



MCB Bank Limited

Financial Performance

Half Year Ended June 30th, 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 9.3 million
customer accounts



ATMs

1489 ATMs across
the country



MCB Live

Over 1.6 Million
MCB Live users



Deposits

5.63% Market Share



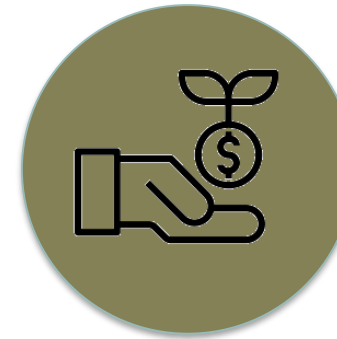
Advances

4.86 % Market Share



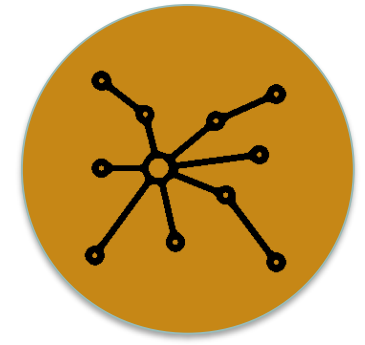
Home Remittance

11.26 % Market Share



Dividend

180% for H1-2025
One of the Highest dividend per
share in Banking industry



Network

One of the largest
Branch network on
Consolidated basis

Key Highlights

Macroeconomic outlook;

- The global economy in 2025 has been marked by heightened uncertainty, primarily driven by volatile trade policies and geopolitical tensions. Markets have reacted sharply to fluctuating tariff announcements and escalating conflicts, creating an environment of sustained unpredictability.
- Pakistan's economy showed signs of stabilization and improvement. The ongoing IMF programs (EFF and RSF), along with upgraded credit ratings, bolstered policy credibility and investors' sentiment. Real GDP grew by 2.68%, while inflation eased steadily.
- Inflationary pressures continued to ease, with the Consumer Price Index (CPI) declining to 3.2% YoY in June, down from 3.5% in May.
- Pakistan's external account position continued to improve during FY2025 on account of rising remittances and exports. The current account posted a USD 2.106 billion surplus, reversing the USD 2.072 billion deficit recorded last year.

Future outlook;

- Pakistan's economic outlook for the second half of 2025 remains cautiously optimistic, building on the significant macroeconomic stabilization achieved in the first half of the year. The government aims for a full-year GDP growth of 4.2% in FY 2026 and anticipates further momentum in economic activity.

MCB Bank – Driving Sustainable Growth in a Changing Economic Landscape;

- Banks achieved an unprecedented increase in current deposits, with a historic Rs. 256 billion added in current deposits;
- Bank's Investment increased to PKR 2.1 trillion +78% YTD on account of investment in Government Securities;
- Domestic cost of deposits reduced to 5.23%, down significantly from 10.76% in H1 2024.
- Standalone PBT of PKR 58.1 billion (-7.4%);
- Consolidated PBT of PKR 62.5 billion (-8.5%);
- Ex-NIB related recovery H1-25 sums to Rs. 197 million totaling Rs. 10.78 billion since 2017;
- MCB Bank recorded a notable 16.7% growth in home remittance inflows, reaching USD 2.3 billion during H1-2025. The Bank remains committed to making foreign remittances safer, faster, and more accessible, while advancing financial inclusion and contributing to national economic resilience.

CA Concentration improved to 54%

| | | | |
|-------------|-----|---------------|------------|
| PBT | PKR | 58.1 Billion | -7.4% YoY |
| PAT | PKR | 27.3 Billion | -14.5% YoY |
| NIM | PKR | 71.3 Billion | -5% YoY |
| NII | PKR | 17.5 Billion | -4% YoY |
| Advances | PKR | 704.6 Billion | -35.7% YTD |
| Deposits | PKR | 2.2 Trillion | +16.3% YTD |
| Investments | PKR | 2.1 Trillion | +77.6% YTD |

Robust growth in assets - fueling future earnings



PKR in Billions

| | Jun 2025 | Dec 2024 | Var. | % var. |
|-----------------------------------|----------|----------|---------|---------|
| ASSETS | 3,378.7 | 2,703.3 | 675.3 | 24.98% |
| Advances - net | 656.6 | 1,041.6 | (385.0) | -36.96% |
| - Gross Advances | 704.6 | 1,094.8 | (390.3) | -35.65% |
| Investments | 2,073.1 | 1,167.5 | 905.6 | 77.57% |
| Cash and Balances with Banks | 256.5 | 196.3 | 60.2 | 30.64% |
| Lending to Financial Institutions | 122.2 | 55.7 | 66.5 | 119.55% |
| Others | 270.3 | 242.3 | 28.0 | 11.57% |
| LIABILITIES | 3,090.6 | 2,433.1 | 657.6 | 27.03% |
| Deposits | 2,235.5 | 1,922.2 | 313.3 | 16.30% |
| Current | 1,200.0 | 944.0 | 256.0 | 27.12% |
| Savings | 979.1 | 925.1 | 54.0 | 5.84% |
| Term | 56.3 | 53.1 | 3.2 | 6.05% |
| Borrowings | 658.2 | 268.5 | 389.7 | 145.15% |
| Bills Payable | 17.5 | 41.8 | (24.3) | -58.14% |
| Others | 179.5 | 200.6 | (21.1) | -10.52% |
| NET ASSETS | 288.0 | 270.3 | 17.8 | 6.58% |
| EQUITY | 234.5 | 227.2 | 7.3 | 3.19% |

Advances Portfolio:

- Non-Performing Loans (Stage-3) decreased by Rs. 1.2 billion;
- Coverage & Infection ratios of the Bank were reported at 91.71% and 7.42% respectively.

Investment Portfolio:

- PKR 452.5 billion added to Floating PIBs portfolio closing at PKR 1,140 billion;
- PKR 62.6 billion added to Fixed PIBs closing at PKR 313 billion;
- TBs increased by PKR 375.9 billion and closed at PKR 452.3 billion;
- Yield on Investment of 12.86% in Jun-25 as compared to 19.43% in Jun-24;
- PIBs – AFS & HTM excluding floating – WA time to maturity of PIBs is 2.42 years.

Deposit Mobilization:

- Total Deposits cross the landmark of PKR 2 trillion in 1st half of 2025 and closed at Rs. 2.2 trillion (+16.30%);
- A robust increase in current deposits amounting to Rs. 256 billion (+27.12%) elevated the Current Deposits concentration to 54%, reflecting stronger low-cost funding;
- PKR 54 billion (5.84%) added to savings deposits during 2025 hence improving CASA ratio to 97.48%.

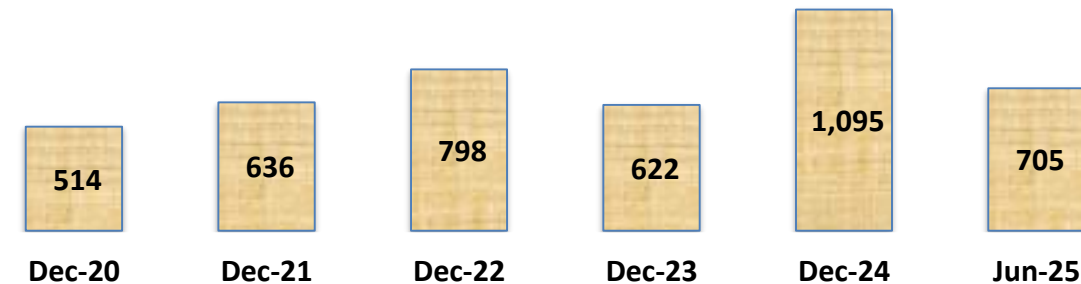
Segmentwise Advances

| PKR in Billions | Jun 2025 | Dec 2024 | Var. | % var. |
|--------------------------------------|-----------------|-----------------|------------------|----------------|
| Advances (gross) | 704.6 | 1,094.8 | (390.3) | -36% |
| Retail | 64.5 | 68.5 | (3.9) | -6% |
| Corporate | 518.0 | 910.9 | (392.9) | -43% |
| Consumer | 43.6 | 37.2 | 6.4 | 17% |
| Overseas | 60.2 | 60.2 | 0.1 | 0% |
| Others | 31.6 | 32.0 | (0.4) | -1% |
| IFRS 9 - Fair Value Adjustment | (13.5) | (13.9) | 0.4 | -3% |
| MCB Advances (domestic) | 657.8 | 1,048.6 | (390.7) | -37.26% |
| Industry Advances (domestic)* | 13,521.7 | 16,009.3 | (2,487.6) | -15.54% |
| Market Share | 4.86% | 6.55% | | |
| Advances - Net | 657 | 1,042 | (385) | -37% |

| YTD (Jun 25 vs. Dec 24) | | | | |
|-------------------------|---------------|---------------|----------------|---------------|
| | Jun 25 | Dec 24 | Var. | % |
| Total NPLs | 52,280 | 53,551 | (1,272) | -2.37% |
| OAEM | 1,480 | 1,432 | 48 | 3% |
| Substandard | 1,868 | 972 | 896 | 92% |
| Doubtful | 783 | 2,709 | (1,926) | -71% |
| Loss | 48,149 | 48,439 | (290) | -1% |

PKR in Billions

Gross Advances (CAGR 4.96%)

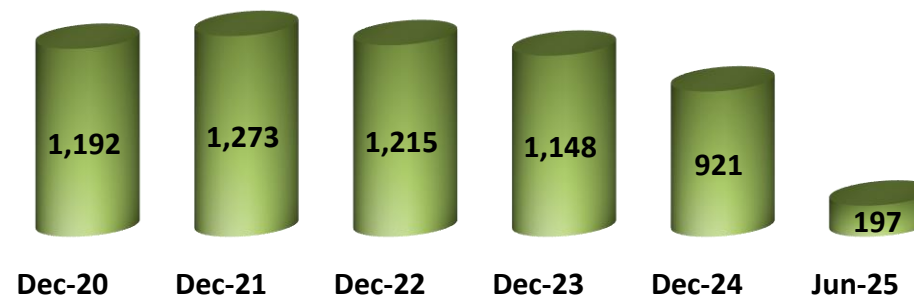


Yield on Advances



PKR in Millions

Recovery from NIB NPL Stock



Total Recoveries related to NPL stock transferred from NIB Bank amounts to Rs. 10.78 billion.

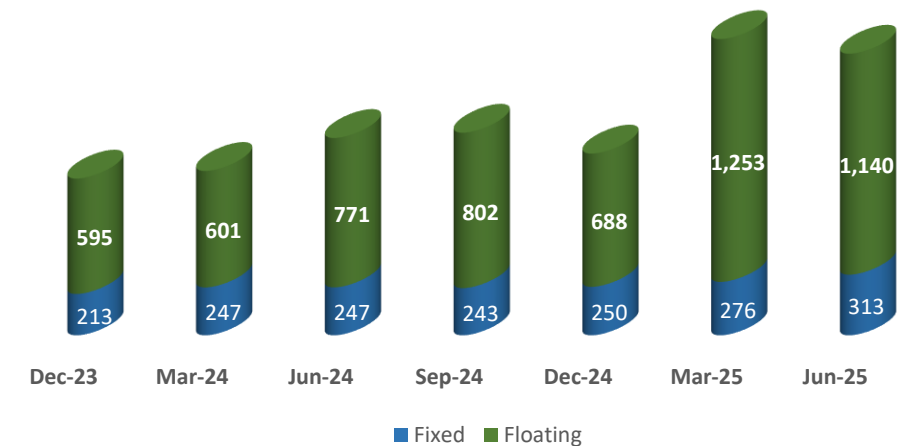
Diversified Investment Portfolio

| PKR in Billions | Composition of Investments | | | |
|--|----------------------------|----------------|--------------|------------|
| | Jun 2025 | Dec 2024 | Var. | % var. |
| Treasury Bills | 452.3 | 76.3 | 376.0 | 493% |
| Pakistan Investment Bonds - Fixed | 312.8 | 250.1 | 62.6 | 25% |
| Pakistan Investment Bonds - Floating | 1,140.0 | 687.5 | 452.5 | 66% |
| Other government securities / Euro Bonds | 54.5 | 69.7 | (15.2) | -22% |
| Other Debt Securities (TFCs, Bonds) | 10.9 | 11.2 | (0.3) | -3% |
| Shares in Listed, Unlisted Co.s & Mutual funds | 47.3 | 39.3 | 7.9 | 20% |
| Subsidiaries & Associated Undertakings | 18.7 | 18.7 | - | 0% |
| Investments at cost | 2,036.4 | 1,152.9 | 883.5 | 77% |
| Credit loss allowance | (1.2) | (1.1) | (0.1) | 9% |
| Surplus/(Deficit) on revaluation of securities | 37.9 | 15.7 | 22.2 | 142% |
| Investments - net | 2,073.1 | 1,167.5 | 905.6 | 78% |

| Composition of Investments | | |
|-----------------------------|----------|----------|
| | Jun 2025 | Dec 2024 |
| T-Bills | 22% | 7% |
| PIBs | 71% | 81% |
| Equity securities | 3% | 5% |
| Other Government Securities | 3% | 6% |
| Debt instruments | 1% | 1% |

Pakistan Investment Bonds

PKR in Billions



Current Deposits achieved landmark of 1 Trillion



Total Deposits
PKR **2.2** trillion

Current Deposits
PKR **1.2** trillion

Saving Deposits
PKR **979** billion

CoD (Domestic)
5.23%
Down by 553 bps YoY

CASA
97.48%
Dec-24 : 97.24%

Market Share (Domestic)
5.63%
Dec-24 : 5.74%

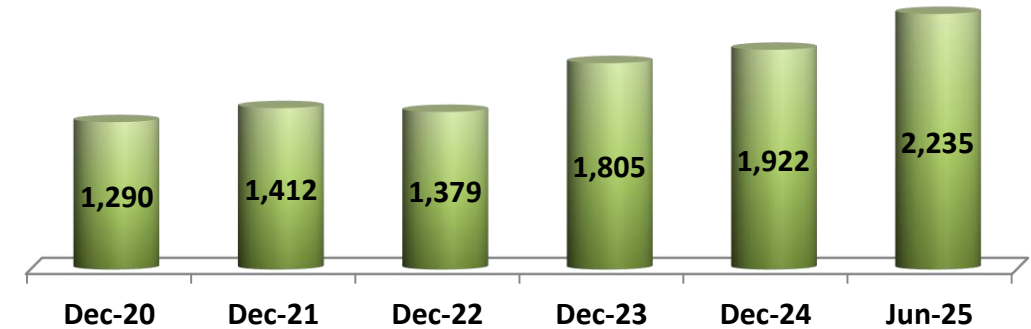
Domestic
Branches
1,395
+(EPZ:1)

Foreign
Branches
8
1 Rep. office in UK

Customer
accounts
Over **9.3** million

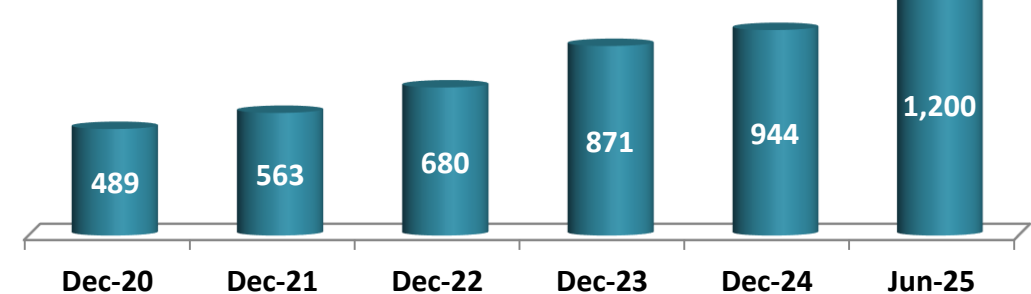
Total Deposits (CAGR : 12.94%)

PKR in Billions

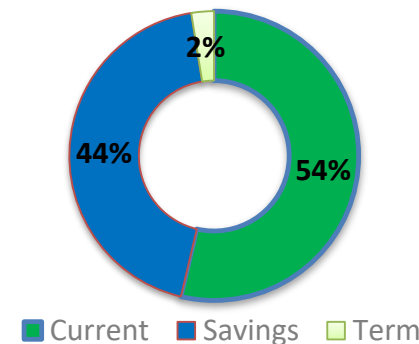


Current Deposits (CAGR : 20.79%)

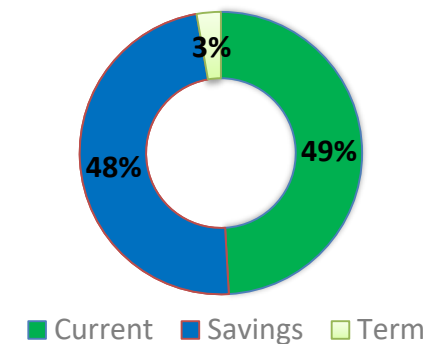
PKR in Billions



Deposits Mix Jun-25



Deposits Mix Dec-24



Sustained Profitability in narrowing down interest rate environment



| PKR in Billions | Jun 2025 | Jun 2024 | Var. | % var. |
|--|--------------|-------------|--------------|----------------|
| Mark-up Income | 144.1 | 184.7 | (40.6) | -22.0% |
| Mark-up Expense | 72.8 | 109.6 | (36.8) | -33.6% |
| Net Mark-up Income | 71.3 | 75.1 | (3.8) | -5.0% |
| Non Interest Income | 17.5 | 18.3 | (0.7) | -4.0% |
| Total Income | 88.9 | 93.4 | (4.5) | -4.8% |
| Non Mark-up Expense | 35.1 | 30.2 | 5.0 | 16.5% |
| Operating expenses | 33.8 | 28.7 | 5.1 | 17.9% |
| other charges & WWF | 1.3 | 1.5 | (0.2) | -11.7% |
| Profit before Credit Loss Allowance | 53.7 | 63.2 | (9.5) | -15.0% |
| Credit Loss Allowance | (4.3) | 0.5 | (4.8) | -958.4% |
| against Investments | 0.1 | (0.1) | 0.2 | 257.1% |
| against loans & advances | (4.7) | 1.0 | (5.7) | -577.7% |
| Others including write off recovery | 0.3 | (0.4) | 0.7 | 167.7% |
| Profit before Tax | 58.1 | 62.7 | (4.7) | -7.4% |
| Taxation | 30.8 | 30.8 | (0.0) | -0.1% |
| Profit after Tax | 27.3 | 31.9 | (4.6) | -14.5% |

Strategic recalibration in a stabilizing economy – building a stronger, more sustainable growth path;

- Narrowing margins in a normalized interest rate environment; net interest income declined by 5% YoY;
- Non-markup income remained resilient at Rs. 17.5 billion (-4%);
- Fee and commission income declined by 13% to Rs. 9.8 billion, primarily due to intensified competition in the routing of foreign currency remittances through MCB's channels. Foreign exchange income remained stable at Rs. 4.95 billion, while dividend income posted a significant increase of 55%, reaching Rs. 2.6 billion.
- The Bank continues to invest in digital transformation, enhancing customer experience and operational efficiency, leading to broad-based growth across digital platforms. Bank continued to benefit from the momentum gained in digital banking, with card-related income rising by 18% while 15% growth in branch banking fees;
- Operating expenses increased by 18% YoY, primarily driven by investments in talent, technology and marketing. However, the cost-to-income ratio remained efficient at 38.05%, reflecting disciplined financial management on Bank's part amidst continued investment in innovation and talent development.
- PBT of Rs. 58.1 billion (-7.4%) where as consolidated PBT of PKR 62.55 billion (-8.5%);
- Profit for overseas operations increased by 5% YoY to PKR 4.2 Billion (USD 15.01 million).

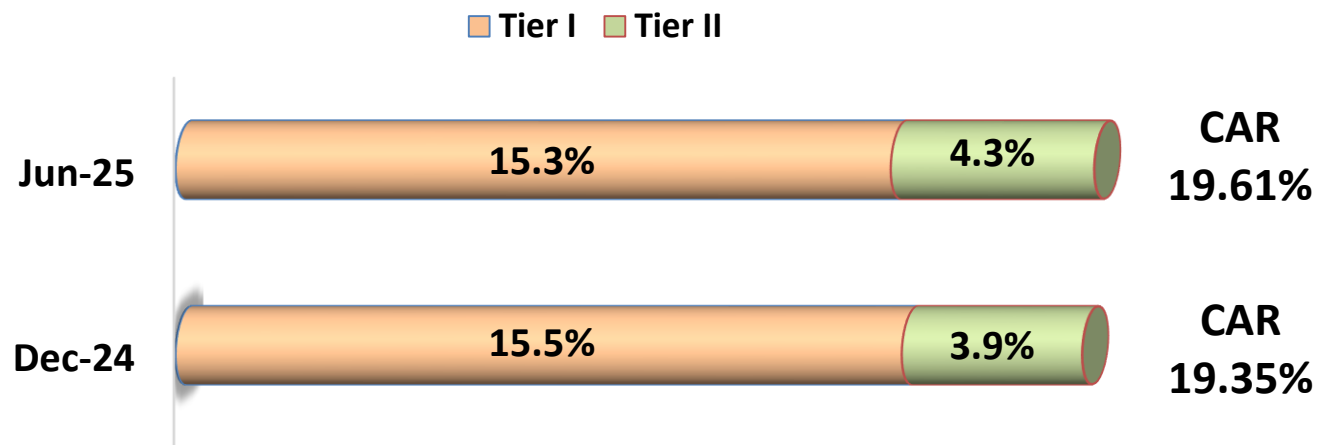
Profitability Ratios:

- RoE 23.66% (Dec-24 : 26.56%) and RoA 1.80% (Dec-24 : 2.25%), healthy profitability ratios;
- Cost to Income ratio stands at 38.05% as compared to 30.70% Jun-24.

Strong Capital Position & Ratios

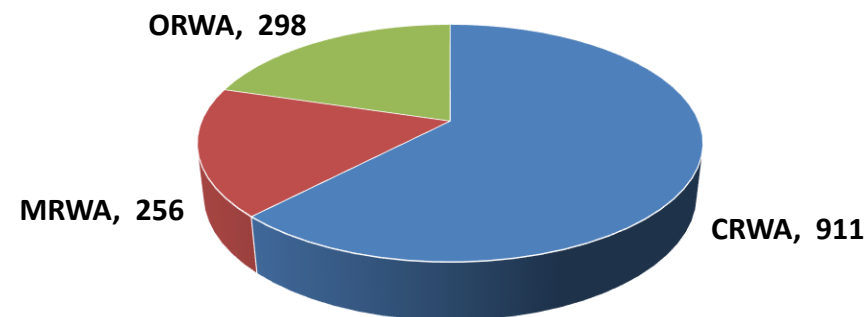


Buffer of 811bps on top of regulatory CAR

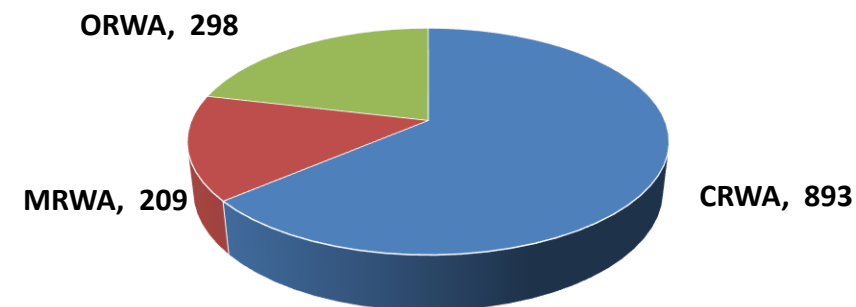


Risk Weighted Assets (RWA)

RWA Jun-25 : PKR 1,466 billion



RWA Dec-24 : PKR 1,400 billion



- Bank's total Capital Adequacy Ratio (CAR) is 19.61% 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 5.77% which is well above the regulatory limit of 3.0%
- Liquidity Coverage Ratio (LCR) of 260.71% and Net Stable Funding Ratio (NSFR) of 155.73% 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

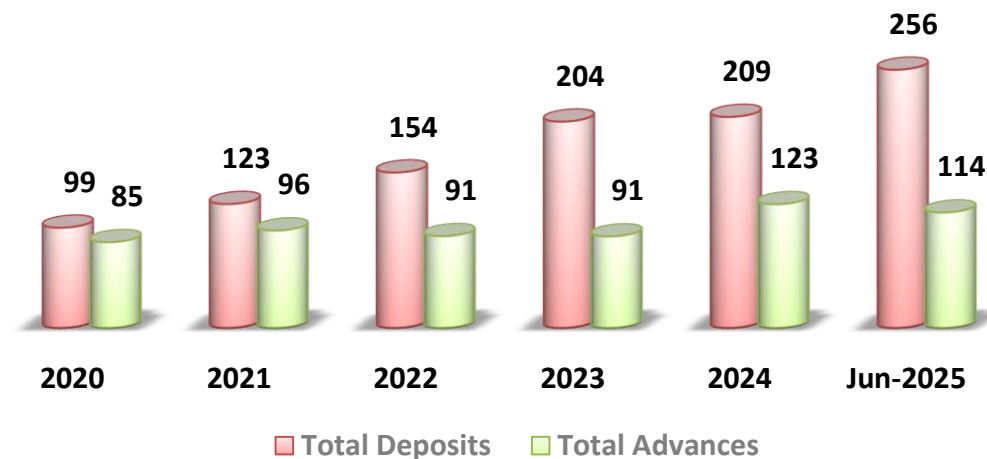
| PKR in Billions | Jun 2025 | Dec 2024 | Var. | % var. |
|-----------------|----------|----------|--------|--------|
| Deposits | 255.89 | 209.11 | 46.78 | 22% |
| Gross Advances | 114.40 | 122.60 | (8.20) | -7% |
| Investments | 152.27 | 146.60 | 5.67 | 4% |
| Net Assets | 26.60 | 25.95 | 0.66 | 3% |

Islamic Business - Profitability Indicators

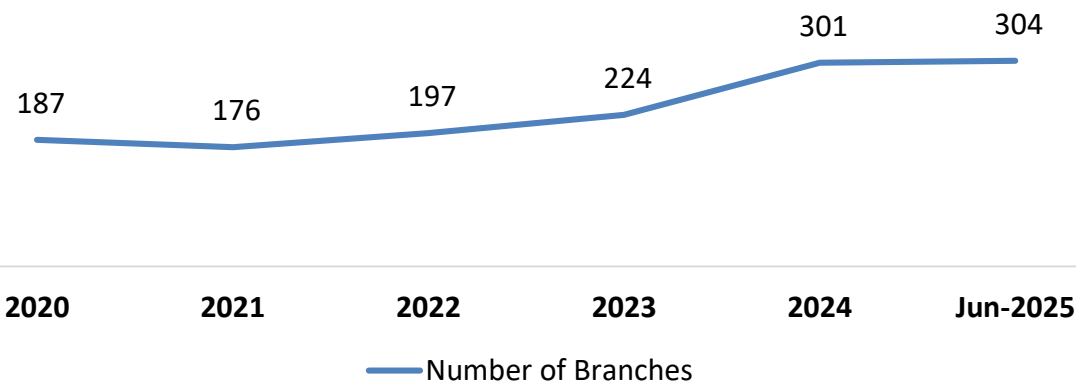
| PKR in Billions | Jun 2025 | Jun 2024 | Var. | % var. |
|---------------------------------|-------------|-------------|---------------|-------------|
| Net Mark-up Income | 7.19 | 8.43 | (1.24) | -15% |
| Non Interest Income | 0.90 | 0.62 | 0.29 | 47% |
| Total Income | 8.09 | 9.05 | (0.95) | -11% |
| Non Mark-up Expense | 5.63 | 4.75 | 0.88 | 19% |
| Profit before Provisions | 2.46 | 4.30 | (1.84) | -43% |
| Provisions | 0.13 | 0.05 | 0.09 | 189% |
| Profit before Tax | 2.33 | 4.25 | (1.92) | -45% |
| Taxation | 1.28 | 2.08 | (0.80) | -39% |
| Profit after Tax | 1.05 | 2.17 | (1.12) | -52% |

PKR in Billions

MCB Islamic – Deposits & Advances



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



70
Years
ANNIVERSARY

Thank you!



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