



HALF YEARLY REPORT

JUNE 30, 2025



Vision

To be the leading financial services provider, partnering with our customers for a more prosperous and secure future.

Mission

We are a team of committed professional, providing innovative and efficient financial solutions to create and nurture long-team relationships with our customers. In doing so, we ensure that out shareholders can invest with confidence in us.

Core Values

The standards and principles which determine our behavior and how we interact with our customers and each other.

Credit Rating
Long-Term AAA (Triple A)
Short –Term A1+ (A one plus)
By PACRA



Corporate Profile Board of Directors:

Mian Mohammad Mansha	Chairman
Mr. Muhammad Tariq Rafi	Director
Mian Umer Mansha	Director
Mrs. Iqraa Hassan Mansha	Director
Mr. Muhammad Ali Zeb	Director
Mr. Mohd Suhail Amar Suresh bin Abdullah	Director
Mr. Yahya Saleem	Director
Mr. Salman Khalid Butt	Director
Mr. Shahzad Hussain	Director
Mr. Masood Ahmed Puri	Director
Shaikh Muhammad Jawed	Director
Mr. Norzulkarnien Bin Nor Mohamad	Director
Mr. Muhammad Nauman Chughtai	President & CEO

Audit Committee:

Mr. Shahzad Hussain	Chairman	
Mian Umer Mansha	Member	
Mr. Muhammad Ali Zeb	Member	
Mr. Norzulkarnien Bin Nor Mohamad	Member	

Chief Financial Officer:	Mr. Hammad Khalid			
Company Secretary:	Mr. Farid Ahmad			

Auditors:	M/s. A. F. Ferguson & Co.
	G1 . 1.4

Legal Advisors:	M/s. Khalid Anwer & Co.
	Advocates & Legal Consultants

E-mail. hivestor.relations@mcb.com.pk
Visit us: www.mcb.com.pk

Registrar's and Share Registration Office(s):	nead Office:
	M/s. THK Associates (Pvt.)

M/S. IH	K Associates (Pvt.) Limited
Plot No.	32-C, Jami Commercial Street 2,
D.H.A., P	hase VII, Karachi, Pakistan.

Branch Office:

M/s. THK Associates (Pvt.) Limited Office No. 309, 3rd Floor, North Tower, LSE Building, 19-Shahrah-e-Aiwan-e-Iqbal, Lahore, Pakistan.

Directors' Review - June 2025



On behalf of the Board of Directors, we are pleased to present the financial statements of MCB Bank Limited (MCB) for the half year ended June 30, 2025.

Performance Review

On a standalone basis, the profit before and after taxation for the period ended June 30, 2025 together with appropriations is as under:

I	Rs. in Million
Profit Before Taxation	58,066
Taxation	30,760
Profit After Taxation	27,306
Un-appropriated Profit Brought Forward	110,426
Surplus realized on disposal of investments in equity instruments	817
through FVOCI - net of tax	817
Surplus realized on disposal of revalued property and equipment - net of tax	92
Surplus realized on disposal of non-banking assets - net of tax	24
Transfer in respect of incremental depreciation from surplus on	
revaluation of property & equipment to un-appropriated profit-net of tax	66
	111,425
Profit Available for Appropriation	138,731
Appropriations:	
Statutory Reserve	(2,731)
Final Cash Dividend at Rs. 9.0 per share - December 2024	(10,666)
First Interim Cash Dividend at Rs. 9.0 per share - March 2025	(10,666)
Total Appropriations	(24,063)
Un-appropriated Profit Carried Forward	114,668

MCB Bank reported Profit Before Tax (PBT) of Rs. 58.07 billion for the six months ended June 30, 2025. Profit After Tax (PAT) stood at Rs. 27.31 billion, translating into Earnings Per Share (EPS) of Rs. 23.04 versus Rs. 26.95 in H1 2024. The decline in net profitability also reflects a 4% increase in the effective tax rate compared to H1 2024. On a consolidated basis, the Bank posted a PBT of Rs. 62.5 billion. These results highlight MCB's prudent balance sheet management, focus on core banking operations, and commitment to disciplined risk governance.

Net interest income declined by 5% year-on-year, reflecting the impacts of monetary easing cycle. However, this impact was partially offset by the Bank's strategic focus on no-cost deposit mobilization, which led to a strong 27% growth in current deposits.

Non-markup income decreased by 4% to Rs. 17.5 billion. 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 continued to benefit from the momentum gained in digital banking, with card-related income rising by 18%.

Operating expenses increased by 18% year-on-year, primarily driven by investments in talent, technology and marketing. The cost-to-income ratio stood at 38.05%, reflecting disciplined financial management by the Bank, while continuing to invest in innovation and talent development.

On the balance sheet side, MCB Bank's total assets grew by 25% to Rs. 3.38 trillion, supported by a 78% increase in net investments. Gross advances declined by 36%, reflecting a prudent lending approach in response to prevailing

MCB Bank Limited



macroeconomic challenges. Asset quality remained strong, with non-performing loans reported at Rs. 52.3 billion, infection ratio at 7.42%, and coverage ratio maintained at 91.71%.

Deposits grew to Rs. 2.24 trillion, with a historic Rs. 256 billion increase in current deposits, reflecting Bank's continued focus on cost-effective deposit mobilization. This shift in deposit mix helped reduce the domestic cost of deposits to 5.23%, down significantly from 10.76% in H1 2024. The Bank reported Return on Assets (RoA) of 1.80% and Return on Equity (RoE) of 23.66%, with Book Value per Share at Rs. 197.84.

MCB continued to play a leading role in the remittance business, processing USD 2,303 million in home remittances during H1 2025, an increase of 16.7% over the corresponding period last year. The Bank remains a key partner in supporting the State Bank of Pakistan's efforts to promote formal remittance channels and drive financial inclusion across the country.

The Bank maintained a strong capital position, with Capital Adequacy Ratio (CAR) at 19.61% and Common Equity Tier-1 (CET1) at 15.26%, well above the regulatory thresholds. Liquidity buffers also remained robust, with Liquidity Coverage Ratio (LCR) reported at 260.71% and Net Stable Funding Ratio (NSFR) at 155.73%.

The Board declared a second interim cash dividend of Rs. 9.00 per share (90%), in addition to the 90% dividend paid earlier, bringing the total cash dividend for the half year ended June 30, 2025 to 180%.

Despite external challenges, MCB Bank remains firmly positioned for long-term growth, backed by its prudent risk management practices, strong capital and liquidity buffers, and a continued emphasis on digital transformation and customer-centric innovation. The Bank's strategic focus on operational excellence, cost efficiency, and value creation for all stakeholders remains unchanged.

Ratings

Pakistan Credit Rating Agency re-affirmed credit ratings of MCB at "AAA / A1+" for long term and short term respectively, through its notification dated June 23, 2025.

Economic Review

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. A significant factor contributing to this volatility is the abrupt implementation and retraction of tariffs. Further, it has not only disrupted long-term planning but also raised concerns about the widening fiscal deficit in the United States, stemming from proposed tax reforms. As a result, investors have increasingly turned to safe-haven assets such as gold and bonds to mitigate risks.

The second quarter of 2025 exemplified this volatility, beginning with a sharp decline in equity markets followed by a strong recovery after a temporary pause in tariff measures. Commodity markets mirrored this trend, with crude oil prices initially dipping amid concerns about the trade war before rebounding as geopolitical tensions emerged. Gold remained a standout performer, buoyed by persistent safe-haven demand, despite a brief price drop following the announcement of a temporary US-China trade deal. The US Dollar Index (DXY) experienced its worst first-half performance since 1973, depreciating by 11% due to concerns over US fiscal stability, rising public debt, and the timing of anticipated Federal Reserve rate cuts. Additionally, the growing momentum towards de-dollarization, particularly among BRICS nations exploring a unified regional currency, has further undermined the dollar's dominance.

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. The average CPI for FY 2025 is at 4.49%, well within the State Bank of Pakistan's target range. This decline is attributed to favorable external conditions, including lower global commodity prices, reduced domestic food prices, coupled with subdued aggregate demand.



The 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. Goods exports rose 4% to USD 32.295 billion, while imports increased 11.5% to USD 59.076 billion, widening the trade deficit to USD 26.781 billion from USD 22.177 billion last year. Remittances reached USD 38.300 billion in FY 2025, up 27% from USD 30.251 billion. Foreign exchange reserves improved significantly, reaching USD 19.607 billion by July end.

The Monetary Policy Committee (MPC), in its meetings held during the months of June and July, decided to maintain the policy rate at 11%, citing potential inflation risks, along with external imbalances and regional uncertainties.

On the fiscal front, the government approved a budget for FY 2026, with an outlay of PKR 17.573 trillion. The government has set a tax collection target for the FBR at PKR 14.13 trillion, a 9% increase from last year's goal. Regarding the fiscal deficit, the government aims for a lower target of 3.9% of GDP or PKR 5.037 trillion, down from last fiscal year's target of 5.9%. The primary surplus is targeted at 2.4% of GDP.

Future Outlook

Investors and market participants are approaching the second half of 2025 by closely monitoring key economic indicators and policy developments. Attention is focused on the ongoing constant changes in tariffs and uncertain trade negotiations, which are anticipated to influence consumer prices and potentially temper global economic growth. Renewed inflationary pressures could complicate monetary policy adjustments, thereby posing challenges to fiscal and financial stability. Although inflation showed signs of moderation in the second quarter, the full impact of tariffs remains uncertain.

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. The SBP's inflation target is 5-7% in FY 2026. The IMF's strong endorsement of Pakistan's reform progress is vital for maintaining international investor confidence. Although the government remains committed to structural reforms centered on tax harmonization, energy pricing, and privatization, persistent structural challenges highlight inefficiencies and potential market distortions resulting from the reversal of policies implemented in FY 2025.

Appreciation and Acknowledgements

The Board of Directors of MCB Bank Limited would like to extend their sincere gratitude towards the Government of Pakistan, the State Bank of Pakistan, the Securities & Exchange Commission of Pakistan and other regulatory bodies for their continued support and guidance, all shareholders and customers of the Bank for their trust, and our employees for their continuous dedication and commitment.

For and on behalf of the Board of Directors.

Muhammad Nauman Chughtai President & CEO MCB Bank Limited August 06, 2025 Mian Umer Mansha Director MCB Bank Limited

MCB Bank Limited

ایم سی بی بینک کمپیٹر



مالی سال 2025ء کے دوران، بڑھتی ترسیلات اور برآمدات میں اضافے کی بدولت بیرونی اکاؤنٹ میں سلسل بہتری کی روش برقرار رہی۔ کرنٹ اکاؤنٹ میں گزشتہ سال کے ریکارڈ شدہ 2.072 بلین امریکی ڈالرز کے خسارے کو بلٹتے ہوئے 2.106 بلین امریکی ڈالرز کاسر پلس ریکارڈ ہوا۔ اشیاء کی برآمدات 4 فیصد کے اضافے کے ساتھ 22.177 بلین امریکی ڈالرز کے برورج ہوئیں اور بیل تجارتی خسارہ گزشتہ سال کے 22.177 بلین امریکی ڈالرز کے جم کے مقالبے میں 26.78 بلین امریکی ڈالرز تک وسیع ہوگیا۔ سال 2025ء میں ترسیلات زر گزشتہ سال کے 30.251 بلین امریکی ڈالرز کے جم کی نسبت 27 فیصد کے اضافے کے ساتھ 38.300 بلین امریکی ڈالرز پر رپورٹ ہوئیں۔ زرمبادلہ کے ذعائر تمایاں بہتری ظاہر کرتے ہوئے جوائی کے افتقام تک 19.607 بلین امریکی ڈالرز پر ریکارڈ ہوئے۔

مانیٹری پالیسی کمیٹی نے اپنے جون اورجولائی میں منعقد کردہ اجلاسوں میں افراط زر کے متوقع خدشات اور اسمح ساتھ بیرونی عدم توازن اور علاقائی غیر یقینوں کے چیش نظر، پالیسی ریٹ کو 11 فیصد کی شرح پر برقرارر کھنے کا فیصلہ کیا ہے۔

مالیاتی تحاذیر، حکومت نے مالی سال 2026ء کے لیے 17.573 ٹریلین روپے کے اثراجات انجم کے حال بجٹ کی منظوری دی ہے۔ حکومت نے ایف بی آر کے لیے کیکی وصولیوں کا ہوف 14.13 ٹریلین روپے مقرر کیا ہے جو کہ گزشتہ سال کے ہوف ہے و فیصد زائد ہے۔ مالیاتی خسارے کے حوالے ہے، حکومت کا ہوف بی ڈی کی پی کا 9 فیصد یا 5.037 ٹریلین روپ ہے جو پیچلے مالی سال کی حاصل شدہ 5.9 فیصد کی سطح کے ہے۔ پرائمری سریاس کا ہوف بی ڈی کی پی کا 2.4 فیصد مقرر کیا گیا ہے۔

مستقبل کی پیش بنی:

سال 2025ء کی دوسری ششانی کی طرف بوصتے ہوئے سرماییکار اور مارکیٹ کے دیگر شراکت کار اہم معاثی اشاریوں اور پالیسی میں ہونے والی تبدیلیوں کا بغور مشاہرہ کر رہے ہیں۔ فیرض میں مشتقل بنیادوں پر جاری تبدیلیوں اور تجارتی معاہدوں کی غیریقیٹی کی صورتحال پرخصوصی توجہ مرکوزہے۔ جو کہ صارف سے متعلقہ اشیاء کی قیمتوں پر اثرانداز ہو سکتی ہیں اور عالمی معاثی نمو کو ممکنہ طور پرمتاثر کر سکتی ہیں۔ افراط زر کے دیاؤ کی تجدید، مالیاتی پالیسی کی مطابقت میں مشکلات کا باعث بن سکتی ہے جس سے مالیاتی استحکام اور انضاطی پائیداری کو خطرات لاحق ہو بھے تیں۔ اگرچہ دوسری سہائی کے دوران، افراط زر میں قدرے اعتمال کے اشاریے دیکھے گئے ہیں تاہم، فیمون کے مکس اثرات ابھی تک غیرواضح ہیں۔

سال 2025ء کے لیے پاکتان کی معاثی پیش بنی مختاط طور پر پرامید ہے۔ جس کی بنیادسال کی کپلی ششاہی میں نمایاں میکرواکنا کما سیخکام کا حصول ہے۔ حکومت نے مالی سال 2026ء میں پورےسال کی بحکومت اللہ اللہ کی بلی سال 2026ء میں پورےسال کی بحکومت بیک آف پاکتان نے مالی سال 2026ء میں اور جیزی کی توقع کا اظہار کیا ہے۔ اسٹیٹ بینک آف پاکتان نے مالی سال 2026ء کے لیے افراط زر کو 5 تا 7 فیصد کی شرح تک برقرار رکھنے کا ہوف مقرر کیا ہے۔ آئی ایم ایف، کی جانب سے پاکستان میں اصلاحات کے نفاذ کی رفرار کرھنے میں معبوط تصدیق اعتاد کو برقرار رکھنے کے لیے برخ م ہے تاہم، مالی سال 2025 میں نافذ میں مالی کو برقرار رکھنے کے لیے برخ م ہے تاہم، مالی سال 2025 میں نافذ شدہ پالیسوں میں شلسل کے قائم نہ رہنے کی بناء پر پیدا ہونے والی مارکیٹ میں ممکنہ رکاؤں اور خرابیوں کو اجاگر کرنے والے ڈھانچہ جاتی چیلنجر بھی درچیش ہیں۔

تشليم وتحسين:

ایم می بی بینک کے بورڈ آف ڈائر میشرز، حکومت پاکستان، اسٹیٹ بینک آف پاکستان، سیکیورٹی اینڈ ایمچیج نمیشن آف پاکستان اور دیگر انضباطی اداروں کی جاری معاونت، بینک کے شیر ہولڈرزاور صارفین کا ایکے اعتاد اور اپنے ملازمین کا ایکے خلوص اور عزم پرشکر بید اداکرتا ہے۔

منجانب و برائے بورڈ آف ڈائر یکٹرز

محمد نعمان چنتائی پریذیڈینٹ اورس ای او ایم سی بی بینک کمیٹٹر 10 اگست 2025ء



MCB Bank Limited

ڈائر یکٹرز کا تجزیہ ۔ جون 2025ء

بورڈ آف ڈائر مکٹرزی جانب سے ہم، ایم ہی بی بیک کمیٹر (ایم ہی بی) کے 30 جون 2025ء کو افتام پذیر ششاہی کے مالیاتی گوشواروں کو آکے سامنے پیش کرتے ہوئے نہایت مسرت محسوں کرتے ہیں۔

30 جون 2025ء کواختنام پذیر مدت تک کے بینک کے انفرادی منافع قبل و بعداز کیکس اور تخصیص، مندرجہ ذیل ہے:

	ملین روپے
	58,066
	30,760
	27,306
ظامی غیر تخصیص شده منافع	110,426
	817
	92
ن بینکنگ اٹا شاجات کی فروخت سے حاصل شدہ سر پلس ۔ خالص از کیس	24
و سرنو تخمینه شده معین ا فا اثوں کے سرمیلس سے اصافی فرسودگی کی غیر شخصیص شده منافع میں شقلی۔ خالص از میکس	66
	111,425
	138,731
ميمن:	
نونی ریز رومین شتخلی	(2,731)

ایم سی بینک نے 30 جون 2025ء کو اختتام پذیرششھاہی کے دوران 58.07 بلین روپے کا منافع قبل از نیکس حاصل کیا۔ منافع بعد از کیکس کا قجم 27.31 بلین روپے رہا۔ جس کے باعث فی حصص آمدنی مالی سال 2024ء کی کہلی ششاہی کی 26.95 روپے فی حصص کی سطح کے مقابلے میں 23.04 روپے فی حصص کر جا کہتے ہے۔ خالص منافع میں یہ کمی سال 2024ء ک کہلی ششاہی کی نسبت موٹر کئیس کے ریٹ میں 4 فیصد کے اضافے کی عکاس بھی کرتی ہے۔مجموعی بنیاد پر، بینک نے 62.5 بلین روپے کا منافع قبل از کیس حاصل کیا۔ یہ نتائج ایم سی بی کے

مالیاتی آسانیوں کی دستیابی کے اثرات ظاہر کرتے ہوئے، خالص انٹرسٹ آمدنی میں، سال برسال کی بنیادیر، 5 فیصد کی کواقع ہوئی۔ تاہم، اس کے اثرات بینک کی جانب کے بغیرلاگت کے ڈیپازٹس کے حصول کی تحریک پرخصوصی توجہ کے باعث جزوی طور پر زائل ہوگئے۔ جس کے تحت کرنٹ ڈیپازٹس میں 27 فیصد کی ایک مضبوط شرح کا اندراج کیا گیا۔

غیرمارک ایآمذنی 4 فیصدی کی کےساتھ 17.5 بلین رویے پردرج ہوئی۔ فیس اور کمیشن کی آمدنی 13 فیصدی کی کےساتھ 9.8 بلین رویے برریکارڈ ہوئی۔ جس کی بنیادی وجہ غیر کمکی زرمبادلہ کی ائیسی بی کے عینلوکے ذریعے ترسیل کے لیے تخت مسابقت کا در پیش ہونا تھا۔ زرمبادلہ کی آمدنی 4.95 بلین روپے پر مظلم رہی جبکہ ڈیوڈینڈ آمدنی 55 فیصد کے شاندار اضافے کا اندراج کرتے ہوئے 2.6 بلین

کاروباری اخراجات میں قابلیت وصلاحیت، شیکنالوجی اور مارکیٹنگ میں ہونے والی سرماییکاری کی بناء پر، سال برسال کی بنیاد پر، 18 فیصد کا اضافہ درج ہوا۔ تاہم، لاگت سے آمدنی کی شرح 38.05 فیصدر ہی۔ جوکہ، بینک کی جانب سے مالیاتی انظام کے بہتر نظم دنت کی نمائندگی کرتی ہے جبکہ جدت طرازی اور قابلیت کی نشودنما میں سرماییکاری بھی جاری ہے۔

بیلنس شیٹ کے والے سے، بینک کے کل اثاثہ جات، خالص سرمایہ کاری میں ہونے والی 78 فیصد کی افزودگی کی بدولت 25 فیصد کے اضافے کے ساتھ 3.38 ٹریلین روپے پر رپورٹ ہوئے۔ کل قرضہات میں، موجودہ میکرواکنا کم چیلنجز کے رقمل کے طور پر اپنائی گئی قرضہ کے اجراء کی دانشندانہ یالیسی کے باعث، 36 فیصد کی کمی دیکھی گئی۔ اثاثہ جات کے معیار میں

کرنٹ ڈییازٹس میں 256بلین روپے کے تاریخ ساز اضافے کے ساتھ، ڈییازٹس بوھتے ہوئے 2.24 ٹریلین روپے پر پہنچ گئے۔ جوکہ بینک کی اینے ڈییازٹس کی لاگت کو موکز اورموزوں بنانے کے عزم کے تشکسل کی غمازی کرتے ہیں۔ ڈیپازٹس کی ترکیب میں یہ تبدیلی ڈیپازٹس کی وافعلی لاگت کو مم کرنے میں معاون ثابت ہوئی۔ جس کی شرح سال 2024ء کی کہلی ششاہی کی 10.76 فیصد کی سطح سے نمایاں کمی کے ساتھ 5.23 فیصد پردرج ہوئی۔ بینک نے اٹاشہات کی آمدنی کی شرح کو 1.80 فیصد اور سرمائے (ایکویٹی) کی آمدنی کی شرح کو 23.66 فیصد پررپورٹ کیا۔ جس کے ساتھ بک ویلیو فی حصص کی سطے 197.84رویے فی حصص رہی۔

ایم ہی بی نے ترسیات کے کاروبار میں اپنے قائدانہ اور کلیدی کردار کو جھاتے ہوئے سال 2025ء کی پہلی ششاہی کے دوران، 2,303 ملین امریکی ڈالرز کی گھریلو ترسیات کا اندراج کیا۔ جوکہ گزشتہ سال کے مقابلے میں 16.7 فیصد سےزائد کے حجم کو ظاہر کرتی ہیں۔ بینک، ملک جر میں باضابطہ ترسیلات زر کے چیلنجز اور مالی شمولیت کے فروغ کے لیے، اسٹیٹ بینک آف پاکستان کی جانب سے کی جانے والی کوششوں میں مدد اور تعاون کی فراہمی کے لیے ایک قابل ذکر کردار کا حامل ہے۔

بینک نے اپنے مرمائے کی ایک مضبوط یوزیش کو برقرار رکھا ہے، جس میں سرمائے کی معقولیت کی شرح (کیپیل ایڈ یکو یسی) 19.61 فیصد اور کیپیل ایڈ یکو ایسی ٹائر - (Capital Equity Tier -1) 1 کی شرح 15.26 فیصدرہی۔بیشرحیں اپنی ضوابطی حدوں سے نمایاں طور پر بلند ہیں۔ سیایت (کیکویڈیٹی بفرز) کی دستیابی بھی مضبوط سطح پر رہی جس میں کیکویڈیٹی کوریج کی شرح 260.71 فیصد اور نیٹ مطبیل (Net Stable) فنڈنگ کی شرح 155.73 فیصدیر رپورٹ کی گئی۔

بورڈنے، پہلے سے اداشدہ 90 فیصد کےیش ڈیوڈینڈ کےعلاوہ 9.00 روپے فی حصص کے دوسرے عبوری کیش ڈیوڈینڈکا اعلان کیاہے جس سے 30 جون 2025ء کو اختتام پذیرششاہی کے ليكل كيش ڈيوڈينڈ كي شرح 180 فيصد برجائينجي ہے۔

بیرونی دیاؤ اور خدشات کے باوجود، ایم ہی بینک اپنی وانشمندانہ رسک مینجمینٹ پریکشن ، مضبوط سرمائے و سالیت کے بفرز اور ڈیجیٹل ہیت سازی اور صارفین کی ضروریات پرمرکوز جدت طرازی کی بدولت طویل المدت نموکے حصول کے لیے ایک توانا پوزیش کے ساتھ متعدہ۔ بینک کی اپنی کاروباری صلاحیت کے اعلی معیار، لاگت کی موزونیت اور تمام شراکت داروں (اسٹیک ہولڈرز)کے لیے قدر میں کیساں اضافے کی سوچ پر مبنی حکمت عملی میں کوئی تبدیلی نہیں آئی۔

(10,666)

(10,666)

(24,063)

114,668

یا کتان کریٹٹ ریٹنگ ایجنی (یاکرا)نے اینے نوٹیفیشن مورخہ 23 جون 2025ء کے ذریعے، بینک کی طویل اور قلیل مدت کی ریٹنگ کو بالترتیب AAA (ٹریل اے) اور + 1 A (اےون پلس) پردوبارہ مقرر کیاہے۔

سال 2025ء کے دوران، عالمی معیشت کو درپیش فیرتینی می صورتحال میں اضافہ ہواہے۔ جس کے بنیادی عوامل میں فیرمشککم تجارتی یالیسوں اور جغرافیائی وسیاس تنازعات شامل ہیں۔ مارکٹوں نے ٹیرف کے اعلانات میں اتاروچڑھاؤ اور بڑھتے ہوئے تنازعات برشدید رقمل کا اظہار کیا ہے۔ اس برلتی صورتحال میں ٹیرف کے اجابک نفاذ اوراس کے بعد اس رفتار سے اس کی والیسی نے نمایاں کردار اداکیا ہے۔ مزید برآن، اس سے ناصرف طویل المدت منصوبہ سازی میں رکاوٹیں پیدا ہوئی ہیں بلکہ امریکہ میں مجوزہ فیکس اصلاحات سے انجرنےوالے مالیاتی خسارے میں اضافے کے بارے میں تخفظات کو بھی اجاگر کیا ہے۔ جس کے متیج میں سرماییکاروں نے اپنے اٹا شہاج کو تخفظ فراہم کرنے کے لیے محفوظ ذرائع جیسا کہ سونا اور بانڈز کو تیزی سے اختیار

سال 2025ء کی دوسری سہاہی اس اتارہ پڑھاوء کی صورتحال کی بہترین عکای کرتی ہے،جس کا آغاز ایکویٹی مارکیٹ میں تیز کی کے ساتھ ہوا تاہم اس کے بعد ٹیرف کے اقدامات میں قدرے تاخیراور نقطل کی بناءیر اس میں نہایت مضبوط بحالی دیکھی گئی۔ اجناس کی منڈیوں میں بھی یہی رجحان پایا گیا جس میں خام تیل کی قیمتوں میں تجارتی جنگ کے متوقع خطرے کے تناظر میں پہلے تو تیزی ہے کمی واقع ہوئی لیمن بعدازاں، جغرافیائی وسیاسی تنازعات کے ظہور پذیرہوتے ہی دوبارہ اپنی پچپلی روش کی جانب لوٹ گئیں۔ سونا، جس کی قیمتیں امریکہ اور چین کے مابین تجارتی ڈیل کے عارضی اعلانات کے باعث کمی کا شکار ہونے کے باوجود، ایک مضبوط کردار کا حامل رہا جوکسی بھی حالت میں ایک محفوظ سرماییکاری کا ذرایعہ شار ہوتا ہے۔ امریکی ڈالر انڈیکس میں سال 1973ءکے بعد کپلی بار اتنی خراب کارکردگی دیکھی گئی جوکہ امریکہ کے مالی استخام کے بارے خدشات، پلیک ڈیبٹ (حکوثتی قرضوں) میںاضافے اور فیڈرل ریزرو کی جانب سے ریٹ میں متوقع کوتی کے پیش نظر 11 فیصد کی فرسودگی کا شکار رہا۔ علاوہ ازیں، ڈالرئزیشن میں کی کی تحریک کے زور کپڑنے کی بدولت، خاص طور پر برکس (BRICS) ممالک میں جو ایک متحدہ علاقائی کرنی کی حلاش میں ہیں، نے ڈالرکی مارکیٹ پر گرفت کو مزید کمزورکر دیاہے۔

یا کتان کی معیشت نے بہتری اور استحکام کے اشاریے ظاہر کیئے ہیں۔ آئی ایم ایف کے جاری پروگراموں (EFF and RSF)، اور اس کےساتھ کریڈٹ ریڈنگ میں بہتری نے یالیسی کی ساتھ اور سرمایہ کاروں کے جذبات و اعتاد کو تقویت فراہم کی ہے جقیقی جی ڈی پی بڑھ کر 2.68 فیصد پہنچ گیا جبکہ افراط زر میں مسلسل کی ہو رہی ہے۔ افراط زر کے دباؤ میں آسانی کا تشکسل برقرار رہاجس کے باعث صارف قیمتوں کے جدول (کنزپومریرائس انڈیکس) مئی میں 3.5 فیصد کی شرح ہے، سال بیسال کی بنیادیر، کم ہوتے ہوئے جون تک 3.2 فیصد برجا پہنچا۔ مالی سال 2025ء کے لیے اوسط سی پی آئی (CPI) کی شرح 4.49 فیصدرہی جو اسٹیٹ بینک آف پاکستان کے تعین کردہ ہدف کی عین مطابقت میں ہے۔ اس کی کے بنیادی عوامل میں مثبت بیرونی صورتحال کا نمایاں کردار رہا جس میں عالمی اجناس کی قیمتوں میں تطہیر اور مجموعی طلب میں تنزلی شامل ہے۔ **MCB** Bank for Life

کارکردگی کا جائزه

حتى كيش دُيودُ يندُ 9 روي في حصص 31 رسمبر2024

پېلاعبورى كيش ڈيوڈيند 9 روپے في حصص 31 مارچ 2025

اختتامي غيرتخصيص شده منافع

ا سے میزانیہ (بیلنس شیٹ) کے دانشمندانہ انظام، بینکنگ کے بنیادی آپریشنر پڑھومی توجداورخدشات کے تدارک اورگورنس میں نظم وضبط کے عزم کا مظہر ہیں۔

رویے پر جا پینی ۔ بینک دیجیٹل بینکنگ میں حاصل کردہ رفزار سے مسلسل مستفید ہورہاہے جس میں کارڈ سے متعلقہ آرنی میں 18 فیصد کا اضافہ درج ہوا ہے۔

مضوطی برقرار رہی جس میں غیرفعال قرضوں کا حجم 52.3 بلین روپے رہا۔ انفیکشن کی شرح 7.42 فیصد اور کورتج کی شرح 91.71 فیصد کی سطح پر برقرار رہی۔

MCB Bank for Life

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF MCB BANK LIMITED

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of MCB Bank Limited ("the Bank") as at June 30, 2025 and the related unconsolidated condensed interim statement of profit and loss account, the unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim cash flow statement, and notes to the unconsolidated condensed interim financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of unconsolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Bank. Accordingly, the figures of the unconsolidated condensed interim statement of profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarters ended June 30, 2025 and June 30, 2024 have not been reviewed by us.

The engagement partner on the audit resulting in this independent auditor's report is **Hammad Ali Ahmad.**

Affrym &x.

A. F. Ferguson & Co. Chartered Accountants Lahore

Date: August 13, 2025

UDIN: RR202510092WZ7ciQlmk

MCB Bank Limited

Unconsolidated Condensed Interim Statement of Financial Position As At June 30, 2025



Audited

	Note	June 30, 2025	December 31, 2024	
		Rupees in '000		
ASSETS				
Cash and balances with treasury banks	7	213,719,535	168,507,615	
Balances with other banks	8	42,791,123	27,841,879	
Lendings to financial institutions	9	122,189,672	55,655,504	
Investments	10	2,073,083,427	1,167,452,611	
Advances	11	656,619,141	1,041,626,286	
Property and equipment	12	87,633,179	82,694,343	
Right-of-use assets	13	6,719,564	6,045,346	
Intangible assets	14	1,337,658	1,314,143	
Other assets	15	174,592,330	152,201,578	
Total Assets		3,378,685,629	2,703,339,305	
LIABILITIES				
Bills payable	17	17,509,578	41,827,458	
Borrowings	18	658,200,793	268,486,812	
Deposits and other accounts	19	2,235,472,054	1,922,211,999	
Lease liabilities	20	10,709,601	9,586,216	
Subordinated debt		-	-	
Deferred tax liabilities	21	28,333,056	16,637,759	
Other liabilities	22	140,413,435	174,329,721	
Total Liabilities		3,090,638,517	2,433,079,965	
NET ASSETS		288,047,112	270,259,340	
REPRESENTED BY		_		
Share capital		11,850,600	11,850,600	
Reserves	23	107,938,677	104,929,819	
Surplus on revaluation of assets	24	53,589,789	43,053,137	
Unappropriated profit	۷.	114,668,046	110,425,784	
enappropriated profit		288,047,112	270,259,340	
		200,011,112	21 0,200,010	

The annexed notes 1 to 43 form an integral part of these unconsolidated condensed interim financial statements.



CONTINGENCIES AND COMMITMENTS





25



Unaudited

Note





Unconsolidated Condensed Interim Statement of Profit and Loss Account (Un-Audited) For The Half Year Ended June 30, 2025

		Quarter Ended		Half Yea	Half Year Ended	
	Note	April 01 to June 30, 2025	April 01 to June 30, 2024 Rupees	January 01 to June 30, 2025	January 01 to June 30, 2024	
			(Restated)	in '000	(Restated)	
Mark-up / return / interest earned	27	74,305,021	94,948,692	144,144,631	184,735,704	
Mark-up / return / interest expensed	28	38,142,861	58,024,302	72,798,372	109,601,443	
Net mark-up / interest income		36,162,160	36,924,390	71,346,259	75,134,261	
NON MARK-UP / INTEREST INCOME						
Fee and commission income	29	4,561,702	5,226,530	9,833,067	11,312,883	
Dividend income		860,977	664,256	2,577,655	1,668,037	
Foreign exchange income		2,708,584	3,011,538	4,950,646	4,945,633	
Income from derivatives		1,402	777	2,282	1,174	
Gain / (loss) on securities - net	30	45,516	89,906	(140,883)	89,384	
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-	-	-	
Other income	31	135,952	138,541	298,866	238,210	
Total non-markup / interest Income		8,314,133	9,131,548	17,521,633	18,255,321	
Total income		44,476,293	46,055,938	88,867,892	93,389,582	
NON MARK-UP / INTEREST EXPENSES						
Operating expenses	32	16,848,273	14,614,249	33,818,399	28,673,364	
Workers Welfare Fund		575,267	603,506	1,161,321	1,254,339	
Other charges	33	88,290	88,863	158,443	239,757	
Total non-markup / interest expenses		17,511,830	15,306,618	35,138,163	30,167,460	
Profit before credit loss allowance		26,964,463	30,749,320	53,729,729	63,222,122	
Credit loss allowance and write offs - net	34	(1,798,914)	573,988	(4,336,326)	505,157	
PROFIT BEFORE TAXATION		28,763,377	30,175,332	58,066,055	62,716,965	
Taxation	35	15,269,544	14,794,428	30,760,351	30,780,743	
PROFIT AFTER TAXATION		13,493,833	15,380,904	27,305,704	31,936,222	
			Rupe	es		
Basic and diluted earnings per share	36	11.39	12.98	23.04	26.95	

The annexed notes 1 to 43 form an integral part of these unconsolidated condensed interim financial statements.











MCB Bank Limited



Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-Audited) For The Half Year Ended June 30, 2025

Quarter	r Ended	Half Yea	r Ended
April 01 to June 30, 2025	April 01 to June 30, 2024	January 01 to June 30, 2025	January 01 to June 30, 2024
	Rup	ees in '000	
13,493,833	15,380,904	27,305,704	31,936,222
			123,454
			3,359,469
11,439,930	3,859,034	10,443,099	3,482,923
(1,857,815)	1,916,320	172,698	2,011,852
(1,857,815)	1,916,320	172,698	2,011,852
23,075,948	21,156,258	37,921,501	37,430,997
	April 01 to June 30, 2025 13,493,833 232,791 11,207,139 11,439,930 (1,857,815) (1,857,815)	to June 30, 2025	April 01 to June 30, 2025

The annexed notes 1 to 43 form an integral part of these unconsolidated condensed interim financial statements







Bank for Life

Unconsolidated Condensed Interim Statement of Changes in Equity (Un-Audited) For The Half Year Ended June 30, 2025

Package Pack				Capital reserve			Revenue reserve	Surplus / (deficit) on revaluation of	on revaluation of		
1,150,000 1,15		Share capital	Share premium	Non-distributable capital reserve	Exchange translation reserve	Statutory reserve	General reserve	Investments	Property and equipment / non-banking assets	Unappro priated profit	Total
1,500,000 1,50						ednyRubee	000 ui s				
1500,000 1500,000		11,850,600	23,751,114	908,317	8,585,375	46,878,730		(11,938,715)	36,031,912	96,039,536	230,706,869
The column The								(5,119,484)		799,307	(4,320,177)
The control of the co		11,850,600	23,751,114	908,317	8,585,375	46,878,730	18,600,000	(17,058,199)	36,031,912	96,838,843	226,386,692
TO THE PROPERTY OF THE PROPERT					•					31,936,222	31,936,222
15 15 15 15 15 15 15 15	nts through FVOCI - net of tax				123,454			2,011,852			123,454
1,165,000 1,150,000 1,15	ts through FVUCI - net of tax				123,454			3,359,469			3,339,469
1,505,000 1,10						3,193,622				(3,193,622)	
1,500,000 1,15	uation								(72,834)	72,834	
THE STATE OF	ough FVOCI - net of tax							(181,502)	(13,222)	181,502	
11,500,000 11,000,000 11,	eloi lak								(777'01)	777	
TH \$50,000 (TH \$50,000) (TH \$50										(10,665,540)	(10,665,540)
11850500										(21,331,080)	(21,331,080)
THE THE PROPERTY OF THE PROPER		11,850,600	23,751,114	308,317	8,708,829	50,072,352	18,600,000	(11,868,380)	35,945,856	104,517,921	242,486,609
The column The	024									25,678,288	25,678,288
THE MET IN					974 970						024 930
Table Tabl	- net of tax				0/6,136				(212,382)		(212,382)
1, 150, 150 1, 150, 150, 150 1, 150, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150, 150, 150 1, 150	of lax								(20,063)	2.423.108	(20,063)
1,550,560 23,751,14 908,317 908,527 2,556,60 1,500,000,000 1,500,000,000 1,5000,000,000 1,5000,000 1,5000,000,000 1,5000	nts through FVOCI - net of tax	•		•			•	7,538,085			7,538,085
1,550,500 23,75,114 998,317 9,039,207 2,554,629 1,550,000 1,572,634 1,572,	is illought your - tiet of tax		.].	.].	321,378	.].		20,913,482	(232,445)	2.423.108	23,425,523
1,65,540 1,61,441		٠				2,567,829				(2,567,829)	
11,850,800 23,75,114 908,317 91,030,207 52,540,181 11,872,540 11,872,	uation										
11,550,500 22,751,14 908,317 9,030,207 52,540,161 16,500,000 7,422,521 35,520,516 110,423,794 (10,865,540) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (10,865,840) (1	D/OCI and office							(1 612 481)	(72,834)	72,834	
11,550,500 23,751,114 908,317 9100,207 52,540,181 11,695,621 11,695,521 11,695,6	Jugii ryooi- ilet oi tax								(20,061)	20,061	
1,500,500 23,75,114 908,317 9,008,207 52,540,161 15,600,000 7,425,61 35,501,516 110,423,794 11,500,500 1,197,351 11,500,500,500 11,500,											
1,650,500 23,751,114 983,317 9,033,207 52,540,161 16,500,000 7,425,51 35,50,516 110,423,794 11,650,500 1,673,794 1,673,794 11,650,500 1,673,794 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,650,500 1,673,794 11,673										(10,665,540)	(10,665,540)
1, 55, 55, 575, 114 98, 317 9, 109, 207 1, 10, 10, 10, 10, 10, 10, 10, 10, 10,										(21,331,080)	(21,331,080)
1,597,501 1,00,25,704 11,0,05,00 1,0,02,500 1,0,02,500 1,0,02,5,704 1,0,02,5,704 1,0,02,5,704 1,0,02,5,704 1,0,02,5,704 1,0,02,5,704 1,0,02,5,704 1,0,02,5,704 1,0,02,5,704 1,0,02,5,704 1,0,02,5,704 1,0,02,5,704 1,0,02,5,40 1,0,02,		11,850,600	23,751,114	908,317	9,030,207	52,640,181	18,600,000	7,432,621	35,620,516	110,425,784	270,259,340
1,550,500 2,275,114 96,317 9,00,207 1,500,000 8,00,927 3,5,50,516 110,425,704 110,425,704 110,425,704 110,425,704 110,425,704 110,425,704 110,425,704 110,425,704 110,425,704 110,425,704 11,550,500 12,30,114 96,314 96,314 11,550,500 12,30,114 96,317 11,550,500 11,55				٠				1,197,351			1,197,351
Trans. T		11,850,600	23,751,114	908,317	9,030,207	52,640,181	18,600,000	8,629,972	35,620,516	110,425,784	271,456,691
Track Trac										27,305,704	27,305,704
1,20,000 1	nts through FVOCI - net of tax				278,288			172.698			278,288
2730,570 (65.244) (65.244) (65.244) (65.244) (65.244) (65.244) (65.244) (65.244) (65.244) (65.244) (65.244) (65.244) (65.244) (67.245) (67	ts through FVOCI - net of tax	•			- 026			10,164,811			10,164,811
(66.244) (66.244) (66.244) (66.244) (67.347) (67.344)					00707	2,730,570		enr, 100,01		(2,730,570)	- 1010101
185060 185044 185060 1	uation										
11850 600 23.751.14 98.377 9.396.46 55.230.28 14.680.000 8.651.44 35.629.66 14.680.0	ough FVOCI - net of tax							(817,337)	(65,244)	65,244	
20.751.14 900.317 9.300.065 55.270.75 18.000.000 91.90.144 35.429.645 114.690.066	et of tax								(91,754)	91,754	
29.22.114 808.317 9.308.66 55.30.735 18.600.000 8.8.60.144 35.638.85 (2.0.505.06) (2.0.536.00)											
22/35/114 908,317 9,308,465 55,307,351 18,600,000 18,150,144 35,439,645 114,689,046										(10,665,540)	(10,665,540) (10,665,540)
23,751,114 908,317 9,308,485 55,370,751 18,600,000 18,150,144 35,439,645 114,688,046										(21,331,080)	(21,331,080)
		11,850,600	23,751,114	908,317	9,308,495	55,370,751	18,600,000	18,150,144	35,439,645	114,668,046	288,047,112

MCB Bank Limited

Unconsolidated Condensed Interim Cash Flow Statement (Un-Audited) For The Half Year Ended June 30, 2025

		Half Year	Ended
	Note	January 01 to	January 01 to
		June 30, 2025	June 30, 2024
		Rupees	
			(Restated)
CASH FLOW FROM OPERATING ACTIVITIES Profit before taxation		58,066,055	62,716,965
Less: Dividend income		(2,577,655)	(1,668,037
EGGS. BIVIDGITA INCOME		55,488,400	61,048,928
Adjustments:			
Net mark-up / interest income		(71,346,259)	(75,134,261
Depreciation on property and equipment	32	2,111,436	1,776,037
Depreciation on right-of-use assets	32 32	915,048	792,741
Depreciation on non-banking assets acquired in satisfaction of claims Amortization	32	8,221 284.610	9,338 288.690
Credit loss allowance and write offs - net	34	(4,336,326)	505,157
Gain on sale of property and equipment - net	31	(170,153)	(141,202
Finance charges on lease liability against right-of-use assets	28	893,922	715,614
Workers Welfare Fund		1,161,321	1,254,339
Reversal for defined benefit plans - net	0.4	(509,119)	(206,767
Gain on termination of lease liability against right-of-use assets Unrealized gain on revaluation of investments classified as FVTPL	31 30	(31,486) (110,721)	(27,046 (25,608
Officialized gailt off revaluation of investments classified as FVTPL	30	(71,129,506)	(70,192,968
		(15,641,106)	(9,144,040
Decrease / (increase) in operating assets		(,,	(-,,
Lendings to financial institutions		(66,535,823)	15,273,708
Securities classified as FVTPL		1,353,686	3,157,581
Advances		389,853,933	(38,059,847
Others assets (excluding advance taxation)		(12,820,191) 311,851,605	61,068,848 41,440,290
ncrease / (decrease) in operating liabilities		011,001,000	,,200
Bills Payable		(24,317,880)	(10,516,691
Borrowings from financial institutions		391,484,794	67,446,000
Deposits		313,260,055	188,566,508
Other liabilities (excluding current taxation)		5,192,324 685,619,293	(1,568,303 243,927,514
Mark-up / interest received		135,238,734	178,972,759
Mark-up / interest received		(107,731,636)	(107,818,275
Defined benefits paid		(136,884)	(154,929
Income tax paid		(37,558,368)	(41,099,696
Net cash flow from operating activities		971,641,638	306,123,623
CASH FLOW FROM INVESTING ACTIVITIES			
Net investment in securities classified as FVOCI		(879,580,428)	(224,138,437
Net (investment) / divestment in securities classified as amortized cost		(3,319,173)	330,528
Dividends received		2,568,140	1,673,893
Investments in property and equipment		(7,186,276) 310,270	(4,408,614 193,628
Proceeds from sale of property and equipment Investments in Intangible assets		(307,919)	(635,935
Proceeds from sale of non-banking assets acquired in satisfaction of claims		151,000	(000,900
Investment in subsidiary		-	(1,000,000
Effect of translation of net investment in foreign branches		278,288	123,454
Net cash flow used in investing activities		(887,086,098)	(227,861,483
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liability against right-of-use-assets		(1,346,884)	(1,174,585
Dividend paid		(21,141,820)	(21,171,482
Net cash flow used in financing activities		(22,488,704)	(22,346,067
Effects of credit loss allowance changes on cash and cash equivalents		(134,860)	(2,896
ncrease in cash and cash equivalents		61,931,976	55,913,177
Cash and cash equivalents at beginning of the period		191,153,150	205,217,154
Effects of exchange rate changes on cash and cash equivalents		1,456,047	(522,175
Opening expected credit loss allowance on cash and cash equivalents		(562,567)	(782,928
		192,046,630	203,912,051
Cash and cash equivalents at end of the period		253,978,606	259,825,228

The annexed notes 1 to 43 form an integral part of these unconsolidated condensed interim financial statements







Shahzad Hussain











Director

Muhammad Ali Zeb Director

Director

Muhammad Ali Zeb Director



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

1. STATUS AND NATURE OF BUSINESS

MCB Bank Limited (the 'Bank') is a banking company incorporated in Pakistan and is engaged in commercial banking and related services. The Bank's ordinary shares are listed on the Pakistan stock exchange. The Bank's Registered Office and Principal Office are situated at MCB - 15 Main Gulberg, Lahore. The Bank operates 1,395 branches (2024: 1,394 branches) within Pakistan and 9 branches (2024: 9 branches) outside Pakistan (including the Karachi Export Processing Zone branch).

2. BASIS OF PREPARATION

- 2.1 These unconsolidated condensed interim financial statements represent separate financial statements of MCB Bank Limited. The consolidated condensed interim financial statements of the Group are being issued separately.
- 2.2 In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate profit in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these unconsolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon.
- 2.3 The unconsolidated condensed interim financial statements are presented in Pak Rupees, which is the Bank's functional and presentation currency of its primary economic environment. The amounts are rounded off to the nearest thousand.
- 2.4 These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except that certain classes of property and equipment and non-banking assets acquired in satisfaction of claims are stated at revalued amounts; investments classified at fair value through profit and loss and fair value through other comprehensive income; foreign exchange contracts and derivative financial instruments are measured at fair value; defined benefit obligations are carried at present value; right of use of asset and related lease liability are measured at present value on initial recognition; and staff loans and subsidised loans / borrowings under Temporary Economic Refinance Facility (TERF) are measured at fair value on initial recognition.
- 2.5 The Bank believes that there is no significant doubt on the Bank's ability to continue as a going concern. Therefore, the unconsolidated condensed interim financial statements have been prepared on a going concern basis.

3. STATEMENT OF COMPLIANCE

- 3.1 These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
 - International Accounting Standard 34 "Interim Financial Reporting" and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act 2017:
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
 - Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP)

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IAS 34, IFRS or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

- 3.2 The State Bank of Pakistan has deferred the applicability of International Accounting Standards 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated August 26, 2002. The Securities and Exchange Commission of Pakistan (SECP) has deferred applicability of IFRS 7 "Financial Instruments: Disclosures" on banks through S.R.O 411(1) /2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.
- 3.3 IFRS 10 "Consolidated Financial Statements" was made applicable from period beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by SECP. However, SECP has directed through S.R.O 56(I) / 2016 dated January 28, 2016, that the requirements of consolidation under section 237 of the repealed Companies Ordinance 1984 (Section 228 of Companies Act 2017) and IFRS 10 "Consolidated Financial Statements" is not applicable in case of investment by companies in mutual funds established under Trust structure.
- 3.4 The disclosures made in these unconsolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular No. 02 of 2023 dated February 09, 2023 and IAS 34 "Interim Financial Reporting". These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual unconsolidated financial statements for the financial year ended December 31, 2024.

MCB Bank Limited



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

3.5 Standards, interpretations of and amendments to approved accounting standards that are effective in the current period

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 1, 2025 but are considered not to be relevant or do not have any material effect on the Bank's operations and therefore are not detailed in these unconsolidated condensed interim financial statements.

3.6 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following new standard and amendments to existing accounting standards will be effective from the dates mentioned below against the respective standard or amendment:

> Effective date (annual periods beginning on or after) January 01, 2026

Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments IFRS 18 – Presentation and Disclosure in Financial Statements

January 01, 2027

MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the audited annual unconsolidated financial statements of the Bank for the year ended December 31, 2024 except for change mentioned below.

4.1 IFRS 9 - Financial Instruments

4.1.1 Fair Valuation of unquoted equity securities

With effect from January 01, 2025, unquoted equity investments are valued at their fair value, in accordance with SBP's BPRD Circular Letter No. 16 dated July 29, 2024, which represents the price at which the investment could be sold in an orderly transaction between market participants at the measurement date. Previously, these were measured at the lower of cost and break up value derived on the basis of their latest available audited financial statements. The Bank has adopted this change retrospectively with date of initial application as January 01, 2025, which resulted in changes in accounting policies and adjustments to the carrying amounts of unquoted equity investments previously recognised in the financial statements. In terms of the transitional provisions of IFRS 9, adjustments to the carrying amounts at the date of transition were recognised in the opening reserves at the beginning of the current period without restating the comparative figures.

The following table reconciles the carrying amounts of unquoted equity securities under the previous accounting policy and their restated amounts on January 01, 2025.

	Carrying amount as at December 31, 2024	Fair valuation of unquoted equity securities	Carrying amount as at January 01, 2025
Investments in financial assets		Rupees in '000-	
FVOCI - Ordinary shares - Unquoted companies			
Cost	1,611,616	-	1,611,616
(Deficit) / Surplus	(207,082)	2,494,481	2,287,399
	1,404,534	2,494,481	3,899,015
Deferred tax asset / (liability)	107,683	(1,297,130)	(1,189,447)
Effect on net assets		1,197,351	
		<u> </u>	

Effect on net assets	1,197,351	
The impact of above on the surplus on revaluation of investments as at January 01, 2025 is as follow Surplus on revaluation of investments	/s:	Rupees in '000
Closing balance as at December 31, 2024 - Audited		7,432,621
Increase in the fair valuation of unquoted equity securities carried at FVOCI		2,494,481
Less: related deferred tax		(1,297,130)
		1,197,351
Opening balance as at January 01, 2025 - as restated		8,629,972



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

4.1.2 Fair Valuation of subsidised loans and borrowings

The Bank, in accordance with extended timelines prescribed in SBP's BPRD Circular Letter No. 16 dated July 29, 2024, and BPRD Circular Letter No. 01 dated January 22, 2025, had incorporated IFRS 9 requirements related to subsidised loans and borrowings in the last quarter of 2024. Therefore the unconsolidated condensed interim statement of profit and loss account (un-audited) for the half year ended June 30, 2024 has been restated to reflect the impact of these requirements. The details are tabulated below:

Head	Impact	Rupees in '000	Description
Made a feet of Change Income	l	4.070.004	les des de la constant de la constan
Mark-up / return / interest earned	Increase	1,278,694	Fair value impact of subsidised advances
Mark-up / return / interest earned	Increase	276,749	Fair value impact of staff loans
		1,555,443	
Mark-up / return / interest expensed	Increase	1,278,694	Fair value impact of subsidised borrowings
Operating expenses	Increase	276,749	Fair value impact of staff loans
		1,555,443	
Net Impact		-	

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these unconsolidated condensed interim financial statements are the same as that applied in the preparation of the unconsolidated financial statements for the year ended December 31, 2024 except for matters related to IFRS 9 which have been disclosed in note 4.1.1. to these unconsolidated condensed interim financial statements.

FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the unconsolidated

	Unaudited June 30, 2025	Audited December 31, 2024
CASH AND BALANCES WITH TREASURY BANKS	Rupee	s in '000
In hand		
Local currency	46,606,093	36,773,730
Foreign currencies	10,926,031	5,702,061
C	57,532,124	42,475,791
With State Bank of Pakistan in		
Local currency current account	89,993,402	88,510,145
Foreign currency current accounts	5,830,235	4,996,806
Foreign currency deposit account	8,493,242	8,178,869
With other central banks in	104,316,879	101,685,820
Foreign currency current accounts	18,828,822	20,199,247
With National Bank of Pakistan in		
Local currency current accounts	33,519,680	4,559,842
Prize bonds	117,600	139,503
Less: Credit loss allowance held against cash and balances with treasury banks	(595,570)	(552,588
Cash and balances with treasury banks - net of credit loss allowance	213,719,535	168,507,615
BALANCES WITH OTHER BANKS		
Inside Pakistan		
In current account	230,492	11,688
Outside Pakistan		
In current accounts	17,413,585	4,688,039
In deposit accounts	25,248,974	23,152,131
Less: Credit loss allowance held against balances with other banks	42,662,559 (101,928)	27,840,170 (9,979
Balances with other banks - net of credit loss allowance	42,791,123	27,841,879

MCB Bank Limited



Audited

Unaudited

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

	Note	June 30, 2025	December 31, 2024
		Rupee	s in '000
LENDINGS TO FINANCIAL INSTITUTIONS			
Call / clean money lendings		110,756,549	55,655,526
Repurchase agreement lendings (Reverse Repo)		11,434,800	-
		122,191,349	55,655,526
Less: Credit loss allowance held against lending to financial institutions	9.1	(1,677)	(22)
Lending to financial institutions - net of credit loss allowance		122,189,672	55,655,504

Note

		Unaudited	June 30, 2025	Audited Decer	nber 31, 2024
	•	Lending	Credit loss allowance held	Lending	Credit loss allowance held
			Rupees	s in '000	
1 Particulars of credit loss	allowance				
Domestic					
Performing	Stage 1	12,736,550	(1,677)	200,000	(22
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-		-
Total		12,736,550	(1,677)	200,000	(22
Overseas					
Performing	Stage 1	109,454,799	-	55,360,426	-
Under performing	Stage 2	-	-	95,100	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
Total		109 454 799		55 455 526	_



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

10.1 Investments by type: cost allowance	Surplus / (Deficit)	Carrying Value					
10.1 Investments by type: cost allowance	(Deficit)	Carrying Value					
FVTPL Federal Government Securities 984,184 -	100						
Federal Government Securities 984,184 -	Rupees in '000						
		221 121					
	- 0.054	984,184					
	6,251	9,243,822					
Shares and units 2,573,014 -	104,470	2,677,484					
12,794,769	110,721	12,905,490					
FVOCI	25.042.050	4.005.000.055					
Federal Government Securities 1,901,188,591 (368,595)	25,013,659	1,925,833,655					
Shares 44,693,705 -	12,775,035	57,468,740					
Foreign Securities 41,280,766 - 1,987,163,062 (368,595)	24,104 37.812.798	41,304,870 2,024,607,265					
Amortised Cost (500,555)	37,012,730	2,024,007,203					
Federal Government Securities 16,098,234 (367,715)		15,730,519					
Provincial Government Securities 118 (118)	_	_					
Non Government Debt Securities 1,278,436 (476,178)	_	802,258					
Foreign securities 378,480 (9,223)	_	369,257					
17,755,268 (853,234)	-	16,902,034					
Associates 700,401 -	_	700,401					
Subsidiaries 17,968,237 -	_	17,968,237					
Total Investments 2,036,381,737 (1,221,829)	37,923,519	2,073,083,427					
Audited Decembe		2,0.0,000,12.					
	Surplus /						
	(Deficit)	Carrying Value					
Rupee's in 'C	000						
FVTPL	000						
Federal Government Securities 2,621,794 -	-	2,621,794					
Non Government Debt Securities 9,838,181 -	(31,052)	9,807,129					
Shares and units 1,470,023 -	249,509	1,719,532					
13,929,998	218,457	14,148,455					
FVOCI							
Federal Government Securities 1,010,039,782 (425,777)	3,822,524	1,013,436,529					
Shares 37,871,512 -	11,623,556	49,495,068					
Foreign Securities 58,082,509 -	38,551	58,121,060					
1,105,993,803 (425,777)	15,484,631	1,121,052,657					
Amortised Cost		40 700 470					
Federal Government Securities 12,917,566 (215,096)	-	12,702,470					
Provincial Government Securities 118 (118)	-	- 000 004					
Non Government Debt Securities		880,391 13,582,861					
, and the second	-						
Associates 700,401 -	-	700,401					
Subsidiaries 17,968,237 -	-	17,968,237					
Total Investments 1,152,870,483 (1,120,960)	15,703,088	1,167,452,611					
· · · · · · · · · · · · · · · · · · ·	Unaudited	Audited					
10.1.1 Investments given as collateral	ine 30, 2025	December 31,					
		2024					
	Rupe	es in '000					
- Market Treasury Bills	8,581,779	18,468,908					
- Pakistan Investment Bonds	567,385,234	160,686,611					
	575,967,013	179,155,519					
10.2 Credit loss allowance for diminution in value of investments							
Opening balance	1,120,960	11,179,534					
Reversal of impairment charged against equity instruments through FVOCI on adoption of IFRS 9	1,120,000	(10,026,787)					
Impact of ECL on debt securities on adoption of IFRS 9	-	4,304					
Exchange adjustments	7,861	(7,972)					
Charge / (reversals)	00 ====						
	96,799	305					
Charge for the period / year		1.18 1.14					
Charge for the period / year Reversals for the period / year	(3,791)	(28,424)					
	93,008	(28,119) 1,120,960					

MCB Bank Limited



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

		Unaudited June 30, 2025		Audited December 31, 2024	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
		umount		in '000	
3 Particulars of credit loss allowance against debt securities					
Domestic					
Performing	Stage 1	1,908,020,404	2,287	1,020,131,094	4,609
Under performing	Stage 2	542,839	-	1,850,070	-
Non-performing	Stage 3				
Substandard		-	-	-	
Doubtful		-	-	-	-
Loss		474,009	474,009	475,478	475,478
		474,009	474,009	475,478	475,478
		1,909,037,252	476,296	1,022,456,642	480,087
Overseas					
Performing	Stage 1	49,197,727	9,223	63,417,054	-
Under performing	Stage 2	12,211,401	736,310	8,986,614	640,873
Non-performing	Stage 3	-	-		-
		61,409,128	745,533	72,403,668	640,873
Total		1,970,446,380	1,221,829	1,094,860,310	1,120,960

	Non performing		Ctage 2		.2,2,	700,010	0,000,011	0.0,0.0
	Non-performing		Stage 3		61,409,128	745,533	72,403,668	640,873
	Total				1,970,446,380	1,221,829	1,094,860,310	1,120,960
.4	Summarized financial information of associates and	subsidiaries		-				
					Unaudited J	une 30, 2025		
		Country of incorporation	% of interest held	Revenue	Profit / (loss) after tax	Total comprehensive income / (loss)	Assets	Liabilities
	Associates				Rupees	in '000		
	Euronet Pakistan (Private) Limited (unaudited based on June 30, 2025)	Pakistan	30.00%	1,046,473	137,772	137,772	2,964,148	2,545,673
	Adamjee Insurance Company Limited (unaudited based on March 31, 2025)	Pakistan	20.00%	17,545,274	1,487,452	1,422,658	227,616,003	183,590,486
	Subsidiaries							
	MCB Islamic Bank Limited (unaudited based on June 30, 2025)	Pakistan	100.00%	15,677,078	1,048,243	656,440	314,861,475	288,259,029
	MCB Investment Management Limited (audited based on June 30, 2025)	Pakistan	81.42%	4,450,794	1,758,371	1,758,371	5,023,564	1,743,181
	MCB Non-Bank Credit Organization Closed Joint Stock Company (unaudited based on June 30, 2025)	Azerbaijan	99.94%	523,912	90,468	90,468	6,235,741	4,697,498
	MCB Exchange Company (Private) Limited	,						
	(unaudited based on June 30, 2025)	Pakistan	100.00%	38,563	(7,667)	(7,667)	1,121,884	86,254
					Audited Dece			
		Country of incorporation	% of interest held	Revenue	Profit / (loss) after tax	Total comprehensive income / (loss)	Assets	Liabilities
	Associates				Rupees	in '000		
	Euronet Pakistan (Private) Limited (unaudited based on December 31, 2024)	Pakistan	30.00%	1,910,127	321,344	334,085	2,279,467	1,925,074
	Adamjee Insurance Company Limited (unaudited based on September 30, 2024)	Pakistan	20.00%	38,034,803	•	7,154,122	207,980,763	170,141,927
		rakisiaii	20.00%	30,034,003	3,339,630	1,134,122	201,900,103	170,141,927
	Subsidiaries MCB Islamic Bank Limited							
	(audited based on December 31, 2024)	Pakistan	100.00%	45,874,654	4,238,672	4,820,477	307,343,628	281,397,622
	MCB Investment Management Limited (audited based on June 30, 2024)	Pakistan	81.42%	1,841,338	861,302	861,302	3,267,731	1,313,719
	MCB Non-Bank Credit Organization Closed Joint Stock Company (audited based on December 31, 2024)	Azerbaijan	99.94%	845,219	273,005	273,005	5,580,419	4,160,146
	MCB Exchange Company (Private) Limited (audited based on December 31, 2024)	Pakistan	100.00%	19,300	11,025	11,025	1,113,739	68,032

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited)

For The Half Year Ended June 30, 2025

	Note	June 30, 2025	December 31,	June 30, 2025	December 31, 2024	June 30, 2025	Ď
			1707	Rupee	Rupee s in '000	•	l
ning finances, etc.		625,550,021	1,012,943,705	51,783,652	52,781,005	677,333,673	_
chased		26,735,414	28,327,243	496,012	770,213	27,231,426	
		652,285,435	1,041,270,948	52,279,664	53,551,218	704,565,099	
ainst advances	11.3						
		(1,939,485)	(2,400,994)			(1,939,485)	
		(530,518)	(845,982)	•		(530,518)	
		•	•	(40,476,516)	(41,492,020)	(40,476,516)	
ion		(4,999,439)	(8,456,884)	•	•	(4,999,439)	
		(7,469,442)	(11,703,860)	(40,476,516)	(41,492,020)	(47,945,958)	
loss allowance		644,815,993	1,029,567,088	11,803,148	12,059,198	656,619,141	_
						:	
						Unaudited	ć
						June 30, 2025	Š
dvances (gross)						Rupees in '0	s in '0
						594,719,421	
cies						109,845,678	
						704,565,099	1
					-		

	Note	Unaudited Ju	ne 30, 2025	Audited
Category of Classification		Non Performing Credit loss Loans allowance	Credit loss allowance	Non Performi Loans
			Rupee s in '000	in '000
Domestic				
Other Assets Especially Mentioned (OAEM)	11.2.1	1,479,991	748,952	1,431,7
Substandard		1,413,653	747,986	510,2
Doubtful		409,231	213,905	2,279,2
Loss		34,487,076	33,554,960	35,068,6
		37,789,951	35,265,803	39,289,
Overseas				

MCB Bank Limited



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

11.3 Particulars of credit loss allowance against advances

		Una	udited June 30	2025			Audi	ted December 3	1, 2024	
	Exp	ected Credit Lo	oss	General	Total	Ехр	ected Credit Los	ss	General	Total
	Stage 1	Stage 2	Stage 3	General	Total	Stage 1	Stage 2	Stage 3	General	Total
					Ru	pees in '000				
Opening balance	2,400,994	845,982	41,492,020	8,456,884	53,195,880	-	-	41,937,130	2,624,303	44,561,433
Impact of ECL on adoption of IFRS 9	-	-	-	-	-	1,856,822	898,536	1,592,047	1,785,938	6,133,343
Exchange adjustments	1,000	-	86,303	-	87,303	64,427	-	(8,568)	-	55,859
Charge for the period / year	665,531	173,201	1,972,473	-	2,811,205	1,115,853	563,636	4,238,357	4,046,643	9,964,489
Reversal for the period / year	(1,128,040)	(488,665)	(2,452,855)	(3,457,445)	(7,527,005)	(636,108)	(616,190)	(3,954,485)	-	(5,206,783)
	(462,509)	(315,464)	(480,382)	(3,457,445)	(4,715,800)	479,745	(52,554)	283,872	4,046,643	4,757,706
Amounts written off	-	-	(56,225)	-	(56,225)	-	-	(1,120,526)	-	(1,120,526)
Amounts charged off	-	-	(565,200)	-	(565,200)	-	-	(1,191,935)	-	(1,191,935)
Closing balance	1,939,485	530,518	40,476,516	4,999,439	47,945,958	2,400,994	845,982	41,492,020	8,456,884	53,195,880

11.3.1 An analysis of changes in credit loss allowance in relation to loans & advances of the Bank is as follows

		Una	udited June 30,	2025			Audi	ted December 31	1, 2024	
	Exp	ected Credit Lo	oss	General	Total	Exp	ected Credit Lo	ss	0	Total
	Stage 1	Stage 2	Stage 3	General	iotai	Stage 1	Stage 2	Stage 3	General	lotai
					Rupe	es in '000				
Opening balance	2,400,994	845,982	41,492,020	8,456,884	53,195,880	-	-	41,937,130	2,624,303	44,561,433
Impact of ECL on adoption of IFRS 9	-	-	-	-	-	1,856,822	898,536	1,592,047	1,785,938	6,133,343
Opening balance after adoption of										
IFRS 9	2,400,994	845,982	41,492,020	8,456,884	53,195,880	1,856,822	898,536	43,529,177	4,410,241	50,694,776
Exchange adjustments	1,000	-	86,303	-	87,303	64,427	-	(8,568)	-	55,859
New Advances	154,045	37,921	53,377	210,997	456,340	304,693	217,927	92,724	1,149,557	1,764,901
Advances derecognized or repaid	(76,687)	(25,277)	(836,771)	(225,232)	(1,163,967)	(122,979)	(115,448)	(959,238)	(789,959)	(1,987,624
Transfer to stage 1	348,038	(327,446)	(20,592)	(575,290)	(575,290)	312,041	(306,889)	(5,152)	(590,925)	(590,925
Transfer to stage 2	(8,875)	75,714	(66,839)	263,694	263,694	(28,325)	117,148	(88,823)	291,604	291,604
Transfer to stage 3	(4,359)	(34,479)	38,838	(2,010)	(2,010)	(11,396)	(54,411)	65,807	(147,230)	(147,230
	412,162	(273,567)	(831,987)	(327,841)	(1,021,233)	454,034	(141,673)	(894,682)	(86,953)	(669,274
Amounts written off	-	-	(56,225)	-	(56,225)	-	-	(1,120,526)	-	(1,120,526
Amounts charged off	-	-	(565,200)	-	(565,200)	-	-	(1,191,935)	-	(1,191,935
Changes in risk parameters	(874,671)	(41,897)	351,605	(3,129,604)	(3,694,567)	25,711	89,119	1,178,554	4,133,596	5,426,980
Closing balance	1,939,485	530,518	40,476,516	4,999,439	47,945,958	2,400,994	845,982	41,492,020	8,456,884	53,195,880

			Unaudited J	une 30, 2025	Audited Dece	ember 31, 2024
			Outstanding amount	Credit loss allowance Held	Outstanding amount	Credit loss allowance Held
	Outs were of Olera (Franklan			Rupe	es in '000	
1.3.2	Category of Classification					
	Domestic					
	Performing	Stage 1	589,367,982	1,692,957	973,808,984	2,150,169
	Under performing	Stage 2	17,177,454	260,552	21,563,674	433,719
	Non-performing	Stage 3				
	Other Assets Especially Mentioned		1,479,991	748,952	1,431,702	687,259
	Substandard		1,413,653	747,986	510,274	286,404
	Doubtful		409,231	213,905	2,279,272	1,147,921
	Loss		34,487,076	33,554,960	35,068,633	34,211,855
			37,789,951	35,265,803	39,289,881	36,333,439
	General Provision		-	4,799,044	-	8,232,386
			644,335,387	42,018,356	1,034,662,539	47,149,713
	Overseas					
	Performing	Stage 1	39,252,756	246,528	35,183,207	250,825
	Under performing	Stage 2	6,487,243	269,966	10,715,083	412,263
	Non-performing	Stage 3				
	Substandard		454,411	229,197	461,349	220,855
	Doubtful		373,561	188,417	429,388	214,694
	Loss		13,661,741	4,793,099	13,370,600	4,723,032
			14,489,713	5,210,713	14,261,337	5,158,581
	General Provision		-	200,395		224,498
			60,229,712	5,927,602	60,159,627	6,046,167
	Total		704,565,099	47,945,958	1,094,822,166	53,195,880
.3.3		January 27, 2009, BSD Circular No. 10 dated October 20, 2009, BSD Circular No.				

October 21, 2011 has allowed benefit of Forced Sale Value (FSV) of Plant & Machinery under charge, pledged stock and mortgaged residential, commercial & industrial properties (land and building only) held as collateral against Non Performing Loans (NPLs) for five years from the date of classification. However, management has not taken the FSV benefit in calculation of specific provision.

MCB Bank for Life

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

					Note	Unaudited June 30, 2025	Audited December 31, 2024
12.	PROPERTY AND EQUIPMENT					Rupee	s in '000
	Capital work-in-progress				12.1	7,905,624	4,300,760
	Property and equipment					79,727,555	78,393,583
						87,633,179	82,694,343
12.1	Capital work-in-progress						
	Civil works					3,508,951	2,558,070
	Equipment					18,981	56,108
	Advance payment - Suppliers and Property Acquis	ition				4,351,718	1,685,317
	Others					25,974	1,265
						7,905,624	4,300,760
						Unaudited Half	Unaudited Half
						year ended	year ended
						June 30, 2025	June 30, 2024
12.2	Additions to property and equipment					Rupee	s in '000
	The following additions have been made to propert		t during the p	period:			
	Capital work-in-progress - net of transferred out for	capitalization				3,604,864	1,150,828
	Property and equipment					440.202	407.022
	Building on freehold land					418,393	197,832
	Building on leasehold land Freehold land					106,213 894,934	2,185
	Leasehold land					9,055	-
	Electrical office and computer equipment					1,011,228	2,174,913
	Furniture and fixture					133,434	168,086
	Leasehold Improvements					550,845	367,094
	Vehicles					457,310	347,676
	Verilloide					3,581,412	3,257,786
						7,186,276	4,408,614
12.3	Disposal of property and equipment						
	The net book value of property and equipment disp	osed off during t	he period is	as follows:			
	Freehold land					92,039	13,240
	Vehicles					36,102	25,445
	Furniture and fixture					820	636
	Electrical office and computer equipment					8,497	13,105
	Building on freehold land					2,659	
						140,117	52,426
						Unaudited	Audited
					Note	June 30, 2025	December 31,
13.	RIGHT-OF-USE ASSETS					Rupee	2024 s in '000
	Right-of-use assets				13.1	6,719,564	6,045,346
		Unaud	ited June 30	0. 2025	Audi	ted December 31	. 2024
		Buildings	Others	Total	Buildings	Others	Total
				Rup	ees in '000		
13.1		40 444 074		40 444 074	44 457 405		44 457 405
	Cost	12,441,274	-	12,441,274	11,457,135	-	11,457,135
	Accumulated depreciation	(6,395,928)	-	(6,395,928)	(5,579,270)	-	(5,579,270)
	Net carrying amount at January 01,	6,045,346		6,045,346	5,877,865	-	5,877,865
	Additions / adjustments during the period / year	1,617,267	-	1,617,267	1,952,331	-	1,952,331
	Deletions during the period / year	(37,100)	-	(37,100)	(101,228)	-	(101,228)
	Exchange adjustments Depreciation charge for the period / year	9,099	-	9,099	11,644	-	11,644
	Closing net carrying amount	(915,048) 6,719,564	<u> </u>	(915,048) 6,719,564	(1,695,266) 6,045,346	<u> </u>	(1,695,266) 6,045,346
	S.SSig not carrying amount	0,1 10,007		0,1 10,004	0,0 10,010		5,075,040

MCB Bank Limited



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

ror	I ne H	lalf Year Ended June 30, 2025			Dank for Life
			Note	Unaudited June 30, 2025	Audited December 31, 2024
44	INITANI	CIRLE ACCETO		Rupee	es in '000
14.		GIBLE ASSETS		700 227	040.000
		iter software		766,337	918,862
	Capitai	work-in-progress		571,321	395,281
				1,337,658	1,314,143
				Unaudited Half year ended June 30, 2025	Unaudited Half year ended June 30, 2024
	14.1	Additions to intensible assets		Rupe	es in '000
		Additions to intangible assets			
		lowing additions have been made to intangible assets during the period:		424.070	040.005
	-	uter software		131,879	818,665
	Capitai	work-in-progress - net of transferred out for capitalization		176,040	- 040.005
				307,919	818,665
				Unaudited June 30, 2025	Audited December 31, 2024
				Rupe	es in '000
		RASSETS			
		e / mark-up accrued in local currency		60,410,312	53,058,018
		e / mark-up accrued in foreign currencies		1,071,687	904,108
		ces, deposits, advance rent and other prepayments		18,004,710	9,440,982
		anking assets acquired in satisfaction of claims		1,271,350	1,380,837
		adjustment account		54,974	-
		o market gain on forward foreign exchange contracts		678,026	1,588,049
		o market gain on forward contracts of government securities		-	2,096,975
		ized gain on derivative financial instruments	20	389,244	157,610
	Accept		22	35,376,278	34,343,175
		able from the pension fund		14,129,987	13,336,849
		ng and settlement accounts ed cost on staff loans		35,557,824	25,743,659
				6,739,097 615,950	6,112,869 598,183
	Others	receivable against fraud and forgeries		3,401,809	6,489,863
	Others			177,701,248	155,251,177
	Less. (Credit loss allowance held against other assets	15.1	3,620,325	3,610,740
		Assets net of credit loss allowance		174,080,923	151,640,437
		s on revaluation of non-banking assets		,,,,,,,,	, ,
	•	uired in satisfaction of claims	24	511,407	561,141
		Assets - total		174,592,330	152,201,578
	15.1	Credit loss allowance held against other assets			
		Non banking assets acquired in satisfaction of claims		40,091	40,091
		Claims receivable against fraud and forgeries		615,950	598,183
		Mark-up accrued		65,012	99,361
		Others		2,899,272	2,873,105
				3,620,325	3,610,740



Audited December

31, 2024

40,524,304 15,598,591 2,121,916 25,839,999 176,755

4,567 84,266,132 179,227,580

DEPOSITS AND OTHER ACCOUNTS

19

263,493,712

527,950

162,286

4,993,100

268,486,812

4,302,864

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

Unaudited **Audited December** June 30, 2025 31, 2024

Unaudited

June 30, 2025

651,087,155

3,000,000

2,532,052

1,419,300

162,286

7,113,638

658,200,793

-----Rupees in '000-----

---Rupees in '000-----

15 1 1	Movement in	credit loss	allowance held	against other asset	9
13.1.1	MOACHIETIT III	CIEUIL 1033	and wante neru	against other asset	3

Opening balance	3,610,740	3,370,145
Impact of ECL on adoption of IFRS 9	-	123,113
	40.704	100.000
Charge for the period / year	18,791	193,068
Reversal for the period / year	(35,348)	(58,447)
	(16,557)	134,621
Amounts written off	-	(521)
Exchange and other adjustments	26,142	(16,618)
Closing balance	3,620,325	3,610,740

16. CONTINGENT ASSETS

There were no contingent assets of the Bank as at June 30, 2025 (2024: Nil).

47	DILLE	PAYABLE
17.	DILLO	PATABLE

In Pakistan	17,425,200	41,801,315
Outside Pakistan	84,378	26,143
	17,509,578	41,827,458

18. BORROWINGS

Secured		
Borrowings from State Bank of Pakistan		
Under export refinance scheme	33,183,215	
Under long term financing facility	13,631,637	
Under renewable energy performance platform	1,919,344	
Under temporary economic refinance facility	24,120,320	
Under financing facility for storage of agricultural produce	148,926	
Under refinance and credit guarantee scheme		
for Women Entrepreneurs	3,790	
	73,007,232	
Repurchase agreement borrowings	578,079,923	

Total secured

Unsecured

Call borrowings

Overdrawn nostro accounts

Borrowings from other financial institutions

Others

Total unsecured

MCB Bank Limited

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited)

	In Local currency	In Foreign currencies	Total	In Local currency	In Foreign currencies	Total	tes To
stomers			Rupee s in '000	in '000			o Th Half
rent deposits	826,261,926	253,485,459	1,079,747,385	689,868,538	196,127,089	885,995,627	ie U Yea
rings deposits	924,868,165	30,851,594	955,719,759	866,812,045	35,204,745	902,016,790	n r E
m deposits	24,415,398	22,668,555	47,083,953	25,872,766	18,399,616	44,272,382	on nde
ers	93,313,826	5,050,464	98,364,290	34,080,636	4,216,067	38,296,703	sol d J
ancial Institutions	1,868,859,315	312,056,072	2,180,915,387	1,616,633,985	253,947,517	1,870,581,502	une
rent deposits	19,126,051	2,704,797	21,830,848	16,246,174	3,400,370	19,646,544	ted 30,
ings deposits	22,618,060	784,683	23,402,743	22,331,061	730,511	23,061,572	202
m deposits	404,968	8,831,339	9,236,307	424,968	8,412,163	8,837,131	on 25
lers	•	86,769	86,769	•	85,250	85,250	dei
	42,149,079	12,407,588	54,556,667	39,002,203	12,628,294	51,630,497	1se
	1,911,008,394	324,463,660	2,235,472,054	1,655,636,188	266,575,811	1,922,211,999	a 1
				Note	Unaudited Audited D June 30, 2025 31, 2	Audited December 31, 2024	nterim
ASE LIABILITIES							Fin
se Liabilities				20.1	10,709,601	9,586,216	anc
	o e	Unaudited June 30, 2025		Aud	Audited December 31, 2024	24	iai
	Buildings	Others	Total	Buildings	Others	Total	Sta
				in '000			itei
.1 At January 1,	9,586,216	,	9,586,216	8,686,003	•	8,686,003	me
Additions / adjustments during the period / year	1,617,267	•	1,617,267	1,952,331		1,952,331	nts
Lease payments including interest	(1,346,884)	•	(1,346,884)	(2,452,883)	•	(2,452,883)	(L
Finance charges	893,922	•	893,922	1,567,504	•	1,567,504	∫ n-
Deletions during the period / year	(68,586)	•	(68,586)	(179,938)		(179,938)	·Αι
Exchange adjustments	27,666	-	27,666	13,199		13,199	ıdi
Closing Balance	10,709,601		10,709,601	9,586,216		9,586,216	ted
.2 Liabilities Outstanding)
Not later than one year	1,231,098	•	1,231,098	1,138,973	•	1,138,973	
Later than one year and upto five years	4,572,187	•	4,572,187	4,186,092	•	4,186,092	Ban
Over five years	4,906,316		4,906,316	4,261,151		4,261,151	k fo
Total at the period / year end	10.709.601		10,709,601	9.586.216	,	9.586.216	ır l

Bank for Life

3,681,236 291,793 4,115,762 6,935,161 8,052,010 705,218

23,781,180

(7,143,421)16,637,759

Audited

December 31,

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

Audited Unaudited December 31, Note June 30, 2025 2024 -----Rupees in '000----

35,525,114

(2,326,930)(4.865.128)

28,333,056

Unaudited

21. DEFERRED TAX LIABILITIES - NET

Т	axab	le T	empora	ry I	Differen	ces	on	
---	------	------	--------	------	----------	-----	----	--

- Surplus on revaluation of property and equipment	3,609,758	
- Surplus on revaluation of non-banking assets	265,932	
- Accelerated tax depreciation	3,933,959	
- Receivable from pension fund	7,347,593	
- Surplus on revaluation of investments	19,662,654	
- Business combination	705,218	

Deductible Temporary Differences on

LCGSCS (IIC	ι)		
0	-11	 £	

- Credit	oss	allowance	against	financial	assets

22	OTI	HER	LIABIL	ITIES
~~.	\sim 1.1		LIADIL	-1115

Loacos (not)

		June 30, 2025	December 31, 2024
		Rupee	es in '000
OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		1,679,991	37,547,920
Mark-up / return / interest payable in foreign currencies		404,633	512,636
Unearned commission and income on bills discounted		3,026,248	2,630,291
Accrued expenses		7,582,340	9,300,306
Current taxation (provisions less payments)		6,585,320	12,546,312
Workers Welfare Fund	22.1	17,340,306	16,178,985
Acceptances	15	35,376,278	34,343,175
Unclaimed / dividends payable		2,935,684	2,746,424
Mark to market loss on forward foreign exchange contracts		320,477	912,461
Unrealised loss on derivative financial instruments		389,244	157,610
Branch adjustment account		-	129,455
Provision for employees' compensated absences		1,299,710	1,249,500
Provision for post retirement medical benefits		2,270,382	2,169,019
Provision for employees' contributory benevolent scheme		138,110	142,549
Insurance payable against consumer assets		29,691	30,428
Unclaimed balances		409,613	395,575
Duties and taxes payable		3,107,927	2,712,028
Credit loss allowance against off-balance sheet obligations	22.2	1,751,057	1,459,096
Security deposits against lease		3,993,892	3,075,992
Clearing and settlement accounts		42,679,340	38,081,228
Others		9,093,192	8,008,731
		140,413,435	174,329,721

22.1 The Supreme Court of Pakistan vide its order dated November 10, 2016 has held that the amendments made in the law introduced by the Federal Government for the levy of Workers Welfare Fund were not lawful. The Federal Board of Revenue has filed review petitions against this order which are currently pending.

Legal advice obtained on the matter indicates that consequent to filing of these review petitions the judgment may not currently be treated as conclusive. Accordingly, the Bank maintained its provision in respect of WWF.

MCB Bank Limited



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

22.2 An analysis of changes in credit loss allowance against off-balance sheet obligations is as follows:

	Note	Unaudited June 30, 2025	Audited December 31, 2024
		Rupee	s in '000
Opening balance		1,459,096	78,807
Impact of ECL on adoption of IFRS 9		-	1,595,511
Exchange adjustment		(5,535)	1,606
Charge for the period / year		643,191	286,777
Reversal for the period / year		(345,695)	(503,605)
		297,496	(216,828)
Closing balance		1,751,057	1,459,096
23. RESERVES			
Share premium		23,751,114	23,751,114
Non - distributable capital reserve - gain on bargain purchase option	23.1	908,317	908,317
Exchange translation reserve		9,308,495	9,030,207
Statutory reserve	23.2	55,370,751	52,640,181
General reserve		18,600,000	18,600,000
		107,938,677	104,929,819

- 23.1 Under IFRS 3 a bargain purchase represents an economic gain which should be immediately recognized by the acquirer as income. However, the amount of bargain purchase gain has not been taken to the profit and loss account as the SBP, through its letter BPRD(R&PD)/2017/14330 dated June 13, 2017 recommended that the amount of gain may be routed directly into equity as a Nondistributable Capital Reserve (NCR). The NCR may become available for distribution through a stock dividend only with prior approval of the SBP. The Bank, before distribution of the gain as a stock dividend, may adjust any subsequent provisions / deficit, assessed by the Bank or recommended by the Banking Inspection Department of SBP, in the acquired assets and liabilities of NIB Bank Limited
- 23.2 Statutory reserve represents amount set aside as per the requirements of section 21 of the Banking Companies Ordinance, 1962.

	Note	Unaudited June 30, 2025	Audited December 31, 2024
24. SURPLUS ON REVALUATION OF ASSETS		Rupee	s in '000
Surplus / (deficit) on revaluation of			
- Securities measured at FVOCI - Debt securities	10.1	25,037,763	3,861,075
- Securities measured at FVOCI - Equity securities	10.1	12,775,035	11,623,556
- Property and equipment		38,803,928	39,032,404
- Non-banking assets acquired in satisfaction of claims	15	511,407	561,141
		77,128,133	55,078,176
Deferred tax on (surplus) / deficit on revaluation of:			
- Securities measured at FVOCI - Debt securities	21	(13,019,637)	(2,007,760)
- Securities measured at FVOCI - Equity securities	21	(6,643,017)	(6,044,250)
- Property and equipment	21	(3,609,758)	(3,681,236)
- Non-banking assets acquired in satisfaction of claims	21	(265,932)	(291,793)
		(23,538,344)	(12,025,039)
		53,589,789	43,053,137

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

			Note	Unaudited June 30, 2025	Audited December 31, 2024
25	CONT	NGENCIES AND COMMITMENTS		Rupee	s in '000
23.					
	-Guara		25.1	279,329,722	245,965,320
		itments	25.2	526,966,234	735,379,420
	-Other	contingent liabilities	25.3	26,432,779	28,432,693
				832,728,735	1,009,777,433
	25.1	Guarantees:			
		Financial guarantees		185,059,995	151,784,648
		Performance guarantees		91,391,351	91,752,480
		Other guarantees		2,878,376	2,428,192
				279,329,722	245,965,320
	25.2	Commitments:			
		Documentary credits and short-term trade-related transactions			
		- letters of credit		326,941,855	261,162,111
		Commitments in respect of:			
		- forward foreign exchange contracts	25.2.1	180,759,062	157,415,286
		- forward government securities transactions	25.2.2	-	301,115,690
		- derivatives (notional)	25.2.3	16,004,834	12,927,274
		Commitments for acquisition of:			
		- property and equipment		2,682,812	2,164,870
		- intangible assets		577,671	594,189
				526,966,234	735,379,420
	25.2.1	Commitments in respect of forward foreign exchange contract	ts		<u> </u>
		Purchase		83,069,121	71,498,197
		Sale		97,689,941	85,917,089
				180,759,062	157,415,286
	25.2.2	Commitments in respect of forward government securities tra	nsactions		
		Purchase		-	301,115,690
		Sale		-	-
				-	301,115,690
	25.2.3	Commitments in respect of derivatives			
		FX options (notional)			
		Purchase		8,002,417	6,463,637
		Sale		8,002,417	6,463,637
				16,004,834	12,927,274
				16,004,834	12,927,274

^{25.2.4} The Bank makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

MCB Bank Limited



2024

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

Audited Unaudited December 31, June 30, 2025

-----Rupees in '000------

25.3 Other contingent liabilities

Claims against the Bank not acknowledged as debts

26,432,779 25.3.1

28,432,693

25.3.1 These mainly represent counter claims by borrowers for damages and other claims relating to banking transactions. Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these unconsolidated condensed interim financial statements.

25.4 Taxation

For assessment year 1999-2000 through tax year 2024, the tax department disputed Bank's treatment on certain issues, where the Bank's appeals are pending at various appellate forums, entailing an additional tax liability of Rs. 6,193.410 million (2024: Rs. 2,632.390 million). Such issues inter alia principally include disallowance of expenses for non-deduction of withholding tax and non availability of underlying records, provision for non performing loans, attribution of expenses to heads of income other than income from business and disallowance of credit for taxes paid in advance / deducted at source.

The Bank has filed appeals which are pending at various appellate forums. In addition, certain decisions made in favour of the Bank are being contested by the department at higher forums. No provision has been made in these unconsolidated condensed interim financial statements regarding the aforesaid additional tax demand and already issued favourable decisions where the department is in appeal, as the management is of the view that the issues will be decided in the Bank's favour as and when these are taken up by the Appellate Authorities.

25.5 Amortization of goodwill and other intangibles amounting to Rs 28.08 billion of Ex. NIB

Issue of goodwill and other related assets amortization for few years has been assessed in Bank's favour at appellate forums, however, the tax department has filed appeal against these decisions. The management has not recorded any tax benefit because the

26. DERIVATIVE INSTRUMENTS

			Unaudited	June 30, 2025		
	Cross Cu	rrency Swaps	Interest I	Rate Swaps	FX O	ptions
	Notional Principal	Mark to market gain / loss	Notional Principal	Mark to market gain / loss	Notional Principal	Mark to market gain / loss
	-		Rupe	e s in '000		
Total						
Hedging	-	-	-	-	8,002,417	389,244
Market Making	-	-	-	-	8,002,417	(389,244)
			Audited De	cember 31, 2024		
	-		Rupe	e s in '000		
Total		-,		,		
Hedging	-	-	-	-	6,463,637	157,610
Market Making	-		-]	6,463,637	(157,610)



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

			Note	Unaudited Half year ended June 30, 2025	Unaudited Half year ended June 30, 2024
				Rupee	
27.	MAPK.	-UP / RETURN / INTEREST EARNED			(Restated)
21.		and advances		42 102 100	EE 126 207
	Investn			43,192,198 98,088,734	55,136,387 123,779,640
		gs to financial institutions		2,176,760	4,659,761
		es with banks		686,939	1,159,916
				144,144,631	184,735,704
	27.1	Interest income recognised on:			
		Financial assets measured at amortised cost		46,668,770	61,122,436
		Financial assets measured at FVOCI		94,655,277	121,947,700
		Financial assets measured at FVTPL		2,820,584	1,665,568
				144,144,631	184,735,704
28.	MARK-	-UP / RETURN / INTEREST EXPENSED			
	Deposi	ts		49,253,765	91,925,351
	Borrow	•		22,533,790	14,933,893
	Cost of	foreign currency swaps against			
		foreign currency deposits / borrowings		116,895	2,026,585
	Finance	e charges on lease liability against right-of-use assets		893,922 72,798,372	715,614 109,601,443
				12,190,312	109,601,443
				Unaudited Half	Unaudited Half
				year ended June 30, 2025	year ended June 30, 2024
				Rupee:	•
29.	FEE &	COMMISSION INCOME		Kupee	3 111 000
	Branch	banking customer fees		2,289,173	1,998,696
		mer finance related fees		382,801	327,025
		elated fees (debit and credit cards)		4,430,783	3,740,721
		related fees		320,239	465,524
		nent banking fee		60,671	75,820
		ssion on trade ssion on guarantees		1,550,028 353,293	1,866,848 673,490
		ssion on cash management		542,084	524,300
		ssion on remittances including home remittances		(1,247,627)	799,987
		ssion on bancassurance		515,193	356,685
	Rent or	n lockers		136,613	114,821
		ssion on utility bills		48,627	48,715
		ssion on investments services		349,605	220,541
	Others			101,584	99,710
30.	GAIN /	(LOSS) ON SECURITIES		9,833,067	11,312,883
30.	Realise		30.1	(251,604)	63,776
		sed - Measured at FVTPL	10.1	110,721	25,608
				(140,883)	89,384
	30.1	Realised (loss) / gain on:			
		Federal Government Securities		(164,258)	62,242
		Non Government Debt Securities		31,075	6,521
		Shares		(118,421)	(4,987)
				(251,604)	63,776
	30.2	Realised (loss) / gain on:			
		Financial assets measured at FVTPL			-
		Designated upon initial recognition		(270,637)	41,051
		Mandatorily measured at FVTPL		(270,637)	41,051
		Financial assets measured at FVOCI		19,033	22,725
		asa. abboto modulou act vooi		19,033	22,725
2				(251,604)	63,776

MCB Bank Limited



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

	Unaudited Half year ended June 30, 2025	Unaudited Half year ended June 30, 2024
31. OTHER INCOME	Rupee	s in '000
Rent on property	97,227	69,962
Gain on termination of lease liability against right of use assets	31,486	27,046
Gain on sale of property and equipment - net	170,153	141,202
	298,866	238,210
	Unaudited Half year ended June 30, 2025	Unaudited Half year ended June 30, 2024
	Rupee	s in '000
32. OPERATING EXPENSES		(Restated)
Total compensation expense	15,009,720	12,958,164
Property expense	10,000,120	12,000,104
Rent and taxes	157,989	133,149
Insurance	13,715	13,083
Utilities cost	1,032,739	1,093,539
Fuel expense generators	406,427	481,409
Security (including guards)	1,158,380	1,040,980
Repair and maintenance (including janitorial charges)	630,819	580,298
Depreciation on right-of-use assets	915,048	792,741
Depreciation	608,264	524,962
·	4,923,381	4,660,161
Information technology expenses		
Software maintenance	1,138,940	874,428
Hardware maintenance	182,531	159,897
Depreciation	750,382	605,468
Amortization	284,610	288,690
Network charges	320,475	310,559
Insurance	5,943 2,682,881	3,467 2,242,509
Other operating expenses	2,002,001	2,242,509
Directors' fees and allowances	30,520	22,420
Legal and professional charges	236,977	223,856
Outsourced services costs	595,287	506,794
Travelling and conveyance	304,015	291,894
NIFT clearing charges	137,884	107,035
Depreciation	752,790	645,607
Depreciation on non-banking assets acquired in satisfaction of claims	8,221	9,338
Training and development	50,308	33,743
Postage and courier charges	152,887	152,630
Communication	1,288,423	933,873
Stationery and printing	556,374	609,949
Marketing, advertisement & publicity	1,916,319	608,779
Donations Auditorial account and the control of the	-	10,100
Auditors' remuneration	46,275	43,414 621.584
Cash transportation charges Repair and maintenance	575,721 422,510	380,467
Subscription	19,193	19,449
Entertainment	222,235	180,386
Remittance charges	153,826	119,279
Brokerage expenses	27,324	28,409
Card related expenses	1,924,149	1,671,125
CNIC verification charges	156,122	197,446
Insurance	1,285,729	1,153,021
Others	339,328	241,932
	11,202,417	8,812,530
	33,818,399	28,673,364



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

		Note	Unaudited Half year ended June 30, 2025	Unaudited Half year ended June 30, 2024
			Rupee	s in '000
33.	OTHER CHARGES			
	Penalties of State Bank of Pakistan		17,575	61,584
	VAT & National Building tax & Crop Insurance Levy		78,668	129,373
	Education cess		62,200	48,800
			158,443	239,757
34.	CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET			
•	Credit loss allowance against balance with other banks		91,878	2,297
	Credit loss allowance against balance with other banks Credit loss allowance against cash and balances with treasury banks		42,982	599
	Credit loss allowance / (reversal) for diminution in value of investments	10.2	93,008	(59,196)
	(Reversal) / credit loss allowance against loans and advances	11.3	(4,715,800)	987,260
	Credit loss allowance / (reversal) against lendings to financial institutions	11.5	1,655	(18,639)
	Credit loss allowance / (reversal) against endings to infantial institutions Credit loss allowance / (reversal) against off balance sheet items		297,496	(269,515)
	Reversal of credit loss allowance against other assets	15.1.1	(16,557)	(44,702)
	Recovery of written off / charged off bad debts	13.1.1	(130,988)	(92,947)
	recovery of written on / charged on bad debts		(4,336,326)	505,157
35.	TAXATION		(4,000,020)	500,107
	Current		28,500,704	31,333,955
	Prior years		2,174,994	-
	Deferred		84,653	(553,212)
			30,760,351	30,780,743
36.	BASIC AND DILUTED EARNINGS PER SHARE			
00.	BAGIO AND DIEGIED EARNINGO I EN GIJAKE		Rupees	in '000
	Profit after tax		27,305,704	31,936,222
			Nun	nber
	Weighted average number of ordinary shares		1,185,060,006	1,185,060,006
			Rup	oees
	Basic and diluted earnings per share		23.04	26.95

MCB Bank Limited



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

37. FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as amortised cost, is based on quoted market price. Quoted debt securities classified as amortised cost are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiary, is determined on the basis of valuation methodologies.

Fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments.

In the opinion of the management, the fair value of the remaining financial assets and financial liabilities are not significantly different from their carrying values since these are either short-term in nature or, in the case of customer loans and deposits, are frequently repriced.

37.1 Fair value of financial assets

The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities. Financial instruments included in Level 1 comprise of investments in listed ordinary shares.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Financial instruments included in Level 2 comprise of Sukuk Bonds, Pakistan Investment Bonds, Market Treasury Bills, Mutual Fund units, Term Finance certificates, FX options, Cross Currency Swaps, Interest Rate Swaps and Forward Exchange Contracts.
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs). Financial instruments included in Level 3 comprise of investments in unquoted equity investments.

37.2 Fair value of non-financial assets

Certain categories of property and equipment (land and buildings) and non banking assets acquired in satisfaction of claims are carried at revalued amounts determined by professional valuers based on their assessment of the market values. The valuations are conducted by the valuation experts appointed by the Bank which are also on the panel of the State Bank of Pakistan.

37.3 The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

measurement is categorised:					
		Una	udited June 30, 20)25	
	Carrying / Notional Value	Level 1	Level 2	Level 3	Total
			Rupee s in '000-		
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	1,926,817,839	_	1,926,817,839	_	1,926,817,839
Shares and units	60,146,224	55,469,333	188,101	4,488,790	60,146,224
Non-Government Debt Securities	9,243,822	-	9,243,822	· · ·	9,243,822
Foreign Securities	41,304,870	-	41,304,870	-	41,304,870
Financial assets - disclosed but not					
measured at fair value					
Investments (amortized cost, subsidiaries and associates)	35,570,672	-	-	-	-
Non - Financial Assets measured at fair value					
Property and equipment (land and buildings)	65,842,926	_	65,842,926	_	65,842,926
Non-banking assets	1,742,666	-	1,742,666	-	1,742,666
Off-balance sheet financial					
instruments - measured at fair value					
Forward purchase of foreign exchange	83,069,121	-	317,314	-	317,314
Forward sale of foreign exchange	97,689,941	-	40,235	-	40,235
Derivatives purchase	8,002,417	_	389,244	_	389,244
Derivatives sale	8,002,417	_	389,244	_	389,244
	.,,				,



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

Audited December 31, 2024

		Audit	ted December 31, 2	2024	
	Carrying / Notional Value	Level 1	Level 2 Rupee s in '000-	Level 3	Total
On balance sheet financial instruments			Rupee's in 000-		
Financial assets - measured at fair value					
Investments					
Federal Government Securities	1,016,058,323	-	1,016,058,323	-	1,016,058,323
Shares and units	49,810,066	49,708,452	101,614	-	49,810,066
Non-Government Debt Securities	9,807,129	-	9,807,129	-	9,807,129
Foreign Securities	58,121,060	-	58,121,060	-	58,121,060
Financial assets - disclosed but not measured at fair value					
Investments (amortized cost, unquoted ordinary shares, subsidiaries and associates)	33,656,033	_	-	_	_
Non - Financial Assets measured at fair value					
Property and equipment (land and buildings)	64,861,626	_	64,861,626	_	64,861,626
Non-banking assets	1,901,887	-	1,901,887	-	1,901,887
Off-balance sheet financial instruments - measured at fair value					
Forward purchase of foreign exchange	71,498,197	-	726,974	_	726,974
Forward sale of foreign exchange	85,917,089	-	1,402,562	_	1,402,562
Forward purchase of government securities	301,115,690	-	2,096,975	-	2,096,975
Derivatives purchase	6,463,637		157,610		157,610
Derivatives purchase Derivatives sale	6,463,637	-	157,610	-	157,610
Derivatives sale	0,403,037	-	107,010	-	101,010

- 37.4 The Bank's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred. There were no transfers between Levels 1 and 2 during the period.
- 37.5 Valuation techniques used in determination of fair valuation of financial instruments within Level 2 and Level 3

Item	Valuation approach and input used
Federal Government securities	The fair values of Treasury Bills and fixed rate Pakistan Investments Bonds are determined using the PKRV rates while floating rate Pakistan Investments Bonds are revalued using PKFRV rates. The fair values of foreign currency denominated GoP Eurobonds are determined on the basis of rates taken from Bloomberg.
Term Finance and Bonds	Investments in debt securities (comprising term finance certificates, sukuks, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Foreign Government Debt Securities	The fair values of Foreign Government debt securities are determined on the basis of rates taken from Bloomberg.
Foreign exchange contracts	The valuation has been determined by interpolating the mark-to-market currency rates announced by the State Bank of Pakistan.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currency involved, interest rates, yield curves, volatilities, contracts duration etc.
Unquoted equity investments	The fair value of unquoted equity investments is determined using the discounted cash flow (DCF) method, based on the investee company's projected cash flows. In cases where such projections are not available, the Bank estimates fair value as the lower of the investment's cost or its break-up value.
Mutual Funds	Units of mutual funds are valued using the Net Asset Value (NAV) announced by the Mutual Funds Association of Pakistan (MUFAP).

MCB Bank Limited



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

Item	Valuation approach and input used
Property and equipment (land and building) & Non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using valuation experts. The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical, comparable or similar properties. These values are adjusted to reflect the current condition of the properties. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty accordingly a qualitative disclosure of sensitivity has not been presented in these unconsolidated condensed interim financial statements.

The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements of investment in unquoted equity securities.

Description	Valuation technique	Unobservable inputs*	Discount rate	Relationship of unobservable inputs to fair value
	DCF method	Discount rate	20.13%	Increase / decrease discount rate by 1% with all other variables held constant, would decrease / increase the fair value by Rs. 317.402 million and Rs 375.459 million respectively.
Unquoted equity investments	DCF method	Terminal growth rate	4% - 11%	Increase / decrease in terminal growth factor rate by 1% with all other variables held constant, would increase / decrease the fair value by Rs. 270.358 million and Rs. 229.017 million respectively.

^{*} There were no significant inter-relationships between unobservable inputs that materially affect fair values.

The following table shows reconciliation of investments Level 3 fair value movement:

	Unaudited June 30, 2025	Audited December 31, 2024
	Rupees	in '000
Opening balance	3,899,015	1,404,534
Impact of fair valuation on adoption of IFRS 9	-	2,494,481
Opening balance as at January 01, 2025 - Restated	3,899,015	3,899,015
Remeasurement recognised in OCI	589,775	
Closing balance	4,488,790	3,899,015

Eliminations

Sub-total

Others

International Banking --Rupæs in '000---

Treasury

Retail Banking

Statement of Profit & Loss Net mark-up / return / profit

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025 256,510,658 2,073,083,427 122,189,672 644,815,993 35,138,163 (4,336,326) 71,346,259 35,138,163 11,803,148 88,867,892 Total

35,138,163 (4,336,326)

8,089,356 (4,781,833)

1,597,767 (455,690)

421,292 (264,300)

2,412,910 (332,802)

1,425,536

21,191,302

Credit loss allowance and write

Profit before tax

nter segment expense allo

Segment direct expenses

35,138,163

8,089,356

1,597,767

421,292

2,412,910

1,425,536

21,191,302

88,867,892

5,298,468

5,132,893

11,199,724

8,402,458

3,069,701

55,764,648

(144,424) 1,191,931

(69,485,662) 3,974,897

28,711,070 (23,706,131) 3,397,519



196,965,670 3,090,638,517 288,047,112 3,378,685,629

196,965,670 5,125,387,906 288,047,112 5,413,435,018

127,878,830 127,878,830 288,047,112

832,728,735

832,728,735

29,850,478

14,633,243

196,763,896

469,419,447

122,061,671

Contingencies and Com

otal Equity and liabil

658,200,793 2,235,472,054

(2,034,749,389)

2,088,741 238,613,817 33,537,711 5,260,897 279,501,166

2,928,507 1,591,901,723

6,333,934

16,831,174 1,917,783,651

40,009,543

Net inter segment born

Fotal liabilities

582,942,534

38,988

2,343,517

70,787,013 98,249,277 369,300,412

658,200,793 2,235,472,054 2,034,749,389

-(2,034,749,389)

2,034,749,389

107,732 324,781,388

122,189,672 644,815,993

-(4,999,439) 1,224,987

109,454,799 45,223,505 9,279,000

505,905,613 701,362

42,538,192 142,121

-56,148,122 455,678

Lendings to financial institutions

- non performing

Net inter segment lending

Cash & Bank balances

1,709,968,001

12,734,873

270,282,731 5,413,435,018

3,482,686 279,501,166

59,125,806 576,069,030

11,803,148

256,510,658 2,073,083,427

Unaudited June 30, 2025 375 51,117,550 964 60,943,626

114,521,075 2,002,029,064

333,244 10,003,005

121,520

90,417,269

MCB Bank Limited



				Unaudited F	Unaudited Half Year ended June 30, 2024	e 30, 2024			Ī	No Fo
	Retail Banking	Consumer banking	Corporate Banking	Treasury	International Banking	Others	Sub-total	Eliminations	Total	otes T r The
Statement of Profit & Loss Account					Rupes in '000					Γο Τ Hal
Net mark-up / return / profit - Restated	(73,724,440)	1,954,320	30,429,233	112,369,046	4,106,102		75,134,261		75,134,261	he f Ye
Inter segment revenue - net	142,335,047	(229,060)	(24,855,552)	(126,620,726)	(212,637)	9,912,928				Un ar E
Non mark-up / return / interest income	6,631,477	1,291,080	5,584,822	4,171,664	1,106,193	(529,915)	18,255,321		18,255,321	coi End
Total Income	75,242,084	2,686,340	11,158,503	(10,080,016)	4,999,658	9,383,013	93,389,582		93,389,582	nsolic ed Ju
Segment direct expenses - Restated	18,904,948	1,200,831	951,255	359,366	1,380,125	7,370,935	30,167,460	•	30,167,460	
Inter segment expense allocation							•	,		1 C
Total expenses	18,904,948	1,200,831	951,255	359,366	1,380,125	7,370,935	30,167,460		30,167,460	
Credit loss allowance and write offs - net	835,405	456,263	933,273	(24,281)	49,665	(1,745,168)	505,157		505,157	der
Profit before tax	55,501,731	1,029,246	9,273,975	(10,415,101)	3,569,868	3,757,246	62,716,965		62,716,965	isec
Statement of Financial Position				Audi	Audited December 31, 2024	024				l In
Cash & Bank balances	46,364,878	112,551	201,339	104,117,273	45,563,659	(10,206)	196,349,494		196,349,494	teri
Investments	•		10,671,310	1,084,998,962	71,479,168	303,171	1,167,452,611		1,167,452,611	m]
Net inter segment lending	1,540,925,947					306,652,585	1,847,578,532	(1,847,578,532)		Fin
Lendings to financial institutions	•			199,978	55,455,526		55,655,504		55,655,504	and
Advances - performing / underperforming	61,051,389	36,075,897	895,659,616		45,235,202	(8,455,016)	1,029,567,088		1,029,567,088	cial
- non performing	221,802	129,398	936,180		9,102,756	1,669,062	12,059,198	•	12,059,198	St
Others	61,358,291	3,648,516	56,430,997	36,583,876	4,169,533	80,064,197	242,255,410		242,255,410	ate
Total Assets	1,709,922,307	39,966,362	963,899,442	1,225,900,089	231,005,844	380,223,793	4,550,917,837	(1,847,578,532)	2,703,339,305	me
Borrowings	4,811,563	42,145	79,574,711	183,036,102	1,022,291		268,486,812		268,486,812	nts
Deposits and other accounts	1,627,321,691		109,698,501		185,184,270	7,537	1,922,211,999		1,922,211,999	(U
Net inter segment borrowing	•	33,742,698	739,981,530	1,042,577,045	31,277,259		1,847,578,532	(1,847,578,532)		n-A
Others	77,789,053	6,181,519	34,644,700	286,942	13,522,024	109,956,916	242,381,154		242,381,154	Aud
Total liabilities	1,709,922,307	39,966,362	963,899,442	1,225,900,089	231,005,844	109,964,453	4,280,658,497	(1,847,578,532)	2,433,079,965	lite
Equity	,					270,259,340	270,259,340		270,259,340	ed)
Total Equity and liabilities	1,709,922,307	39,966,362	963,899,442	1,225,900,089	231,005,844	380,223,793	4,550,917,837	(1,847,578,532)	2,703,339,305	
Contingencies and Commitments	77,434,778		416,240,574	471,458,250	13,340,003	31,303,828	1,009,777,433		1,009,777,433	Ba
Transactions between reportable segments are based on an appropriate transfer pricing mechanism using agreed rates. Furthermore, segment assets and liabilities include inter segment balances. Costs which are not allocated to	ased on an appropriate	transfer pricing mech	anism using agree	d rates. Furthermore	e, segment assets a	nd liabilities include	inter segment balar	nces. Costs which a	e not allocated to	1(

Transactions between reportable segments are based on an appropriate transfer pricing mechanism using agreed rates. Furth segments are included in the Head office. Income taxes are managed at bank level and are not allocated to operating segments. 38.2

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The segment analysis with respect to business activity is as follows: ent details with respect to business activities

The Banks enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in rand and accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended

d	June 30	0, 202	5										CIICS	(UII	-	uu	100	u)		Ban	k for l	_if
	Other Related Parties						•		249,253			249,253			1,509,280	4,911,914	(1,132,390)	•	5,288,804	(9,864)		544 045
, 2024	Associates			•	•			,	700,401			700,401							•			000 20
Audited December 31, 2024	Subsidiaries			000'000'6	76,600,000	(85,600,000)			16,968,237	1,000,000		17,968,237			581,933	32,121	•		614,054	(1,248)		
Andit	Key Management Personnel	-		•	•	•						•	•		339,386	111,052	(108,796)	26,415	368,057	(12,374)		
	Directors	(00)	(000)	•	•		٠			•	•	•		368,057 614,054 - 5,288,804 1,436 339,386 581,933 - 20,414 1,384,704 33,104 111,052 32,121 -	(13,833)		20,707	(747)				
	Other Related Parties		saadnu l	•	•	•	•		249,253	•	•	249,253			5,288,804	1,384,704	(4,861,553)	•	1,811,955	(7,477)		
, 2025	Associates			•	•	-	•		700,401		•	700,401			•	•	•	•	•	•		270.0
Unaudited June 30, 2025	Subsidiaries			•	86,094,838	(84,793,089)	1,301,749	(171)	17,968,237	•	•	17,968,237			614,054		(46,239)		567,815	(158)		
5	Key Management Personnel			•	•					•	•				368,057	20,414	(33,727)	(132,695)	222,049	(1,529)		
	Directors			•		•	•	,		r		•			20,707	4,349	(8,214)	•	16,842	(160)		
	<u> </u>	J																			II	

Credit loss allowance held against lending to financial institutions*

Opening balance Addition during the period / year Lendings to Financial Instituti

Repaid during the period / yea

Closing balance

Investments
Opening balance
Investment made during the period / year
Investment disposed off during the period / year
Closing balance

Credit loss allowance for diminution in value of inv

Credit loss allowance against advances*

Repaid / exchange a Transfer in / (out)

MCB Bank Limited

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited)



0	r The H	alf	Ye	ar	En	ıde	d J	Jun	e 30,	2025	ue	1150	eu	111	tel IIII	T.	1111	inc	ıal	State	111	CIII	is (UII-A	uuill	eu)		
	Other Related Parties			64,558	26,329	13,336,850	•	13,427,737	(86)		•	•	•	•	10,033,148	225,529,950	(227,616,705)	373,223	8,319,616	114,516	32.760		147,276	10,086	4,111,927	1,846,504		5 058 / 3/
31, 2024	Associates				470,036			470,036	•		٠	•			8,321,464	75,020,811	(74,163,605)	•	9,178,670	171,862	92.360		264,222	476		8,734,277		8 73A 977
Audited December 31, 2024	Subsidiaries			7,188	88,594			95,782	(16)		71,914	4,474,959	(4,513,148)	33,725	102,012	46,786,972	(45,949,690)		939,294	7,122	38.452	20,000	65,574	245		178,575		179 F7F
And	Key Management Personnel			3,924				3,924	(104)						200,484	2,661,377	(2,658,593)	298	204,135	2,403			2,403					
	Directors	-(Rpees in '000)		•	•	•	•	•	•			•	•		3,034,686	6,929,977	(9,815,845)	(1,035)	147,783	1,342			1,342	,		•		
	Other Related Parties	(Rpees		18,133	25,785	14,129,987	•	14,173,905	(94)		•	•	•	•	8,319,616	96,630,930	(95,324,084)	(48,408)	9,578,054	11,187	210	•	11,397	14,897	7,539,032	2,469,229	•	10 00 261
), 2025	Associates			•	547,615	•		547,615					•		9,178,670	39,175,581	(39,318,256)		9,035,995	16,936	49.427		66,363	848		8,898,078	-	8 808 078
Unaudited June 30, 2025	Subsidiaries			47,430	110,107	•	249	157,786	(2)		33,725	1,551,566	(1,539,996)	45,295	939,294	22,857,793	(22,803,605)		993,482		35.601	20,000	55,601	192		136,109	1,419,213	1 555 222
_	Key Management Personnel			3,307			•	3,307	(41)		٠		•		204,135	1,214,444	(1,118,078)	(16,439)	284,062					,				
	Directors			718				718	(13)		•			-	147,783	.983,286	,855,504)		275,565	1,629		•	1,629				-	

Contingencies and Cor Letter of Credit

Received during the period / year Withdrawn during the period / year Transfer in / (out) - net ettled during the period / yea Closing balance

Credit loss allowance against off-balar

MCB Bank for Life

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

		_	Unaudited June 30, 2025	, 2025			η	Unaudited June 30, 2024	2024	
	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties
			=		(Offici accaud)	יטטטיי				
Псоте					sandru)	(2001)				
Markup / retum / interest eamed	337	8,609	220,058	•	63,399	•	11,861	406,308	•	56,002
Fee and commission income	٠	•	197,858	656,492	11,939	-	•	128,965	455,633	14,697
Dividend income	•	•	205,173	105,000	102,584	•	•	205,173	105,000	59,325
Net gain / (loss) on foreign exchange contracts matured during the period	•	•	•	•	27,353	•	•	•	•	71,635
Net gain / (loss) on sale of securities	•	£	•	2,192	(413)	7	92	91	•	1,036
Gain on sale of property and equipment	•	142	•	•	•	99	88		•	•
Rent income	•	•	777,67	5,981	2,618	,	•	43,849	5,474	3,122
Expense										
Markup / return / interest expensed	6,982	6,910	44,232	189,219	337,914	36,223	6,399	77,983	312,532	1,050,870
Other Operating expenses										
Clearing expenses paid to NIFT	•	•	•	•	137,884	•	•	•	•	107,035
Contribution to provident fund	•	•	٠	•	350,214	•		•	•	306,337
Rent expenses	•	•	•	46,108	31,513	•		•	41,193	29,154
Cash sorting expenses	•	•	•	•	72,012	•			•	64,090
Stationery expenses	•	•	•	•	242,513	•	•	•	•	235,272
Security guards expenses	'	•	•	•	2,914	•	•	•	•	2,578
Remuneration to key executives and non-executive directors fee	93,623	628,626	•	•	•	144,481	708,092	•	•	•
Outsourcing service expenses	•	•	•	72,190	•	•	•	•	67,032	•
E-dividend processing fee and CDC charges	'	•	•	•	7,634	•	•	•	•	3,460
Travelling Expenses	•	•	•	•	62,372	•		•	•	64,881
Hotel stay expenses	•	•	•	•	4,036	•			•	13,669
Repair & Maintenance Charges	•	•	•	•	3,380	•		•	•	2,280
Utility expenses	'	•	•	•	710	•	•	•	•	1,327
Miscellaneous expenses and payments	•	•	•	•	3,762	•	•	•	•	2,509
Insurance premium-net of refund	•	•	•	599,904	•	•			368,726	•
Insurance claim settled	•	•	•	26,111	•	•	•	•	61,331	•
Other Transactions										
Proceeds from sale of property and equipment	•	142	•	•	•	34	88		•	•
Sale of foreign currency	•	•	13,972,147	•	•	•		824,104	•	•
Purchase of foreign currency	•	•	14,670,425	•	•	•	•	1,519,104	•	•
Payments against home remittances	•	•	2,798,058	•	•	•	•	2,205,160	•	'
Reimbursement of other expenses	•	•	74,094	•	•	•	•	43,757	•	'
Sale of government securities	'	45,951	•	10,890,789	2,639,568	73,455	77,326	160,611	5,543,426	20,505,635
Purchase of government securities	•	70,307	•	1,385,322	318,795	•	58,877	•	4,003,603	16,192,249
Forward exchange contracts matured during the period	•	•	•	•	3,844,874	•			•	6,442,102

MCB Bank Limited

Total Required Stable Funding

Net Stable Funding Ratio



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

Unaudited Audited
June 30, 2025 December 31,
2024

		Julie 30, 2023	2024
40	CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS	Rupees	s in '000
40.	1 Capital Adequacy		
	Minimum Capital Requirement (MCR):		
	Paid-up capital (net of losses)	11,850,600	11,850,600
	Capital Adequacy Ratio (CAR):		
	Eligible Common Equity Tier 1 (CET 1) Capital	223,697,030	216,926,557
	Eligible Additional Tier 1 (ADT 1) Capital	-	-
	Total Eligible Tier 1 Capital	223,697,030	216,926,557
	Eligible Tier 2 Capital	63,713,818	53,942,822
	Total Eligible Capital (Tier 1 + Tier 2)	287,410,848	270,869,379
	Risk Weighted Assets (RWAs):		
	Credit Risk	911,369,372	892,722,644
	Market Risk	256,400,398	209,096,250
	Operational Risk	298,196,285	298,196,285
	Total	1,465,966,055	1,400,015,179
	Common Equity Tier 1 Capital Adequacy ratio	15.26%	15.49%
	Tier 1 Capital Adequacy Ratio	15.26%	15.49%
	Total Capital Adequacy Ratio	19.61%	19.35%
	The Bank has not taken benefit allowed to banks to absorb the impact of IFRS 9 on regula	atory capital.	
		Unaudited	Audited
		June 30, 2025	December 31, 2024
40		Rupees	s in '000
40.	2 Leverage Ratio (LR):	222 627 020	246 026 557
	Eligible Tier-1 Capital	223,697,030	216,926,557
	Total Exposures	3,875,062,754	3,405,253,089
	Leverage Ratio	5.77%	6.37%
40.	3 Liquidity Requirements		
	Liquidity Coverage Ratio (LCR):		
	Total High Quality Liquid Assets	1,448,799,088	1,355,092,505
	Total Net Cash Outflow	555,712,378	561,499,238
	Liquidity Coverage Ratio	260.71%	241.33%
	Net Stable Funding Ratio (NSFR):		
	Total Available Stable Funding	1,876,091,240	1,697,337,126

1,323,057,743

128.29%

1,204,734,203

155.73%



Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

41 EVENTS AFTER THE REPORTING DATE

The Board of Directors in its meeting held on August 06, 2025 has announced an interim cash dividend in respect of half year ended June 30, 2025 of Rs. 9.00 per share (June 30, 2024: Rs. 9.00 per share). These unconsolidated condensed interim financial statements for the period ended June 30, 2025 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

42 GENERAL

Comparative information has been reclassified, rearranged or additionally incorporated in these unconsolidated condensed interim financial statements

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

The impact of the restatement arising from the adoption of IFRS 9 is disclosed in Note 4.1.2 to these financial statements.

43 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue by the Board of Directors of the Bank in their meeting held

MCB Bank Limited & Subsidiary Companies





MCB BANK LIMITED

Consolidated Condensed Interim Financial Statements for the Half Year Ended June 30, 2025











MCB Bank Limited & Subsidiary Companies **Consolidated Condensed Interim Statement of Financial Position** As At June 30, 2025



		Unaudited	Audited
•	Note	June 30, 2025	December 31, 2024
		Rupe	es in '000
ASSETS			
Cash and balances with treasury banks	7	234,052,885	186,680,045
Balances with other banks	8	46,268,510	28,854,218
Lendings to financial institutions	9	123,887,879	57,655,504
Investments	10	2,219,413,434	1,306,556,156
Advances	11	772,940,690	1,165,914,626
Property and equipment	12	93,721,089	88,019,025
Right-of-use assets	13	9,022,892	8,452,814
Intangible assets	14	2,978,582	2,650,482
Other assets	15	190,070,907	164,938,886
Total Assets		3,692,356,868	3,009,721,756
LIABILITIES			
Bills payable	17	20,474,267	53,421,951
Borrowings	18	678,406,864	320,236,834
Deposits and other accounts	19	2,490,541,581	2,130,525,378
Lease liabilities	20	13,738,836	12,663,814
Subordinated debt		-	-
Deferred tax liabilities	21	31,617,458	20,824,376
Other liabilities	22	150,778,870	184,802,159
Total Liabilities		3,385,557,876	2,722,474,512
NET ASSETS		306,798,992	287,247,244
DEDDECENTED DV			
REPRESENTED BY		11 050 600	11 050 600
Share capital Reserves	23	11,850,600 111,401,439	11,850,600 108,157,770
Surplus on revaluation of assets	24	56,007,214	45,811,069
Unappropriated profit	24	126,929,253	
Onappropriated profit		306,188,506	120,926,276 286,745,715
		300,100,306	200,740,715
Non-controlling interest		610,486	501,529
		306,798,992	287,247,244
CONTINGENCIES AND COMMITMENTS	25		

The annexed notes 1 to 43 form an integral part of these consolidated condensed interim financial statements.







		Quarte	r Ended	Half Yea	ar Ended
	Note	April 01 to	April 01 to	January 01 to	January 01 to
	Note	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
			Rupees i	n '000	
			(Restated)		(Restated)
Mark-up / return / interest earned	27	82,233,347	107,188,197	160,220,638	208,755,664
Mark-up / return / interest expensed	28	42,349,641	65,847,595	81,264,671	124,780,996
Net mark-up / interest income		39,883,706	41,340,602	78,955,967	83,974,668
NON MARK-UP / INTEREST INCOME					
Fee and commission income	29	5,694,810	5,992,042	12,308,752	12,787,974
Dividend income		759,708	559,256	2,284,992	1,357,864
Foreign exchange income		2,837,083	3,082,966	5,194,122	5,009,043
Income from derivatives		1,402	777	2,282	1,174
Gain / (loss) on securities - net	30	14,204	74,614	(125,451)	80,742
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	31	123,295	146,552	270,180	247,397
Total non-markup / interest Income		9,430,502	9,856,207	19,934,877	19,484,194
Total income		49,314,208	51,196,809	98,890,844	103,458,862
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	32	20,147,643	17,423,428	40,290,998	33,930,051
Workers Welfare Fund		611,384	652,157	1,242,453	1,357,187
Other charges	33	88,978	88,868	163,388	239,979
Total non-markup / interest expenses		20,848,005	18,164,453	41,696,839	35,527,217
Share of profit of associates		706,507	553,826	1,199,458	970,341
Profit before credit loss allowance		29,172,710	33,586,182	58,393,463	68,901,986
Credit loss allowance and write offs - net	34	(1,822,222)	588,059	(4,154,787)	560,104
PROFIT BEFORE TAXATION		30,994,932	32,998,123	62,548,250	68,341,882
Taxation	35	16,340,144	16,159,501	33,158,240	33,651,869
PROFIT AFTER TAXATION		14,654,788	16,838,622	29,390,010	34,690,013
Less: Profit attributable to non-controlling interest		(72,064)	(49,605)	(155,767)	(84,069)
PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE BANK		14,582,724	16,789,017	29,234,243	34,605,944
			Rupe	es	
			(Restated)		(Restated)
Basic and diluted earnings per share	36	12.31	14.17	24.67	29.20

The annexed notes 1 to 43 form an integral part of these consolidated condensed interim financial statements.

















Muhammad Ali Zeb

Consolidated Condensed Interim Statement of Comprehensive Income (Un-Audited) For The Half Year Ended June 30, 2025



	Quarte	r Ended	Half Yea	r Ended
	April 01 to June 30, 2025	April 01 to June 30, 2024	January 01 to June 30, 2025	January 01 to June 30, 2024
		Rupees	in '000	
		(Restated)		(Restated)
Profit after taxation for the period	14,654,788	16,838,622	29,390,010	34,690,013
Other comprehensive income				
Items that may be reclassified to statement of profit and loss account in subsequent periods: Effect of translation of net investment in foreign branches and subsidiary				
- Equity shareholders of the bank	252,031	(78,964)	305,774	108,859
- Non-controlling interest	12	3	17	(7)
	252,043	(78,961)	305,791	108,852
Share of exchange translation reserve of associate	(4,105)	(6,677)	(2,324)	(11,907)
Movement in surplus on associated undertaking-net of tax.	(76,353)	118,688	93,121	183,545
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	11,659,022 11,830,607	3,880,563 3,913,613	9,715,195 10,111,783	3,128,097 3,408,587
	11,000,007	0,010,010	10,111,700	0,400,007
Items that will not be reclassified to statement of profit and loss account in subsequent periods: Movement in surplus / (deficit) on revaluation of equity investments through FVOCI - net of tax	(1,860,206)	1,916,320	230.511	2,011,852
Movement in surplus / (deficit) on revaluation of equity investments through PVOCI - net of tax	(1,860,206)	1,916,320	230,511	2,011,852
	04.005.400	00 000 555	00.700.004	40.440.450
Total comprehensive income	24,625,189	22,668,555	39,732,304	40,110,452
Attributable to:				
- Equity shareholders of the bank	24,553,113	22,618,947	39,576,520	40,026,390
- Non-controlling interest	72,076	49,608	155,784	84,062
Total comprehensive income	24,625,189	22,668,555	39,732,304	40,110,452

The annexed notes 1 to 43 form an integral part of these consolidated condensed interim financial statements











MCB Bank Limited & Subsidiary Companies Consolidated Condensed Interim Statement of Changes in Equity (Un-Audited) For The Half Year Ended June 30, 2025



			Capital reserve										
	Share canital		Non-distributable	Exchange	Statutory receive	Kevenue reserve	Surplus	Surplus / (deficit) on revaluation of Pro	Property and	Unappropriated	Total	Non control ling	Grand Total
		Share premium	capital reserve	translati on reserve	a anni forman	General reserve	Investments	Associate	equi pment / non- banking assets	profit		interest	
							-R upees in '000						
	11,850,800	23,973,024	908,317	9,341,253	48,307,215	18,600,000	(11,470,624)	422,761	36,788,145	102,689,217	241,409,908	341,194	241,751,102
				•	•		(5,116,113)			(114,787)	(5,230,900)		(5,230,900)
-	11,850,800	23,973,024	906,317	9,341,253	48,307,215	18,600,000	(16,586,737)	422,761	36,788,145	102,574,430	236,179,006	341,194	236,520,202
										34,605,944	34,605,944	84,069	34,690,013
'n				296'96'							36,962	(Z)	36,345
augh FVDCI - net of tax							2,011,852	183,545			2,011,862		2,011,862
ugh FVOCI - net of tax							3,128,097	. 182 545			3,128,097		3,128,097
				Toolog .	3,628,234		0,100,040	Operation		(3,628,234)	OFF, OSF, OSF, OSF, OSF, OSF, OSF, OSF,	€.	004/004/0
-									100				
PVOCI - net of tax							(181,502)		(cts(c))	181,502			
*									(13,222)	13,222			
										(10.865.540)	(10.885.540)		(10.885.540)
_										(10,665,540)	(10,665,540)		(10,665,540)
										(12),351,000	(1001) 155,139		(1001)100(12)
												(46,827)	(46,827)
•	11,850,600	23,973,024	908,317	9,438,205	51,935,449	18,600,000	(11,628,290)	906,306	36,700,978	112,489,729	254,874,318	378,429	255,252,747
					٠	٠				28,619,114	28,619,114	156,547	28,775,661
				708 FG			,			Ī	101101	W	201800
TZK.				+30(13)					(218,243)		(218,243)	≅.	(218,243)
								344,217	(cgr/nz)		344,217		344217
auch FVOCI - net of tax							7,538,065			2,423,108	2,423,108		2,423,106
ugh FVOCI - net of tax							14,194,435				14,194,435		14,194,435
				**************************************	2980.951		020,001,12	17	(000'007)	(2980.951)		€ .	700000004
PVOCI - net of tax							(1.612.481)		(73,814)	73,814			
									(20,061)	20,061			
										(10.865.540)	(10.865.540)	[.	(10.885.540)
										(10,665,540)	(10,665,540)		(10,665,540)
										(100, 100, 100)	(1801) (1801)	(33,446)	(33,446)
-	11,850,600	23,973,024	908,317	9,780,029	54,916,400	18,600,000	8,491,749	820,623	36,368,797	120,926,276	286,745,715	901,529	287,247,244
					•		1,197,351				1,197,351		1,197,351
	11,850,600	23,973,024	115,306	620'092'6	54,916,400	18,600,000	9,689,100	829'096	36,368,797	120,926,276	287,943,066	901,529	288,444,595
										29,254,243	29,234,243	155,767	28,380,010
'n				333,450				98,121			303,450 93,121	- 1	303,467 93,121
augh FVOCI - net of tax ugh FVOCI - net of tax							230,511				230,511		230,511
				303,450			9)345,706	98,121			10,342,277	41	10,342,294
					2,940,219					(2,940,219)			
FVOOI - net of lace							. 1858 1171		(66,289)	66,289			
									(91,754)	15/16			
									(23,8/3)	23,8/3			
										(10,865,540)	(10,665,540)		(10,665,540)
										(10,665,540)	(10,885,540)		(10,686,540)
						٠						(46,827)	(46,827)
	11,850,600	23,973,024	908.317	10.063.479	57,856,619	18,600,000	18,776,689	1.043.644	36,186,881	126,929,253	306.188.506	610.486	306,798,992
to those consolidated or	denced interim financial	oholomanie]	Ī		Ĭ	ĺ	Ì	Ì	Ì	Ī	Ĭ	













Muhammad Ali Zeb Director

Director

MCB Bank Limited & Subsidiary Companies **Consolidated Condensed Interim Cash Flow Statement (Un-Audited)** For The Half Year Ended June 30, 2025



Half Year Ended

		Half Year	Ended
	Note	January 01	January 01
	Note	•	-
		to	to
		June 30, 2025	June 30, 2024
		•	•
		Rupees	
			(Restated)
CASH FLOW FROM OPERATING ACTIVITIES			` '
Profit before taxation		62,548,250	68,341,882
Less: Dividend income and share of profit of associates		(3,484,450)	(2,328,205)
·		59,063,800	66,013,677
		59,065,600	00,013,077
Adjustments:			
Net mark-up / interest income		(78,955,967)	(83,974,668)
	32	,	, , ,
Depreciation on property and equipment		2,540,208	2,062,730
Depreciation on right-of-use assets	32	1,278,988	1,108,301
Depreciation on non-banking assets acquired in satisfaction of claims	32	8,221	9,338
· · · · · · · · · · · · · · · · · · ·			
Amortization	32	342,597	395,830
Credit loss allowance and write offs - net	34	(4,154,787)	560,104
Gain on sale of property and equipment - net	31	(170,681)	(142,510)
			, , ,
Finance charges on lease liability against right-of-use assets	28	1,106,557	899,117
Workers Welfare Fund		1,242,453	1,357,187
Reversal for defined benefit plans - net		(509,119)	(206,767)
Gain on conversion of Ijarah agreements	31	(4,395)	(5,841)
Gain on termination of lease liability against right-of-use assets	31	(31,486)	(27,046)
Unrealized gain on revaluation of investments classified as FVTPL	30	(103,999)	(22,424)
Officialized gain on revaluation of investments classified as FVTPL	30		
		(77,411,410)	(77,986,649)
		(18,347,610)	(11,972,972)
D		(10,047,010)	(11,072,072)
Decrease / (increase) in operating assets			
Lendings to financial institutions		(66,234,074)	883,925
Securities classified as FVTPL		1,338,641	5,358,604
Advances		397,675,842	(53,288,761)
Others assets (excluding advance taxation)		(17,536,942)	61,483,698
((315,243,467	14,437,466
Increase / (decrease) in operating liabilities		315,243,467	14,437,400
Bills Payable		(32,947,684)	(10,900,376)
Borrowings from financial institutions		359,967,010	62,392,048
Deposits		360,016,203	235,284,882
Other liabilities (excluding current taxation)		5,743,844	(1,710,374)
Other habilities (excluding current taxation)			
		692,779,373	285,066,180
		450 005 400	
Mark-up / Interest received		152,897,136	201,363,763
Mark-up / Interest paid		(116,783,422)	(121,203,932)
Defined benefits paid		(136,884)	(154,929)
·			
Income tax paid		(39,840,871)	(45,040,540)
Net cash flow from operating activities		985,811,189	322,495,036
		,,	, , , , , , , , , , , , , , , , , , , ,
CASH FLOW FROM INVESTING ACTIVITIES			
Net investment in securities classified as FVOCI		(886,068,121)	(230,382,506)
Net (investment) / divestment in securities classified as amortized cost		(3,317,363)	8,167,099
Dividends received		2,400,063	1,468,720
Investments in property and equipment		(8,383,361)	(5,490,342)
Proceeds from sale of property and equipment		311,086	196,067
Investments in Intangible assets		(665,694)	(1,282,140)
			(.,===, / .0)
Proceeds from sale of non-banking assets acquired in satisfaction of claims		151,000	· · · · · · · · · · · · · · · · · · ·
Net investment in associates		(730,838)	(350,823)
Effect of translation of net investment in foreign branches and subsidiary		303,450	108,859
Net cash flow used in investing activities		(895,999,778)	(227,565,066)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liability against right-of-use-assets		(1,864,819)	(1,667,502)
Dividend paid		(21,188,394)	(21,218,019)
Net cash flow used in financing activities			
•		(23,053,213)	(22,885,521)
Effects of credit loss allowance changes on cash and cash equivalents		(174,087)	(675)
Increase in cash and cash equivalents		66,584,111	72,043,774
morease in cash and cash equivalents		00,304,111	12,043,114
Cash and cash equivalents at beginning of the period		210,414,218	227,554,961
Effects of exchange rate changes on cash and cash equivalents		1,456,047	(522,175)
Opening expected credit loss allowance on cash and cash equivalents		(582,389)	(819,863)
		211,287,876	226,212,923
		211,287,876	220,212,923
		077 074 007	000 050 007

The annexed notes 1 to 43 form an integral part of these consolidated condensed interim financial statements



Cash and cash equivalents at end of the period









277.871.987

298,256,697

MCB Bank Limited & Subsidiary Companies

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



1. STATUS AND NATURE OF BUSINESS

The Group consists of:

- Holding Company - MCB Bank Limited

Subsidiary Companies ho	Percentag Iding of M ank Limite	CE
- MCB Investment Management Limited	81.42%	
- MCB Non-Bank Credit Organization Closed Joint Stock Company	99.94%	
- MCB Islamic Bank Limited	100%	
- MCB Exchange Company (Private) Limited	100%	

MCB Bank Limited (the 'Bank') is a banking company incorporated in Pakistan and is engaged in commercial banking and related services. The Bank's ordinary shares are listed on the Pakistan stock exchange. The Bank's Registered Office and Principal Office are situated at MCB - 15 Main Gulberg, Lahore, The Bank operates 1,395 branches (2024: 1,394 branches) within Pakistan and 9 branches (2024: 9 branches) outside Pakistan (including the Karachi Export Processing Zone branch).

2. BASIS OF PREPARATION

- 2.1 These consolidated financial statements include the financial statements of MCB Bank Limited and its subsidiary companies and share of the profit / reserves of associates (the "Group").
- a. Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date when control ceases. The assets and liabilities of subsidiary companies have been consolidated on a line by line basis based on the financial statements for the half year ended June 30, 2025 and the carrying value of investments held by the parent is eliminated against the subsidiaries' shareholders' equity in these consolidated condensed interim financial statements. Material intra-Group balances and transactions have also been eliminated.
- b. Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for under the equity method of accounting and are initially recognised at cost, thereafter adjusted for the post-acquisition change in the Group's share of net assets of the associates. The cumulative post-acquisition movements are adjusted in the carrying amount of the investment. Accounting policies of the associates have been changed where necessary to ensure consistency with the policies adopted by the Group. The Group's share in associates have been accounted for based on the financial statements for the half year ended June 30, 2025.
- c. Non-controlling interest is that part of the net results of operations and of net assets of subsidiary companies attributable to interests which are not owned by the Group.
- 2.2 In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate profit in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these consolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon.

The financial results of the Group's Islamic Banking business have been consolidated in these financial statements for reporting purposes, after eliminating material inter-group transactions / balances.

- 2.3 The consolidated condensed interim financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency of its primary economic environment. The amounts are rounded off to the nearest thousand.
- 2.4 These consolidated condensed interim financial statements have been prepared under the historical cost convention except that certain classes of property and equipment and non-banking assets acquired in satisfaction of claims are stated at revalued amounts; investments classified at fair value through consolidated profit and loss and fair value through other comprehensive income; foreign exchange contracts and derivative financial instruments are measured at fair value; defined benefit obligations are carried at present value; right of use of asset and related lease liability are measured at present value on initial recognition; and staff loans and subsidised loans / borrowings under Temporary Economic Refinance Facility (TERF) are measured at fair value on initial recognition.
- 2.5 The Group believes that there is no significant doubt on the Group's ability to continue as a going concern. Therefore, the consolidated condensed interim financial statements have been prepared on a going concern basis.

MCB Bank Limited & Subsidiary Companies Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



3. STATEMENT OF COMPLIANCE

- 3.1 These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
 - International Accounting Standard 34 "Interim Financial Reporting" and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
 - Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP)

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IAS 34, IFRS or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

- 3.2 The State Bank of Pakistan has deferred the applicability of International Accounting Standards 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated August 26, 2002. The Securities and Exchange Commission of Pakistan (SECP) has deferred applicability of IFRS 7 "Financial Instruments: Disclosures" on banks through S.R.O 411(1) /2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.
- 3.3 IFRS 10 "Consolidated Financial Statements" was made applicable from period beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by SECP. However, SECP has directed through S.R.O 56(I) / 2016 dated January 28, 2016, that the requirements of consolidation under section 237 of the repealed Companies Ordinance 1984 (Section 228 of Companies Act 2017) and IFRS 10 "Consolidated Financial Statements" is not applicable in case of investment by companies in mutual funds established under Trust structure.
- 3.4 The disclosures made in these consolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular No. 02 of 2023 dated February 09, 2023 and IAS 34 "Interim Financial Reporting". These consolidated condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual consolidated financial statements for the financial year ended December 31, 2024.

3.5 Standards, interpretations of and amendments to approved accounting standards that are effective in the current period

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after January 1, 2025 but are considered not to be relevant or do not have any material effect on the Group's operations and therefore are not detailed in these consolidated condensed interim financial statements.

3.6 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following new standard and amendments to existing accounting standards will be effective from the dates mentioned below against the respective standard or amendment:

Effective date (annual periods beginning on or after) January 01, 2026

January 01, 2027

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments IFRS 18 – Presentation and Disclosure in Financial Statements

MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the audited annual consolidated financial statements of the Group for the year ended December 31, 2024 except for change mentioned below.

MCB Bank Limited & Subsidiary Companies Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited)

MCB Bank for Life

(1,297,130)

1,197,351

9.689.100

4.1 IFRS 9 - Financial Instruments

For The Half Year Ended June 30, 2025

4.1.1 Fair Valuation of unquoted equity securities

With effect from January 01, 2025, unquoted equity investments are valued at their fair value, in accordance with SBP's BPRD Circular Letter No. 16 dated July 29, 2024, which represents the price at which the investment could be sold in an orderly transaction between market participants at the measurement date. Previously, these were measured at the lower of cost and break up value derived on the basis of their latest available audited financial statements. The Group has adopted this change retrospectively with date of initial application as January 01, 2025, which resulted in changes in accounting policies and adjustments to the carrying amounts of unquoted equity investments previously recognised in the financial statements. In terms of the transitional provisions of IFRS 9, adjustments to the carrying amounts at the date of transition were recognised in the opening reserves at the beginning of the current period without restating the comparative figures.

The following table reconciles the carrying amounts of unquoted equity securities under the previous accounting policy and their restated amounts on January 01, 2025.

	Carrying amount as at December 31, 2024	Fair valuation of unquoted equity securities	Carrying amount as at January 01, 2025
Investments in financial assets		Rupees in '000-	
FVOCI - Ordinary shares - Unquoted companies			
Cost	1,611,616	-	1,611,616
(Deficit) / Surplus	(207,082)	2,494,481	2,287,399
	1,404,534	2,494,481	3,899,015
Deferred tax asset / (liability)	107,683	(1,297,130)	(1,189,447)
Effect on net assets		1,197,351	
The impact of above on the surplus on revaluation of investments as at Ja	anuary 01, 2025 is as fol	llows:	
Surplus on revaluation of investments			Rupees in '000
Closing balance as at December 31, 2024 - Audited			8,491,749
Increase in the fair valuation of unquoted equity securities carried at FVO	CI		2,494,481

52

Less: related deferred tax

Opening balance as at January 01, 2025 - as restated

MCB Bank Limited & Subsidiary Companies Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



4.1.2 Fair Valuation of subsidised loans and borrowings

The Group, in accordance with extended timelines prescribed in SBP's BPRD Circular Letter No. 16 dated July 29, 2024, and BPRD Circular Letter No. 01 dated January 22, 2025, had incorporated IFRS 9 requirements related to subsidised loans and borrowings in the last quarter of 2024. Therefore the consolidated condensed interim statement of profit and loss account (un-audited) for the half year ended June 30, 2024 has been restated to reflect the impact of these requirements. The details are tabulated below:

Head	Impact	Rupees in '000	Description
			<u> </u>
Mark-up / return / interest earned	Increase	1,468,335	Fair value impact of subsidised advances
Mark-up / return / interest earned	Increase	383,486	Fair value impact of staff loans
		1,851,821	
Mark-up / return / interest expensed	Increase	1 470 164	Fair value impact of subsidised borrowings
Operating expenses	Increase		Fair value impact of staff loans
		1,862,650	
Profit Before Taxation		(10,829)	
Taxation		5,306	
Profit After Taxation		(5,523)	
		Rupees	
Basic and diluted earnings per share		(0.01)	

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these consolidated condensed interim financial statements are the same as that applied in the preparation of the consolidated financial statements for the year ended December 31, 2024 except for matters related to IFRS 9 which have been disclosed in note 4.1.1. to these consolidated condensed interim financial statements.

6. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Group are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2024.

MCB Bank Limited & Subsidiary Companies Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



140,118

(568,909)

41,813

46,376

88,189

5,627,378

23,152,131

28,779,509

28,854,218

55,655,526

2.000.000

57.655.526

(13,480)

186,680,045

Unaudited Audited Note June 30, 2025 December 31, 2024 **CASH AND BALANCES WITH TREASURY BANKS** -----Rupees in '000-----In hand Local currency 51,512,754 40,924,288 Foreign currencies 11,414,511 6,457,260 62,927,265 47,381,548

With State Bank of Pakistan in 101,752,796 100,539,415 Local currency current accounts 5.848.604 Foreign currency current accounts 7.435.104 Foreign currency deposit account 8,493,242 8,178,869 117,681,142 114,566,888 With other central banks in Foreign currency current accounts 18,828,822 20,199,247 With National Bank of Pakistan in 35,107,977 4,961,153 Local currency current accounts

Prize bonds

Less: Credit loss allowance held against cash and balances with treasury banks

Cash and balances with treasury banks - net of credit loss allowance

BALANCES WITH OTHER BANKS
Inside Pakistan
In current accounts

In deposit accounts

Outside Pakistan
In current accounts
In deposit accounts

Less: Credit loss allowance held against balances with other banks Balances with other banks - net of credit loss allowance

. LENDINGS TO FINANCIAL INSTITUTIONS

Call / clean money lendings Repurchase agreement lendings (Reverse Repo) Musharaka arrangements

Less: Credit loss allowance held against lending to financial institutions Lending to financial institutions - net of credit loss allowance

9.1 (1,721) (22) 123,887,879 57,655,504 d June 30, 2025 Audited December 31, 2024

117,600

(609,921)

309,195

186,949

496,144

20,670,020

25,248,974

45.918.994

46.268.510

109,454,800

11,434,800 3.000.000

123.889.600

(146,628)

234.052.885

			Unaudited .	June 30, 2025	Audited Decem	ber 31, 2024
			Lending	Credit loss allowance held	Lending	Credit loss allowance held
				Rupe	es in '000	
9.1	Particulars of credit loss allov	vance				
	Domestic					
	Performing	Stage 1	14,434,801	(1,721)	2,200,000	(22)
	Under performing	Stage 2	-	-	-	-
	Non-performing	Stage 3				
	Substandard		-	-	-	-
	Doubtful		-	-	-	-
	Loss		-	-	-	-
			-	-	-	-
	Total		14,434,801	(1,721)	2,200,000	(22)
	Overseas					
	Performing	Stage 1	109,454,799	-	55,360,426	-
	Under performing	Stage 2	-	-	95,100	-
	Non-performing	Stage 3				
	Substandard		-	-	-	-
	Doubtful		-	-	-	-
	Loss		-	-		-
			-	-	-	-
	Total		109,454,799	-	55,455,526	-

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025

Cost /

Amortised cost

1.439.167

9,907,571

2,573,014

13,919,752

2,021,609,793

45,863,046

41,280,766

44,467,638

1.278.436

46,124,672

12,115,135

2.181.413.164

Cost /

Amortised cost

3,070,508

1,470,023

10.508.181

15,048,712

1,125,555,607

1,221,509,893

37,871,777

58,082,509

41,288,780

42,649,258

10,568,425

1,289,776,288

1,360,360

118

378,480

118

2,109,253,605

500,000



Carrying Value

1,439,167

9,907,100 2,677,484

14,023,751

2,047,524,673

58,673,567 500,000

41,304,870

44.099.923

802.258

369,257

45,271,438

12,115,135

3.070.599

1,719,532

15,258,393

49,495,333

58,121,060

41,073,684

41,954,075

10,568,425

18.468.908

6,134,850

160.686.611

185,290,369

11,179,534

(10.026.787)

4,304

(7,972)

305

(28,424)

(28,119)

1,120,960

1,306,556,156

Audited

2024

December 31,

-----Rupees in '000------

880,391

1,131,158,870

1,238,775,263

10.468.262

2.219.413.434

Carrying Value

2,148,003,110

Unaudited June 30, 2025

-Rupees in '000-

Surplus /

(Deficit)

(471)

104,470

103,999

26,283,475

12,810,521

39,118,100

39.222.099

Surplus /

(Deficit)

(39.919)

249,509

209,681

6,029,040

38,551

11,623,556

17,691,147

17,900,828 Unaudited

8.581.779

567.385.234

575,967,013

1,120,960

7,861

96,799

(3,791)

93,008

1,221,829

June 30, 2025

24,104

Credit loss

allowance

(368,595)

(368,595)

(476,178)

(853,234)

(1.221.829)

(425,777

(425,777)

(215,096)

(479,969)

(695, 183)

(1,120,960)

(118)

Credit loss

allowance

(9,223)

Audited December 31, 2024

-Rupees in '000-

(118)

INVESTMENTS 10.

10.1 Investments by type:

FVTPL

Federal Government Securities Non Government Debt Securities Shares and units

FVOCI

Federal Government Securities Non Government Debt Securities Foreign Securities

Amortised Cost

Federal Government Securities Provincial Government Securities Non Government Debt Securities Foreign securities

Associates

Total Investments

FVTPL

Federal Government Securities Non Government Debt Securities Shares and units

FVOCI

Federal Government Securities Shares Foreign Securities

Amortised Cost

Federal Government Securities **Provincial Government Securities** Non Government Debt Securities

Associates

Total Investments

10.1.1 Investments given as collateral

- Market Treasury Bills
- Pakistan Investment Bonds
- Ijarah Sukuks

10.2 Credit loss allowance for diminution in value of investments

Opening balance

Reversal of impairment charged against equity instruments through FVOCI on adoption of IFRS 9 Impact of ECL on debt securities on adoption of IFRS 9

Exchange adjustments Charge / (reversals)

Charge for the period / year Reversals for the period / year

Amounts written off Closing Balance

MCB Bank Limited & Subsidiary Companies Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



			Unaudited	Unaudited June 30, 2025		Audited December 31, 2024		
			Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held		
				Rupees	s in '000			
10.3	Particulars of credit loss allowance against debt secu	urities						
	Domestic							
	Performing	Stage 1	2,058,435,993	2,287	1,165,136,847	4,609		
	Under performing	Stage 2	542,839	-	1,850,070	-		
	Non-performing	Stage 3						
	Substandard		-	-	-	-		
	Doubtful		-	-	-	-		
	Loss		474,009	474,009	475,478	475,478		
			474,009	474,009	475,478	475,478		
			2,059,452,841	476,296	1,167,462,395	480,087		
	Overseas							
	Performing	Stage 1	49,197,727	9,223	63,417,054	-		
	Under performing	Stage 2	12,211,401	736,310	8,986,614	640,873		
	Non-performing	Stage 3	-	-				
			61,409,128	745,533	72,403,668	640,873		
	Total		2,120,861,969	1,221,829	1,239,866,063	1,120,960		

10.4 Summarized financial information of associates and subsidiaries

(unaudited based on September 30, 2024)

				Unaudited Ju	,		
	Country of incorporation	% of interest held	Revenue	Profit / (loss) after tax	Total comprehensive income / (loss)	Assets	Liabilities
				Rupees	in '000		
Associates							
Euronet Pakistan (Private) Limited							
(unaudited based on June 30, 2025)	Pakistan	30.00%	1,046,473	137,772	137,772	2,964,148	2,545,67
Adamjee Insurance Company Limited							
(unaudited based on March 31, 2025)	Pakistan	20.00%	17,545,274	1,487,452	1,422,658	227,616,003	183,590,48
				Audited Decer	mber 31, 2024		
	Country of incorporation	% of interest held	Revenue	Profit / (loss) after tax	Total comprehensive income / (loss)	Assets	Liabilities
				Rupees	in '000		
Associates							
Euronet Pakistan (Private) Limited (unaudited based on December 31, 2024)	Pakistan	30.00%	1,910,127	321,344	334,085	2,279,467	1,925,07
Adamjee Insurance Company Limited							

20.00% 38,034,803

3,559,856

7,154,122

207,980,763

170,141,927

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



Audited

10.5 Investment in Adamjee Insurance Company Limited under equity method - holding 20.00% (2024: 20.00%)

Investment of the Group in Adamjee Insurance Company Limited has been accounted for under the equity method of accounting in accordance with the treatment specified in International Accounting Standard 28, (IAS 28) 'Accounting for Investments in Associates'. The market value of the investment in Adamjee Insurance Company Limited as at June 30, 2025 amounted to Rs.3,500.700 million. (2024: Rs. 3,469.500 million).

	Unaudited June 30, 2025	December 31, 2024
	Rupee	s in '000
Opening balance	8,551,051	6,578,813
Share of profit for the period / year before tax	912,619	1,712,347
Dividend from associate	(105,000)	(210,000)
Share of tax	(408,839)	(708,968)
	398,780	793,379
Share of other comprehensive income	189,160	1,178,859
Closing balance	9,138,991	8,551,051
Share of other comprehensive income / (loss)		
Share of unrealized surplus on assets -net of tax	191,484	1,191,420
Share of exchange translation reserve of associate	(2,324)	(12,561)
	189,160	1,178,859

10.6 Investment in Euronet Pakistan Private Limited under equity method - holding 30% (2024: 30.00%)

Investment of the Group in Euronet Pakistan Private Limited has been accounted for under the equity method of accounting in accordance with the treatment specified in International Accounting Standard 28, (IAS 28) 'Accounting for Investments in Associates'.

	June 30, 2025	December 31, 2024
	Rupee	s in '000
Opening balance	106,318	8,361
Share of profit for the period / year before tax	58,545	129,218
Share of tax	(39,321)	(31,261)
	19,224	97,957
Closing balance	125,542	106,318

10.7 Investment in units of funds under management of MCB Investment Management Limited

Investment of the Group in units of funds under management of MCB Investment Management Limited has been accounted for under the equity method of accounting in accordance with the treatment specified in International Accounting Standard 28, (IAS 28) 'Accounting for Investments in Associates'.

Audited

	Unaudited June 30, 2025	December 31, 2024
	Rupee	s in '000
Investment at the beginning of the period / year	1,911,056	1,234,703
Investment / (redemptions) during the period / year	730,838	88,050
Share of profit for the period / year	228,294	599,574
Dividend Income	(19,586)	(11,271)
	939,546	676,353
Closing balance	2,850,602	1,911,056

MCB Bank Limited & Subsidiary Companies

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



11. ADVANCES	Saistracobaco		G S	Non Dodomina		-	For
	Unaudited	Audited	Unaudited	Andited	Unaudited	Audited	· Tl
Note	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024	he Hal
			Kupees in '000				f Y
Loans, cash credits, running finances, etc.	630,867,245	1,017,885,653	51,783,652	52,781,005	682,650,897	1,070,666,658	eai
Islamic financing and related assets	111,891,427	120,011,147	2,511,747	2,588,556	114,403,174	122,599,703	r E
Bills discounted and purchased	26,735,414	28,327,243	496,012	770,213	27,231,426	29,097,456	no
Advances - gross	769,494,086	1,166,224,043	54,791,411	56,139,774	824,285,497	1,222,363,817	ded
Credit loss allowance against advances							Ju
- Stage 1	(2,198,068)		•	•	(2,198,068)	(3,003,535)	ne
- Stage 2	(1,302,184)	(1,283,679)	•		(1,302,184)	(1,283,679)	30
- Stage 3	•	•	(42,410,911)	(43,422,799)	(42,410,911)	(43,422,799)	0, 2
- General Provision	(5,433,644)	(8,739,178)	•		(5,433,644)	(8,739,178)	202
	(8,933,896)	(13,026,392)	(42,410,911)	(43,422,799)	(51,344,807)	(56,449,191)	25
Advances - net of credit loss allowance	760,560,190	1,153,197,651	12,380,500	12,716,975	772,940,690	1,165,914,626	
					Unaudited	Audited	
					June 30, 2025	December 31,	
					9	2024	
The Particulars of advances (gross)					Rupees In 000	s III 000	
In local currency					708,575,776	1,068,945,681	
In foreign currencies					115,709,721	153,418,136	
					824,285,497	1,222,363,817	
11.2 Advances include Rs. 54,791.411 million (2024: Rs. 56,139,774 million) which have been placed under Stage 3 status as detailed below:	which have been placed u	ınder Stage 3 status a	s detailed below:				
		Note	Unaudited.	Unaudited June 30, 2025	Audited December 31, 2024	nber 31, 2024	
			Non Performina	Credit loss	Non Performing	Credit loss	
			Loans	allowance	Loans	allowance	
Category of Classification				Rupees	Rupees in '000		
Domestic							· Co
Other Assets Especially Mentioned (OAEM)		11.2.1	1,483,198	751,591	1,446,068	696,827	
Substandard			1,455,174	781,294	546,684	307,920	
Doubtful			428,068	224,389	2,758,453	1,535,514	
Loss			36,935,258	35,442,924	37,127,232	35,723,957	
			40,301,698	37,200,198	41,878,437	38,264,218	
Overseas							
Substandard			454,411	229,197	461,349	220,855	
Doubiful			373,561	188,417	429,388	214,694	
Loss			13,661,741	4,793,099	13,370,600	4,723,032	
			14,489,713	5,210,713	14,261,337	5,158,581	E
Total			54,791,411	42,410,911	56,139,774	43,422,799	Ban

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



11.3 Particulars of credit loss allowance against advances

		Una	udited June 30,	2025		Audited December 31, 2024					
	Expected Credit Loss		General	Total	Expected Credit Loss			General	Total		
	Stage 1	Stage 2	Stage 3	General	iotai	Stage 1	age 1 Stage 2 Stage 3			Total	
					R	twees in '000	φees in '000				
Opening balance	3,003,535	1,283,679	43,422,799	8,739,178	56,449,191	2,509	136	42,682,380	3,167,254	45,852,279	
Impact of ECL on adoption of IFRS 9	-	-	-	-	-	2,153,817	1,492,490	2,651,225	1,242,987	7,540,519	
Exchange adjustments	1,656	-	86,303	-	87,959	65,095	-	(8,568)	-	56,527	
Charge for the period / year	832,332	812,285	2,028,369	-	3,672,986	1,614,035	662,877	4,948,291	4,328,937	11,554,140	
Reversal for the period / year	(1,639,455)	(793,780)	(2,505,135)	(3,305,534)	(8,243,904)	(831,921)	(871,824)	(4,538,068)	-	(6,241,813)	
	(807,123)	18,505	(476,766)	(3,305,534)	(4,570,918)	782,114	(208,947)	410,223	4,328,937	5,312,327	
Amounts written off	-	-	(56,225)	-	(56,225)	-	-	(1,120,526)	-	(1,120,526)	
Amounts charged off	-	-	(565,200)	-	(565,200)	-	-	(1,191,935)	-	(1,191,935)	
Closing balance	2,198,068	1,302,184	42,410,911	5,433,644	51,344,807	3,003,535	1,283,679	43,422,799	8,739,178	56,449,191	

11.3.1 An analysis of changes in credit loss allowance in relation to loans & advances of the Group is as follows:

		Una	udited June 30,	2025			Aud	Audited December 31, 2024		
	Expected Credit Loss		General	Total	Ехр	ected Credit Los	ss	General	Total	
	Stage 1	Stage 2	Stage 3	General	Total	Stage 1	Stage 2	Stage 3	General	Total
					R#	ees in '000				
Opening balance	3,003,535	1,283,679	43,422,799	8,739,178	56,449,191	2,509	136	42,682,380	3,167,254	45,852,279
Impact of ECL on adoption of IFRS 9	-	-	-	-	-	2,153,817	1,492,490	2,651,225	1,242,987	7,540,519
Opening balance after adoption of										
IFRS 9	3,003,535	1,283,679	43,422,799	8,739,178	56,449,191	2,156,326	1,492,626	45,333,605	4,410,241	53,392,798
Exchange adjustments	1,656	-	86,303	-	87,959	65,095	-	(8,568)	-	56,527
New Advances	294,324	67,368	61,835	210,997	634,524	759,764	248,312	560,660	1,149,557	2,718,293
Advances derecognized or repaid	(263,556)	(43,474)	(856,986)	(225,232)	(1,389,248)	(297,467)	(328,231)	(1,253,031)	(789,959)	(2,668,688)
Transfer to stage 1	349,508	(328,915)	(20,593)	(423,379)	(423,379)	340,904	(333,688)	(7,216)	(308,631)	(308,631)
Transfer to stage 2	(40,384)	107,225	(66,841)	263,694	263,694	(35,104)	177,390	(142,286)	291,604	291,604
Transfer to stage 3	(26,662)	(40,072)	66,734	(2,010)	(2,010)	(11,693)	(61,849)	73,542	(147,230)	(147,230)
	313,230	(237,868)	(815,851)	(175,930)	(916,419)	756,404	(298,066)	(768,331)	195,341	(114,652)
Amounts written off	-	-	(56,225)		(56,225)	-	-	(1,120,526)	-	(1,120,526)
Amounts charged off	-	-	(565,200)	-	(565,200)	-	-	(1,191,935)	-	(1,191,935)
Changes in risk parameters	(1,120,353)	256,373	339,085	(3,129,604)	(3,654,499)	25,710	89,119	1,178,554	4,133,596	5,426,979
Closing balance	2,198,068	1,302,184	42,410,911	5,433,644	51,344,807	3,003,535	1,283,679	43,422,799	8,739,178	56,449,191

Onaddited of	ane 50, 2025	Addited December 51, 2024			
Outstanding amount	Credit loss allowance Held	Outstanding amount	Credit loss allowance Held		

11.3.2

Category of Classification			·		
Domestic					
Performing	Stage 1	694,137,243	1,891,600	1,092,721,915	2,746,095
Under performing	Stage 2	29,616,844	1,032,218	27,603,838	878,031
Non-performing	Stage 3				
Other Assets Especially Mentioned		1,483,198	751,591	1,446,068	696,827
Substandard		1,455,174	781,294	546,684	307,920
Doubtful		428,068	224,389	2,758,453	1,435,514
Loss		36,935,258	35,442,924	37,127,232	35,823,957
		40,301,698	37,200,198	41,878,437	38,264,218
General Provision		-	5,233,249		8,514,680
		764,055,785	45,357,265	1,162,204,190	50,403,024
Overseas					
Performing	Stage 1	39,252,756	306,468	35,183,207	250,825
Under performing	Stage 2	6,487,243	269,966	10,715,083	412,263
Non-performing	Stage 3				
Substandard		454,411	229,197	461,349	220,855
Doubtful		373,561	188,417	429,388	214,694
Loss		13,661,741	4,793,099	13,370,600	4,723,032
		14,489,713	5,210,713	14,261,337	5,158,581
General Provision		-	200,395		224,498
		60,229,712	5,987,542	60,159,627	6,046,167
Total		824,285,497	51,344,807	1,222,363,817	56,449,191

^{11.3.3} State Bank of Pakistan vide BSD Circular No. 2 dated January 27, 2009, BSD Circular No. 10 dated October 20, 2009, BSD Circular No. 02 of 2010 dated June 03, 2010 and BSD Circular No. 1 of 2011 dated October 21, 2011 has allowed benefit of Forced Sale Value (FSV) of Plant & Machinery under charge, pledged stock and mortgaged residential, commercial & industrial properties (land and building only) held as collateral against Non Performing Loans (PIPs) for five years from the date of classification. The Bank (horigo company) has not taken the FSV benefit in calculation of specific provision, However, one of the subsidiary of the Bank has availed benefit of forced sale values amounting to Rs. 575.125 million (December 31, 2024; Rs, 531.299 million) in determining the provisioning against non-performing Islamic financing and related assets as at June 30, 2025. The additional benefit arising from availing the FSV benefit - net of tax amounts to Rs. 270.309 million as at June 30, 2025 (December 31, 2024; Rs. 255.02 million) is not available for payment of cash or stock dividends to shareholders.

MCB Bank Limited & Subsidiary Companies

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



12. PROPERTY AND EQUIPMENT
Capital work-in-progress
Property and equipment 85,003,202 83,254,254,257,089 88,019,000 88,019,00
12.1 Capital work-in-progress Sa,721,089 Sa,019.05
12.1 Capital work-in-progress 2,659,659,659,659,659,659,74 2,659,659,659,74 2,659,659,74 2,659,659,74 2,6778,867 2,6778,867 2,6778,867 2,6778,867 2,6778,867 2,6778,867 2,6778,867 2,6778,867 2,6788,6789,74 2,6788,6789,74 2,6788,6789,74 2,6788,6789,74 2,6788,6789,74 2,6788,6789,7489,7489,7489,7489,7489,7489,7489,7
Civil works Equipment 284,165 282,4 284,165 284,
Equipment Advance payment - Suppliers and Property Acquisition Others 284,165 4,683,621 1,221,3 8,717,887 4,764,6 8,717,887 4,764,6 Unaudited Half year ended June 30,2025 June 30, 2025 June 30, 20
Advance payment - Suppliers and Property Acquisition Others 1,821,3 25,974 1,2 8,717,887 4,764.6
25,974 1,2 8,717,887 4,764,6
Unaudited Half year ended June 30, 2025 Unaudited Half year ended Ju
The following additions have been made to property and equipment during the period: Capital work-in-progress - net of transferred out for capitalization Property and equipment Building on freehold land Building on leasehold land Leasehold land Leasehold land Leasehold land Leasehold limprovements Furniture and fixture Leasehold Improvements Vehicles Disposal of property and equipment The net book value of property and equipment disposed off during the period is as follows: Freehold land Vehicles 1.2.3 Disposal of property and equipment The net book value of property and equipment disposed off during the period is as follows: Freehold land Vehicles Building on freehold land Vehicles Securiture and fixture Electrical office and computer equipment 8.620 13.1 Building on freehold land 2.659
Capital work-in-progress - net of transferred out for capitalization 3,953,222 1,703,0
Property and equipment Building on freehold land 424,949 207,4 Building on leasehold land 106,213 2,1 Freehold land 1,399,141 - Leasehold land 9,055 - Electrical office and computer equipment 1,221,823 2,515,5 Furniture and fixture 151,335 221,4 Leasehold Improvements 617,643 443,1 Vehicles 499,980 397,6 4,430,139 3,787,2 8,383,361 5,490,3 12.3 Disposal of property and equipment The net book value of property and equipment disposed off during the period is as follows: 92,039 13,2 Freehold land 92,039 13,2 Vehicles 36,102 26,5 Furniture and fixture 985 6 Electrical office and computer equipment 8,620 13,1 Building on freehold land 2,659 - 53,55
Building on freehold land 424,949 207,4
Building on leasehold land 106,213 2,1
Freehold land
Electrical office and computer equipment 1,221,823 2,515,5
Furniture and fixture Leasehold Improvements Vehicles 151,335
Leasehold Improvements 617,643 49,980 397,6 Vehicles 499,980 397,6 4,430,139 3,787,2 3,787,2 8,383,361 5,490,3 5,490,3 12.3 Disposal of property and equipment The net book value of property and equipment disposed off during the period is as follows: Freehold land 92,039 13,2 Vehicles 36,102 26,5 Furniture and fixture 985 6 Electrical office and computer equipment 8,620 13,1 Building on freehold land 2,659
Vehicles 499,980 397,6 4,430,139 3,787,2 8,383,361 5,490,3 12.3 Disposal of property and equipment The net book value of property and equipment disposed off during the period is as follows: Freehold land 92,039 13,2 Vehicles 36,102 26,5 Furniture and fixture 985 6 Electrical office and computer equipment 8,620 13,1 Building on freehold land 2,659 - 140,405 53,5
12.3 Disposal of property and equipment 8,383,361 5,490,3
12.3 Disposal of property and equipment The net book value of property and equipment disposed off during the period is as follows: Freehold land Vehicles Furniture and fixture Electrical office and computer equipment Building on freehold land 12.3 Disposal of property and equipment disposed off during the period is as follows: 92,039 13,2 26,5 Furniture and fixture 8,620 13,1 40,405 53,5
The net book value of property and equipment disposed off during the period is as follows: Freehold land Vehicles Furniture and fixture Electrical office and computer equipment Building on freehold land 2,659 140,405 53,5
Vehicles 36,102 26,5 Furniture and fixture 985 6 Electrical office and computer equipment 8,620 13,1 Building on freehold land 2,659 - 140,405 53,5
Furniture and fixture 985 6 Electrical office and computer equipment 8,620 13,1 Building on freehold land 2,659 - 140,405 53,5
Electrical office and computer equipment 8,620 13,1 Building on freehold land 2,659 - 140,405 53,5
Building on freehold land 2,659 140,405 53,5
140,405 53,5
————————————————————————————————————
Note June 30, 2025 December 3
2024 13. RIGHT-OF-USE ASSETSRupees in '000
Right-of-use assets 13.1 9,022,892 8,452,8
Unaudited June 30, 2025 Audited December 31, 2024
Buildings Others Total Buildings Others Total
13.1 At January 01,
Cost 17,808,933 - 17,808,933 15,874,308 - 15,874,3
Accumulated depreciation (9,356,119) - (9,356,119) - (7,872,427) - (7,872,427)
Net carrying amount at January 01, 8,452,814 - 8,452,814 8,001,881 - 8,001,8
Additions / adjustments during the period / year 1,876,301 - 1,876,301 2,916,145 - 2,916,1 Deletions during the period / year (37,100) - (37,100) (113,171) - (113,171)
Exchange adjustments 9,865 - 9,865 13,818 - 13,8
Depreciation charge for the period / year (1,278,988) - (1,278,988) - (2,365,859) - (2,365,859)
Closing net carrying amount 9,022,892 - 9,022,892 8,452,814 - 8,452,8

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



				Unaudited June 30, 2025	Audited December 31, 2024
14.	INTAN	GIBLE ASSETS	Note	Rupee	es in '000
		uter software		1,081,207	1,277,360
	Goodw			82,127	82,127
		ement rights		192,000	192,000
	_	-			
	Сарна	work-in-progress		1,623,248	1,098,995
				2,978,582	2,650,482
				Unaudited Half year ended June 30, 2025	Unaudited Half year ended June 30, 2024
	14.1	Additions to intangible assets		Rupee	es in '000
			oriod:		
		lowing additions have been made to intangible assets during the p	eriod.	444 444	004 200
	-	uter software		141,441	884,308
	Capital	work-in-progress - net of transferred out for capitalization		524,253	397,832
				665,694	1,282,140
				Unaudited June 30, 2025	Audited December 31, 2024
				Rupee	es in '000
15.		RASSETS		·	
		e / mark-up accrued in local currency		66,080,016	60,310,117
		e / mark-up accrued in foreign currencies		1,071,687 18,972,077	904,108
		ces, deposits, advance rent and other prepayments anking assets acquired in satisfaction of claims		1,271,350	9,989,441 1,380,837
		adjustment account		95,225	240,545
		o market gain on forward foreign exchange contracts		706,555	1,588,049
		o market gain on forward contracts of government securities		-	2,096,975
		ized gain on derivative financial instruments		389,244	157,610
	Accept		22	36,617,742	35,955,874
	Receiv	able from the pension fund		14,129,987	13,336,849
	Clearin	g and settlement accounts		39,475,322	26,346,723
	Deferre	ed cost on staff loans		7,832,725	7,022,534
	Claims	receivable against fraud and forgeries		615,950	598,183
	Others			6,022,686	8,135,765
				193,280,566	168,063,610
	Less: 0	Credit loss allowance held against other assets	15.1	3,721,066	3,685,865
	Other A	Assets net of credit loss allowance		189,559,500	164,377,745
	Surplus	s on revaluation of non-banking assets			
	acq	uired in satisfaction of claims	24	511,407	561,141
	Other A	Assets - total		190,070,907	164,938,886
	15.1	Credit loss allowance held against other assets			
		Non banking assets acquired in satisfaction of claims		40,091	40,091
		Claims receivable against fraud and forgeries		615,950	598,183
		Mark-up accrued		165,753	174,486
		Others		2,899,272	2,873,105
				3,721,066	3,685,865

MCB Bank Limited & Subsidiary Companies Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



			Unaudited June 30, 2025	Audited December 31, 2024
			Rupe	es in '000
	15.1.1	Movement in credit loss allowance held against other assets		
		Opening balance	3,685,865	3,370,145
		Impact of ECL on adoption of IFRS 9	-	210,596
		Charge for the period / year	44,407	193,068
		Reversal for the period / year	(35,348)	(70,805)
			9,059	122,263
		Amounts written off	<u>-</u>	(521)
		Exchange and other adjustments	26,142	(16,618)
		Closing balance	3,721,066	3,685,865
16.		NGENT ASSETS		
	rnere v	vere no contingent assets of the Group as at June 30, 2025 (2024: Nil).	Unaudited June 30, 2025	Audited December 31, 2024
			•	es in '000
17.	BILLS	PAYABLE		
	In Pakis	stan	20,389,889	53,395,808
	Outside	Pakistan	84,378	26,143
			20,474,267	53,421,951
18.	BORRO	DWINGS		
	Secure	d		
	Borrowi	ings from State Bank of Pakistan		
	Unde	er export refinance scheme	35,831,215	43,530,025
	Unde	er long term financing facility	15,219,387	17,311,266
	Unde	er renewable energy performance platform	2,191,785	2,459,272
	Unde	er temporary economic refinance facility	25,521,316	27,695,530
	Unde	er financing facility for storage of agricultural produce	148,926	176,755
	Unde	er Refinance and Credit Guarantee Scheme		
		for Women Entrepreneurs	3,790	4,567
			78,916,419	91,177,415
	Repurc	hase agreement borrowings	578,079,923	185,300,056
	Total s	ecured	656,996,342	276,477,471
	Unseci	ured		
	Call bor	rrowings	3,000,000	527,950
		awn nostro accounts	2,449,408	4,246,387
	Borrowi	ings from other financial institutions	5,242,558	3,384,206
		raka Arrangements	10,556,270	35,438,534
	Others	· · · · · · · · · · · · · · · · · · ·	162,286	162,286
		nsecured	21,410,522	43,759,363
	i Otai u			
			678,406,864	320,236,834

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



2,910,826 (3,457,629) 1,959,921 (199,685) 945,660,448 983,673,772 87,890,155 8,842,131 Audited Decem 31, 2024 Total Audited December 31, 2024 199,023,817 36,927,823 19,440,357 730,376 8,412,163 In Foreign currencies 13,738,836 259,608,064 Unaudited June 30, 2025 11,429,243 2,910,826 (3,457,629) 1,959,921 (199,685) 746,636,631 946,745,949 68,449,798 39,143,119 1,800,975,497 16,578,595 40,305,095 429,968 In Local Currency Buildings Note 20.1 (1,864,819) 1,106,557 (68,586) 25,569 1,048,497,555 85,901,940 113,730,452 2,406,495,998 22,403,939 52,308,568 9,246,307 Total Unaudited June 30, 2025 256,609,907 32,329,229 24,486,634 5,050,464 318,476,234 2,704,797 784,583 8,831,339 In Foreign currencies 1,876,301 (1,864,819) 1,106,557 (68,586) 25,569 19,699,142 51,523,985 414,968 2,012,190 6,336,349 5,390,297 13,738,836 901,756,144 1,016,168,326 61,415,306 108,679,988 2,088,019,764 In Local Currency Additions / adjustments during the period / year Later than one year and upto five years Finance charges Deletions during the period / year Lease payments including inte inancial Institutio Current deposits Savings deposits Term deposits Current deposits Savings deposits Term deposits

For the purpose of discounting PKRV Over five years Total at the period / year end

Security deposits against lease

Others

Clearing and settlement accounts

MCB Bank Limited & Subsidiary Companies

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



Audited Unaudited December 31, June 30, 2025 2024 -----Rupees in '000--Note 21. DEFERRED TAX LIABILITIES - NET **Taxable Temporary Differences on** - Surplus on revaluation of property and equipment 3.707.952 3.780.562 265,932 291,793 - Surplus on revaluation of non-banking assets - Accelerated tax depreciation 4,215,483 4,438,675 - Receivable from pension fund 7,347,593 6,935,161 - Surplus on revaluation of investments 20,341,411 9,199,398 705,218 705,218 - Business combination 4.306.374 4,109,648 - Investments in associated undertaking 40,889,963 29,460,455 **Deductible Temporary Differences on** - Leases (net) (2.844.979)(8,372,659)- Credit loss allowance against financial assets (6,136,753)- Workers Welfare Fund (290,773)(263,420)20,824,376 31,617,458 Audited Unaudited December 31, June 30, 2025 2024 -----Rupees in '000------22. OTHER LIABILITIES Mark-up / return / interest payable in local currency 4.430.580 40.902.391 Mark-up / return / interest payable in foreign currencies 435.976 525,584 Unearned commission and income on bills discounted 3,112,206 2,801,265 9,302,627 11,301,460 Accrued expenses Current taxation (provisions less payments) 6,855,147 12,571,095 Workers Welfare Fund 22.1 18.050.183 16.807.730 36,617,742 35,955,874 Acceptances Unclaimed / dividends payable 2,941,987 2,752,474 Mark to market loss on forward foreign exchange contracts 320.477 1,026,820 389,244 157,610 Unrealised loss on derivative financial instruments Provision for employees' compensated absences 1.299.710 1,249,500 2,270,382 2,169,019 Provision for post retirement medical benefits Provision for employees' contributory benevolent scheme 138,110 142,549 Insurance payable against consumer assets 29.691 30.428 395,575 Unclaimed balances 409,613 3.713.025 3.301.622 Duties and taxes payable 12,936 26,310 Charity fund balance Credit loss allowance against off-balance sheet obligations 22.2 1,807,098 1,543,367

22.1 The Supreme Court of Pakistan vide its order dated November 10, 2016 has held that the amendments made in the law introduced by the Federal Government for the levy of Workers Welfare Fund were not lawful. The Federal Board of Revenue has filed review petitions against this order which are currently pending.

Legal advice obtained on the matter indicates that consequent to filing of these review petitions the judgment may not currently be treated as conclusive. Accordingly, the Group maintained its provision in respect of WWF.

3,942,199

38,081,228

184,802,159

9,118,059

4,911,405

42,679,340

11,051,391

150,778,870

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



22.2 An analysis of changes in credit loss allowance against off-balance sheet obligations is as follows:

	Note	Unaudited June 30, 2025	Audited December 31, 2024
		Rupee	es in '000
Opening balance		1,543,367	78,807
Impact of ECL on adoption of IFRS 9		-	1,673,186
Exchange adjustment		(5,535)	1,606
Charge for the period / year		614,961	293,373
Reversal for the period / year		(345,695)	(503,605)
		269,266	(210,232)
Closing balance		1,807,098	1,543,367
23. RESERVES			
Share premium		23,973,024	23,973,024
Non - distributable capital reserve - gain on bargain purchase option	23.1	908,317	908,317
Exchange translation reserve		10,063,479	9,760,029
Statutory reserve	23.2	57,856,619	54,916,400
General reserve		18,600,000	18,600,000
		111,401,439	108,157,770

- 23.1 Under IFRS 3 a bargain purchase represents an economic gain which should be immediately recognized by the acquirer as income. However, the amount of bargain purchase gain has not been taken to the profit and loss account as the SBP, through its letter BPRD(R&PD)/2017/14330 dated June 13, 2017 recommended that the amount of gain may be routed directly into equity as a Non-distributable Capital Reserve (NCR). The NCR may become available for distribution through a stock dividend only with prior approval of the SBP. The Holding Company, before distribution of the gain as a stock dividend, may adjust any subsequent provisions / deficit, assessed by the Holding Company or recommended by the Banking Inspection Department of SBP, in the acquired assets and liabilities of NIB Bank Limited against the NCR.
- 23.2 Statutory reserve represents amount set aside as per the requirements of section 21 of the Banking Companies Ordinance, 1962.

	Note	Unaudited June 30, 2025 Rupee	Audited December 31, 2024 s in '000
24. SURPLUS ON REVALUATION OF ASSETS			
Surplus / (deficit) on revaluation of			
- Securities measured at FVOCI - Debt securities	10.1	26,307,579	6,067,591
- Securities measured at FVOCI - Equity securities	10.1	12,810,521	11,623,556
- Property and equipment		39,649,358	39,880,011
- Non-banking assets acquired in satisfaction of claims		511,407	561,141
- Associated undertaking		2,632,972	2,441,488
		81,911,837	60,573,787
Deferred tax on (surplus) / deficit on revaluation of:			
- Securities measured at FVOCI - Debt securities	21	(13,679,941)	(3,155,148)
- Securities measured at FVOCI - Equity securities	21	(6,661,470)	(6,044,250)
- Property and equipment	21	(3,707,952)	(3,780,562)
- Non-banking assets acquired in satisfaction of claims		(265,932)	(291,793)
- Associated undertaking		(1,589,328)	(1,490,965)
		(25,904,623)	(14,762,718)
6		56,007,214	45,811,069

MCB Bank Limited & Subsidiary Companies

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



		Note	Unaudited June 30, 2025	Audited December 31, 2024
25. CO	NTINGENCIES AND COMMITMENTS		Rupee	es in '000
-Gu	arantees	25.1	315,781,735	272,138,880
	mmitments	25.2	569,859,219	768,027,533
	ner contingent liabilities	25.3	26,543,779	29,546,944
O.	or contingent numbers	20.0	912,184,733	1,069,713,357
05.4				
25.1			404 000 000	454 000 070
	Financial guarantees		184,923,886	151,606,073
	Performance guarantees		104,289,431	103,399,996
	Other guarantees		26,568,418	17,132,811
			315,781,735	272,138,880
25.2	? Commitments:			
	Documentary credits and short-term trade-related transactions			
	- letters of credit		344,606,949	275,549,395
	Commitments in respect of:			
	- forward foreign exchange contracts	25.2.1	204,222,419	172,408,517
	- forward government securities transactions	25.2.2	-	301,115,690
	- derivatives (notional)	25.2.3	16,004,834	12,927,274
	- commitments to extent credit		1,086,327	2,799,434
	Commitments for acquisition of:			
	- property and equipment		2,888,610	2,320,206
	- intangible assets		1,050,080	907,017
			569,859,219	768,027,533
25.2	2.1 Commitments in respect of forward foreign exchange contracts			
	Purchase		96,043,768	80,842,372
	Sale		108,178,651	91,566,145
			204,222,419	172,408,517
25.2	2.2 Commitments in respect of forward government securities transaction	ns		
	Purchase		-	301,115,690
	Sale		-	-
			-	301,115,690
25.2	2.3 Commitments in respect of derivatives			
	FX options (notional)			
	Purchase		8,002,417	6,463,637
	Sale		8,002,417	6,463,637
			16,004,834	12,927,274
			16,004,834	12,927,274

25.2.4 The Group makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

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Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



Note Unaudited Audited December 31, 2024

-----Rupees in '000-----

25.3 Other contingent liabilities

Claims against the Group not acknowledged as debts

25.3.1 26,54

26,543,779

29,546,944

25.3.1 These mainly represent counter claims by borrowers for damages and other claims relating to banking transactions. Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Group's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these consolidated condensed interim financial statements.

25.4 Taxation

For assessment year 1999-2000 through tax year 2024, the tax department disputed Group's treatment on certain issues, where the Group's appeals are pending at various appellate forums, entailing an additional tax liability of Rs. 6,193.410 million (2024: Rs. 2,632.390 million). Such issues inter alia principally include disallowance of expenses for non-deduction of withholding tax and non availability of underlying records, provision for non performing loans, attribution of expenses to heads of income other than income from business and disallowance of credit for taxes paid in advance / deducted at source.

The Group has filed appeals which are pending at various appellate forums. In addition, certain decisions made in favour of the Group are being contested by the department at higher forums. No provision has been made in these consolidated condensed interim financial statements regarding the aforesaid additional tax demand and already issued favourable decisions where the department is in appeal, as the management is of the view that the issues will be decided in the Group's favour as and when these are taken up by the Appellate Authorities.

25.5 Amortization of goodwill and other intangibles amounting to Rs 28.08 billion of Ex. NIB

Issue of goodwill and other related assets amortization for few years has been assessed in Holding Company's favour at appellate forums, however, the tax department has filed appeal against these decisions. The management has not recorded any tax benefit because the issue has not attained finality.

Unaudited June 30, 2025

26. DERIVATIVE INSTRUMENTS

			Ullauulleu	June 30, 2023			
	Cross Cui	rrency Swaps	Interest F	Rate Swaps	FX Options		
	Notional Principal	Mark to market gain / loss	Notional Principal	Mark to market gain / loss	Notional Principal	Mark to market gain / loss	
	-		Rupe	es in '000			
Total							
Hedging	-	-	-	-	8,002,417	389,244	
Market Making	-	-	-	-	8,002,417	(389,244)	
			Audited Dec	cember 31, 2024			
	_		Rupe	es in '000			
Total		-		1			
Hedging	-	-	-	-	6,463,637	157,610	
Market Making	-	-	-	-	6,463,637	(157,610)	

MCB Bank Limited & Subsidiary Companies

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



			Note	Unaudited Half year ended June 30, 2025 Rupee	Unaudited Half year ended June 30, 2024 s in '000
					(Restated)
27.		UP / RETURN / INTEREST EARNED			
		and advances		50,043,801	65,703,013
	Investm	gs to financial institutions		107,382,551	137,472,872
		es with banks		2,105,720 688,566	4,418,830 1,160,949
	Balario	o wan banko		160,220,638	208,755,664
	27.1	Interest income recognised on:			
	27.1	G		55,000,007	75.050.440
		Financial assets measured at amortised cost Financial assets measured at FVOCI		55,309,637 102,045,212	75,359,418 131,729,518
		Financial assets measured at FVTPL		2,865,789	1,666,728
		Thansar assess measures at 1 1 1 2		160,220,638	208,755,664
28.	MARK-	UP / RETURN / INTEREST EXPENSED			·
	Deposit			55,442,239	104,124,027
	Borrow	ings		24,598,980	17,731,267
	Cost of	foreign currency swaps against			
		foreign currency deposits / borrowings		116,895	2,026,585
	Finance	e charges on lease liability against right-of-use assets		1,106,557 81,264,671	899,117 124,780,996
				Unaudited Half	Unaudited Half
				year ended June 30, 2025	year ended June 30, 2024
					s in '000
29.	FEE &	COMMISSION INCOME		Парос	·
	Branch	banking customer fees		2,299,425	2,010,913
	Consur	ner finance related fees		398,778	336,920
		lated fees (debit and credit cards)		4,643,141	3,916,990
		elated fees		344,168	487,520
		nent banking fee		60,671	75,820
		ssion on trade ssion on guarantees		1,652,820 402,489	1,963,918 710,222
		ssion on guarantees ssion on cash management		570,190	536,247
		ssion on remittances including home remittances		(1,216,157)	820,111
		ssion on bancassurance		553,493	378,234
	Rent or	lockers		151,540	125,862
		ssion on utility bills		48,627	48,715
		ssion on investments services		2,092,405	1,072,820
	Others			307,162 12,308,752	303,682 12,787,974
	0.4151.7	(1.000) ON OFOURITIES		12,000,102	12,707,574
30.		(LOSS) ON SECURITIES	20.4	(220.450)	50.240
	Realise	α sed - Measured at FVTPL	30.1 10.1	(229,450) 103,999	58,318 22,424
	Officali	Sed - Medaured att VII E	10.1	(125,451)	80,742
	30.1	Realised gain / (loss) on:			
		Federal Government Securities		(154,231)	64,123
		Non Government Debt Securities		31,075	6,521
		Shares		(106,294)	(12,326)
				(229,450)	58,318
	30.2	Realised (loss) / gain on:			
		Financial assets measured at FVTPL			
		Designated upon initial recognition		(248,483)	40,199
		Mandatorily measured at FVTPL		(249,492)	40,199
				(248,483)	40,199
		Financial assets measured at FVOCI		19,033	18,119
				19,033	18,119
				(229,450)	58,318

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Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



Unaudited Half

year ended June

Unaudited Half

year ended June

		year ended June 30, 2025	year ended June 30, 2024
		Rupee	
. OTHER INCOME			
Rent on property		63,618	72,000
Gain on conversion of Ijarah agreements		4,395	5,841
Gain on termination of lease liability against right of use	e assets	31,486	27,046
Gain on sale of property and equipment - net		170,681 270,180	142,510 247,397
		270,160	241,391
		Unaudited Half	Unaudited Half
		year ended June 30, 2025	year ended June 30, 2024
		Rupee	s in '000 (Restated)
. OPERATING EXPENSES			(Nestateu)
Total compensation expense		18,309,383	15,690,061
Property expense		10,000,000	10,000,001
Rent and taxes		233,785	166,819
Insurance		39,013	35,498
Utilities cost		1,229,028	1,294,070
Fuel expense generators		437,294	481,409
Security (including guards)		1,404,090	1,279,575
Repair and maintenance (including janitorial charges)		782,981	694,123
Depreciation on right-of-use assets		1,278,988	1,108,301
Depreciation		866,292	727,083
Information technology expenses		6,271,471	5,786,878
Software maintenance		1,326,584	1,083,327
Hardware maintenance		233,334	182,676
Depreciation		872,092	675,604
Amortization		342,597	395,830
Network charges		426,871	411,263
Insurance		12,025	4,810
Other operating expenses		3,213,503	2,753,510
Directors' fees and allowances		30,520	22,420
Remuneration to shariah board members		10,336	9,756
Legal and professional charges		292,751	285,535
Outsourced services costs		725,683	600,985
Travelling and conveyance		383,721	396,258
NIFT clearing charges		165,900	124,723
Depreciation		801,824	660,043
Depreciation on non-banking assets acquired in satisfa	action of claims	8,221	9,338
Training and development		63,721	41,774
Postage and courier charges		187,868	179,803
Communication		1,404,607	1,007,888
Stationery and printing Marketing advertisement & publicity		653,478 2,051,982	699,424 657,965
Marketing, advertisement & publicity Donations		2,031,902	10,100
Auditors' remuneration		62,931	58,656
Cash transportation charges		669,295	621,584
Repair and maintenance		472,575	404,983
Subscription		46,023	48,526
Entertainment		280,554	230,820
Remittance charges		153,826	119,279
Brokerage expenses		53,345	51,155
Card related expenses		1,924,149	1,671,125
CNIC verification charges		156,292	197,702
Insurance		1,414,274	1,255,271
Others		482,765	334,489
		12,496,641	9,699,602
		40,290,998	33,930,051

MCB Bank Limited & Subsidiary Companies Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



		Note	Unaudited Half year ended June 30, 2025	Unaudited Half year ended June 30, 2024
			Rupee	s in '000
33.	OTHER CHARGES			
	Penalties of State Bank of Pakistan		22,520	61,806
	VAT & National Building tax & Crop Insurance Levy		78,668	129,373
	Education cess		62,200	48,800
			163,388	239,979
34.	CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET			
	Credit loss allowance against balance with other banks		132,702	3,705
	Credit loss allowance / (reversal) against cash and balances with treasury b	anks	41,385	(3,030)
	Credit loss allowance / (reversal) for diminution in value of investments	10.2	93,008	(59,196)
	(Reversal) / credit loss allowance against loans and advances	11.3	(4,570,918)	1,005,109
	Credit loss allowance / (reversal) against lendings to financial institutions		1,699	(23,385)
	Credit loss allowance / (reversal) against off balance sheet items		269,266	(225,450)
	Credit loss allowance / (reversal) against other assets	15.1.1	9,059	(44,702)
	Recovery of written off / charged off bad debts		(130,988)	(92,947)
			(4,154,787)	560,104
			Unaudited Half year ended June 30, 2025	Unaudited Half year ended June 30, 2024
			Rupee	s in '000
35.	TAXATION			(Restated)
	Current		30,442,890	33,820,477
	Prior years		2,714,369	11,469
	Deferred		(447,179)	(529,991)
	Share of tax of associates		448,160	349,914
			33,158,240	33,651,869
			Rupee	s in '000
				(Restated)
36.				(itootatoa)
	BASIC AND DILUTED EARNINGS PER SHARE			(Notatou)
	BASIC AND DILUTED EARNINGS PER SHARE Profit after tax attributable to Equity Shareholders of the Bank		29,234,243	34,605,944
			, ,	,
			, ,	34,605,944
	Profit after tax attributable to Equity Shareholders of the Bank		Nu	34,605,944 mber 1,185,060,006
	Profit after tax attributable to Equity Shareholders of the Bank		Nui 1,185,060,006	34,605,944 mber 1,185,060,006
	Profit after tax attributable to Equity Shareholders of the Bank		Nui 1,185,060,006	34,605,944 mber 1,185,060,006

70 Sinsurance 1,414,274 1,255,271 1,255,271 1,256,641 9,699,602 33,930,051

MCB Bank Limited & Subsidiary Companies Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



37. FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as amortised cost, is based on quoted market price. Quoted debt securities classified as amortised cost are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiary, is determined on the basis of valuation methodologies.

Fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments.

In the opinion of the management, the fair value of the remaining financial assets and financial liabilities are not significantly different from their carrying values since these are either short-term in nature or, in the case of customer loans and deposits, are frequently repriced.

37.1 Fair value of financial assets

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities. Financial instruments included in Level 1 comprise of investments in listed ordinary shares.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Financial instruments included in Level 2 comprise of Sukuk Bonds, Pakistan Investment Bonds, Market Treasury Bills, Mutual Fund units, Term Finance certificates, FX options, Cross Currency Swaps, Interest Rate Swaps and Forward Exchange Contracts.
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs). Financial instruments included in Level 3 comprise of investments in unquoted equity investments.

37.2 Fair value of non-financial assets

'Certain categories of property and equipment (land and buildings) and non banking assets acquired in satisfaction of claims are carried at revalued amounts determined by professional valuers based on their assessment of the market values. The valuations are conducted by the valuation experts appointed by the Group which are also on the panel of the State Bank of Pakistan.

37.3 The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Unaudited June 30, 2025				
	Carrying / Notional Value	Level 1	Level 2	Level 3	Total
			Rupees in '000-		
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	2,048,963,840	-	2,048,963,840	-	2,048,963,840
Shares and units	61,351,051	56,674,160	188,101	4,488,790	61,351,051
Non-Government Debt Securities	9,907,100	_	9,907,100	_	9,907,100
Foreign Securities	41,304,870	-	41,304,870	-	41,304,870
Financial assets - disclosed but not					
measured at fair value					
Investments (amortized cost and associates)	57,386,573	-	-	-	-
Non - Financial Assets measured at fair value					
Property and equipment (land and buildings)	65,842,926	_	65,842,926	_	65,842,926
Non-banking assets	1,742,666	_	1,742,666	_	1,742,666
Off-balance sheet financial					
instruments - measured at fair value					
Forward purchase of foreign exchange	96,043,768	-	345,843	-	345,843
Forward sale of foreign exchange	108,178,651	-	40,235	-	40,235
Derivatives purchase	8,002,417	-	389,244	-	389,244
Derivatives sale	8,002,417	-	389,244	-	389,244

MCB Bank Limited & Subsidiary Companies Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



	Audited December 31, 2024				
	Carrying / Notional Value	Level 1	Level 2	Level 3	Total
			Rupees in '000-		
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	1,134,229,469	-	1,134,229,469	-	1,134,229,469
Shares and units	49,810,331	49,708,717	101,614	_	49,810,331
Non-Government Debt Securities	10,468,262	-	10,468,262	_	10,468,262
Foreign Securities	58,121,060	-	58,121,060	_	58,121,060
Financial assets - disclosed but not measured at fair value					
Investments (amortized cost, unquoted ordinary					
shares and associates)	53,927,034	-	-	-	-
Non - Financial Assets measured at fair value					
Property and equipment (land and buildings)	66,246,073	-	66,246,073	_	66,246,073
Non-banking assets	1,901,887	-	1,901,887	-	1,901,887
Off-balance sheet financial instruments - measured at fair value					
Forward purchase of foreign exchange	80,842,372	-	726,974	-	726,974
Forward sale of foreign exchange	91,566,145	-	1,402,562	-	1,402,562
Forward purchase of government securities	301,115,690		2,096,975	-	2,096,975
Derivatives purchase	6,463,637	-	157,610	-	157,610
Derivatives sale	6,463,637	-	157,610	-	157,610

- 37.4 The Group's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred. There were no transfers between Levels 1 and 2 during the period.
- 37.5 Valuation techniques used in determination of fair valuation of financial instruments within Level 2 and Level 3

Item	Valuation approach and input used
Federal Government securities	The fair values of Treasury Bills and fixed rate Pakistan Investments Bonds are determined using the PKRV rates while floating rate Pakistan Investments Bonds are revalued using PKFRV rates. The fair values of foreign currency denominated GoP Eurobonds are determined on the basis of rates taken from Bloomberg.
Term Finance and Bonds	Investments in debt securities (comprising term finance certificates, sukuks, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Foreign Government Debt Securities	The fair values of Foreign Government debt securities are determined on the basis of rates taken from Bloomberg.
Foreign exchange contracts	The valuation has been determined by interpolating the mark-to-market currency rates announced by the State Bank of Pakistan.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currency involved, interest rates, yield curves, volatilities, contracts duration etc.
Unquoted equity investments	The fair value of unquoted equity investments is determined using the discounted cash flow (DCF) method, based on the investee company's projected cash flows. In cases where such projections are not available, the Group estimates fair value as the lower of the investment's cost or its break-up value.
Mutual Funds	Units of mutual funds are valued using the Net Asset Value (NAV) announced by the Mutual Funds Association of Pakistan (MUFAP).

Mutual Funds

Units of mutual funds are valued using the Net Asset Value (NAV) announced by the Mutual Funds Association of Pakistan (MUFAP).

MCB Bank Limited & Subsidiary Companies Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



Audited

Item	Valuation approach and input used
Property and equipment (land and building) & Non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using valuation experts. The valuation experts used a market based approach to arrive at the fair value of the Group's properties. The market approach used prices and other relevant information generated by market transactions involving identical, comparable or similar properties. These values are adjusted to reflect the current condition of the properties. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty accordingly a qualitative disclosure of sensitivity has not been presented in these consolidated condensed interim financial statements.

The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements of investment in unquoted equity securities.

Description	Valuation technique	Unobservable inputs*	Discount rate	Relationship of unobservable inputs to fair value
		Discount rate	20.13%	Increase / decrease discount rate by 1% with all other variables held constant, would decrease / increase the fair value by Rs. 317.402 million and Rs 375.459 million respectively.
Unquoted equity investments	DCF method	Terminal growth rate	4% - 11%	Increase / decrease in terminal growth factor rate by 1% with all other variables held constant, would increase / decrease the fair value by Rs. 270.358 million and Rs. 229.017 million respectively.

^{*} There were no significant inter-relationships between unobservable inputs that materially affect fair values.

The following table shows reconciliation of investments Level 3 fair value movement:

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June 30, 2025 Decem	Der 31, 124
Rupees in '000-	
Opening balance 3,899,015 1,	404,534
mpact of fair valuation on adoption of IFRS 9	494,481
Opening balance as at January 01, 2025 - Restated 3,899,015 3,	899,015
Remeasurement recognised in OCI 589,775	-
2 dosing balance 4,488,790 3,	899,015

MCB Bank Limited & Subsidiary Companies Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Ha



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	Retail Banking	Consumer banking	Corporate Banking	Treasury	International Banking	Islamic Banking	Asset Management	Others	Sub-total	Eliminations	Total	lf Yea
						Rupees in '000						r E
ss Account												nde
+	(41,441,481)	3,280,795	28,711,070	76,710,489	4,085,386	7,271,216	10,253	328,239	78,955,967		78,955,967	d Ju
ts.	89,881,690	(1,892,495)	(23,706,131)	(69,485,662)	(144,424)		•	5,347,022				ıne
rest income	7,324,439	1,681,401	3,397,518	3,664,724	1,191,931	822,614	2,091,823	929,885	21,134,335		21,134,335	30,
	55,764,648	3,069,701	8,402,457	10,889,551	5,132,893	8,093,830	2,102,076	6,635,146	100,090,302	٠	100,090,302	202
	21,191,302	1,425,536	2,412,910	421,292	1,597,767	5,633,375	726,680	8,287,977	41,696,839	٠	41,696,839	25
ocation	•		•	,			•		•			
	21,191,302	1,425,536	2,412,910	421,292	1,597,767	5,633,375	726,680	8,287,977	41,696,839	٠	41,696,839	
write offs - net	1,440,961	57,338	(332,802)	(264,300)	(455,690)	131,870	•	(4,732,164)	(4,154,787)	•	(4,154,787)	
	33,132,385	1,586,827	6,322,349	10,732,559	3,990,816	2,328,585	1,375,396	3,079,333	62,548,250	•	62,548,250	
osition					Una	Unaudited June 30, 2025	50					
	90,417,270	121,520	333,244	114,521,075	51,117,549	23,620,070	58,054	132,613	280,321,395	٠	280,321,395	
	•	•	10,003,005	1,983,955,827	60,943,626	152,269,351	3,305,850	8,935,775	2,219,413,434	٠	2,219,413,434	
	1,709,968,001	٠	٠	٠			٠	337,104,801	2,047,072,802	(2,047,072,802)	٠	
stions		•	٠	11,433,295	109,454,799	2,999,785	٠	٠	123,887,879	٠	123,887,879	
nderperforming	56,148,122	42,538,192	505,338,084	٠	45,223,505	110,486,913	20,710	804,664	760,560,190	٠	760,560,190	
	455,678	142,121	701,362	٠	9,279,000	577,352	٠	1,224,987	12,380,500	٠	12,380,500	
	60,794,580	3,580,632	59,693,335	48,487,752	3,482,686	23,687,837	1,585,071	94,481,577	295,793,470	٠	295,793,470	- (
	1,917,783,651	46,382,465	576,069,030	2,158,397,949	279,501,165	313,641,308	4,969,685	442,684,417	5,739,429,670	(2,047,072,802)	3,692,356,868	
	2,343,517	38,988	70,787,013	580,989,898	2,088,741	17,767,920	•	4,390,787	678,406,864	•	678,406,864	
ıts	1,897,786,160	•	98,249,277	٠	238,613,817	255,892,327			2,490,541,581		2,490,541,581	
Đ.		40,009,543	369,300,412	1,574,479,544	33,537,711	26,519,088	3,226,504		2,047,072,802	(2,047,072,802)	•	cuj
	17,653,974	6,333,934	37,732,328	2,928,507	5,260,896	13,461,973	1,743,181	131,494,638	216,609,431	•	216,609,431	
	1,917,783,651	46,382,465	576,069,030	2,158,397,949	279,501,165	313,641,308	4,969,685	135,885,425	5,432,630,678	(2,047,072,802)	3,385,557,876	
	•	•	•	•				306,798,992	306,798,992	•	306,798,992	Ba
s	1,917,783,651	46,382,465	576,069,030	2,158,397,949	279,501,165	313,641,308	4,969,685	442,684,417	5,739,429,670	(2,047,072,802)	3,692,356,868	ınk f
mitments	122,061,671		469,419,447	195,208,574	14,633,243	81,011,320		29,850,478	912,184,733		912,184,733	or Life
												E

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited)



	Retail Banking	Consumer banking	Corporate Banking	Treasury	International Banking	Islamic Banking	Asset Management	Others	Sub-total	Eliminations	Total
Statement of Profit & Loss Account						Rupees in '000-					
Net mark-up / return / profit - Restated	(73,628,532)	1,954,320	30,429,233	112,369,046	4,106,102	8,423,281	19,722	301,496	83,974,668	٠	83,974,668
Inter segment revenue - net	142,335,047	(559,060)	(24,855,552)	(126,620,726)	(212,637)	٠		9,912,928			٠
Non mark-up / return / interest income	6,631,477	1,291,080	5,584,822	3,861,491	1,106,193	529,250	1,167,935	282,287	20,454,535		20,454,535
Total Income	75,337,992	2,686,340	11,158,503	(10,390,189)	4,999,658	8,952,531	1,187,657	10,496,711	104,429,203		104,429,203
Segment direct expenses - Restated	19,011,685	1,200,831	951,255	359,366	1,380,125	4,645,715	479,429	7,498,811	35,527,217		35,527,217
Inter segment expense allocation			·								
Total expenses	19,011,685	1,200,831	951,255	359,366	1,380,125	4,645,715	479,429	7,498,811	35,527,217	٠	35,527,217
Credit loss allowance and write offs - net	835,405	456,263	933,273	(24,281)	49,665	45,695	٠	(1,735,916)	560,104		560,104
Profit before tax	55,490,902	1,029,246	9,273,975	(10,725,274)	3,569,868	4,261,121	708,228	4,733,816	68,341,882		68,341,882
Statement of Financial Position					Aud	Audited December 31, 2024	2024				
Cash & Bank balances	46,364,878	112,551	201,339	104,117,273	45,563,659	19,076,604	63,957	34,002	215,534,263	•	215,534,263
Investments		٠	10,671,310	1,066,820,725	71,479,168	146,596,201	2,360,126	8,628,626	1,306,556,156		1,306,556,156
Net inter segment lending	1,540,925,947	٠						317,728,339	1,858,654,286	(1,858,654,286)	٠
Lendings to financial institutions		٠		199,978	55,455,526	2,000,000			57,655,504		57,655,504
Advances - performing / underperforming	61,051,389	36,075,897	895,102,516		45,235,202	118,695,366	27,363	(2,990,082)	1,153,197,651		1,153,197,651
- non performing	221,802	129,398	936,180		9,102,756	657,777		1,669,062	12,716,975		12,716,975
Others	61,228,836	3,648,516	56,988,097	36,583,876	4,169,533	20,261,748	1,701,268	79,479,333	264,061,207		264,061,207
Total Assets	1,709,792,852	39,966,362	963,899,442	1,207,721,852	231,005,844	307,287,696	4,152,714	404,549,280	4,868,376,042	(1,858,654,286)	3,009,721,756
Borrowings	4,811,563	42,145	79,574,711	182,422,525	1,022,291	48,422,293		3,941,306	320,236,834		320,236,834
Deposits and other accounts	1,626,526,489		109,698,501		185,184,270	209,108,581		7,537	2,130,525,378		2,130,525,378
Net inter segment borrowing		33,742,698	739,981,530	1,025,012,385	31,277,259	25,946,006	2,694,408		1,858,654,286	(1,858,654,286)	
Others	78,454,800	6,181,519	34,644,700	286,942	13,522,024	23,810,816	1,458,306	113,353,193	271,712,300		271,712,300
Total liabilities	1,709,792,852	39,966,362	963,899,442	1,207,721,852	231,005,844	307,287,696	4,152,714	117,302,036	4,581,128,798	(1,858,654,286)	2,722,474,512
Equity	.							287,247,244	287,247,244		287,247,244
Total Equity and liabilities	1,709,792,852	39,966,362	963,899,442	1,207,721,852	231,005,844	307,287,696	4,152,714	404,549,280	4,868,376,042	(1,858,654,286)	3,009,721,756
Contingencies and Commitments	77,434,778	٠	416,240,574	471,223,497	13,340,003	60,170,677	٠	31,303,828	1,069,713,357	٠	1,069,713,357

MCB Bank Limited & Subsidiary Companies

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



	oil-Addited ,	OII-Audited Julie 30, 2023			Andlied December 31, 2024	11Del 31, 2024	
	Key Management Personnel and Shariah Advisors	Associates	Other Related Parties	Directors	Key Management Personnel and Shariah Advisors	Associates	Other Related Parties
		-] (Run	(Runees in 1000)			
				(200			
		10,568,425	1,367,493	•		7,821,877	1,367,493
		815,872	•	•		2,658,498	•
		8,438,460	•	•		4,278,508	•
	•	(7,707,622)	٠	•	•	(4,190,458)	•
	•	12,115,135	1,367,493			10,568,425	1,367,493
1				3			L
9	461,038	•	6,946,631	1,436	440,385		3,455,169
349	20,414	•	2,381,979	33,104	111,052		7,358,769
14)	(36,888)	•	(5,819,761)	(13,833)	(116,814)	•	(3,867,307)
	(132,695)		٠	•	26,415	•	٠
342	311,869		3,508,849	20,707	461,038		6,946,631
160)	(1,529)	-	(3,823)	(747)	(12,374)	٠	(1,753)
•	•	29,800	-	'		32,145	541,045
	3,307		53,713		3,924	_	93,780
		1,186,339	25,785	•		1,238,460	26,330
	•	•	14,129,987		•		13,336,850

The Group has related party relationship with its associates, employee benefit plans, its directors and key management personnel and their close family members

The Groups enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accurate a recordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these consolidated condensed interim financial statements are as follows:

Directors Personnel and Associates Parties Parti			Un-Audited June 30, 2025	lune 30, 2025			Audited December 31, 2024	nber 31, 2024	
- 10,568,425 1,387,493 - 7,821,877 - 815,872 - 2,658,498 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 4,278,508 - 10,568,425 - 10,568,425 - 20,444 - 2,381,979		Directors	Key Management Personnel and Shariah Advisors	Associates	Other Related Parties	Directors	Key Management Personnel and Shariah Advisors	Associates	Other Relat Parties
- 10,568,425 1,367,493 7,621,877 - 815,872 2,568,498 - 8,438,460 2,568,498 - (7,707,622) 4,278,508 - 12,115,135 1,387,493 (4,190,458) - 12,115,135 1,387,493 10,568,425 - 20,414 - 2,381,979 33,104 111,052 10,568,425 - (36,888) - (5,819,761) (13,833) (116,814) 26,415 26,415 - 29,800 29,800 3,508,849 - 11,186,339 25,785 - 14,129,987 - 14,129,987 1,238,460 - 14,129,987 1					(Rup)			
- 10,568,425 1,367,493									
- 815,872 2,658,498 - 8,438,460 2,658,498 - (7,707,622) (4,190,458) - 12,115,135				10,568,425	1,367,493	•	•	7,821,877	1,367,
- 8,438,460 4,278,508 - (7,707,622) (4,190,458) - (12,115,135 1,367,493 (4,190,458) - (12,144 - 2,381,979 33,104 111,052 20,414 - 2,381,979 20,707 461,038 - 35,088				815,872				2,658,498	
- 12,115,135 1,367,493 (4,190,458) 461,038 - 6,946,631 1,436 440,385 - 10,568,425 20,414 - 2,381,979 33,104 111,052 - 20,414 - 2,381,979 33,104 111,052 - 26,415 - 26,415 - 26,415 - 32,145 311,869 - (3,823) (747) (12,374) - 32,145 - 29,800 - 53,713 - 3,924 1 1,238,460 - 1,186,339 25,785 1,238,460				8,438,460		٠		4,278,508	
461,038 - 12,115,135 1,367,493 - - 10,568,425 461,038 - 6,946,631 1,436 440,385 - - 20,414 - 2,381,979 33,104 111,052 - - (36,888) - (5,819,761) (13,833) (116,814) - - (132,695) - - 26,415 - - 311,869 - 3,508,849 20,707 461,038 - (1,529) - (3,823) (747) (12,374) - - - 29,800 - - 32,145 - - - 3,504 1 - - 1,186,339 25,785 - - - - 1,238,460 - - - - - - - - -		,		(7,707,622)	٠	•		(4,190,458)	
461,038 - 6,946,631 1,436 440,385 - 20,414 - 2,381,979 33,104 111,052 - (36,888) - (5,819,761) (13,833) (116,814) - (132,695) - - 26,415 - 311,869 - (3,823) (747) 461,038 - (1,529) - (3,823) (747) (12,374) - - 29,800 - - 32,145 - - - 3,502,745 - - - 1,186,339 25,785 - - - - - - 14,129,887 - - - -	ı — II			12,115,135	1,367,493	•		10,568,425	1,367,
461,038 - 6,946,631 1,436 440,385 - 20,414 - 2,381,979 33,104 111,052 - (132,695) - - 26,415 - 311,869 - 3,508,849 20,707 461,038 - (1,529) - (12,374) - - 1,186,339 25,785 - - - 14,129,887 - - 1,238,460 - - 14,129,887 - - -									
20,414 - 2,381,979 33,104 111,052 - (36,888) - (5,819,761) (115,833) (116,814) - (132,695) - - 26,415 - 311,869 - (3,823) (747) 461,038 - (1,529) - (3,823) (747) (12,374) - - 29,800 - - 32,145 - 1,186,339 25,785 - - 1,238,460 - - 14,129,987 - - - -		20,707			6,946,631	1,436			3,455,
(36,888) - (5,819,761) (116,814) - (13,629) - - 26,415 - 311,669 - (3,623) (747) 461,038 - (1,529) - (3,623) (747) (12,374) - - 29,800 - - 32,145 - - 53,713 - 3,924 1 - 1,186,339 25,785 - - 1,238,460 - - 14,129,987 - - -		4,345		•	2,381,979	33,104		•	7,358,
(132,695) - - 26,415 - 311,869 - 3,508,849 20,707 461,038 - 6,9 (1,529) - (3,823) (747) (12,374) - 53,145 5 - 29,800 - - 32,145 5 - 1,186,339 25,785 - 1,238,460 - 14,129,987 - - 13,33		(8,214		٠	(5,819,761)	(13,833)		•	(3,867,
311,869 3,508,849 20,707 461,038 6,9 (1,529) - (3,823) (747) (12,374) - - 29,800 - - 32,145 5 - 1,186,339 25,785 - 1,238,460 - 14,129,987 - - 1,238,460		•	(132,695)	,	٠		26,415	•	
(1,529) - (3,823) (747) (12,374) - (12,374) - (12,374) - (12,374) - (12,374) - (12,374) - (12,374) - (12,374) - (12,374) - (12,374) - (12,374) - (12,374) - (12,374) - (12,374) - (12,38,460) - (14,129,987) - (12,38,460) - (13,33) - (12,38,460) - (13,33) - (12,38,460) - (13,33) - (12,38,460) - (13,33) - (12,38,460) - (13,33) - (12,38,460) - (13,33) - (12,38,460) - (13,33) - (12,38,460) - (13,33) - (12,38,460) - (13,33) - (12,38,460) - (13,33) - (12,38,460) - (13,33) - (12,38,460) - (13,38,		16,842			3,508,849	20,707	461,038		6,946,0
29,800 - 32,145 - 53,713 - 3,924 1 1,186,339 25,786 - 1,238,460 - 14,129,987 - 13,		(160		٠	(3,823)	(747)			(1,
29,800 - 32,145 - 32,145 - 53,713 - 1,238,460 - 13,024 13,039 - 13									
. 53,713 . 3,924 1 1,186,339 25,785 1,238,460 - 14,129,987				29,800		•	•	32,145	541,
- 53,713 - 3,924 1 1,186,339 25,785 - 1,238,460 - 14,129,987 - 13,5									
25,785 1,238,460 14,129,987 13,5		•	3,307		53,713		3,924	-	. '86
14,129,987		•		1,186,339	25,785	•		1,238,460	26,
					14,129,987				13,336,

Addition / exchange adjustment during the period / year

ransfer in / (out)

Opening balance

Closing balance

Credit loss allowance against

Purchase of property and eq

estment made during the year

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



Letter of Credit

1 01	тпе пап теаг	Liluc	u Jun	e 30, 202	3											Banl
	Other Related Parties		(86)		14,236,158	274,181,575	(277,109,812)	374,026	11,681,947	131,391	80,738	212,129	•	4,576,047	3,606,499	8.182.546
ber 31, 2024	Associates				8,321,464	75,020,811	(74,163,605)	•	9,178,670	171,862	493,426	665,288	•	•	8,734,277	8.734.277
Audited December 31, 2024	Key Management Personnel and Shariah Advisors		(104)		349,144	8,636,027	(8,701,156)	298	284,882	3,111	194	3,305	•	•		
	Directors P	(000, ui			3,034,686	6,929,977	(9,815,845)	(1,035)	147,783	1,342		1,342	•		•	
	Other Related Parties	(Rupees in '000)	(94)		11,681,947	107,707,748	(106,125,493)	(2,606,797)	10,657,405	15,345	13,624	28,969	14,897	8,300,711	4,425,114	12,725,825
ne 30, 2025	Associates				9,178,670	39,175,581	(39,318,256)	٠	9,035,995	16,936	461,957	478,893	848	•	8,898,078	8.898.078
Un-Audited June 30, 2025	Key Management Personnel and Shariah Advisors		(41)		284,882	3,201,662	(3,094,835)	(16,439)	375,270	308	194	503	•			
	Directors		(13)		147,783	1,983,286	(1,855,504)		275,565	1,629	•	1,629	•			

Fransfer in / (out) - net

MCB Bank Limited & Subsidiary Companies

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



		Un-Audited .	Un-Audited June 30, 2025			Un-Audited June 30, 2024	lune 30, 2024	
	Directors	Key Management Personnel and Shariah Advisors	Associates	Other Related Parties	Directors	Key Management Personnel and Shariah Advisors	Associates	Other Related Parties
				(Rupees in '000)	s in '000'	-		
	337	9,083		154,448	•	12,785		222,703
	,	. '	673,435	54,144	_	. '	471,261	41,023
	•	•	105,000	120,528	•		105,000	59,325
nge contracts matured during the period	٠	•	•	27,353	•	•		71,635
ties	•		2,192	(413)	7	65	•	1,036
ipment	•	142	٠	•	30	89	•	•
of other expenses	•	24	19,835	6,412			114,324	18,733
come	•	•	2,441,634		•	•	944,658	•
Pe	6,982	11,563	189,558	367,859	36,223	31,803	312,864	1,229,197
	•	•	•		•	•	•	•
	•		,	137,884	•	•		107,035
	•	•	•	478,632	•		•	404,055
	•	•	49,902	31,513	•	٠	56,804	29,154
	•	•	٠	72,012	•		•	64,090
	•	•	•	242,513	•		•	235,272
	•	•	•	2,914	•		•	2,578
shariah advisors and non-executive directors fee	93,623	1,024,257	•	•	144,481	973,516	1	•
	•	•	72,190	•	•	•	67,032	•
DC charges	•	•	•	7,634	•		•	3,460
	•	•	•	62,372	•	•	•	64,881
	•	•		4,036	•		•	13,669
	•	•	•	3,380	•	•	•	2,280
	•	•	13,961	922	•	•	15,079	
ments	•	•	•	3,762	•	•	•	2,509
	•	•	10,116	,	•		392,092	•
	•	•	1,459	•	•	•	410	•
	•	•	615,756	238,742	•	•	406,398	178,182
	•		26,111	•	•	•	61,331	•
nd equipment	•	182		•	31	88	•	88
	•	45,951	10,890,789	2,639,568	73,455		5,543,426	
Se	•	70,307	1,385,322	318,795	•	58,877	4,003,603	16,192,249
ured during the period	•	٠	•	3,844,874	•	•	•	6,442,102

Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



Unaudited June 30, 2025

Audited December 31, 2024 -----Rupees in '000-----

CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

40 1	Canita	allacv

Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	11,850,600	11,850,600
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	229,398,720	221,355,610
Eligible Additional Tier 1 (ADT 1) Capital	_	-
Total Eligible Tier 1 Capital	229,398,720	221,355,610
Eligible Tier 2 Capital	67,811,574	57,262,104
Total Eligible Capital (Tier 1 + Tier 2)	297,210,294	278,617,714
Risk Weighted Assets (RWAs):		
Credit Risk	977,887,496	937,630,609
Market Risk	270,401,569	217,684,208
Operational Risk	331,256,057	331,256,057
Total	1,579,545,122	1,486,570,874
Common Equity Tier 1 Capital Adequacy ratio	14.52%	14.89%
Tier 1 Capital Adequacy Ratio	14.52%	14.89%
Total Capital Adequacy Ratio	18.82%	18.74%

The Group has not taken benefit allowed to banks to absorb the impact of IFRS 9 on regulatory capital.

		Unaudited June 30, 2025Rupees	Audited December 31, 2024
0.2	Leverage Ratio (LR):	Kupees	5 111 000
0.2	Eligible Tier-1 Capital	229,398,720	221,355,610
	Total Exposures	4,215,189,062	3,753,643,548
	Leverage Ratio	5.44%	5.90%
0.3	Liquidity Requirements		
	Liquidity Coverage Ratio (LCR):		
	Total High Quality Liquid Assets	1,574,687,804	1,478,648,150
	Total Net Cash Outflow	649,613,090	647,316,425
	Liquidity Coverage Ratio	242.40%	228.43%
	Net Stable Funding Ratio (NSFR):		
	Total Available Stable Funding	2,082,637,168	1,887,441,253
	Total Required Stable Funding	1,347,717,482	1,462,807,887
	Net Stable Funding Ratio	154.53%	129.03%

MCB Bank Limited & Subsidiary Companies Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited) For The Half Year Ended June 30, 2025



41 EVENTS AFTER THE REPORTING DATE

The Board of Directors in its meeting held on August 06, 2025 has announced an interim cash dividend in respect of half year ended June 30, 2025 of Rs. 9.00 per share (June 30, 2024: Rs. 9.00 per share). These consolidated condensed interim financial statements for the period ended June 30, 2025 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

Comparative information has been reclassified, rearranged or additionally incorporated in these consolidated condensed interim financial statements for

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

The impact of the restatement arising from the adoption of IFRS 9 is disclosed in Note 4.1.2 to these financial statements.

43 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue by the Board of Directors of the Bank in their meeting held August

Hammad Khalid Chief Financial Officer

Shahzad Hussain