



Investor Presentation H1 2023

Performance Highlights and Business Outlook

Arif Akmal Saifie
Chief Financial Officer



Overview of the UBL Group | We are one of the largest and most profitable banks in Pakistan

Over 60 years of successful operational history
Market leading positions in core segments

Delivered consistent ROE in last few years with strong dividend yields

One of the largest networks with 1,335 branches, including over 150 Islamic branches and 500 windows

Leader in Digital Banking in Pakistan with over 3.5 mln customers



Highly experienced senior management team with diversified experience of large local and global banking institutions

Historical International presence in UAE, Bahrain and Qatar and the UK

Market leader in Home Remittances with over USD 6 bln+ inflows each year, over USD 850+ mln RDA flows

Full service financial house with Asset Management, Insurance and Microfinance services

H1'23 Results - Consolidated | Consistent growth supported by strong NII with cost control

Description	Rs in bln		Var %	Rs in bln		Var %
	1H'23	1H'22		Q2'23	Q1'23	
Interest Earned	195.8	105.8	85%	103.3	92.6	12%
Interest Expensed	(123.5)	(58.9)	-110%	(65.9)	(57.6)	-14%
Net Interest Income	72.3	47.0	54%	37.4	34.9	7%
Non Interest Income	12.8	15.7	-19%	3.7	9.1	-60%
Total Revenue	85.1	62.7	36%	41.1	44.0	-7%
Operating expenses	(32.4)	(26.0)	-25%	(16.7)	(15.7)	-6%
Total Expenses	(33.5)	(26.7)	-25%	(17.3)	(16.2)	-6%
Pre Prov. Operating Profit	51.6	36.0	44%	23.8	27.8	-15%
Provision Exp./Other writeoffs	0.4	(1.4)	130%	3.1	(2.7)	215%
Profit Before Tax	52.0	34.6	50%	26.9	25.1	7%
Profit After Tax	27.5	12.2	126%	13.1	14.5	-10%
Earnings Per Share (EPS)	22.0	9.8	125%	10.4	11.6	-11%

Margin expansion grows earnings with strong fee buildup

- Total revenues at Rs. 85.1 billion for H1'23, with an increase of 36% YoY.
- NII stood at Rs. 72.3 bln for H1'23, with a strong growth of 54% over LY
- Bank NIMs at 5.5% in 1H'23 (1H'22: 4.5%), with higher asset yields

Fee Income contributing 15% to Revenues

- NFI of Rs. 12.8 billion for H1'23 with strong fee & commission income
- Branch banking fees at Rs. 1.3 bln, up by 7%
- Corporate service charges up 34% & FI rebate / commission up 9%
- Trade & guarantee income at Rs. 1.4 bln, up by 85%
- Card related fee at Rs. 1.6 bln; Remittance commission up 22% at Rs. 1.5 bln

Inflation impacts costs – reinvestments in technology and people continues

- Improving operational efficiencies remains a key focus for UBL
- Cost increase as a result of inflation, better staffing and variable expenses

BS Review - Consolidated | Building efficiencies in deposit base with growth in assets

Description	Rs in bln		Var %
	Jun'23	Dec'22	
Advances	916	1,096	-16%
Investments	1,857	1,451	28%
FI Lendings	116	86	36%
Others	552	345	60%
Total Assets	3,441	2,978	16%
Deposits	2,425	2,035	19%
Borrowings	634	566	12%
Subordinated Debts	10	10	0%
Others	122	138	-12%
Total Liabilities	3,192	2,749	16%
Net Assets	249	229	9%
Share Capital	12	12	0%
Reserves	116	92	26%
Unappropriated Profit	98	96	2%
Surplus on revaluation of Assets	10	20	-47%
Total Equity attributable to equity holders	236	220	7%
Non-controlling Interest (NCI)	13	9	47%
Total Equity + NCI	249	229	9%

Domestic Deposits Performance - led by Branch Banking Group

- Focus remains on better service and expansion in footprint
- Average current accounts up 16% YoY, savings up 9% YoY
- Average current to total deposits ratio is 48% (Jun'22: 45%)
- Average CASA ratio levels at 90% (Jun'22: 87%) – drives profitability
- New business acquisition momentum well maintained in 2023

Corporate Bank Lending continuing with strong asset quality

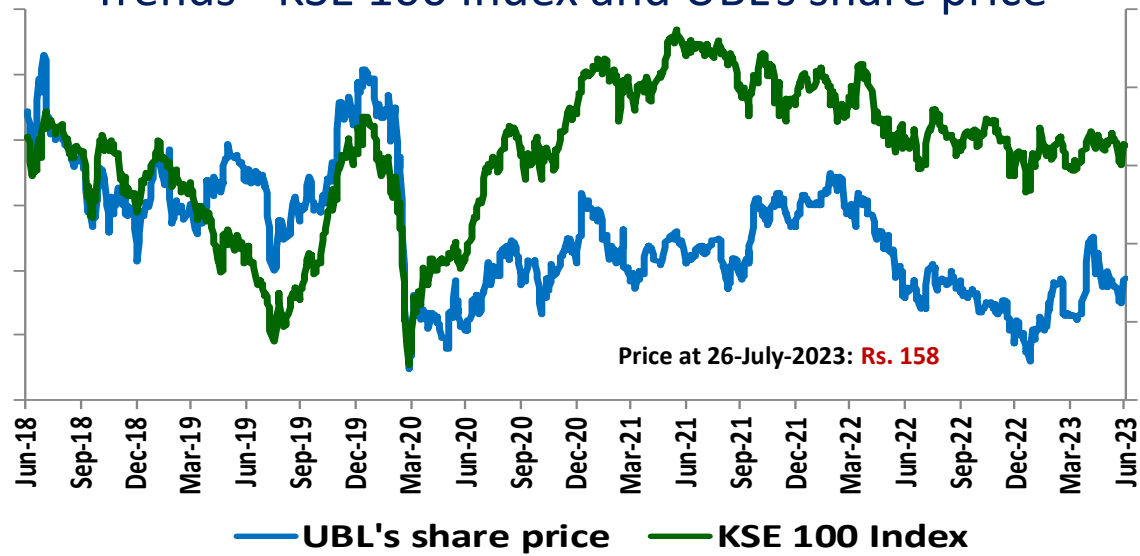
- We aim to maintain asset quality across all segments
- Advances averaged Rs. 754 billion for H1'23, growing by 18% year on year
- NPL recoveries continue across domestic and international

Investments portfolio position and mix as at Jun 30, 2023

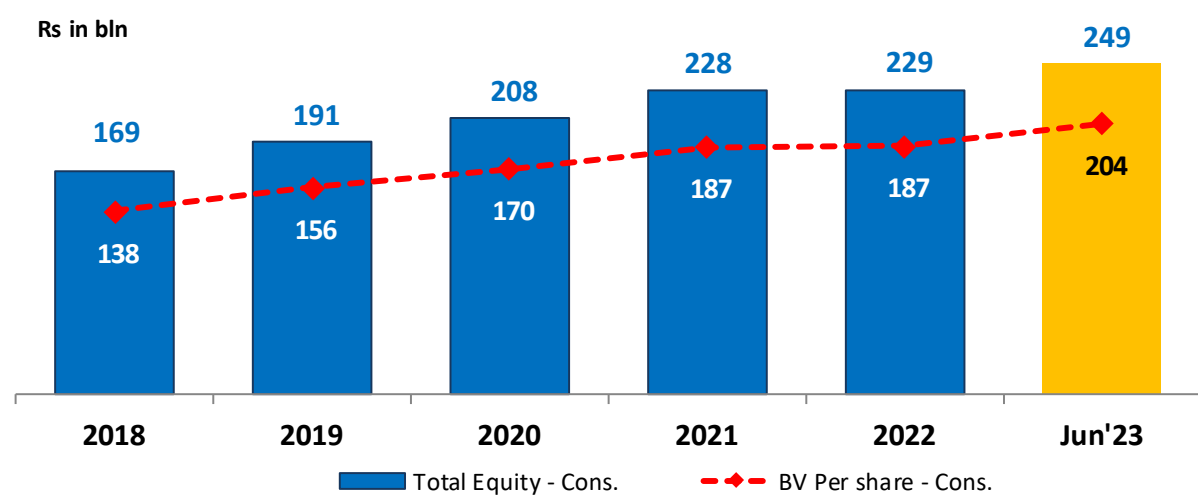
- Overall investments portfolio increased by 28% to Rs 1.9 tln
- Timely build up within investments strengthens NII levels
- BS well positioned for further repricing across asset base

Strong profitability maintained | UBL repositions to achieve larger aspirations

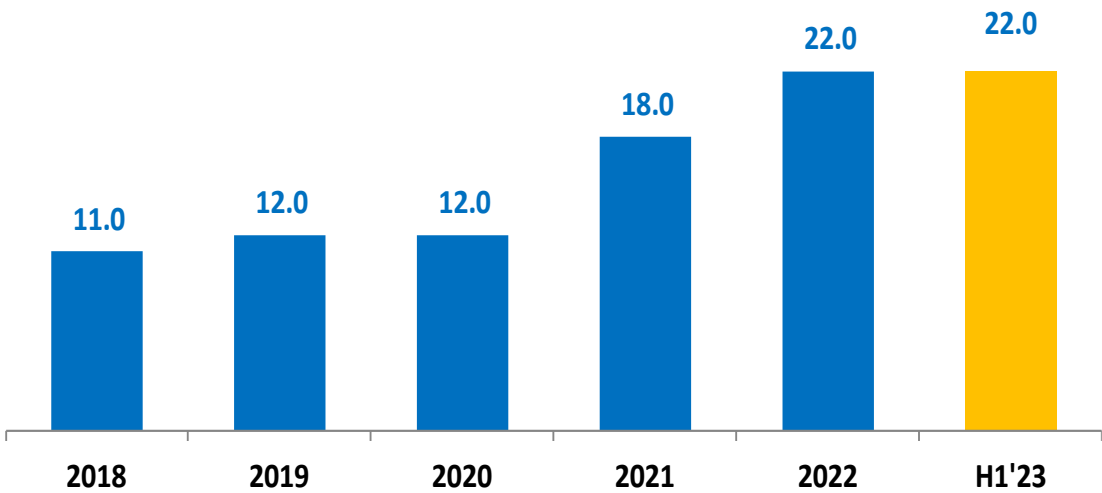
Trends - KSE 100 Index and UBL's share price



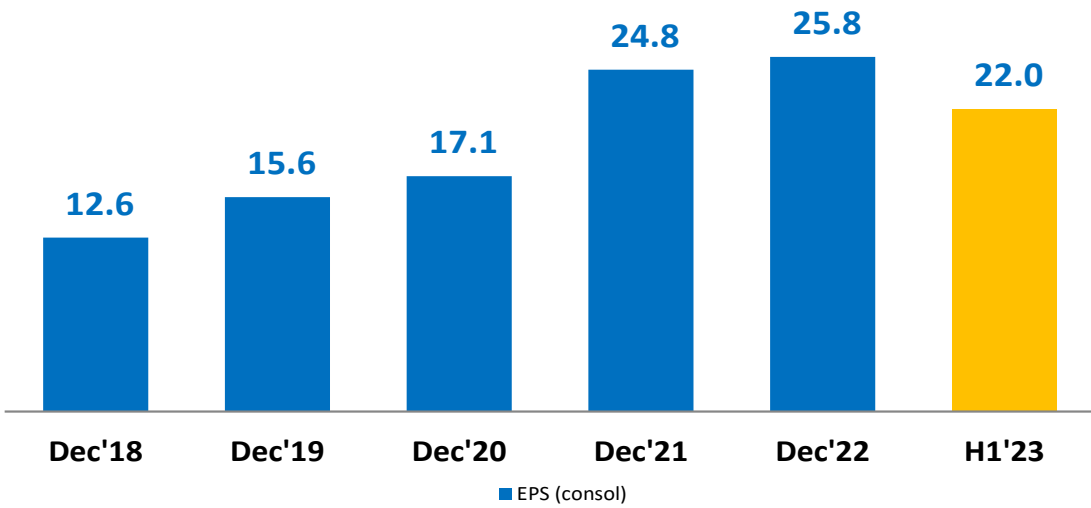
Equity and Book Values - consolidated



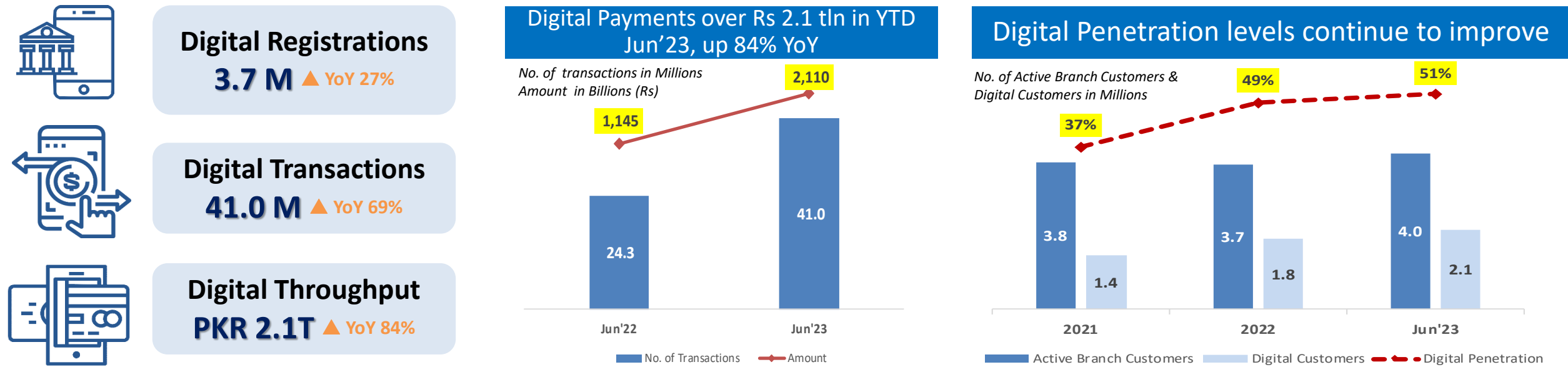
Dividend levels over the years



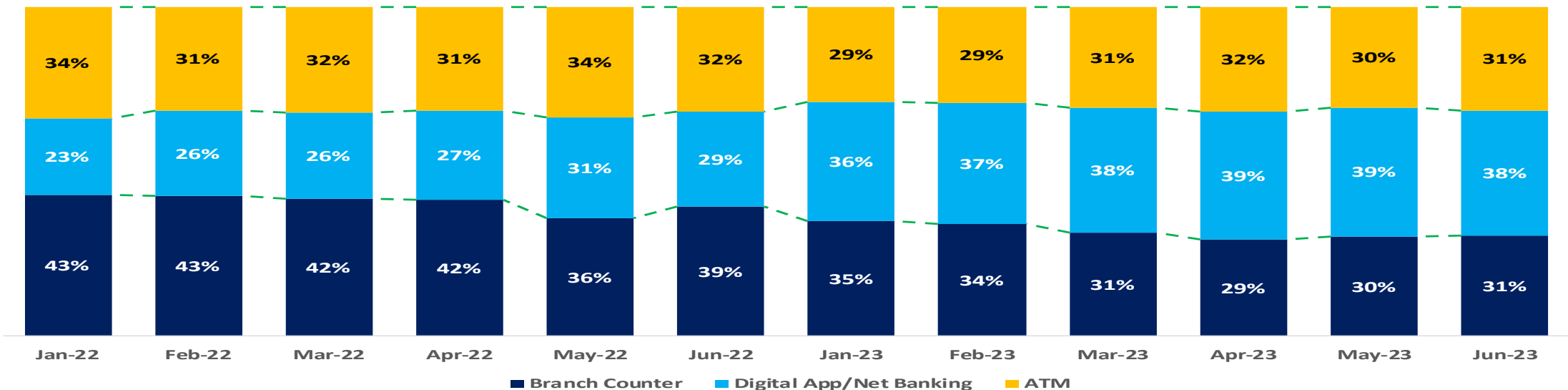
Earning Per Share - consolidated



Digital Banking Group | Focus on growing digital payment services across wider target market



Transactions count on Digital App increased by 69% in 2023



Awards & Recognitions



ASIAMONEY

“Best Digital Bank Pakistan 2020”
“Best Digital Bank Pakistan 2021”
“Best Bank for Digital solutions 2022”
“Best Bank for ESG in Pakistan 2023”



PAKISTAN BANKING AWARDS

“Best Digital Banking Award 2020”
“Best Digital Bank Pakistan 2021”



PAKISTAN DIGITAL AWARDS

“Best Emerging Technology Award 2021”
“Best Mobile App Award 2021”



CONSUMER CHOICE AWARD

“Bank with best Digital Services in Pakistan”



EUROMONEY

“Market Leader for Digital Solutions 2022”



STATE BANK OF PAKISTAN

“Highest no. of Roshan Digital Accounts”, presented by PM Pakistan



STATE BANK OF PAKISTAN

“First to open Asaan Digital Account” through Digital App in a competition held by SBP



ASIAN BANKING & FINANCE

“Mobile Banking & Payment initiative of the year”



ASIAN TECHNOLOGY EXCELLENCE

“Augmented Reality and Virtual Reality – Financial Services”

UBL Digital – we continue to build our proposition....



Digital Cheque Deposit

Deposit a Cheque via the UBL digital mobile application, with the convenience of just a few clicks. UBL customers can now deposit UBL cheques via the App without visiting the bank branch.



UBL Digital Watch App

With the UBL digital watch app, you can now check your account balance, view transaction history, transfer funds, manage your debit card, and much more, all from the convenience of your wrist.



UBL Urooj Account

UBL Urooj Account - One of a kind current account designed specially to support women in meeting their daily needs and enhancing their lifestyles.



Freelancer Account

We have developed a full-fledged onboarding product that not only facilitates the freelancers financially but also supports the Government's drive to lead Pakistan as a top enabler and marketplace for freelancing and promote financial inclusion of the freelancer-banked arena.



On boarding Wizard

Anyone can now visit UBL website and App and provide personal details. On-boarding wizard will guide them through the type of account they can open and guide them step-by-step through the process.



Urdu Language Support

UBL is now available in Pakistan's national language. This allows for inclusion of several new segments of customers to enable them digitally and to provide them convenience for their financial needs.



Bill Scanner

The barcode scanner for bill payments! With this new feature, paying bills has never been easier.



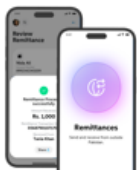
Tap N Pay

UBL customers can now use their mobile phone for payments on POS.



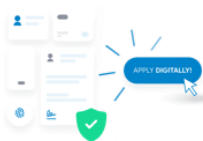
Biometric Verification through App

Customers do not need to visit the branch or ATM anymore for providing biometric verification. They can do so anywhere, anytime using UBL Digital Mobile App.



Remittance through App

UBL Customers can now pull remittances into local PKR account through UBL Digital App without the need to visit the branch.



EB Account Opening With Auto KYC

KYC details are now auto-populated using existing employee data available on Digital Corporate portal. Incorporating auto-populated fields minimizes the need for manual data entry and reduces the likelihood of errors, providing a seamless user experience for account opening.



Person-to-Person QR payments

QR payments can be made now to other people simply by scanning their QR code on UBL digital app. Every customer can now become a payment receiver by sharing their QR with others to receive payment or simply letting them scan their QR on the app!



We are embedding ESG into UBL's Strategy.... Some key themes



Environmental

Our ESG agenda guides us in making conscientious investment and purpose-driven resource allocation decisions. As part of our commitment to the Environment, we undertake responsible financing, energy management and play our role in cutting emissions and safeguarding natural resources.



Social

The Social aspect includes and goes beyond our CSR activities to include development of people-centric policies and practices, and meet customer needs.

Diversity, Equality and Inclusivity (DE&I) continue to be important components in formulating the Bank's governance and sustainability initiatives

UBL's CSR activities have focused on multiple sectors, which include but are not limited to:

- Education
- Healthcare
- Vocational and Skills Training
- Community Development
- Information Technology
- Sports



Governance

We keep interests of our stakeholders at the heart of what we do. Our aim is to ensure:

1. Good governance
2. Transparency
3. Accountability
4. Ethical conduct

The information contained herein reflects our latest business statement as at June 30, 2023. Except the historical information contained herein, statements in this Release which contain words or phrases such as 'will', 'would', 'indicating' expected to' etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, future levels of non-performing loans, our growth and expansion in business, the impact of any acquisitions, the adequacy of our allowance for credit losses, technological, implementation and changes, the actual growth in demand for banking products and services, investment income, cash flow projections, our exposure to market risks as well as other risks detailed in the reports filed by us with various regulatory authorities as per applicable laws and regulations. UBL undertakes no obligations to update forward-looking statements to reflect event or circumstances after the date thereof.