

HBL

HBL

PSL

Pakistan Super League



Investor Presentation

پلٹا سو  
کھیل



9M'24



## Leading the pack across most metrics



**128,083**  
Touchpoints

**Financial  
Inclusion**



**Fueling the  
Economy**



**1,727**  
Branches



**2,332**  
ATMs



**45,587**  
Konnect  
Agents



**40,039**  
POS terminals



**37,670**  
QR Codes

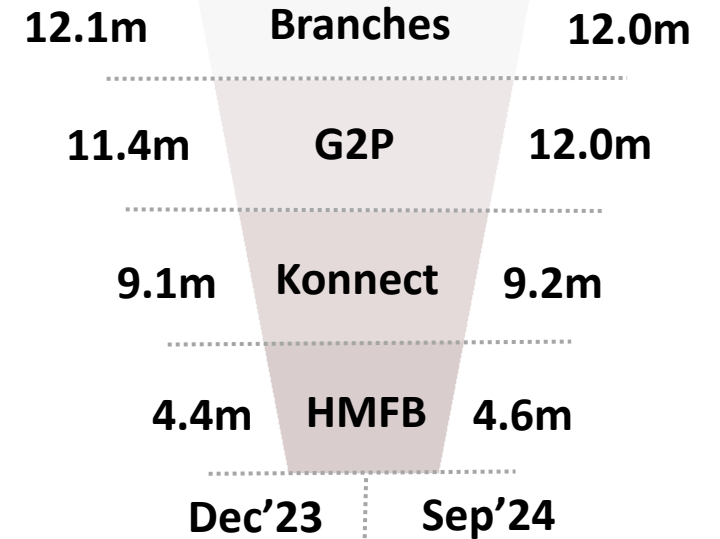


**728**  
IPG  
Merchants



**37M+**  
Customers Served

▲ 2.2%



Global  
footprint

**29** branches  
across **10**  
countries

## Contributing to development..

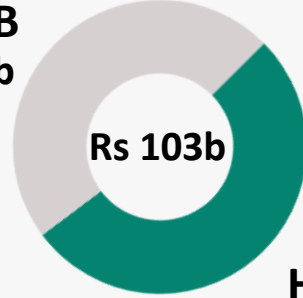
Financial Inclusion

Fueling the Economy

### Agri Finance



HMFB  
Rs 46b



HBL  
Rs 57b

HBL Market Share: 33%

### SME Finance



Rs 91b

Market Share: 19%

### Consumer Lending - Rs 139b



Rs 48b  
▲ Rs 2.9b

Personal Loans



Rs 33b  
▼ Rs 2.2b

Auto Loans



Rs 40b  
▲ Rs 7.5b

Credit Cards



Rs 17b  
▲ Rs 3.3b

Mortgages

Largest consumer book in the sector

Supporting  
Pakistan's economy  
through cycles

### Transaction Banking



Market Share:

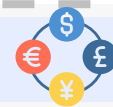
Business  
Payments  
23.2%



Collections  
29.4%



8,000+  
Mandates



### Trade Volumes

Export share grows; overall share steady at 10.9%

Market  
Share

Imports  
9.7%

Exports  
13.1%

Overseas  
\$ 3,765m

Volumes

\$ 3,993m

\$ 3,113m

▲ 26%

### Remittances

\$ 2,135m

▲ 10%

Market Share  
8.34%



Best Board of the Year



Best Conventional Bank of the Year



Best Bank  
Best Bank for ESG  
Best Corporate Bank



Best Islamic Finance  
Local Currency – Asia



Best Sukuk – Pakistan



Project Finance  
Social Infrastructure – Education  
Deal of the Year



Best Trade Partner Bank – Middle East



Best Investment Bank

## Independent Recognition

*A testament to HBL's continued endeavors to raise the bar*



Best Consumer Bank in Pakistan



Best Microfinance Bank  
Best Bank for Agriculture Financing



Best Corporate Bank – Large Corp & MNCs



Best Bond/Loan Advisor  
Best Acquisition Financing/Syndicated Loan



Best Social Media Campaign - TikTok



HBL ranked #1  
HBLMFB ranked #2



Best Investment Bank Domestic  
Best DCM/ECM House



Corporate & Investment Bank of the Year



Domestic Project Finance Bank of the Year



Equity/Debt Deal of the Year Pakistan

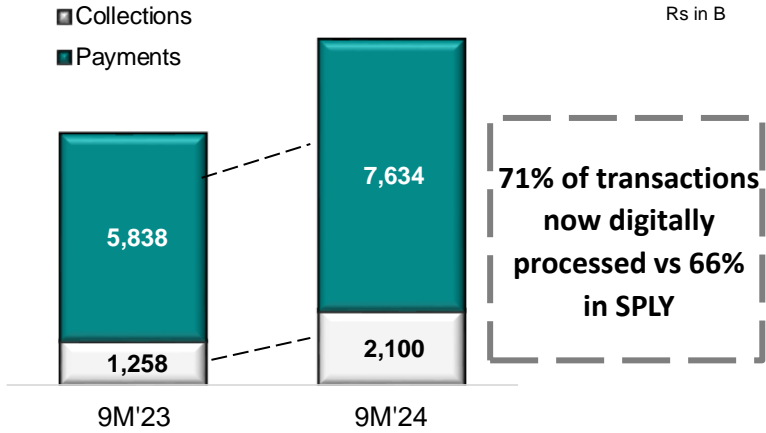


Silver Effie in Finance Category

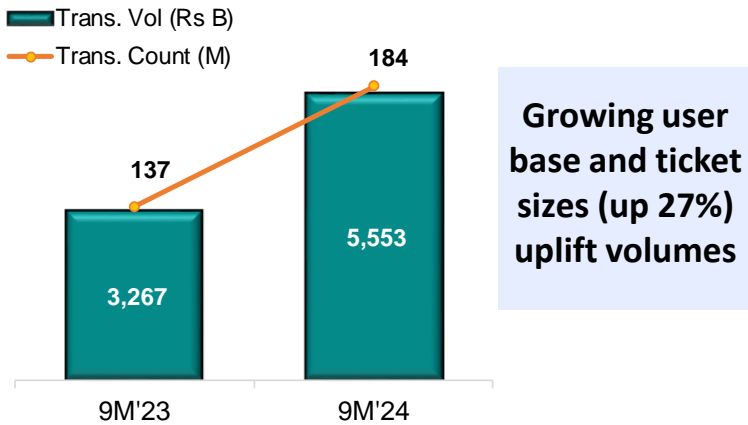


The Most Inclusive Organization in 2023

## Cash Management – Digital throughput up 37%



## Mobile/ Internet Banking – 4.4M users, 3.5M+ monthly active

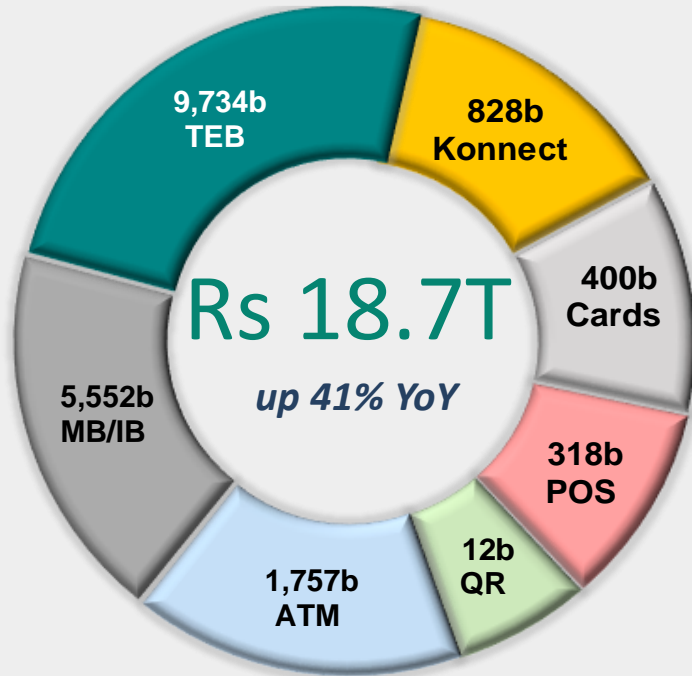


### ATMs

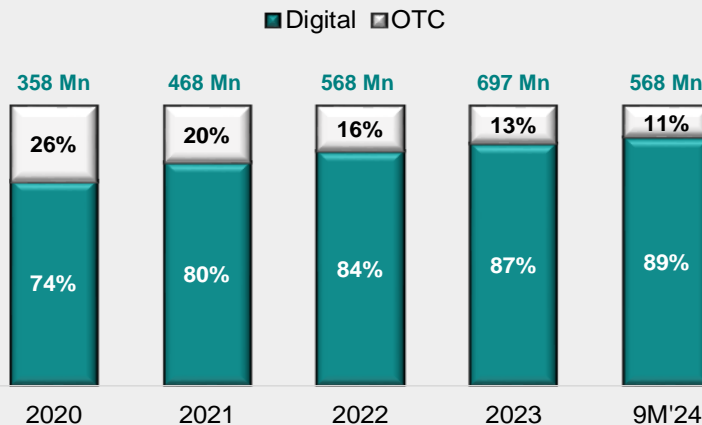
**Rs 1.8B**  
Volumes up 17%



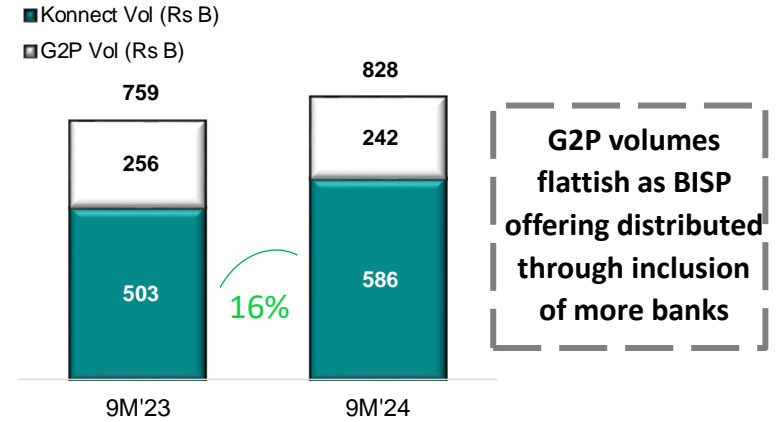
# Digital Throughput



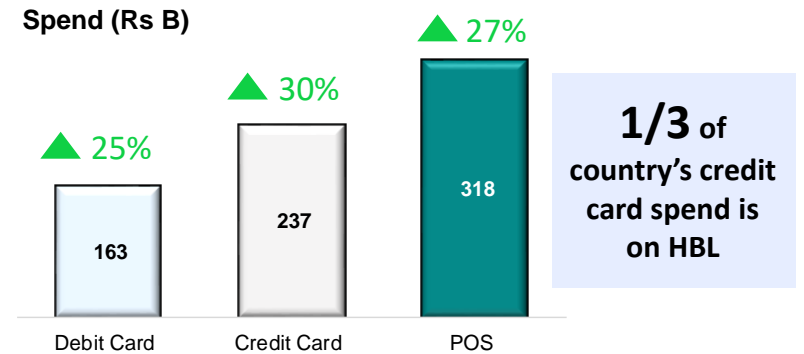
..Continuing to digitize more and more customer-initiated transactions



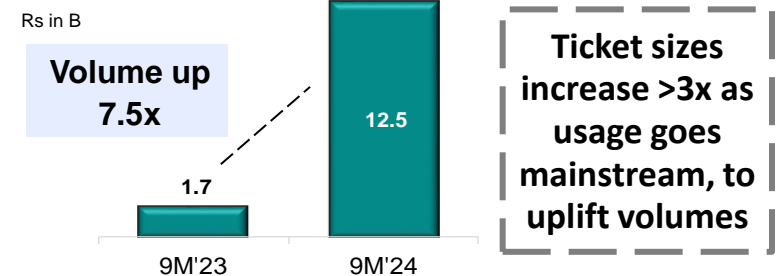
## Konnect – Core business continues to drive growth



### Cards base – 7M+

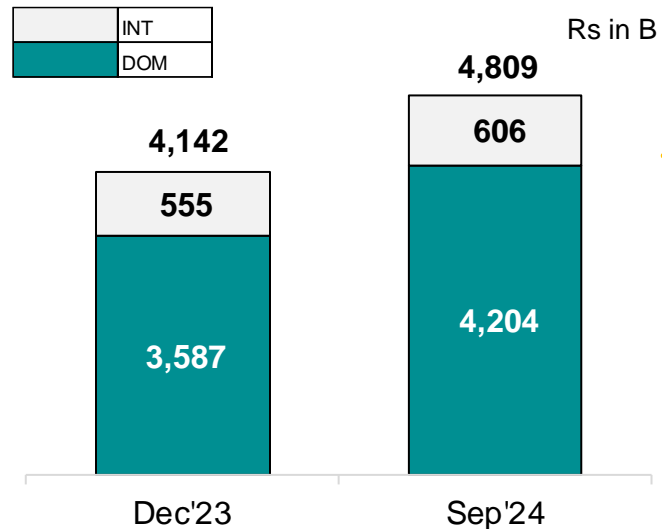


### QR Codes

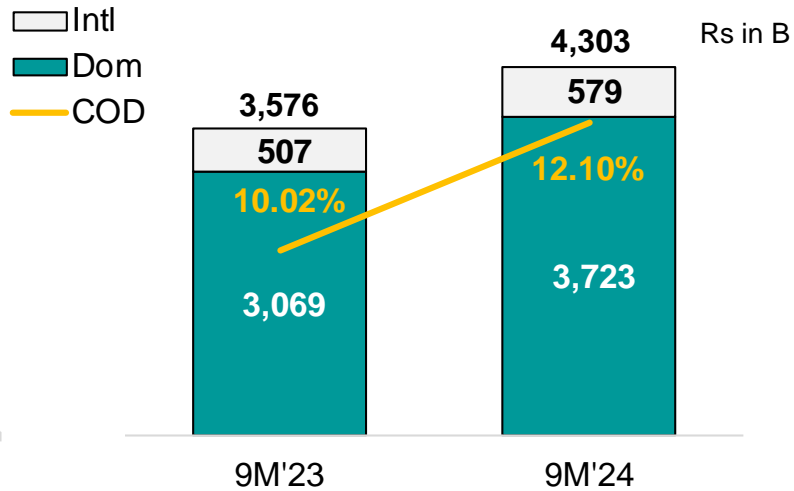


# Loan trajectory depicts a V-shaped recovery as economy stabilizes

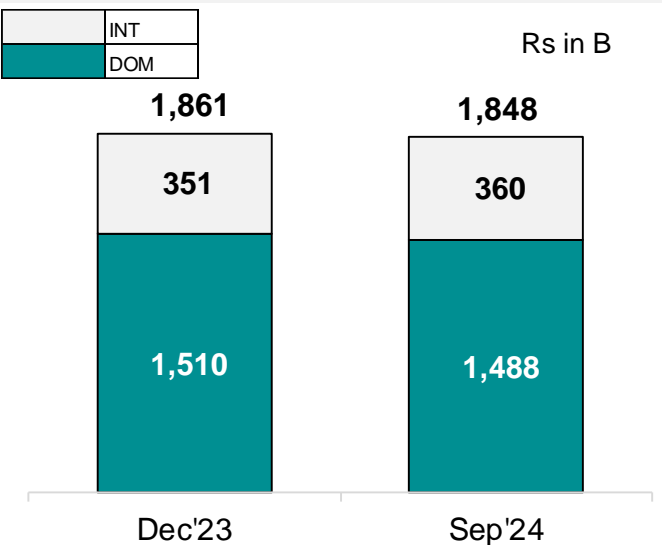
Deposits grew by 16.1%



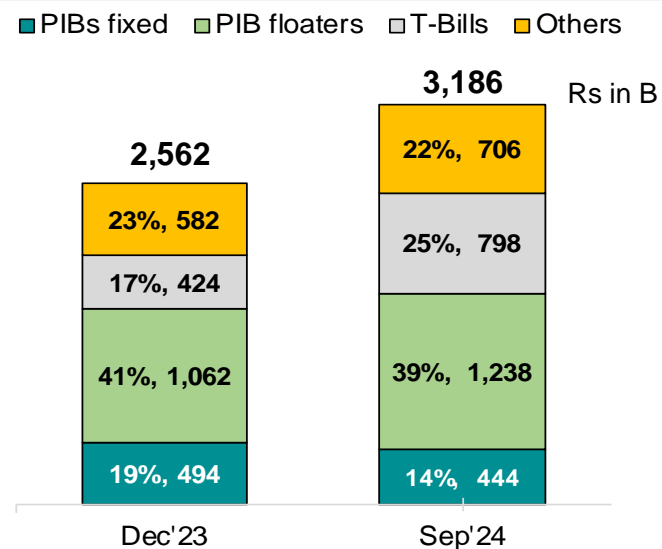
Average domestic deposits up 21.3%; low-cost savings driving growth



Advances – pickup from March low as rate-cuts stimulate growth



Investment portfolio up 24%, mainly T-bills



## Deposits

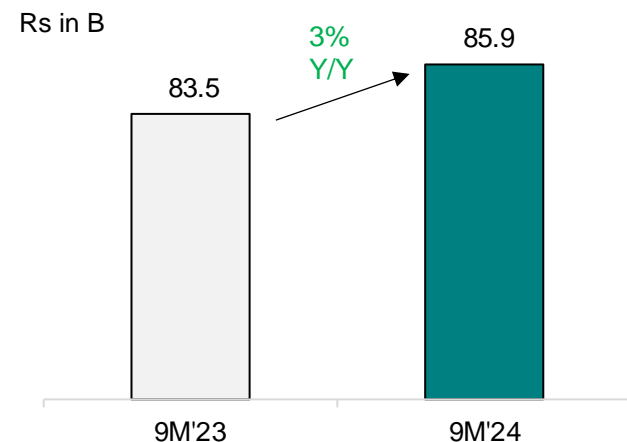
- Total deposits grew by 16.1% over Dec'23 to ~Rs 4.8T.
- Domestic deposits increased by over Rs 600b (17.2%) with current accounts showing sustained growth of Rs 189b from Dec'23.
- Average domestic deposits are up Rs 654b YoY; mostly (63%) driven from low-cost deposits.

## Advances & Investments

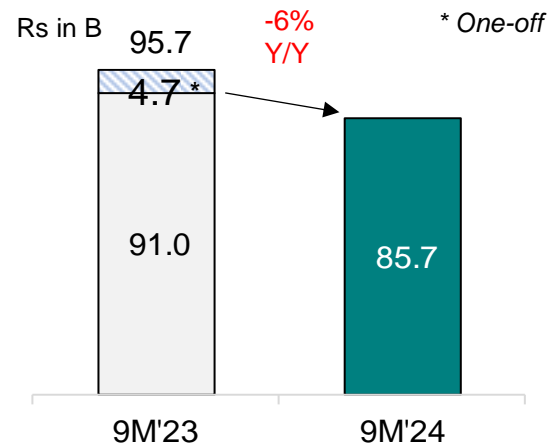
- Domestic net advances at Rs 1.5T have recovered by Rs 49b from Jun'24 as the much-awaited policy rate cuts have stimulated lending growth.
- The majority of the growth has been in the Corporate book. The Consumer business continues on a steady quarterly growth trajectory, reaching Rs 140b, 9% higher than in Dec'23.
- Overseas advances have also grown by \$75m from Jun'24 .
- With low credit demand, the additional liquidity has been deployed in investments which have increased by 24%.
- During the year, additional liquidity was mainly deployed in T-Bills. However, maturities of fixed-rate PIBs during Q3'24 has now increased the mix of floater PIBs to 74%.

# 9M'24 - PBT up 3% to Rs 85.9B

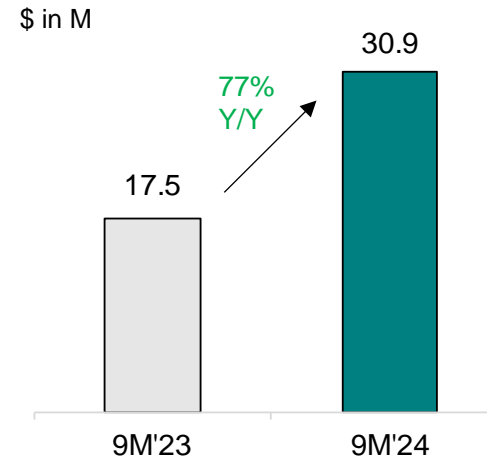
## Group



## Core domestic business



## Core International



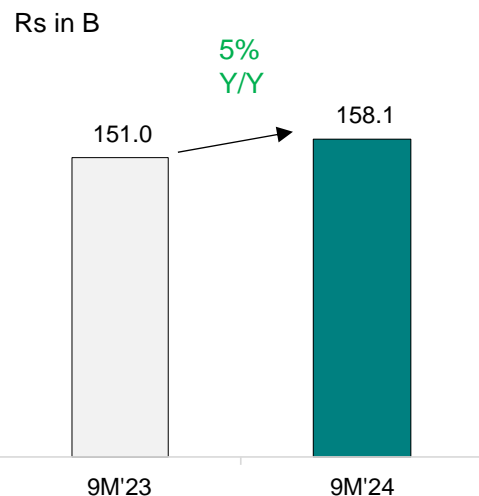
➤ Excluding one-offs in 9M'23, Core domestic PBT of Rs 85.7b is down 6% mainly due to higher provisions.

➤ Major international turnaround continues – Core PBT of \$30.9m vs \$17.5m in H1'23.

**PAT up by 1% to Rs 43.3b**

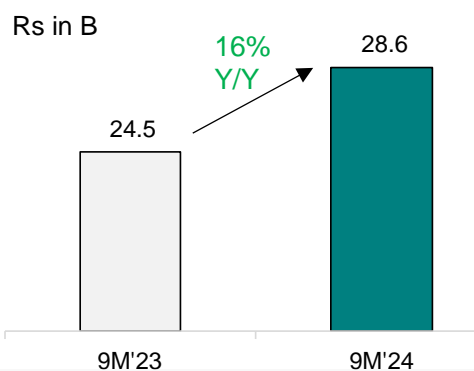
## Core domestic business

### NII up by 5% YoY to Rs 158b



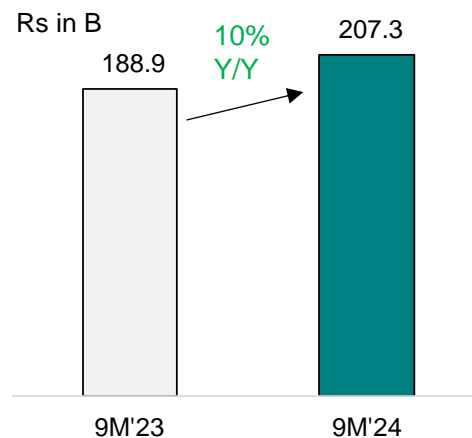
Spreads soften by 66bps as rate cycle turns.

### Fee up 16% to Rs 28.6b, driven by Cards, Banking, Banca and Remittances



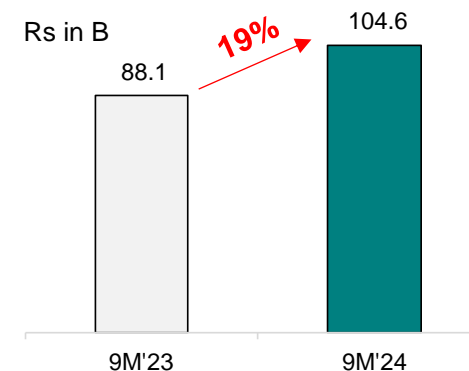
- Cards fee up 17%, contributing 49% of growth.
- 26% growth in Banking fee; Remittance and Banca up ~2x.

### Revenue grew 10% to Rs 207b



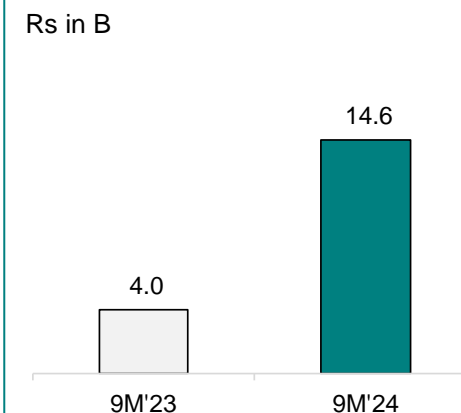
Strong NFI growth across all lines complements revenue growth

### Admin. Expenses – up 19%, amidst inflationary pressures



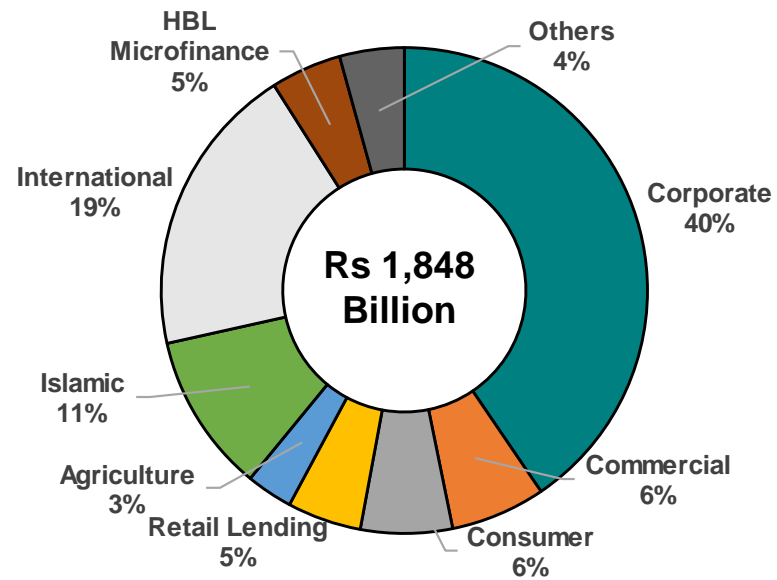
- Transaction-driven variable costs up Rs 5.0b on higher spend, SMS price increase
- Staff costs up Rs 4.5b on salary increases

### Provisions up Rs 10.7b due to IFRS 9, aging

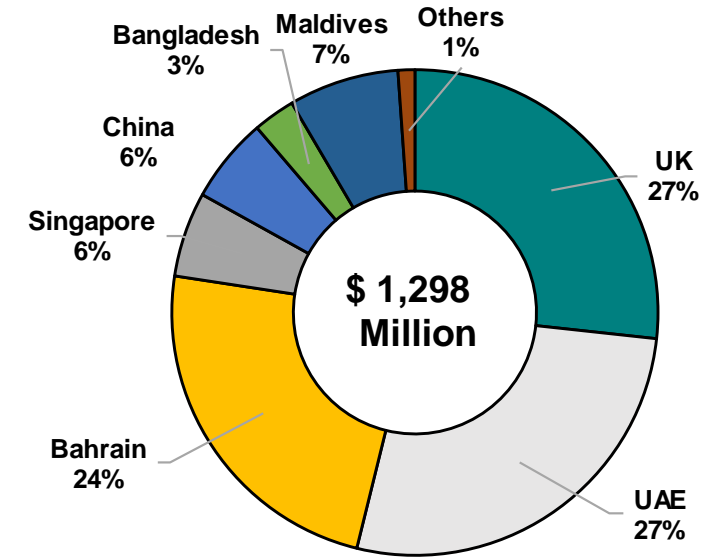


Rs 11.9b provisioning in industry-wide problem credits (Steel, Oil & Gas, Real Estate)

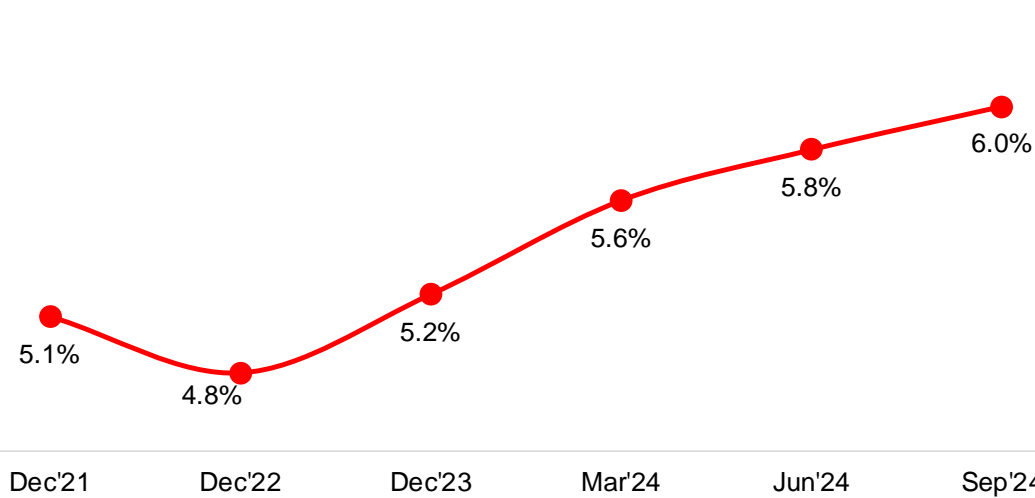
## Loan Portfolio composition by line of business



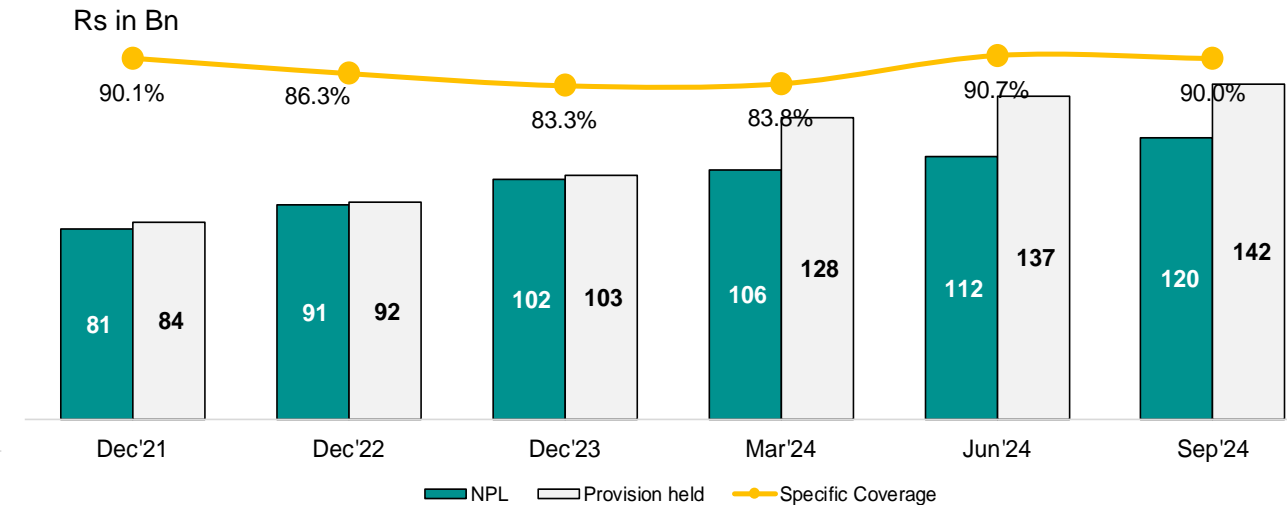
## International Loan Portfolio – Location wise



## Infection ratio – uptick in infection ratio as NPLs increase..



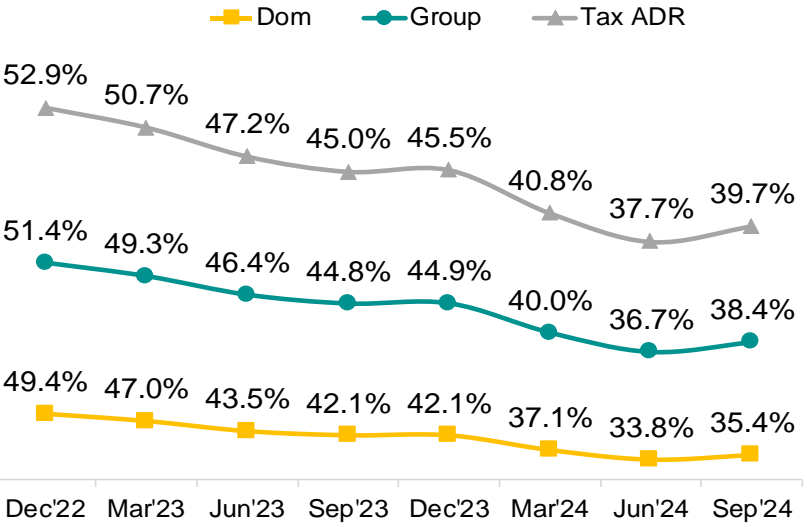
## ...Specific coverage remains firm at 90%



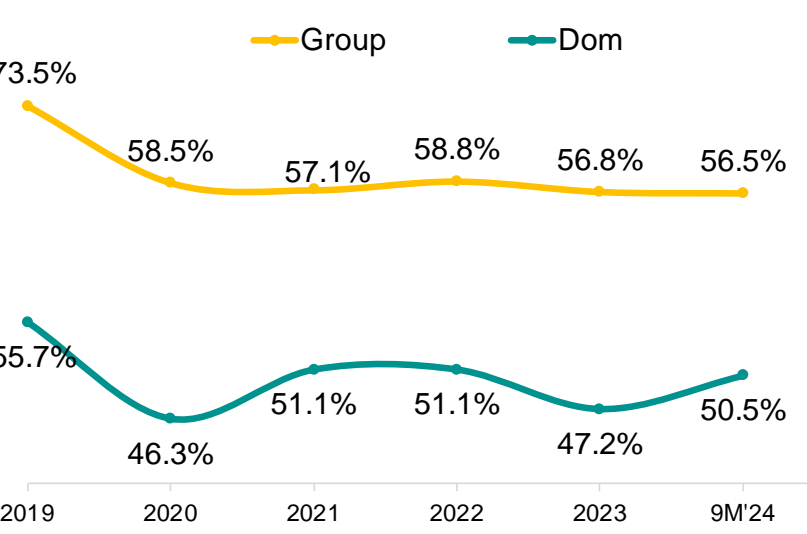


# Key Performance Metrics

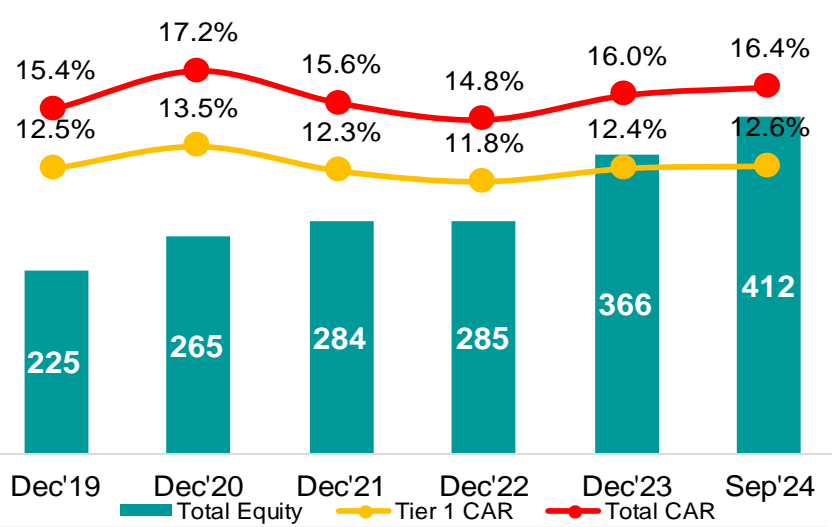
**Tax ADR** rebounds to ~40% as credit demand picks up



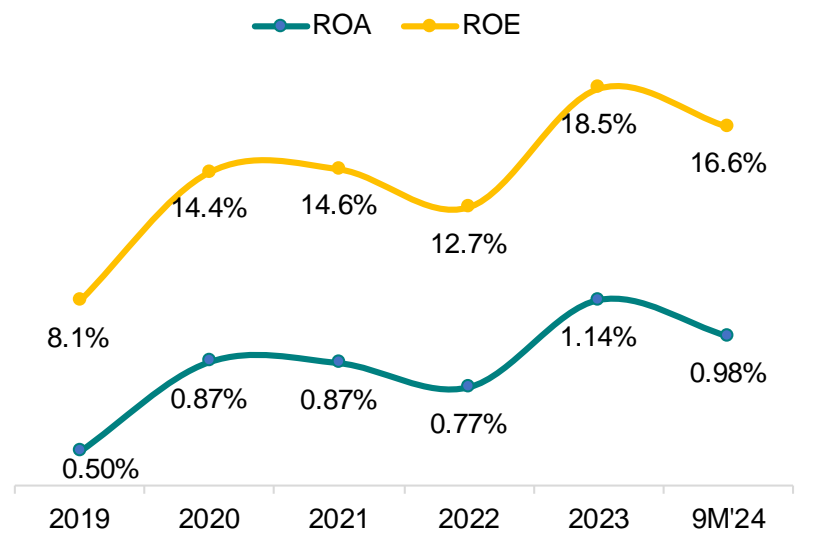
**Cost to income ratio** – impacted by persistent inflation and flattish revenue



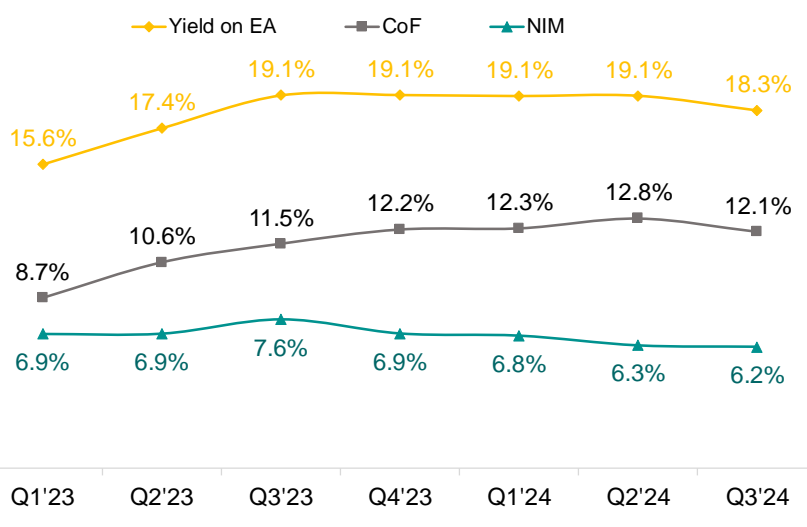
**Total CAR** strengthens on increased headroom from reduced D-SIB requirements.



**ROA & ROE** – returns down from 2023 peak, but still in target range



**NIM** – continued downtrend amid ongoing easing cycle + expectations of further cuts



**EPS** - flattens as NIMs normalize  
**BVPS** – huge swing in surplus boosts BV

