

Habib Bank Limited
9M'23 Performance Review

A Bank with a soul

HBL



HBL Mobile now with talkback capability to empower visually impaired individuals.



HBL continues to lead the pack across most metrics

Expanding Reach



#1

Touchpoints



151,586

#1

Branch Network



1,726

#1

ATMs



2,317

#1

Konnect Agents



54,437

#1

POS Terminals



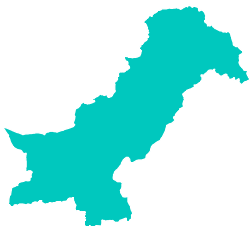
46,754

QR Codes



46,352

Contributing to development



#1



Agri Finance

Rs. 52 Bn



Market share

#1



SME Finance

Rs. 84 Bn



Market share

#1



Employee Banking

2.6Mn Salary Accounts



Market share

#1



Transaction Banking

8,500+ Mandates



Market share



Market share

Financial Stability



#1



Customers Served

36 Mn+

#1



Advances

Rs. 1.8 T



Market share

#1



Deposits

Rs. 4.0 T



Market share

#1



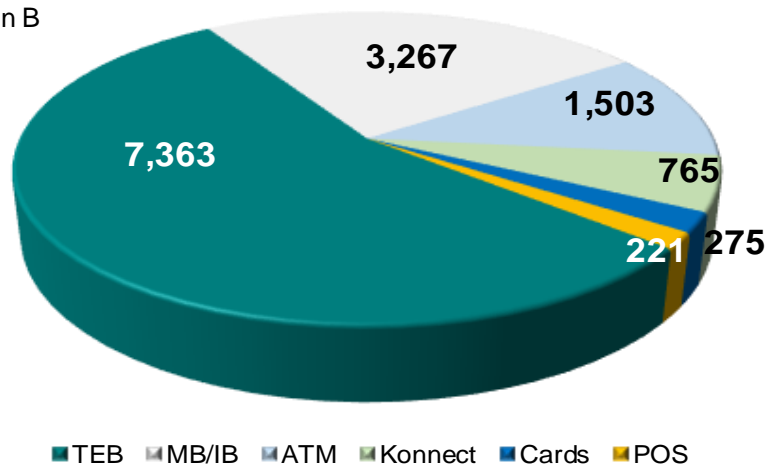
Assets

Rs. 5.5 T

HBL Digital – Throughput up 36% YoY to Rs 13.4T

Digital throughput composition

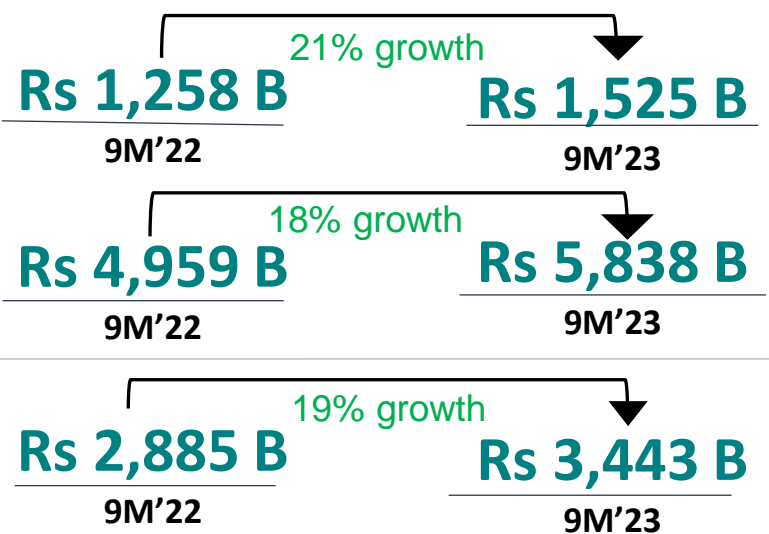
Rs in B



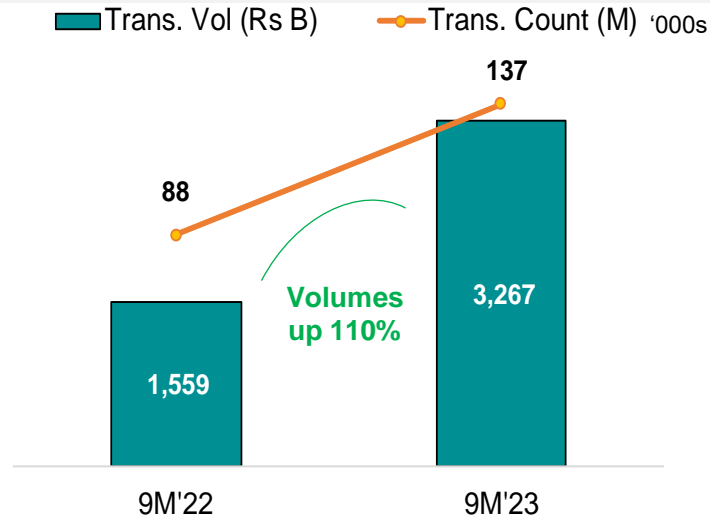
Cash management – Throughput up 19% to Rs 10.8T, digital transactions up 18%

Digital

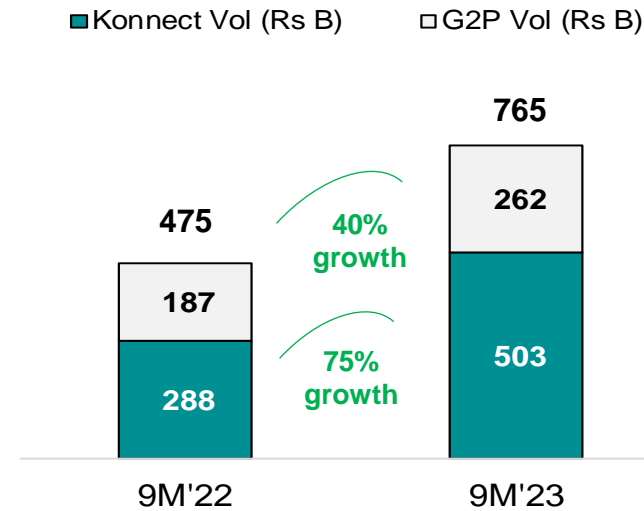
OTC
Payments
Collections



MB/IB – Strong growth in user base(>3.7m) and a higher ticket size have more than doubled volumes

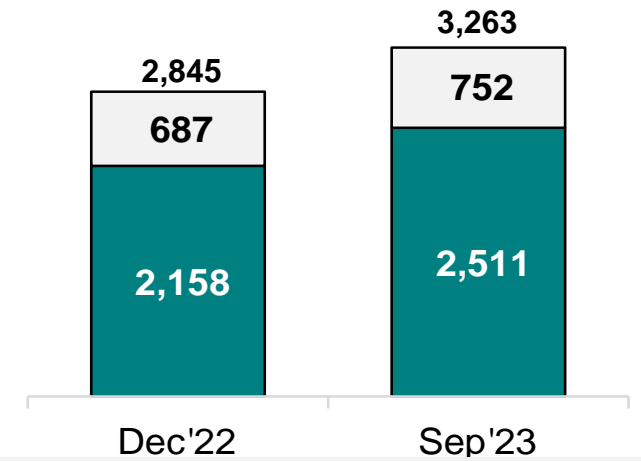


Konnect – Total volumes up 61% YoY driven by core business

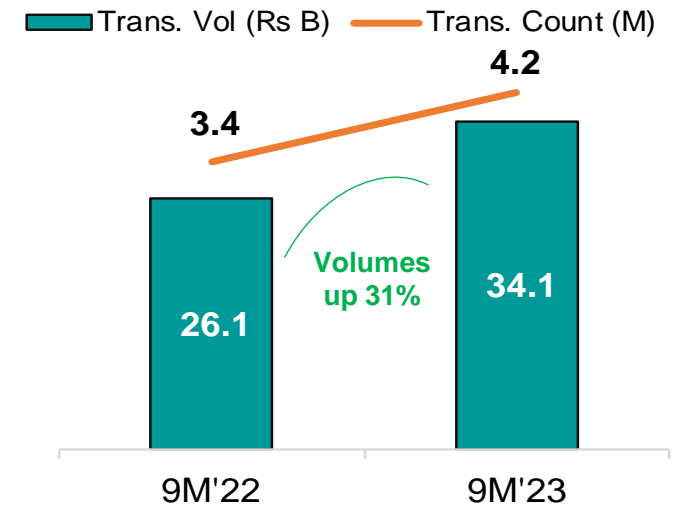


Monthly Active Users*
Mobile : 77%

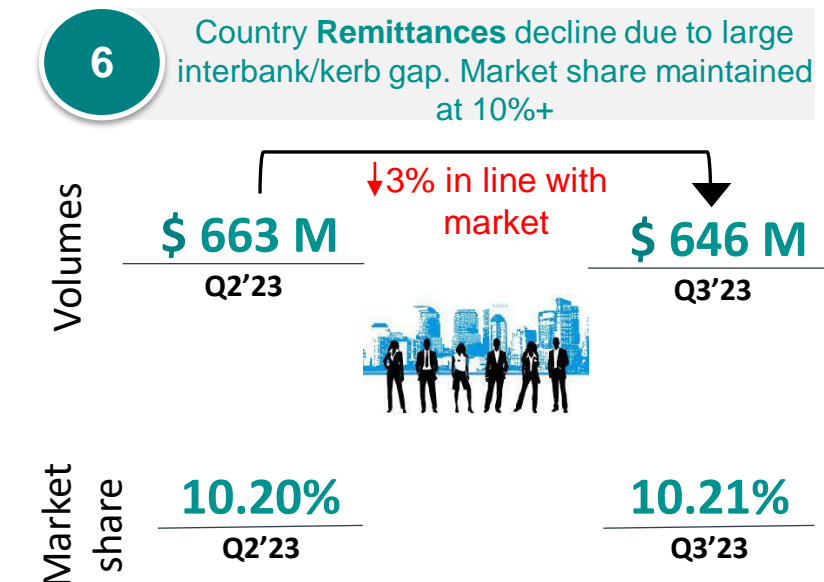
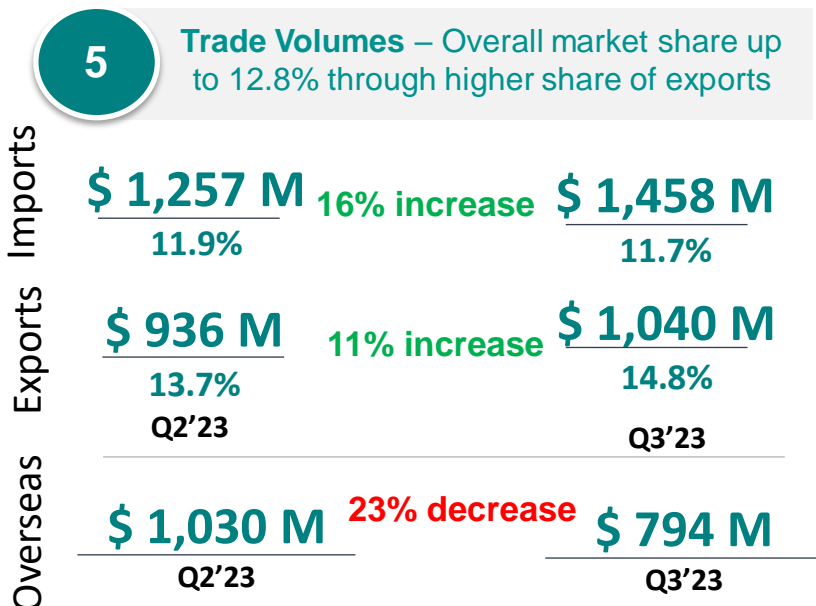
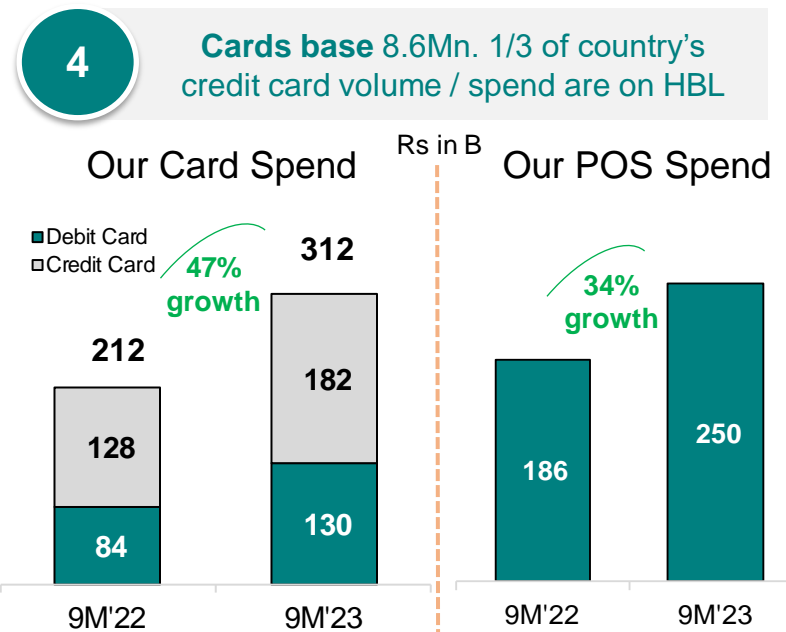
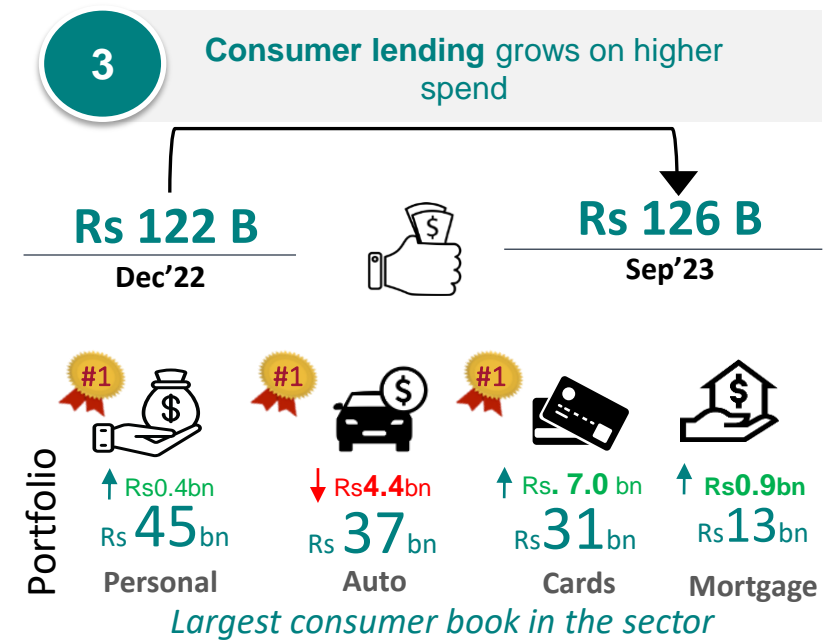
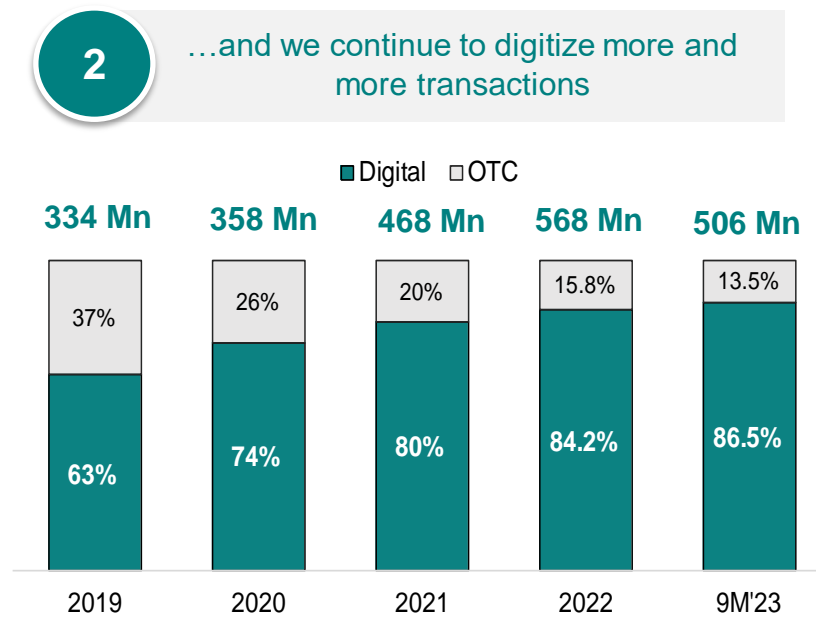
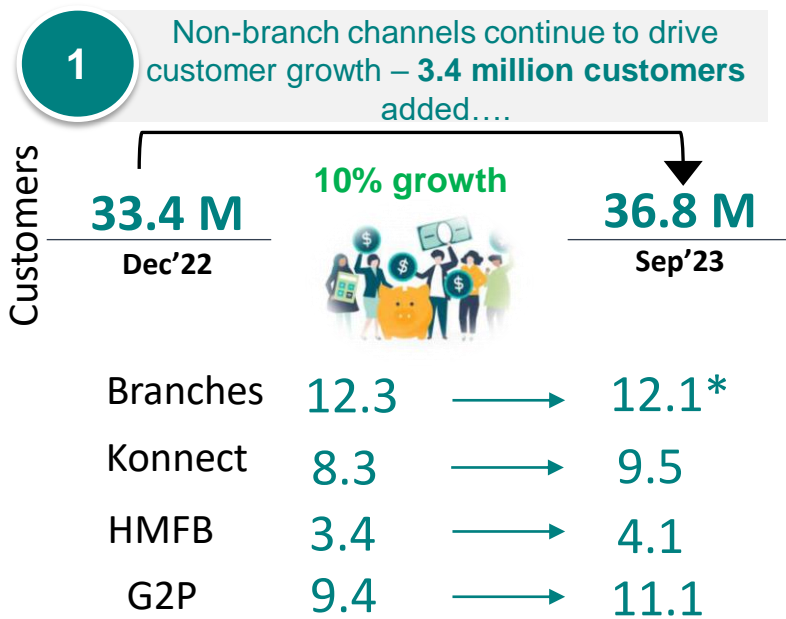
Active Inactive



HBL Pay Checkout – Increasing transactions and higher ticket size propelled volume growth



HBL continues its momentum in areas of strategic focus



2023 Banking Awards

| | | | | | | | |
|--|--|--|--|--|--|--|---|
|  <p>Best Domestic Bank Best Bank for Digital Solutions</p> |  <p>Most Innovative Bank in Asia</p> |  <p>Excellence in Digital Transformation</p> |  <p>Best Digital Payment Processor</p> |  <p>Best Digital Banking Services Award 2022</p> |  <p>Best Microfinance Bank</p> |  <p>Digital Leadership Award</p> |  <p>HBL ranked #1 HBLMFB ranked #2</p> |
|--|--|--|--|--|--|--|---|

Business awards 2023



- Best Project Finance Bank Pakistan 2023
- Best Infrastructure Project Finance Deal
- Best Syndicated Loan Deal of Pakistan
- Largest Power Project Deal of Pakistan
- Best Telecom Deal of Pakistan
- Best Infrastructure Project Finance Deal of Pakistan

ASIAN BANKING & FINANCE

- 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
- 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



- Project Finance House of the Year
- Telecom Deal of the Year
- Private Public Partnership (PPP) Deal of the Year
- Best Structured Finance Deal

Best bank & other awards

| | | | | | | | | | | |
|---|---|---|---|---|---|--|---|--|---|---|
|  <p>Best Investment Bank</p> |  |  |  |  <p>Best Social Media Marketing Campaign</p> |  <p>Best Bank in Pakistan</p> |  <p>Best Microfinance Bank</p> |  <p>Best Bank in Pakistan</p> |  <p>Most Inclusive Organization in 2022*</p> |  <p>Access to Finance Champion 2023</p> |  <p>Best Bank for Agriculture Financing</p> |
|---|---|---|---|---|---|--|---|--|---|---|

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

TikTok has published a Case Study on HBL PSL



8.7 B

Video Views

21 B

Hashtag Views

97.2%

of Pakistani TikTok Users
Reached

990 M

Engagements
(Likes, Comments & Shares)

#JahanFansWahanStadium
became an unprecedented success
on TikTok

Deepening HBL's engagement with the
Youth of Pakistan on their preferred
platform

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

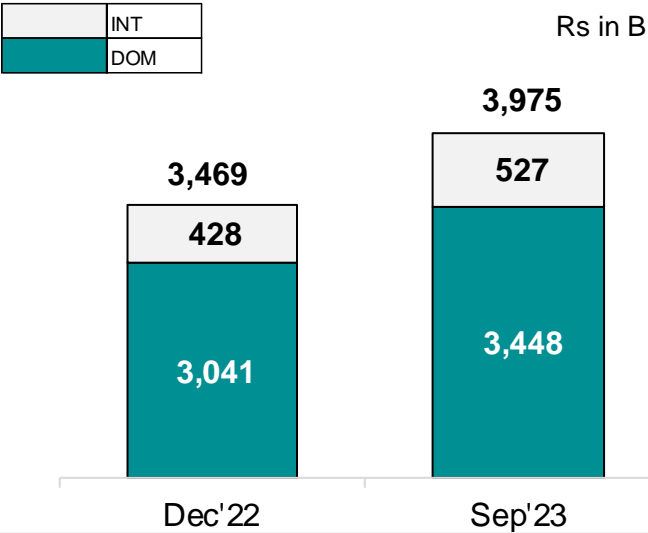
36 Leading Influencers created videos for
HBL generating early excitement

8.9 M videos created by TikTok users

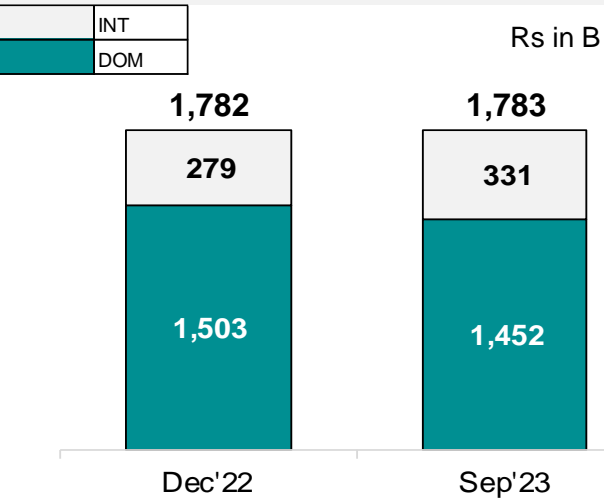
40 M users saw the campaign on TikTok

Loan trajectory reflects slowdown in a challenging macro landscape

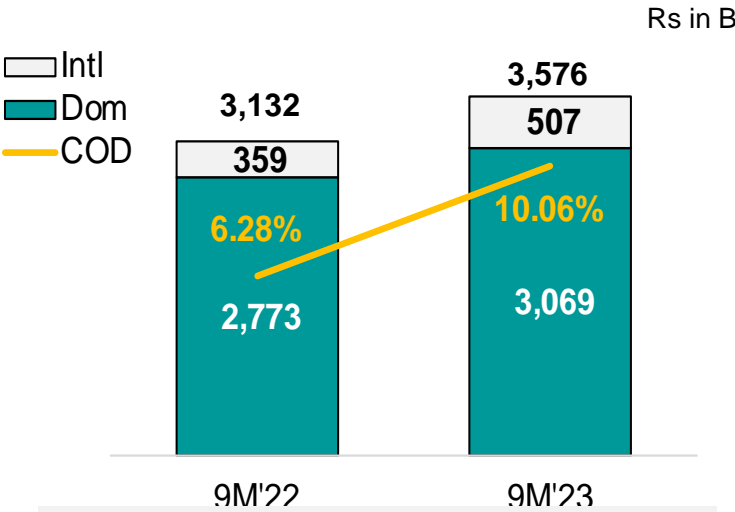
Deposits grew by 14.6%



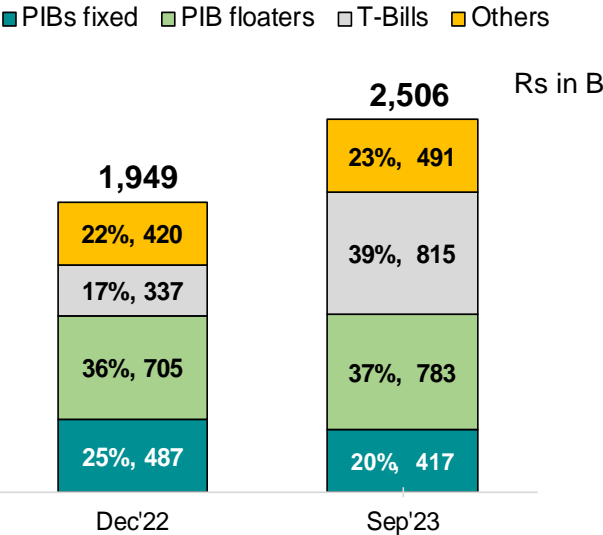
Advances – domestic advances decline as private sector demand shrinks



Average domestic deposits up 10.7%; growth entirely from low-cost deposits



Investment portfolio up 30%, mainly floating PIBs and short-tenor T-Bills...



Deposits

- Total deposits grew by 14.6% to ~Rs 4.0T.
- Average domestic deposits of Rs 3.1T are Rs 296b higher than SPLY, entirely due to low-cost deposits (Current : Rs 116b, low-cost savings : Rs 174b).
- Cost of funds growth contained to 378 bps.

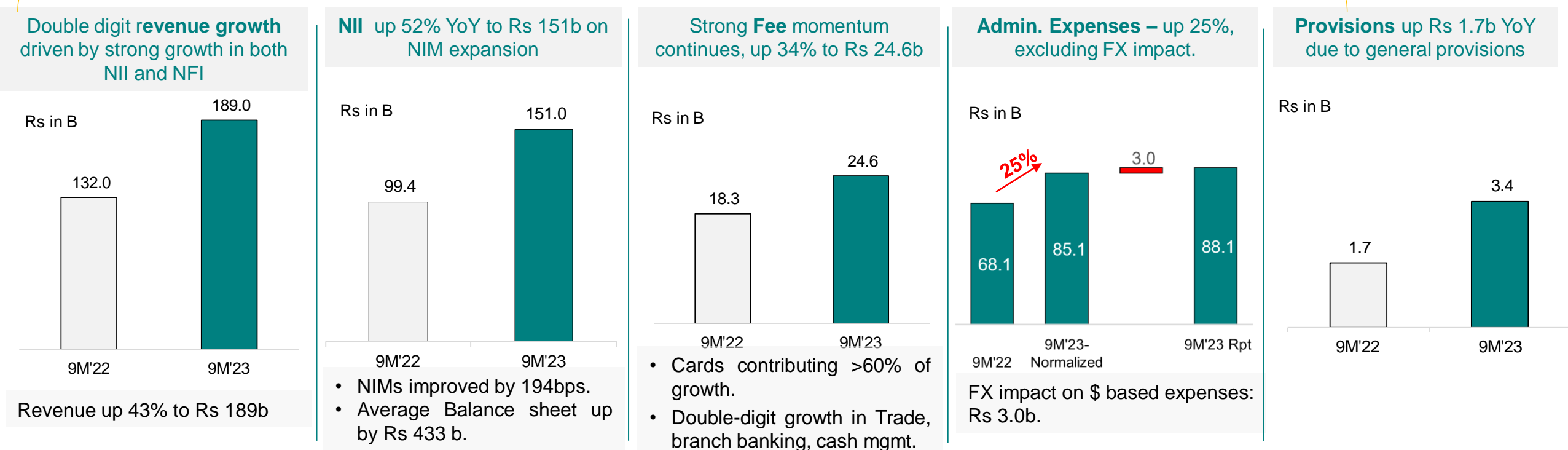
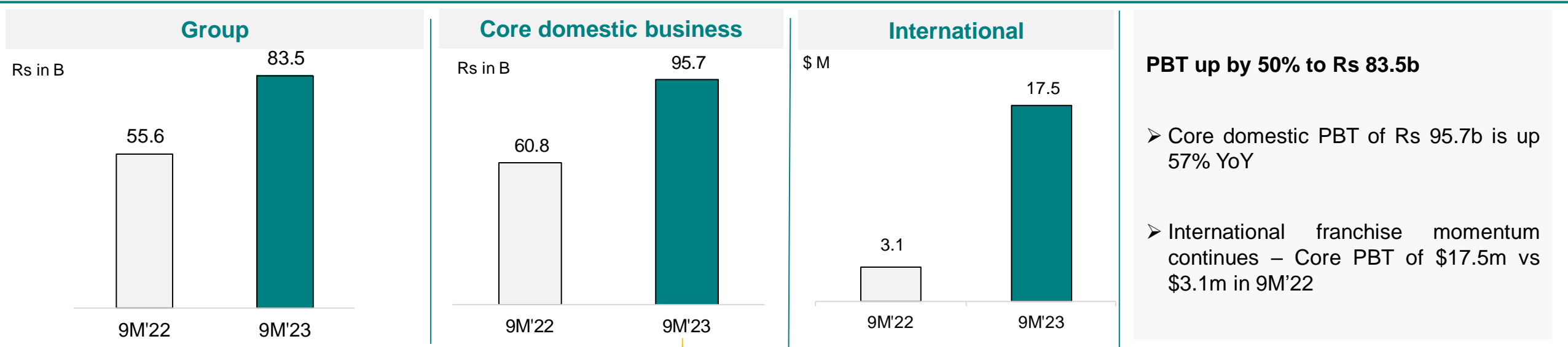
Advances

- Domestic advances down 4.3% over Dec'22 to Rs 1.4T; private sector credit down 7.4%.
- Only consumer lending has shown modest growth of 3.3%.
- Overseas advances at \$1.15B are 6.9% down from Dec'22 but 18% up in PKR terms.

Investments

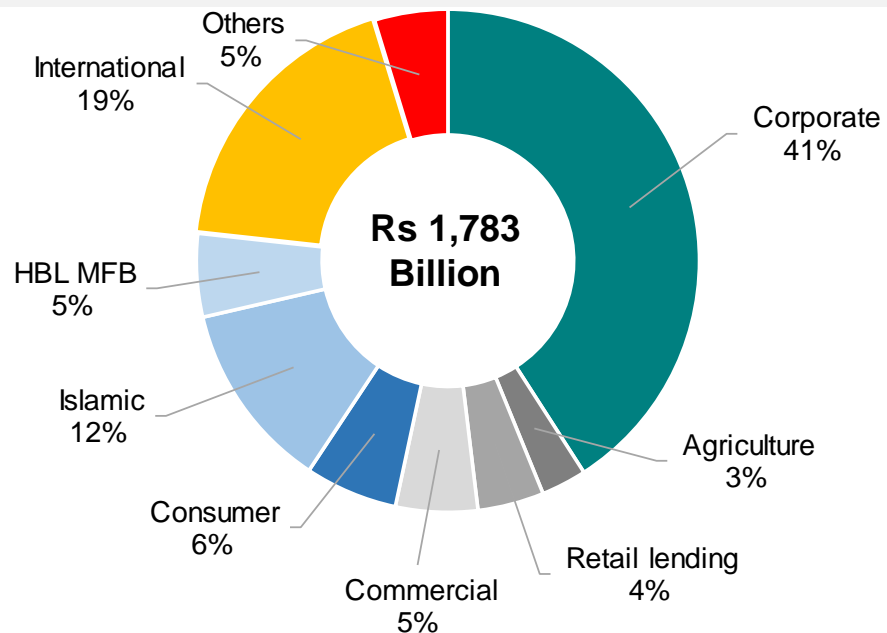
- On the back of additional liquidity, total investments crossed Rs 2.5T with focus on shorter tenors.
- Lower yielding fixed-rate PIBs now at 20% of total investments compared to 25% in Dec'22.
- During 2024, around a third (yielding 10.5%) of the current fixed-rate book is set to mature, mainly in Q3'24

Record interim results with Q3'23 PBT > Rs 32B; 9M'23 PBT up 50% to Rs 83.5B

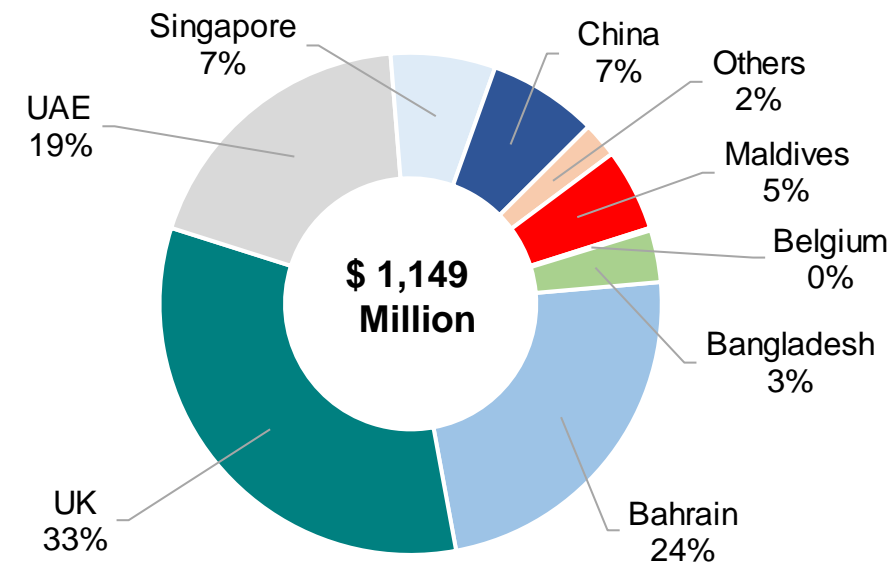


Lending Portfolio continues to hold ground in a turbulent macro-economic environment

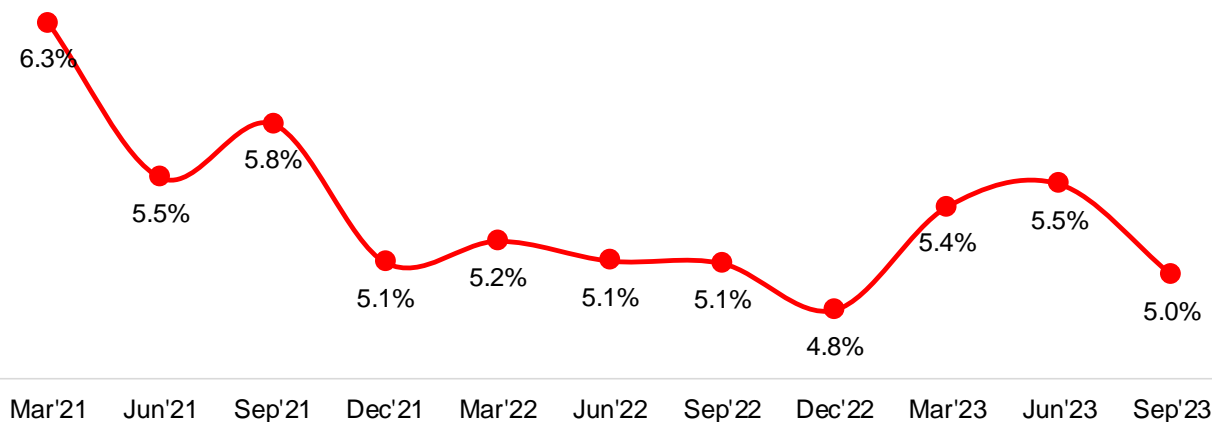
Loan Portfolio composition by line of business



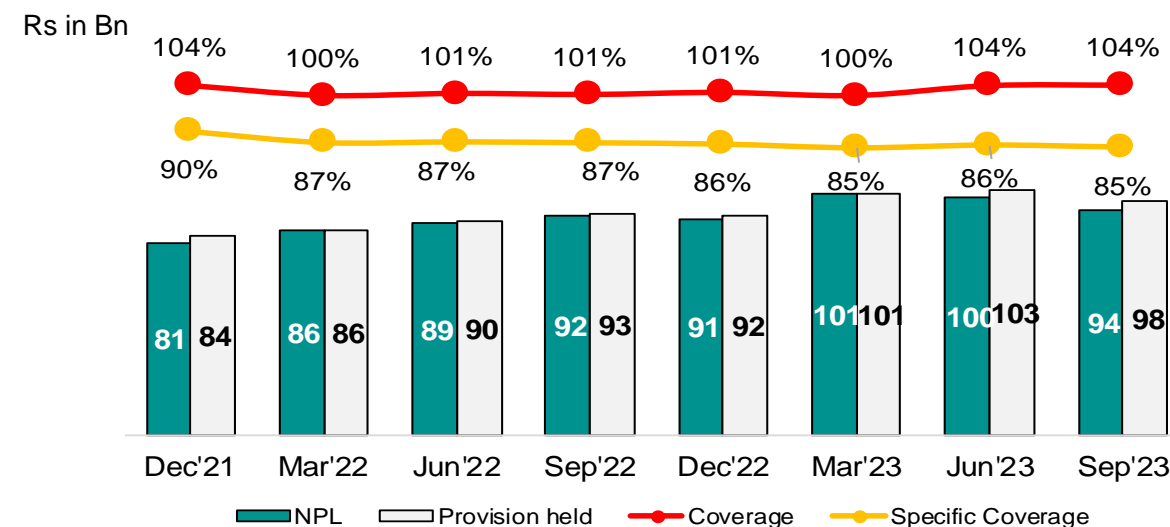
International Loan Portfolio – Location wise



NPLs reducing in real terms. **Infection ratio** improves to 5.0% as lending picks up

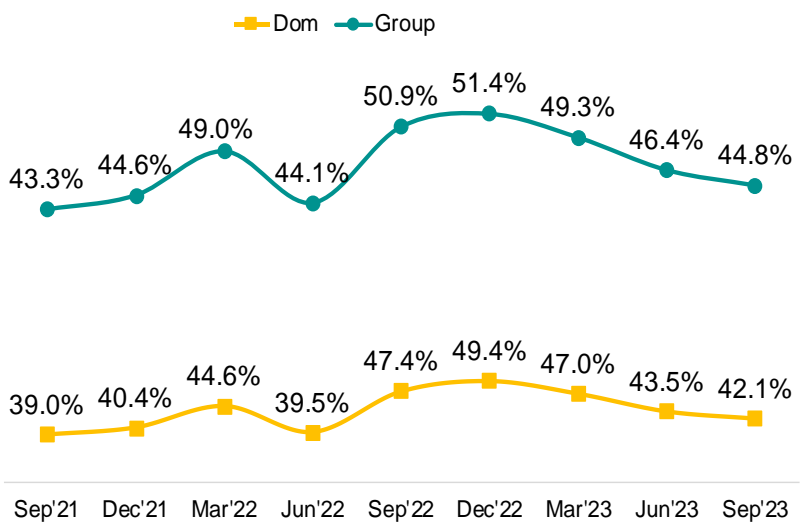


Specific coverage at 85% and total coverage > 100%

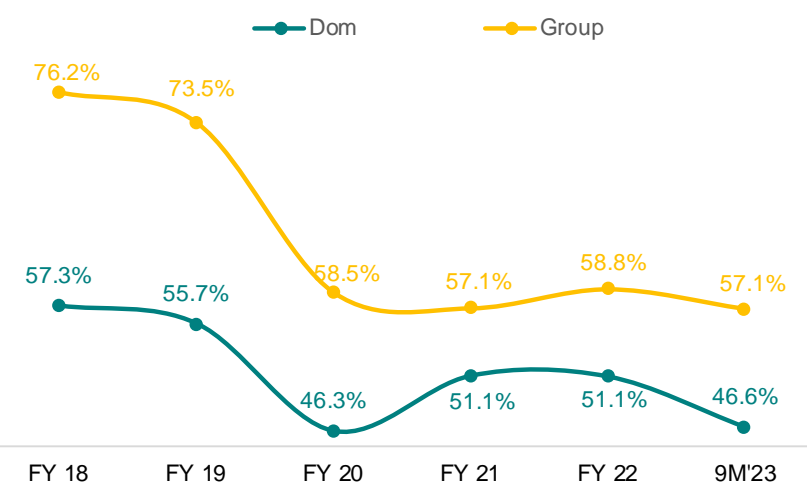


Key Performance Metrics

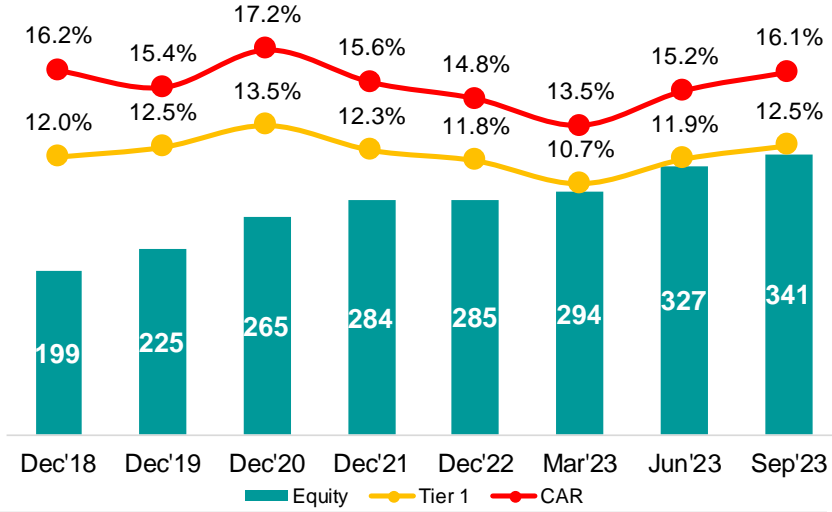
Slowdown in credit demand softens **ADR** to **44.8%**



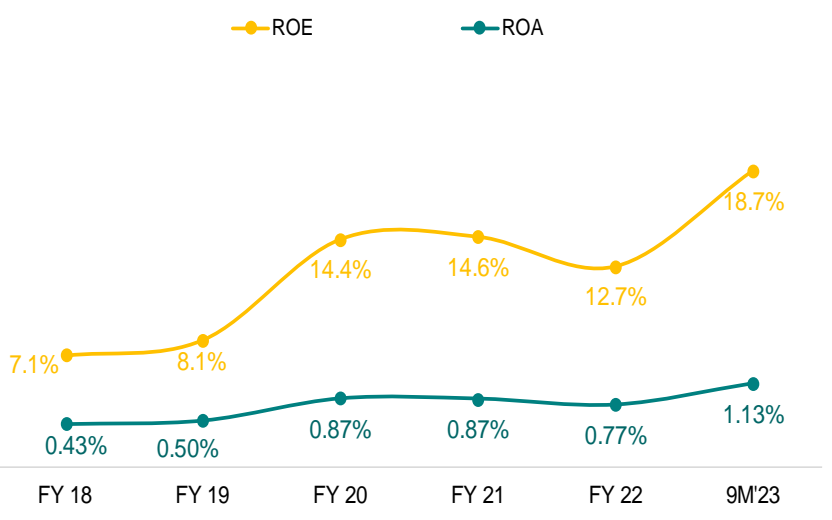
Cost to income ratio – impacted by inflation and devaluation



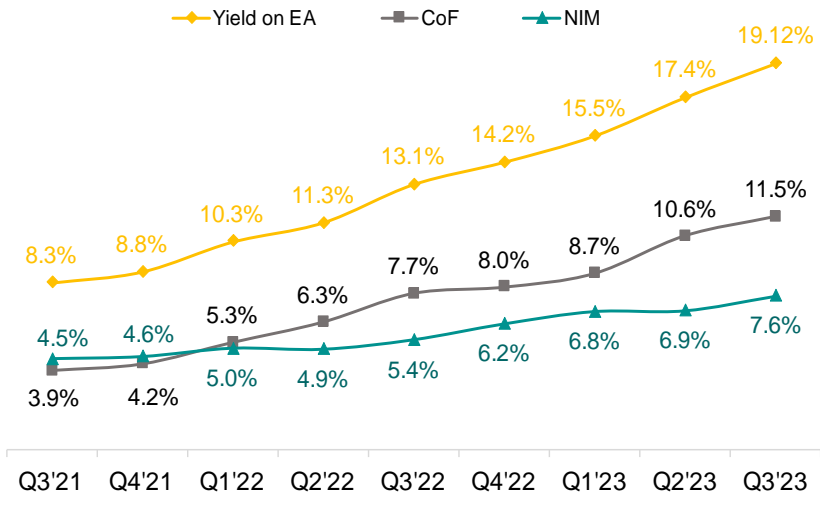
CAR – recovered to Dec'18 levels supported by profitability and asset revaluation



ROA & ROE – Strong profitability boosts returns



NIM – As expected NIMs have increased >70bps in Q3'23 over Q2'23



Revaluation of assets and strong profitability supports Book Value

