



MCB Bank Limited

Financial Performance

For the Quarter Ended March 31st, 2025

Presented by:
Hammad Khalid
Chief Financial Officer



MCB - At a Glance



Branches

Domestic : 1395
EPZ : 01



Global Presence

8 Foreign branches

- Sri Lanka – 5
- UAE – 2
- Bahrain – 1

1 Rep Office in UK



Customers

Over 9.1 million
customer accounts



ATMs

1481 ATMs across
the country



MCB Live

Over 1.5 Million
MCB Live users



Deposits

6.04% Market Share



Advances

5.72 % Market Share



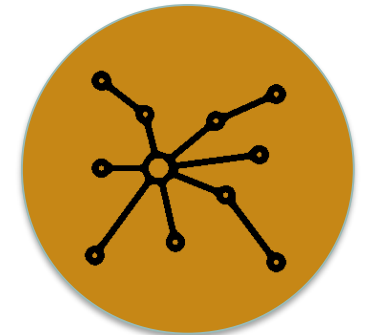
Home Remittance

11.48 % Market Share



Dividend

90% for Q1-2025
One of the Highest dividend per
share in Banking industry



Network

2nd largest Branch
network on
Consolidated basis

Key Highlights

Macroeconomic outlook;

- The first quarter of 2025 witnessed heightened volatility across global markets, shaped by geopolitical risks and trade policy uncertainties. Amid this uncertain global backdrop, Pakistan’s economy demonstrated notable stability, supported by successful engagement with the IMF and disciplined fiscal management.
- Inflationary pressures receded significantly, aided by declining food and energy prices. Inflation in Pakistan fell to a low of 0.7% in March 2025, with an average inflation rate of 5.4% for the fiscal year 2025.
- Fiscal consolidation measures have yielded positive results, showing improvements in fiscal accounts during the first half of the fiscal year FY2025; the fiscal deficit being recorded at 1.2% of GDP. Primary surplus increased to Rs. 3,603 billion (2.9% of GDP).
- The external account position has strengthened, driven by a continued increase in exports and a notable rise in remittances, despite an upward trend in imports. From July to March FY2025, the current account posted a surplus of USD 1,859 million, compared to a deficit of USD 1,652 million last year.

Future outlook;

- The IMF has revised Pakistan's GDP growth projection downward to 2.6% for fiscal year 2025, down from its previous estimate of 3.2%, while forecasting 4% growth for fiscal year 2026. The revision reflects weak cotton output and subdued industrial performance. While Pakistan’s near-term fundamentals appear stable, realizing durable growth requires addressing persistent vulnerabilities.

MCB – Sustained Profitability in decreasing interest rate environment

- Bank’s Investment increased to PKR 1.8 trillion +56.4% YTD on account of investment in PIBs portfolio;
- Banks CA concentration improved to 51% with current deposits crossing 1 trillion mark;
- Efficient Cost to Income ratio of 38.23% during Q1-25.
- Standalone PBT of PKR 29.3 billion (-10%);
- Consolidated PBT of PKR 31.55 billion (-10.7%);
- Ex-NIB related recovery FTQ Mar-25 sums to Rs. 112 million totaling Rs. 10.7 billion since 2017;
- Bank recorded a significant increase in home remittance inflows; inflows of USD 1.2 billion (+31%) during Q1-25. Bank remains dedicated to making foreign remittance safer, faster and more accessible while supporting financial inclusion and national economic resilience.

CA Concentration improved to 51%

PBT	PKR 29.3 Billion	-10% YoY
PAT	PKR 13.8 Billion	-16.6% YoY
NIM	PKR 35.2 Billion	-7.6% YoY
NII	PKR 9.2 Billion	+1% YoY
Advances	PKR 810.3 Billion	-26% YTD
Deposits	PKR 2.1 Trillion	+8.9% YTD
Investments	PKR 1.8 Trillion	+56.4% YTD

17% robust growth in assets - fueling future earnings



PKR in Billions

	Mar 2025	Dec 2024	Var.	% var.
ASSETS	3,163.14	2,703.34	459.80	17.01%
Advances - net	759.94	1,041.63	(281.68)	-27.04%
- Gross Advances	810.34	1,094.82	(284.49)	-25.98%
Investments	1,825.35	1,167.45	657.90	56.35%
Cash and Balances with Banks	213.18	196.35	16.83	8.57%
Lending to Financial Institutions	79.86	55.66	24.21	43.50%
Others	284.81	242.26	42.55	17.56%
LIABILITIES	2,888.70	2,433.08	455.62	18.73%
Deposits	2,092.46	1,922.21	170.25	8.86%
Current	1,066.97	944.02	122.94	13.02%
Savings	943.99	925.08	18.91	2.04%
Term	81.50	53.11	28.39	53.46%
Borrowings	600.56	268.49	332.07	123.68%
Bills Payable	11.29	41.83	(30.54)	-73.01%
Others	184.40	200.55	(16.16)	-8.06%
NET ASSETS	274.44	270.26	4.18	1.55%
EQUITY	230.87	227.21	3.66	1.61%

Advances Portfolio:

- Gross advances of the Bank decreased by Rs. 284.5 billion (-26%);
- Coverage & Infection ratios of the Bank were reported at 94.13% and 6.61% respectively.

Investment Portfolio:

- PKR 565.2 billion added to Floating PIBs portfolio closing at PKR 1,252.7 billion;
- PKR 25.4 billion added to Fixed PIBs closing at PKR 275.5 billion;
- TBs increased by PKR 59.4 billion and closed at PKR 135.7 billion;
- Yield on Investment of 13.42% in Mar-25 as compared to 19.55% in Mar-24;
- PIBs – AFS & HTM excluding floating – WA time to maturity of PIBs is 2.70 years.

Deposit Mobilization:

- CA concentration improved to 51%; leading to a growth of Rs. 139.4 billion (YoY: +16.30%) in average current deposits;
- PKR 122.9 billion (+13%) added to current deposits and PKR 18.9 billion (2%) added to savings deposits during 2025;
- CoD for Mar-25 contained at 5.14% (Mar-24 : 10.04%);
- CASA for Mar-25 at 96.11% (Dec-24 : 97.24%).

PKR in Billions

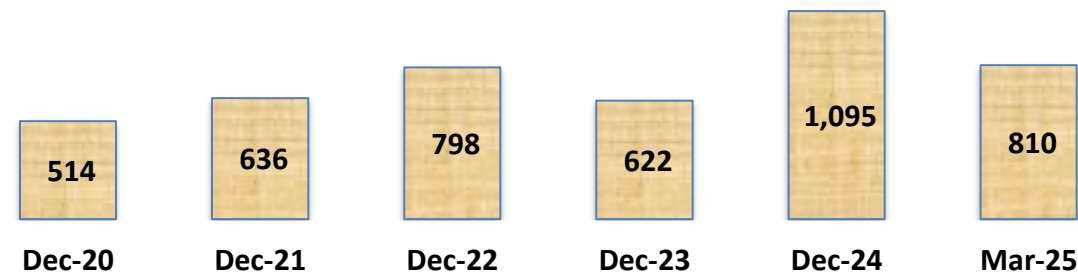
Segmentwise Advances

PKR in Billions	Mar 2025	Dec 2024	Var.	% var.
Advances (gross)	810.34	1,094.82	(284.49)	-26%
Retail	64.62	68.45	(3.84)	-6%
Corporate	634.01	910.90	(276.90)	-30%
Consumer	39.89	37.24	2.65	7%
Overseas	54.26	60.16	(5.90)	-10%
Others	31.54	31.98	(0.44)	-1%
IFRS 9 - Fair Value Adjustment	(13.98)	(13.91)	(0.07)	0%
MCB Advances (domestic)	770.05	1,048.57	(278.52)	-26.56%
Industry Advances (domestic)	13,474.32	16,009.34	(2,535.02)	-15.83%
Market Share	5.71%	6.55%		
Advances - Net	759.94	1,041.63	(281.68)	-27%

PKR in Millions

YTD (Mar 25 vs. Dec 24)				
	Mar 25	Dec 24	Var.	%
Total NPLs	53,537	53,551	(15)	-0.03%
OAEM	1,355	1,432	(77)	-5%
Substandard	796	972	(176)	-18%
Doubtful	951	2,709	(1,757)	-65%
Loss	50,434	48,439	1,995	4%

Gross Advances (CAGR 8.04%)

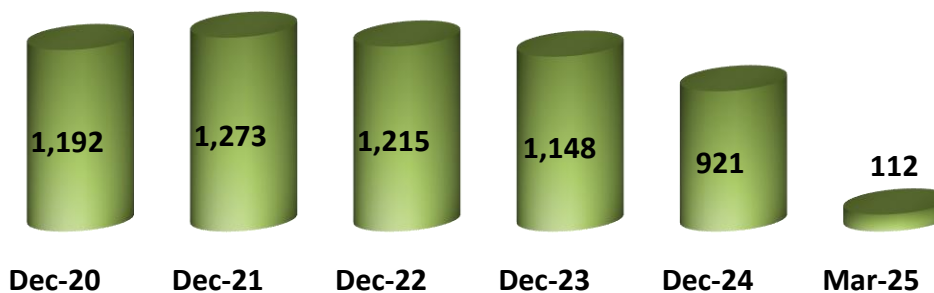


Yield on Advances



Recovery from NIB NPL Stock

PKR in Millions



Total Recoveries related to NPL stock transferred from NIB Bank amounts to Rs. 10.7 billion.

Diversified Investment Portfolio

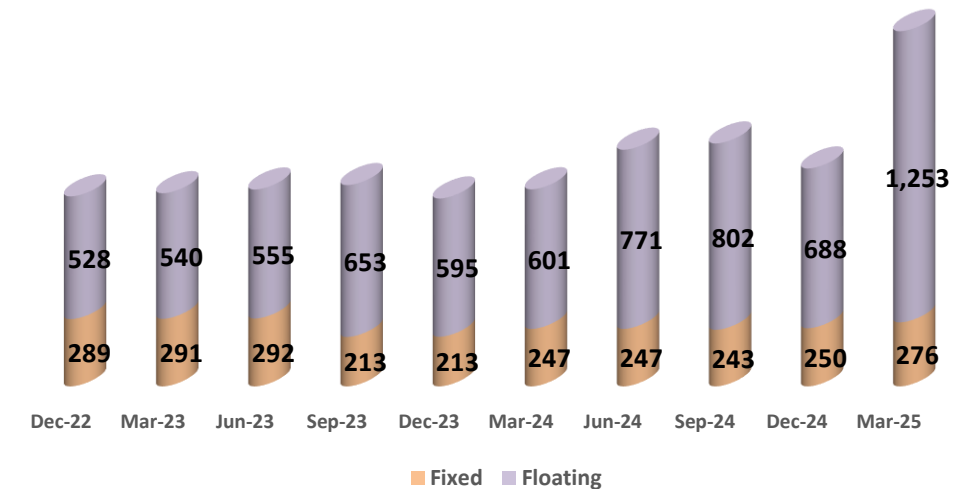


PKR in Billions	Mar 2025	Dec 2024	Var.	% var.
Treasury Bills	135.69	76.30	59.38	78%
Pakistan Investment Bonds - Fixed	275.50	250.13	25.38	10%
Pakistan Investment Bonds - Floating	1,252.72	687.54	565.18	82%
Other government securities / Euro Bonds	72.02	69.69	2.33	3%
Other Debt Securities (TFCs, Bonds)	11.16	11.20	(0.04)	0%
Shares in Listed, Unlisted Co.s & Mutual funds	43.88	39.34	4.54	12%
Subsidiaries & Associated Undertakings	18.67	18.67	-	0%
Investments at cost	1,809.64	1,152.87	656.77	57%
Expected Credit Loss (ECL)	(1.13)	(1.12)	(0.01)	1%
Surplus on revaluation of securities	16.84	15.70	1.14	7%
Investments at revalued amount - net of ECL	1,825.35	1,167.45	657.90	56%

Composition of Investments		
	Mar 2025	Dec 2024
T-Bills	7%	7%
PIBs	84%	81%
Equity securities	3%	5%
Other Government Securities	4%	6%
Debt instruments	1%	1%

Pakistan Investment Bonds

PKR in Billions



Current Deposits achieved landmark of 1 Trillion



Total Deposits
PKR **2.1** trillion

Current Deposits
PKR **1.1** trillion

Saving Deposits
PKR **944** billion

CoD
5.14%
Down by 490 bps YoY

CASA
96.11%
Dec-24 : 97.24%

Market Share (Domestic)
6.04%
Dec-24 : 5.74%

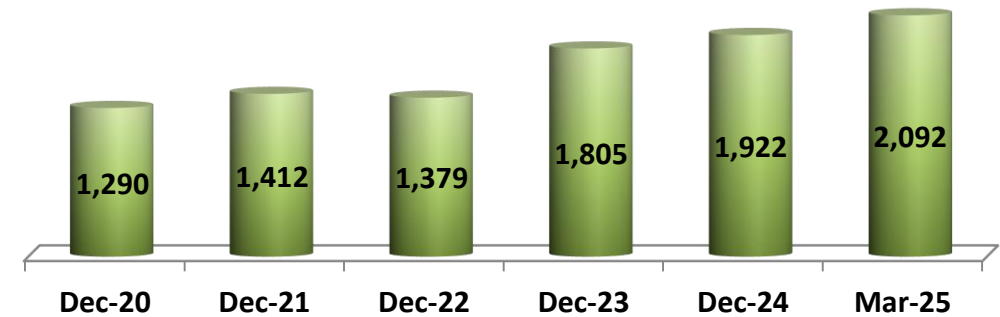
Domestic
Branches
1,395
+(EPZ:1)

Foreign
Branches
8
1 Rep. office in UK

Customer
accounts
Over **9.1** million

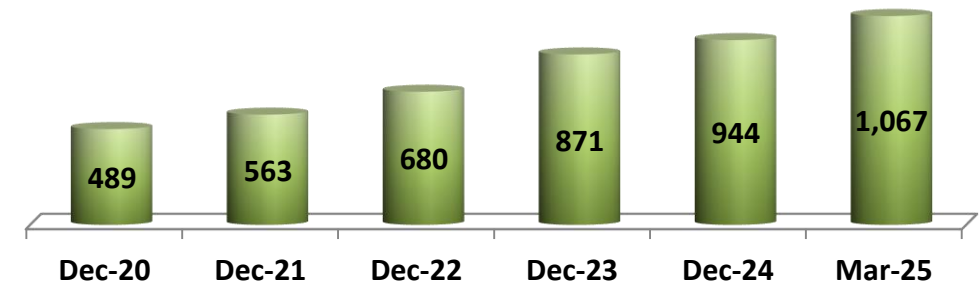
Total Deposits (CAGR : 12.17%)

PKR in Billions

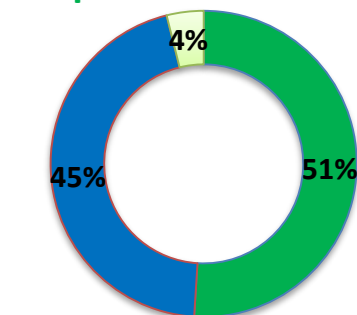


Current Deposits (CAGR : 19.19%)

PKR in Billions

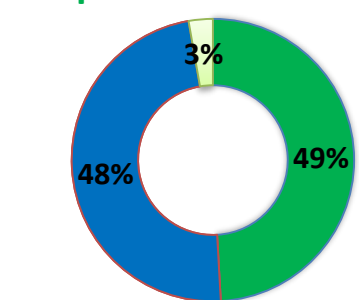


Deposits Mix Mar-25



■ Current ■ Savings ■ Term

Deposits Mix Dec-24



■ Current ■ Savings ■ Term

Sustained Profitability in narrowing down interest rate environment



PKR in Billions	Mar 2025	Mar 2024		
		Mar 2024	Var.	% var.
Mark-up Income	69.84	89.01	(19.17)	-21.5%
Mark-up Expense	34.66	50.94	(16.28)	-32.0%
Net Mark-up Income	35.18	38.07	(2.89)	-7.6%
Non Interest Income	9.21	9.12	0.08	0.9%
Total Income	44.39	47.20	(2.80)	-5.9%
Non Mark-up Expense	17.63	14.72	2.90	19.7%
Operating expenses	16.97	13.92	3.05	21.9%
other charges & WWF	0.66	0.80	(0.15)	-18.2%
Profit before Credit Loss Allowance	26.77	32.47	(5.71)	-17.6%
Credit Loss Allowance	(2.54)	(0.07)	(2.47)	-3586.4%
against Investments	0.01	0.01	(0.00)	-33.9%
against loans & advances	(2.78)	0.70	(3.47)	-498.2%
Others including write off recovery	0.23	(0.78)	1.01	130.0%
Profit before Tax	29.30	32.54	(3.24)	-10.0%
Taxation	15.49	15.99	(0.50)	-3.1%
Profit after Tax	13.81	16.56	(2.74)	-16.6%

A measured dip in profitability—reflecting strategic adjustments in a stabilizing economy, paving the way for sustainable long-term growth:

- Narrowing margins in a normalized interest rate environment; net interest income declined by 7.6%YoY;
- Non-markup income remained resilient at Rs. 9.2 billion(+1%), slightly up from Rs. 9.1 billion with notable contributions from dividend income (PKR 1.7 billion, +71%), foreign exchange income (PKR 2.2 billion, +16%),
- Strategize to diversify its revenue streams, strong growth in fee-based income across multiple channels, including a 18% increase in card-related income, 16% growth in branch banking fees and a 78% rise in investment service commissions.
- The Bank continues to invest in digital transformation, enhancing customer experience and operational efficiency, leading to broad-based growth across digital platforms.
- Operating expenses increased by 22% YoY, primarily driven by investments in talent, technology and marketing. However, the cost-to-income ratio remained efficient at 38.23%, reflecting disciplined financial management on Bank's part amidst continued investment in innovation and talent development.
- PBT of Rs. 29.3 billion (-10%) where as consolidated PBT of PKR 31.55 billion;

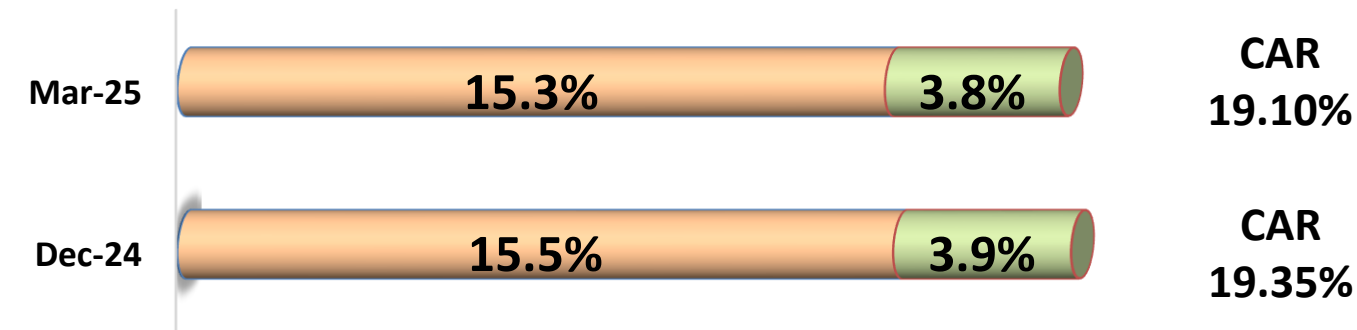
Profitability Ratios:

- RoE 24.12% (Dec-24 : 26.56%) and RoA 1.88% (Dec-24 : 2.25%), healthy profitability ratios;
- Cost to Income ratio stands at 38.23% as compared to 29.50% Mar-24.

Strong Capital Position & Ratios

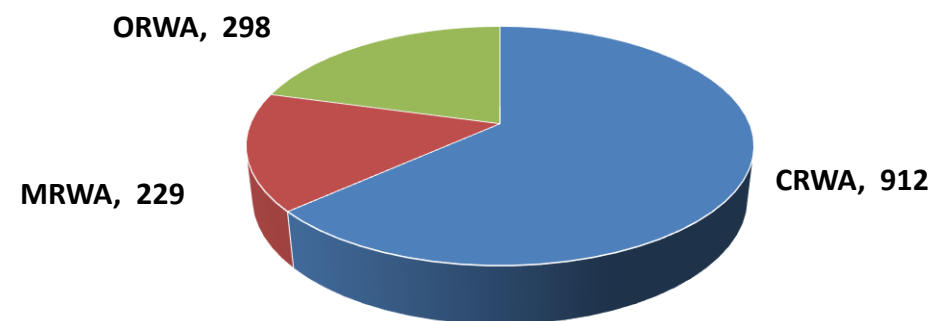
Buffer of 760bps on top of regulatory CAR

■ Tier I ■ Tier II

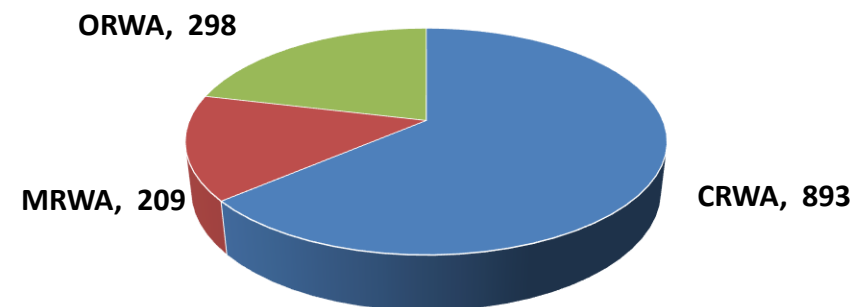


Risk Weighted Assets (RWA)

RWA Mar-25 : PKR 1,439 billion



RWA Dec-24 : PKR 1,400 billion



- Bank's total Capital Adequacy Ratio (CAR) is 19.10% against the requirement of 11.5% (including capital conservation buffer of 1.50% as reduced under the BPRD Circular Letter No. 12 of 2020).
- Leverage Ratio of 6.18% which is well above the regulatory limit of 3.0%
- Liquidity Coverage Ratio (LCR) of 252.37% and Net Stable Funding Ratio (NSFR) of 139.24% against requirement of 100%.

*Minimum Capital Adequacy Ratio (CAR) of 11.50%, Common Equity Tier 1 (CET 1) ratio of 6.0% and Tier 1 ratio of 7.50%.

MCB Islamic Bank - Snapshot



MCB is operating a wholly owned Islamic Subsidiary – MCB Islamic Bank

Islamic Business - SoFP Key Indicators

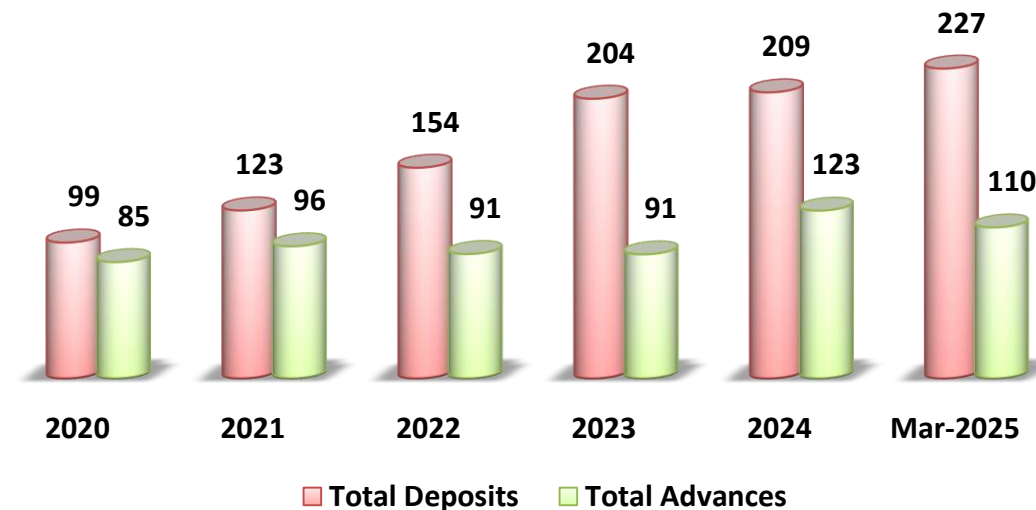
PKR in Billions	Mar 2025	Dec 2024	Var.	% var.
Deposits	226.50	209.11	17.40	8%
Gross Advances	110.32	122.60	(12.28)	-10%
Investments	150.98	146.60	4.39	3%
Net Assets	25.72	25.95	(0.23)	-1%

Islamic Business - Profitability Indicators

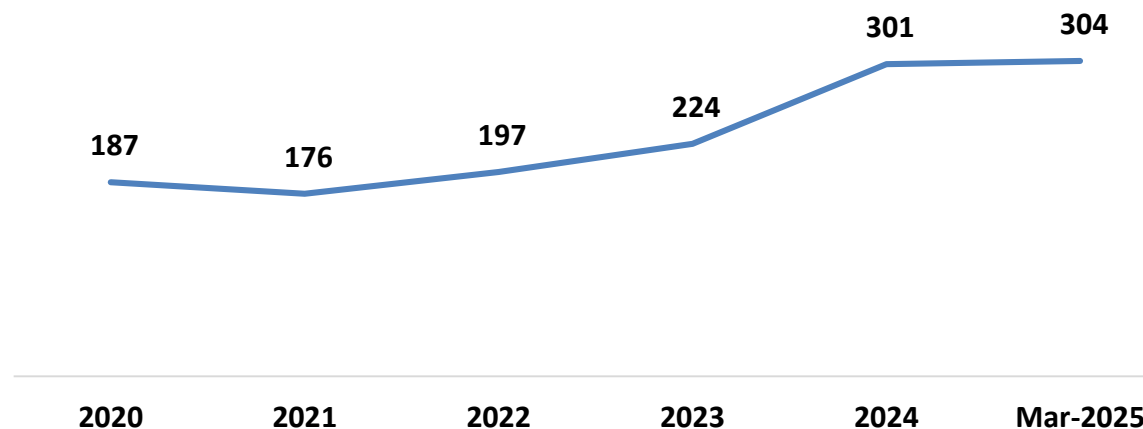
PKR in Billions	Mar 2025	Mar 2024	Var.	% var.
Net Mark-up Income	3.68	4.20	(0.52)	-12%
Non Interest Income	0.47	0.27	0.20	75%
Total Income	4.15	4.46	(0.31)	-7%
Non Mark-up Expense	2.69	2.15	0.54	25%
Profit before Provisions	1.46	2.32	(0.85)	-37%
Provisions	0.15	0.05	0.10	206%
Profit before Tax	1.31	2.27	(0.95)	-42%
Taxation	0.70	1.11	(0.41)	-37%
Profit after Tax	0.61	1.16	(0.54)	-47%

MCB Islamic – Deposits & Advances

PKR in Billions



MCB Islamic Bank - Branches



Awards & Accolades

Best Corporate Report

Winner – Overall Best Corporate Report Award 2023

Winner” - Best Corporate Report Award 2023 – Banking Sector

““Runner-up” Best Corporate Report Award 2022 – Banking Sector

“Joint Runner-up” – Overall Best Corporate Report 2021”

“Joint Winner” - Best Corporate Report 2021 – Banking Sector”

“Winner – Overall Best Corporate Report Award 2020”

“Winner” - Best Corporate Report Award 2020

Winner” - Best Corporate Report Award 2019

Winner” - Best Corporate Report Award 2018

Winner” - Best Corporate Report Award 2017

Winner” - Best Corporate Report Award 2016

Winner” - Best Corporate Report Award 2015

Winner” - Best Corporate Report Award 2014

Pakistan Remittance Initiative

Leading Remittance Mobilizing Bank of Pakistan - MCB

Asian Development Bank

Leading Partner Bank in Pakistan - 2024

Momentum Award – Issuing Bank - 2024

Asiamoney Awards

Best Corporate Bank in Pakistan 2022

Overall Most outstanding Company in Pakistan 2020

Most outstanding Company in Pakistan 2020, 2019 Financial Sector

Best Domestic Bank in Pakistan: 2014; 2009, 2008,
2006, 2005 & 2004

Asset AAA Country Awards

Best loan adviser - 2021

Best Structured Finance Deal - 2021

Best equity-Linked Deal – 2021

Telecom Deal of the Year - 2020

Best Corporate Sukuk - 2020

Best Acquisition Financing - 2020

Best Syndicated Loan - 2020

Euromoney Awards

Best Investment bank in Pakistan - 2017

Best Bank in Pakistan - 2016

Euromoney Awards for Excellence 2012:

Best Bank in Pakistan 2011, 2008, 2003-2005, 2001, 2000

Best Bank in Asia 2008

FinanceAsia’s Country Awards

Best Bank in Pakistan - 2021

Best Bank in Pakistan - 2019

Best Bank in Pakistan - 2018

Best Pakistan Deal, IPO of Pakistan Stock Exchange - 2017

Best Bank in Pakistan - 2016



77 *Years*
OF BANKING WITH
PAKISTAN



Thank you!



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