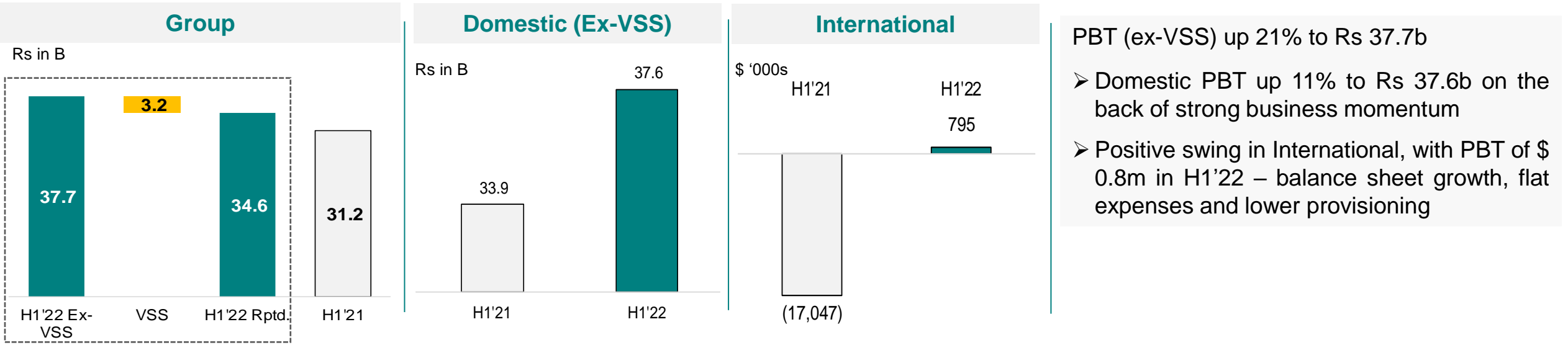
## Deposits

- Domestic deposits increased by 10% over Dec'21, to Rs 3.4T. The quarterly growth of Rs 505b in Q2'22 was the highest ever.
- Consequently, market share improved from 14.14% in Dec'21 to 14.32% in Jun'22
- Domestic current deposits up 12% over Dec'21 to Rs 1.1T. Average current accounts grew by 16% over H1'21 to Rs 966b; mix improved from 35.1% to 35.8%.
- International deposits remained flat to Dec'21 levels of \$ 1.9b. In Rupee terms, International deposits rose by 15.7%.

## Advances

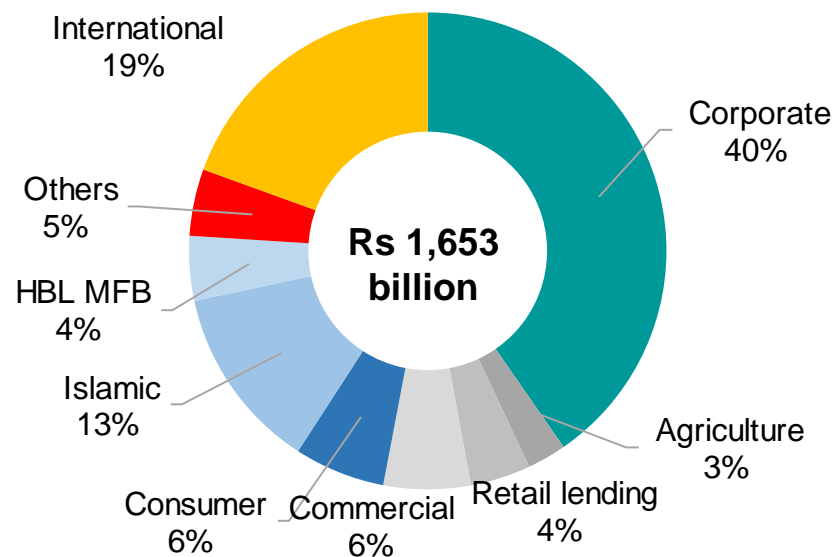
- Domestic advances up ~Rs100 b over Dec'21 to Rs 1.3T with growth across all businesses
  - Agriculture lending reached its highest-ever level of Rs 44b
  - Consumer loans grew Rs 15b to Rs 118b.
  - Microfinance grew by 27% to Rs 72b; housing / construction portfolio at Rs 21b. Leading bank in MPMG.
- Overseas advances up \$ 19m over Dec'21 to \$ 1.6b. In rupee terms, advances up by 17.5% to Rs 322b

PBT up 11% YoY to Rs 34.6b. However, PAT down 33% to Rs 12b impacted by excessive tax charge

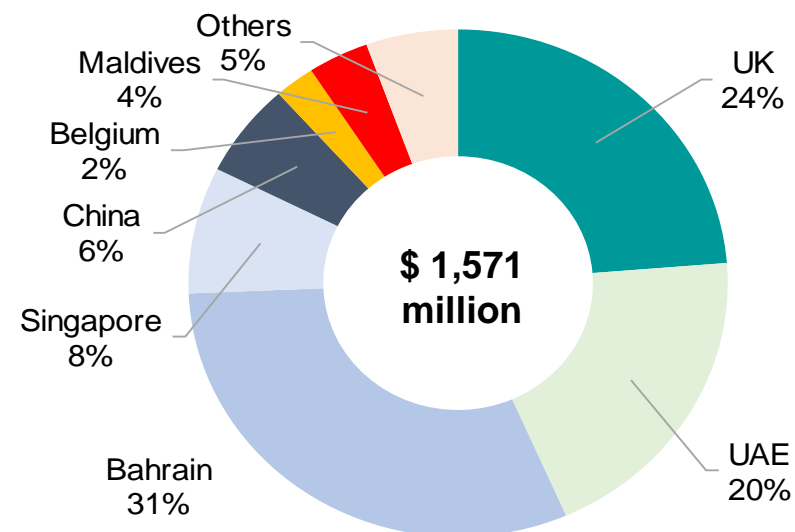




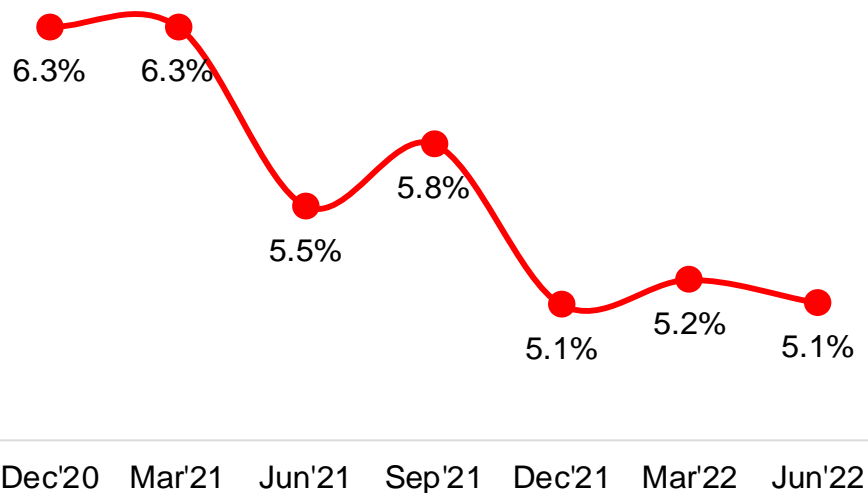
## Loan Portfolio composition by line of business



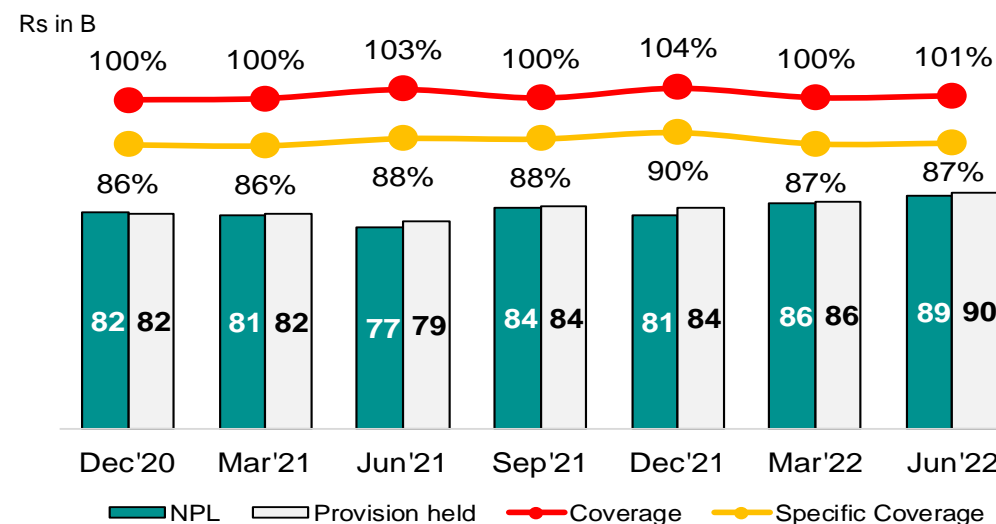
## International Loan Portfolio – location wise



## Infection Ratio reverted down to Dec'21 level of 5.1%

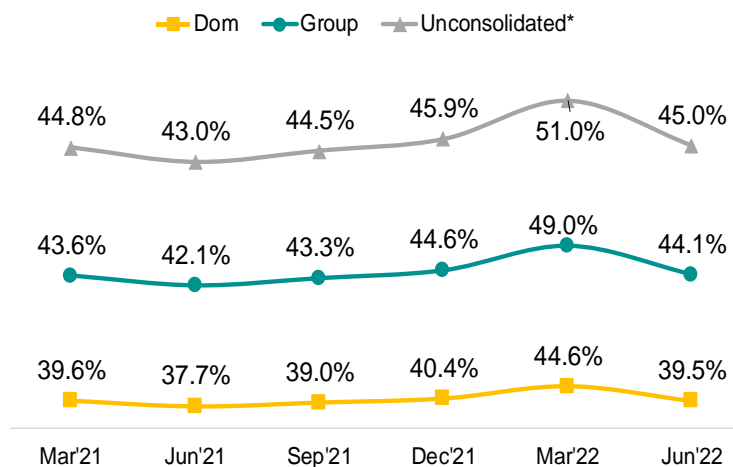


## Specific coverage maintained at 87% and total coverage > 100%



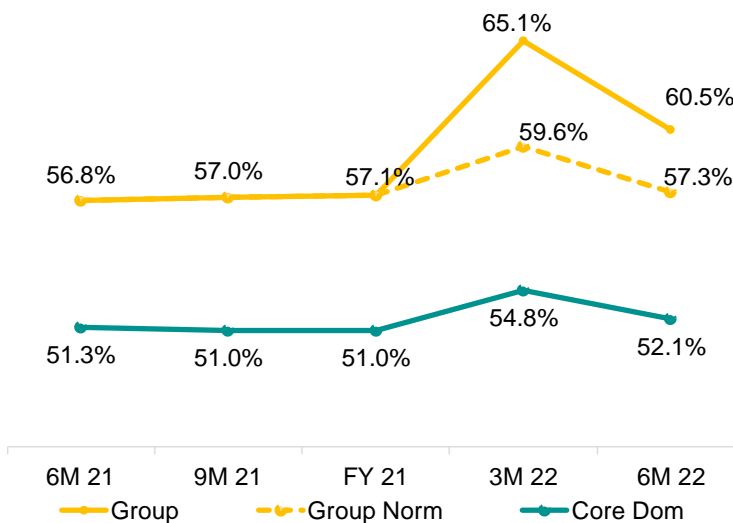
# Key Performance Metrics

**ADR declined in Jun'22 as strong growth in deposits outpaces advances**

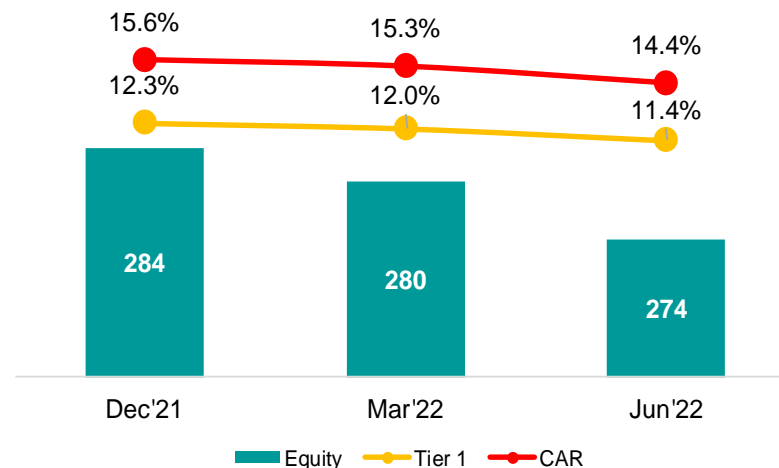


\*Gross advances / deposits as per tax definition

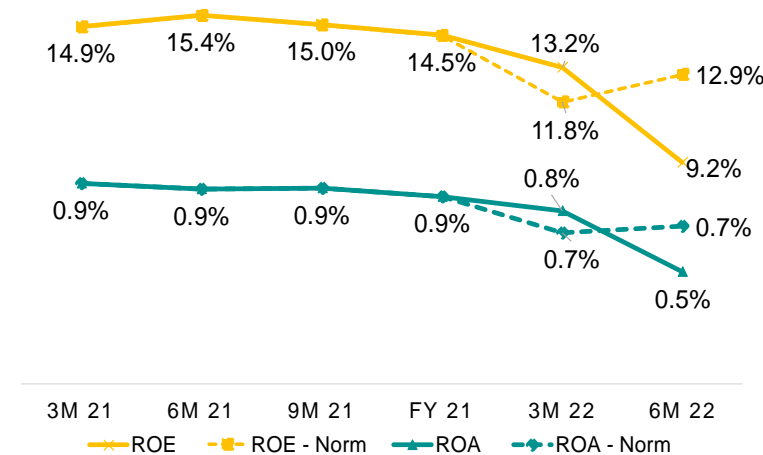
**Cost to income ratio – Q2'22 improved by 446 bps over Q1'22. H1'22 ratio of 57.3%, 50bps higher YoY**



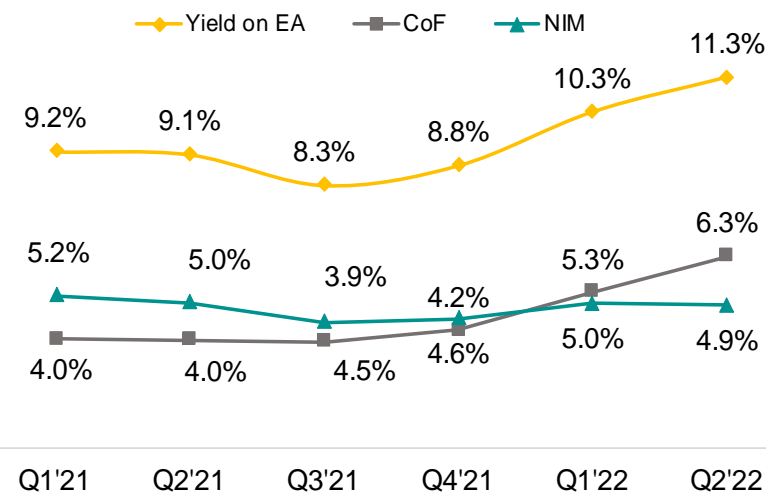
**CAR declined across all Tiers due to continued PKR devaluation and higher tax charge**



**ROA & ROE – declined due to higher tax charge and VSS cost**



**NIMs – marginally declined to 4.9% due to immediate repricing of deposits post Q2 rate hikes**



**Equity and book value has declined in 2022 due to escalating MTM deficits on investments**

Rs in Bn

