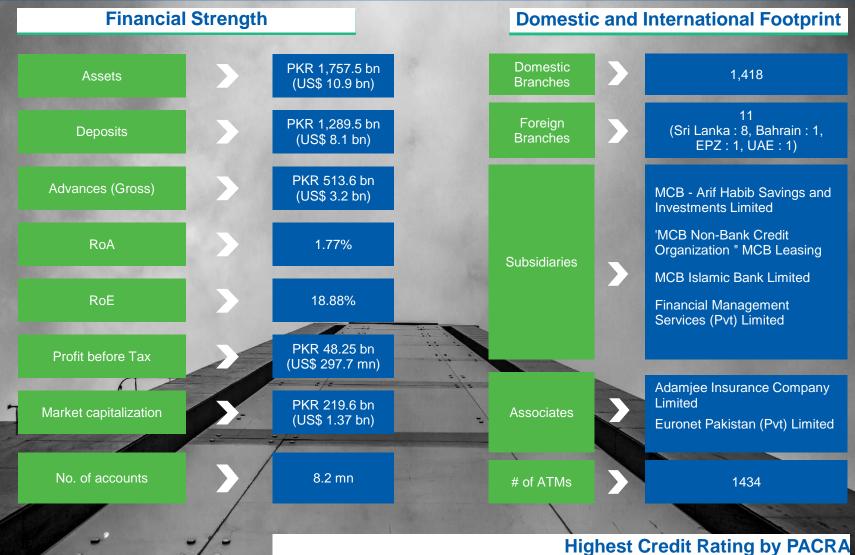


Financial and Operational Landscape



Long Term AAA [triple A] and Short Term A1+ [A one plus]



Statement of Financial Position

Increase of 16% in Assets base

Rs. in mln

	Dec 2020	Dec 2019	Var.	% var.	Sep 2020	Var.	% var.
ASSETS	1,757,462	1,515,152	242,310	15.99%	1,674,869	82,593	5%
Advances - net	462,942	496,679	(33,737)	-6.79%	445,039	17,902	4%
- Gross Advances	513,550	540,037	(26,487)	-4.90%	493,688	19,862	4%
Investments	1,015,869	748,765	267,105	35.67%	964,412	51,458	5%
- T-Bills <i>(10.37%)</i> and PIBs <i>(11.41%)</i>	948,209	688,944	259,265	37.63%	902,440	45,769	5%
- Debt Securities(9.08%)	26,028	26,020	9	0.03%	18,519	7,510	41%
- Equity Securities (2.91%)	26,589	24,958	1,631	6.53%	24,656	1,934	8%
- Subsidiaries and Associates(2.95%)	13,019	13,047	(28)	-0.21%	13,047	(28)	0%
-Provision and surplus	2,023	(4,205)	6,228	-148.12%	5,750	(3,727)	-65%
Cash and Balances with Banks	146,211	145,247	964	0.66%	157,206	(10,995)	-7%
Lending to Financial Institutions	17,139	1,090	16,049	1472.34%	2,140	15,000	701%
Other Assets (including fixed assets)	115,301	123,372	(8,071)	-6.54%	106,072	9,228	9%
LIABILITIES	1,567,361	1,346,237	221,123	16.43%	1,489,494	77,867	5%
Deposits	1,289,502	1,144,763	144,739	12.64%	1,274,870	14,633	1%
CASA	1,198,785	1,035,063	163,722	15.82%	1,187,752	11,033	1%
Term deposits	90,718	109,701	(18,983)	-17.30%	87,118	3,600	4%
Borrowings	164,002	89,506	74,496	83.23%	112,373	51,628	46%
Bills Payable	23,981	11,822	12,159	102.85%	9,951	14,030	141%
Other Liabilities (including Deferred Tax)	89,876	100,146	(10,270)	-10.26%	92,300	(2,424)	-3%
NET ASSETS	190,102	168,915	21,187	12.54%	185,376	4,726	3%
EQUITY	162,382	145,219	17,162	11.82%	155,333	7,049	5%

Investments: T-Bills: +202B

PIBs : +57B

Gross Advances: CBG: +2.6B Retail: -7.61B

Corporate: -16.42B

Deposits:

Retail: +131.37B

Corporate: +10.83B Privilege: +3.05B

Overseas:-527M

Ratios: ROE: 18.88% ROA: 1.77%



Non Performing Loans (NPLs)

Coverage ratio* at 98.87% (YE19: 87.73%), NPLs ratio stands at 9.97% (YE19: 9.15%)
Domestic NPLs Ratio at 8.84% (YE19:8.14%), Industry NPL ratio Sep'20:9.91% (YE19:8.58%)

Rs. in mln

[
	Dec 20	Sep 20	Jun 20	Mar 20	Dec 19
Total NPLs	51,189	50,208	50,364	49,935	49,424
QoQ	981	(155)	429	511	(2,081)
QoQ % variance	2%	0%	1%	1%	-4%
Substandard	214	820	1,161	622	616
QoQ	(606)	(341)	539	5	(2,101)
QoQ % variance	-74%	-29%	87%	1%	-77%
Doubtful	285	3,415	3,189	2,899	2,702
QoQ	(3,130)	227	290	197	1,905
QoQ % variance	-92%	7%	10%	7%	239%
Loss	50,646	45,874	45,928	46,219	45,982
QoQ	4,772	(54)	(291)	237	(350)
QoQ % variance	10%	0%	-1%	1%	-1%
OAEM	44	98	86	195	124
QoQ	(55)	13	(109)	71	(1,536)
QoQ % variance	-56%	15%	-56%	58%	-93%

YTD (Dec 20 vs. Dec 19)							
	Var.	%					
Total NPLs	1,765	3.6%					
Substandard	(402)	-65.2%					
Doubtful	(2,417)	-89.5%					
Loss	4,664	10.1%					
OAEM	(80)	-64.8%					

General Reserve Advances	3
General Provision Consumer	533
General Provision SE	51
General Provision Overseas	317
General Provision Unencumbered	4,565
•	5,465

Concentration of Category of NPLs

	Dec 20	Sep 20	Jun 20	Mar 20	Dec 19
Substandard	0.42%	1.63%	2.30%	1.24%	1.25%
Doubtful	0.56%	6.80%	6.33%	5.81%	5.47%
Loss	98.94%	91.37%	91.19%	92.56%	93.04%
OAEM	0.08%	0.20%	0.17%	0.39%	0.25%

^{*}Coverage ratio = Specific plus General Provision/NPLs



Investments

Increase of Rs. 202B in Market Treasury Bills & Rs. 57B in Pakistan Investment Bonds.

Rs. In mln

	-						
	Dec 2020	Dec 2019	Var.	% var.	Sep 2020	Var.	% var.
	İ						
Treasury Bills TBs	598,470	396,221	202,249	51%	550,709	47,761	9%
Pakistan Investment Bonds PIBs	349,739	292,723	57,016	19%	351,731	(1,992)	-1%
TFCs, Debentures and Certificates	10,395	9,555	841	9%	10,588	(193)	-2%
Other government securities / Sukooks / Euro Bonds	15,633	16,465	(832)	-5%	7,930	7,703	97%
Shares in Listed, Unlisted Co.s & Mutual funds	26,589	24,958	1,631	7%	24,656	1,934	8%
Subsidiaries & Associated Undertakings	13,019	13,047	(28)	0%	13,047	(28)	0%
Investments at cost	1,013,846	752,969	260,877	35%	958,661	55,185	6%
Prov for diminution in value of investments	(10,653)	(10,689)	36	0%	(10,642)	(11)	0%
Surplus on revaluation of securities	12,676	6,485	6,191	95%	16,392	(3,716)	-23%
Investments at revalued amount - net of provision	1,015,869	748,765	267,105	36%	964,412	51,458	5%

Composition of Investments								
	Dec 2020	Dec 2019						
T-Bills	59%	53%						
PIBs	34%	39%						
Equity securities	4%	5%						
Debt instruments	3%	3%						



Deposits

YTD increase/decrease	YTI)
Current deposits	15%	64,833
Savings deposits	16%	98,889

Volume

1,144,763

424.552

610.511

109,701

Curre Savings deposits **CASA**

Q1 20

Term Deposits

16% 163,722 -17% (18,983)13% 144,739

Q4 19

Rs. in mln

Mix

37%

53%

10%

-1%

0%

-3%

0%

QoQ

-1%

4.32%

Total Deposits

1,184,139

433.967

656.484

93,688

Volume

Deposits - Volume Current deposits Savings deposits **Term Deposits**

+16%, & Term Deposits -17%.

1,198,785 YoY

15%

16%

16%

-17%

13%

Q4 20

Volume

1,289,502

489.385

709,399

90,718

92.96%

2%

0%

1%

4%

1%

QoQ

5.86%

1%

QoQ

38%

55%

7%

CASA reported at 92.96%, Current Deposits +15%, Saving Deposits

Mix

1,187,752

15%

15%

15%

-23%

11%

16,886,204

1,225,163

7.26%

YoY

Q3 20

Volume

1,274,870

480.751

707,001

87,118

93.17%

QoQ

38%

55%

7%

-3%

1%

-1%

17%

0%

Mix

1,200,300

14%

16%

15%

-30%

11%

16,229,036

1,224,765

7.55%

YoY

1,274,682

497,714

702,586

74,382

Q2 20

Volume

94.16%

15%

7%

10%

-21%

QoQ

7%

7.29%

8%

QoQ

39%

55%

6%

Mix

1,090,451

7%

16%

12%

0%

11%

YoY

92.09%

QoQ

Mix

37%

55%

8%

2%

8%

5%

3%

-15%

1,035,063 90.42%

10%

8%

16%

9%

YoY QoQ 6% 2%

CASA

Variance

CASA

Term Deposits

Current deposits

Savings deposits

Total Deposits

YTD 144,739

17,875,958

QoQ **YTD** 14,633 130,106 QoQ 188

QoQ

0%

4.05%

YTD

QoQ 129,919

YTD 90,543

39,376

15,126,310

1,141,757

7.55%

QoQ 39,376

QoQ

3.38%

5%

YTD QoQ 95,726

14,631,875

1,089,881

7.45%

(376)

Market Share (Domestic)

Industry **MCB**

Share

1,235,146 6.91%

Profit and Loss Statement

Rs in mln

PBT of Rs. 48.25B (+20.31%) and PAT of Rs. 29.04B (+21.11%)

				RS. IN MIN
	Dec 2020	Dec 2019	Var.	% var.
Mark un Incomo	126.076	129 202	(2.216)	1 60/
Mark-up Income	136,076	·	(2,216)	-1.6%
Mark-up Expense	64,741	78,676	(13,934)	-17.7%
Net Mark-up Income	71,334	59,616	11,718	19.7%
Non Interest Income	18,136	16,679	1,457	8.7%
Total Income	89,470	76,295	13,175	17.3%
Non Mark-up Expense	33,908	33,709	199	0.6%
admin expenses	32,987	33,116	(129)	-0.4%
PF reversal	(341)	(445)	103	23.3%
other charges & WWF	1,262	1,038	224	21.6%
Profit before Provisions	55,562	42,586	12,976	30.5%
Provisions	7,313	2,484	4,830	194.5%
against Investments	(50)	2,824	(2,873)	-101.8%
against loans & advances	7,522	(158)	7,679	4872.2%
Others including write off recovery	(159)	(182)	24	13.0%
Profit before Tax	48,249	40,102	8,147	20.3%
Taxation	19,212	16,125	3,086	19.1%
Profit after Tax	29,037	23,977	5,060	21.1%

Cost to Income Ratio

36.87% 43.40%

Earnings per Share - Rupees

24.50 20.23

Spread Analysis

Markup Income:

On Investments: +16.50B

On Lending to FIs: -3.98B On Advances: -14.45B

Markup Expense: On Deposits: -10.25B On Borrowings: -2.82B

Non Interest Income: Capital Gain: +2.50B

Dividend Income: -167M FX income: -369M Fee, Comm.: -352M

Admin expenses:
Compensation: +1.12B

Other Operating Exp: -1.24B

Fuel Exp: -200M

-R & M Building: -159M

-Security: -142M

-Hardware/Software Maint: -127M

--Stat & Print: -76M

Postage: -69M

Card Related: -353M

-Donations: +112M



Core Earnings

Rs. in mln

	Dec 2020	Dec 2019	Var.	% var.
up Income	71,334	59,616	11,718	20%
terest Income *	16,956	14,565	2,391	16%
me	88,290	74,181	14,109	19%
up Expense**	34,249	34,154	95	0%
rovisions	54,041	40,027	14,014	35%
	7,349	(289)	7,638	2647%
	46,692	40,316	6,376	16%
ore income				
Capital Gain Equity	(30)	737	(767)	-104%
Provision against shares	36	(2,772)	2,808	101%
idend	1,210	1,377	(167)	-12%
rsal	341	445	(103)	-23%
	1,557	(213)	1,770	830%
ах	48,249	40,102	8,147	20%
	19,212	16,125	3,086	19%
	29,037	23,977	5,060	21%

^{*} Excluding Dividend Income and capital gains.

^{***} Excluding provision against AFS shares



^{**} Excluding (pension cost) / pension fund reversal

Connect		December 20	20	December 2019 Variance Variance Analysis			Variance		is			
Spread	Average Volume	Rate	Markup	Average Volume	Rate	Markup	Volume	Price/ bps	Markup	Volume Variance	Price Variance	Markup Inc/ Exp
Assets												
Cash	26,488	-	-	24,006	-	-	2,482	-	-	-	-	-
Balance with Banks	104,342	0.21	215	89,956	0.55	499	14,385	(35)	(284)	80	(364)	(284)
Lending to Financial Institutions	13,735	7.27	998	45,660	10.91	4,982	(31,925)	(364)	(3,984)	(3,484)	(501)	(3,984)
Gross Advances less unearned income & NPLs	459,219	9.34	42,879	489,960	11.70	57,330	(30,741)	(236)	(14,450)	(3,597)	(10,853)	(14,450)
Gross Investments excluding equity investments	854,012	10.77	91,983	658,232	11.47	75,481	195,780	(70)	16,502	22,451	(5,948)	16,502
Others	44,208	-	-	58,616	=	-	(14,408)	-	-	1	-	-
Total	1,502,005	9.06	136,076	1,366,430	10.12	138,292	135,574	(106)	(2,216)	15,450	(17,666)	(2,216)
Liabilities												
Deposits	1,223,013	4.50	55,095	1,095,672	5.96	65,344	127,341	(146)	(10,248)	7,594	(17,843)	(10,248)
Saving (including overdue term)	676,328	7.04	47,624	591,326	9.50	56,174	85,002	(246)	(8,550)	8,075	(16,625)	(8,550)
Term	89,669	8.33	7,471	101,830	9.00	9,170	(12,161)	(67)	(1,698)	(1,095)	(603)	(1,698)
Current	457,016	-	-	402,517	-	-	54,500	-	-	-	-	-
Borrowings	116,155	5.30	6,152	114,512	7.84	8,977	1,643	(254)	(2,825)	129	(2,954)	(2,825)
Subordinated loan	-	-	-	1,814	11.77	214	(1,814)	(1,177)	(214)	(214)	-	(214)
Bills Payable	9,969	-	-	10,811	-	-	(842)	-	-	-	-	-
Equity	152,867	-	-	143,621	-	-	9,246	-	-	-	-	-
Others	-	-	3,493	-	=	4,141		-	(648)	(648)	-	(648)
Total	1,502,004	4.31	64,741	1,366,431	5.76	78,676	135,574	(145)	(13,934)	6,247	(20,182)	(13,934)
Spread		4.75			4.36			39				



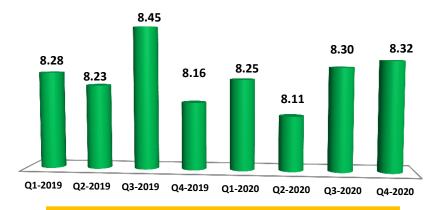
<u>P&L</u>



Key Performance Indicators

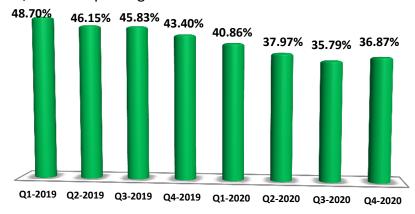
Quarterly Operating expenses excluding PF

- Resulting into flat OPEX line
- Strategic cost efficiency drive



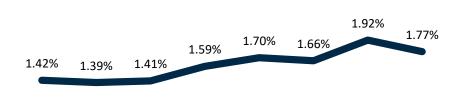
Cost to Income Ratio

- C / I ratio averages 41.9% for last 8 quarters
- C / I ratio improving to 36.9% in Q4-20



Return on Assets

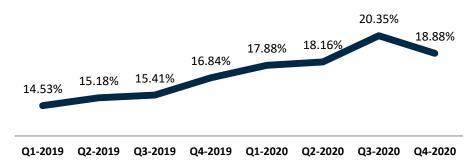
 RoA consistently reflecting an increasing trend due to higher returns on assets deployed



Q1-2019 Q2-2019 Q3-2019 Q4-2019 Q1-2020 Q2-2020 Q3-2020 Q4-2020

Return on Equity

 RoE improving considerably from 14.53% to 18.88% since Q1-2019



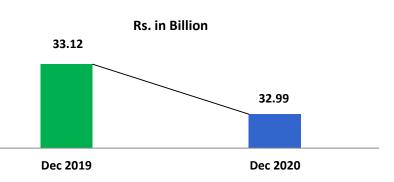


Comparative Performance

Admin Expenses

(Excluding PF Reversal)

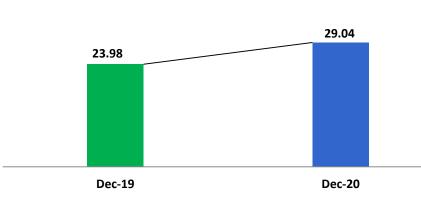
Efficient cost management leads to 0.4% decrease over Dec-19.



Profit after Tax (PAT)

Significant increase of 21.1% in PAT over Dec-19.

Rs. in Billion



Deposits

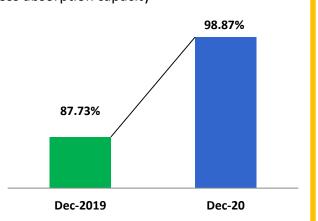
Unprecedented growth in deposit base i.e. PKR 144.7B over YE-19.





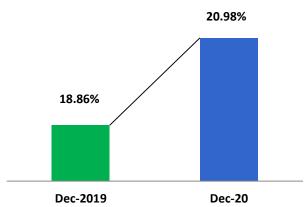
Coverage

GP charge of PKR 4B providing insulation and loss absorption capacity



Capital Adequacy

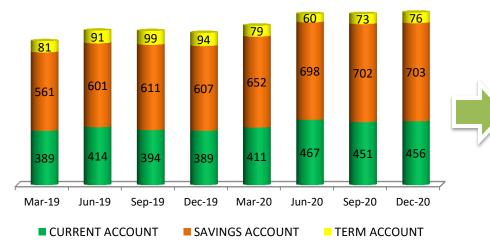
Capital Adequacy Ratio of 20.98% is well above the requirement of 11.50%



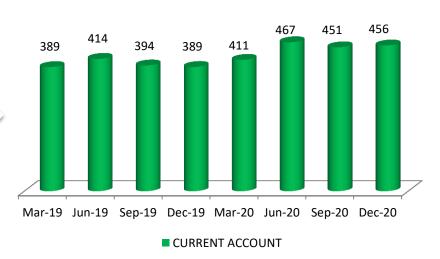


Domestic Deposits - Growth

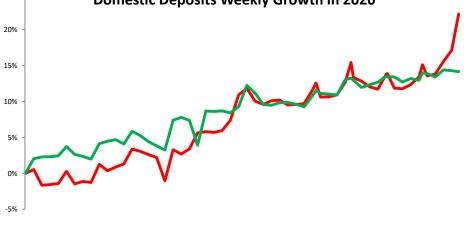




Domestic Current Deposits – Bln PKR



Domestic Deposits Weekly Growth in 2020





Cost of Deposits – Domestic QoQ





25%



Statement of Financial Position

Rs. in Million

	Unconsolidated				Consolidated			
	Dec 2020	Dec 2019	YTD	%	Dec 2020	Dec 2019	YTD	%
Assets	1,757,462	1,515,152	242,310	16.0%	1,891,276	1,612,215	279,062	17.3%
Advances - net	462,942	496,679	(33,737)	-6.8%	547,686	548,473	(787)	-0.1%
Investments	1,015,869	748,765	267,105	35.7%	1,036,218	757,442	278,776	36.8%
Cash and Balances with Banks & Lending to Financial Institutions	163,351	146,337	17,014	11.6%	179,033	170,390	8,643	5.1%
Other Assets (including fixed assets)	115,301	123,372	(8,071)	-6.5%	128,340	135,910	(7,570)	-5.6%
Liabilities	1,567,361	1,346,237	221,123	16.4%	1,698,285	1,440,868	257,417	17.9%
Deposits	1,289,502	1,144,763	144,739	12.6%	1,388,738	1,226,593	162,145	13.2%
Borrowings	164,002	89,506	74,496	83.2%	184,577	92,860	91,717	98.8%
Bills Payable	23,981	11,822	12,159	102.9%	26,452	12,795	13,656	106.7%
Other Liabilities (including Deferred Tax)	89,876	100,146	(10,270)	-10.3%	98,518	108,620	(10,102)	-9.3%
Net Assets	190,102	168,915	21,187	12.5%	192,991	171,347	21,645	12.6%
Equity without surplus (incl. M.I)	162,382	145,219	17,162	11.8%	164,188	146,595	17,593	12.0%



Profit and Loss Statement

Rs. in Million

	Unconsolidated				Consolidated			
	Dec 2020	Dec 2019	+/-	%	Dec 2020	Dec 2019	+/-	%
								•
Mark-up Income	136,076	138,292	(2,216)	-1.6%	145,772	148,089	(2,316)	-1.6%
Mark-up Expense	64,741	78,676	(13,934)	-17.7%	69,929	84,371	(14,442)	-17.1%
Net Mark-up Income	71,334	59,616	11,718	19.7%	75,843	63,718	12,125	19.0%
Non Interest Income	18,136	16,679	1,457	8.7%	19,269	17,518	1,751	10.0%
Total Income	89,470	76,295	13,175	17.3%	95,112	81,236	13,876	17.1%
Non Mark-up Expense	33,908	33,709	199	0.6%	39,037	38,748	288	0.7%
admin expenses	32,987	33,116	(129)	-0.4%	38,105	38,130	(25)	-0.1%
(PF reversal)	(341)	(445)	103	-23.3%	(341)	(445)	103	-23.3%
other charges & WWF	1,262	1,038	224	21.6%	1,273	1,063	210	19.8%
Share of Undertaking	-	-	-	-	573	340	233	68.7%
Profit before Provisions	55,562	42,586	12,976	30.5%	56,648	42,827	13,821	32.3%
Provisions	7,313	2,484	4,830	194.5%	7,330	2,674	4,656	174.2%
against Investments	(50)	2,824	(2,873)	0.0%	(70)	3,001	(3,070)	0.0%
against loans & advances	7,522	(158)	7,679	-4872.2%	7,558	(145)	7,703	-5318.8%
Others including write off recovery	(159)	(182)	24	-13.0%	(159)	(182)	24	-13.0%
Profit before Tax	48,249	40,102	8,147	20.3%	49,318	40,154	9,165	22.8%
Taxation	19,212	16,125	3,086	19.1%	19,756	16,206	3,550	21.9%
Profit after Tax	29,037	23,977	5,060	21.1%	29,562	23,947	5,615	23.4%



Awards/ Accolades





"Winner -Best Corporate Report Award 2019 – Banking Sector" Winner" - Best Corporate Report Award 2018

Winner" - Best Corporate Report Award 2017
Winner" - Best Corporate Report Award 2016
Winner" - Best Corporate Report Award 2015
Winner" - Best Corporate Report Award 2014
"Winner" - Best Corporate Report Award 2013 "Winner" Best Corporate Report Award 2012 "Runner-up" Best

Corporate Report Award 2011
"Winner - Best Corporate Report Award 2010
"Winner - Best Corporate Report Award 2009



Best Investment bank in Pakistan - 2017

Best bank in Pakistan - 2016 Euromoney Awards for Excellence 2012: Best Bank in Pakistan 2011, 2008, 2003-2005, 2001, 2000

Best Bank in Asia 2008



Pakistan Banking Awards

DAWN with IBP

Knowledge Patter

A-F-FERGUSON CO. | Ameriter tensor

Best bank for Corporate Finance & Capital market Development - 2016



Best bank in Pakistan - 2019

Best bank in Pakistan - 2016 Best bank in Pakistan - 2015



Most Stable Bank of the year 2014

Best Bank of the year 2013 – Large Bank Most Stable Bank of the year 2013 Investor Relations Award 2011: Runner-up Best Bank of the Year 2011 Most Stable Bank of the Year 2011



Ranked among the **Top 25 Companies** in Pakistan



Best Commercial Bank – Pakistan 2012



Winner – Best Presented Annual Accounts 2014

1st Runner Up Best Presented Annual Report Awards 2013 – Category Private Sector Banks 2nd Runner Up Best Presented Annual Report Awards 2012– Category Private Sector Banks Joint 2nd runner-up in the banking sector



Strongest Bank in Pakistan 2017 Strongest Bank in Pakistan 2014 Strongest Bank in Pakistan 2010

ASIAMONEY

Overall Most outstanding Company in Pakistan 2020 Most outstanding Company in Pakistan 2020, 2019 Financial Sector

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



CSR Business Excellence Award 2012: Best Media Coverage



Triple A Country Awards
Best Domestic Bank – Pakistan 2014: 2013: 20
Best Bank – Pakistan 2014











The QFC Asian Banker Leadership Achievement Award 2010

Thank you!

For more information write to us on info@mcb.com.pk.
For any investor related query/comments/feedback, please e-mail investor.relations@mcb.com.pk

