



MCB Bank Limited

Financial Performance

Year Ended December 31, 2024

Presented by:
Hammad Khalid
Chief Financial Officer



MCB - At a Glance



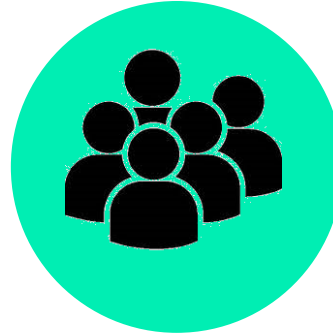
Branches

Domestic : 1394
EPZ : 01



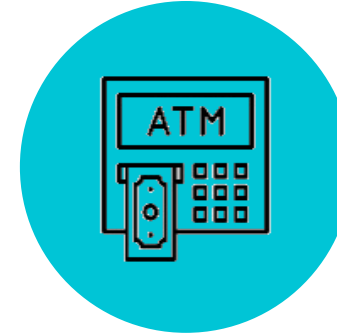
Global Presence

8 Foreign branches
➤ Sri Lanka – 5
➤ UAE – 2
➤ Bahrain – 1
1 Rep Office in UK



Customers

Over 9 million
customer accounts



ATMs

1472 ATMs across
the country



MCB Live

Over 1.4 Million
MCB Live users



Deposits

5.74% Market Share
of Domestic Industry
deposits



Advances

6.46 % Market Share
of Domestic Industry
Advances



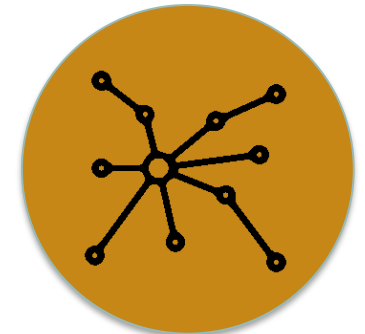
Home Remittance

13.20 % Market Share
in 2024



Dividend

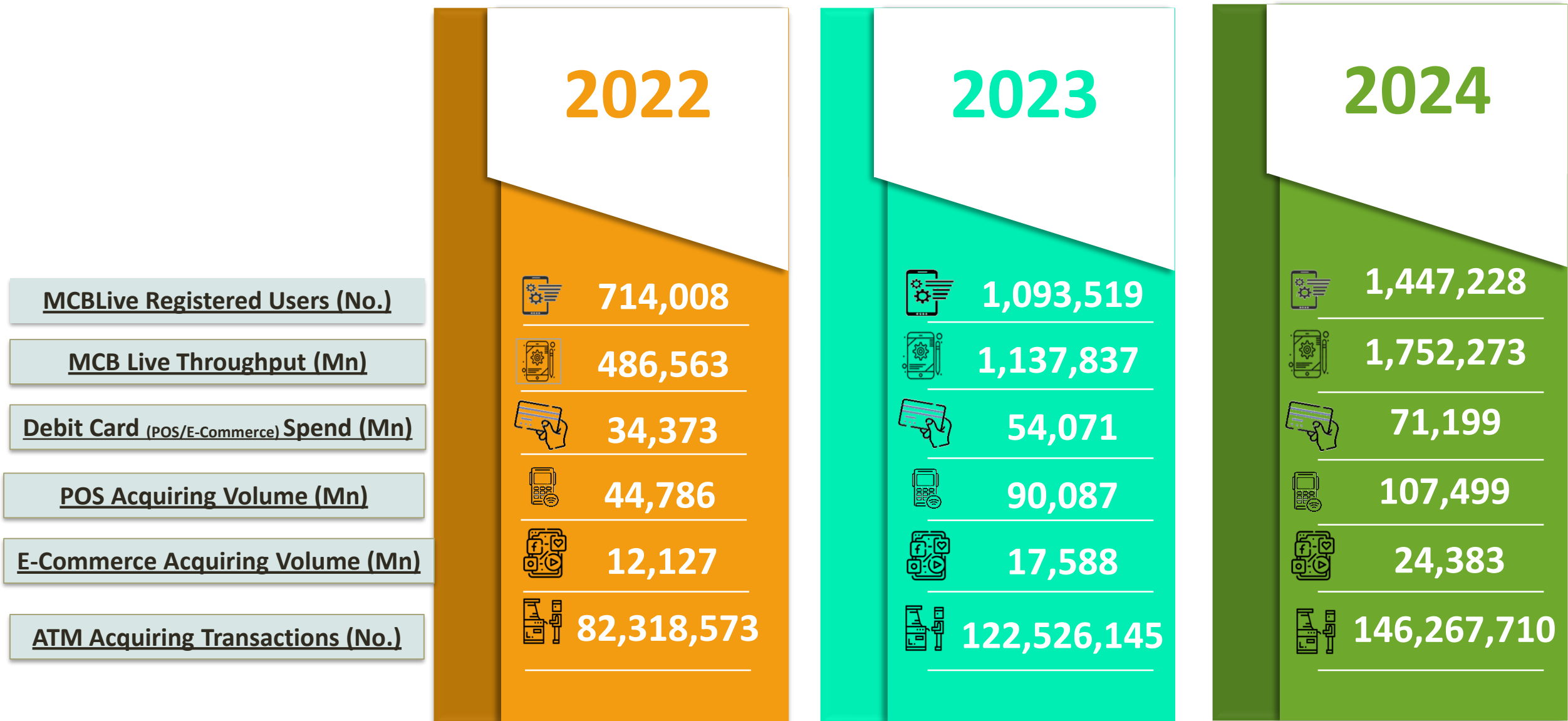
360% for 2024
One of the Highest dividend per
share in Banking industry



Network

2nd largest Branch
network on
Consolidated basis

MCB – Digital Journey



Key Highlights

Macroeconomic outlook;

- 2024 brought significant strides on political and economic fronts. Pakistan's economy demonstrated a continued improvement in H1-FY2025, building upon the stabilization achieved in FY2024, when GDP expanded by 2.5 percent after the previous year's contraction. The positive momentum was fueled by sound macroeconomic management, effective inflation control measures, and enhanced fiscal and external accounts stability.
- Inflation substantially declined to 7.2 percent in H1-FY2025 from 28.8 percent a year earlier, supported by easing global prices, a stable exchange rate, and targeted government policies.
- At the beginning of FY2025, economic recovery and declining inflationary pressures facilitated a shift in monetary policy direction. By January 2025, the policy rate had been reduced by a cumulative 1000 basis points to 12 percent. This adjustment is anticipated to bolster economic activity, enhance business confidence, and support a sustainable recovery in FY2025.

Future outlook;

- The economic outlook for Pakistan is encouraging, underpinned by stabilizing macroeconomic fundamentals and a gradual recovery of key sectors. Inflation is expected to stabilize near the long-term average of 7 percent in the coming quarters, fostering conditions conducive to economic activity.
- Pakistan's vulnerabilities and structural challenges remain formidable. Positive developments in key sectors underscore the impact of targeted reforms, sound fiscal management, and strategic interventions.

MCB - Growth in Key Numbers

- Bank's gross Advances increased to PKR 1 trillion while the domestic market share stands at 6.46% compared to 4.71% as at December 31, 2023;
- Building no cost deposits, leading to a growth of Rs. 82 billion (YoY: +10%) in average current deposits
- Cost to Income Ratio stands at 32.68% as compared to 28.70% in 2023;
- Standalone PBT of PKR 118.4 billion (-5.45%);
- Consolidated PBT of PKR 131.2 billion (-4.61%);
- Ex-NIB related recovery FTY ended Dec-24 sums to Rs. 921 million totaling Rs. 10.6 billion since 2017;
- Home remittance inflows of USD 4.6 billion FTY ended Dec-24; depicting a market share of 13.2%.

14% increase in Non-Interest Income

PBT	PKR	118.4 Billion	-5% YoY
PAT	PKR	57.6 Billion	-3% YoY
NIM	PKR	149.1 Billion	+1% YoY
NII	PKR	37.4 Billion	+14% YoY

Advances PKR **1,094.8** Billion +76% YTD

Deposits PKR **1,922.2** Billion +6% YTD

Sound Balance Sheet Footing



PKR in Billions	Dec 2024	Dec 2023	Var.	% var.
ASSETS	2,703.34	2,427.18	276.16	11.38%
Advances - net	1,041.63	577.86	463.76	80.25%
- Gross Advances	1,094.82	622.42	472.40	75.90%
Investments	1,167.45	1,249.44	(81.99)	-6.56%
Cash and Balances with Banks	196.35	205.79	(9.44)	-4.59%
Lending to Financial Institutions	55.66	96.21	(40.56)	-42.15%
Others	242.26	297.87	(55.62)	-18.67%
LIABILITIES	2,433.08	2,196.47	236.61	10.77%
Deposits	1,922.21	1,805.39	116.82	6.47%
Current	944.02	870.63	73.39	8.43%
Savings	925.08	877.20	47.88	5.46%
Term	53.11	57.55	(4.44)	-7.72%
Borrowings	268.49	216.61	51.88	23.95%
Bills Payable	41.83	25.10	16.73	66.67%
Others	200.55	149.38	51.18	34.26%
NET ASSETS	270.26	230.71	39.55	17.14%
EQUITY	227.21	206.61	20.59	9.97%

Advances Portfolio:

- Gross advances of the Bank increased by Rs. 472 billion (+76%);
- Major increase in Advances is attributed to Corporate lending that increased by Rs. 465 billion (+106%) followed by increase in overseas segment Rs. 19 billion(+47%);
- Coverage & Infection ratios of the Bank were reported at 99.34% and 4.89% respectively.

Investment Portfolio:

- PKR 92.4 billion added to Floating PIBs portfolio closing at PKR 687.5 billion;
- PKR 36.7 billion added to Fixed PIBs closing at PKR 250.1 billion;
- TBs decreased by PKR 278.5 billion and closed at PKR 76.3 billion;
- Yield on Investment of 18.60% in Dec-24 as compared to 18.37% in Dec-23;
- PIBs – AFS & HTM excluding floating – WA time to maturity of PIBs is 2.70 years.

Deposit Mobilization:

- Building no cost deposits, leading to a growth of Rs. 82 billion (YoY: +10%) in average current deposits
- Moderate growth in current and saving deposits; PKR 73.4 billion (+8%) added to current and PKR 47.9 billion (5%) added to savings during 2024;
- CoD for Dec-24 contained at 9.23% (Dec-23 : 8.64%);
- CASA improved to 97.24% (Dec-23 : 96.81%).

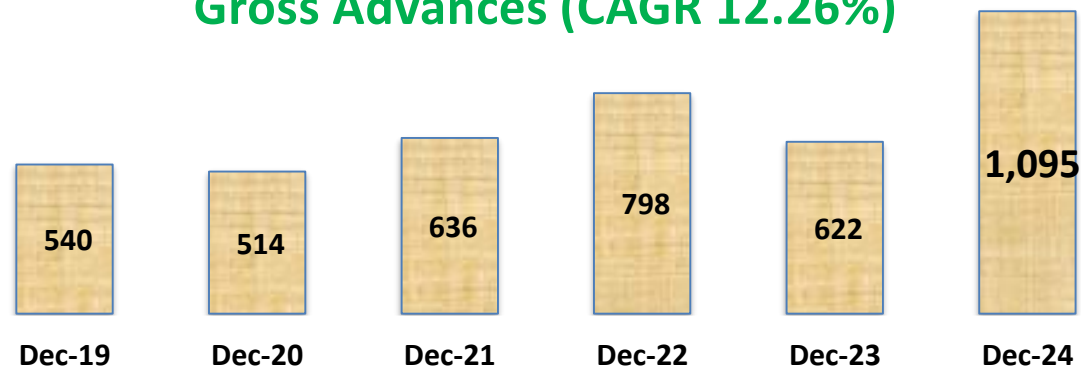
Segmentwise Advances

PKR in Billions	Dec 2024	Dec 2023	Var.	% var.
	Advances (gross)	1,094.82	622.42	472.40
Retail	62.27	73.86	(11.60)	-16%
Corporate	903.18	438.01	465.17	106%
Consumer	37.24	38.63	(1.39)	-4%
Overseas	60.16	40.98	19.18	47%
Others	31.98	30.94	1.04	3%
MCB Advances (domestic)	1,034.66	581.44	453.22	78%
Industry Advances (domestic)*	16,009.34	12,352.27	3,657.07	30%
Market Share	6.46%	4.71%		
Advances - Net	1,041.63	577.86	463.76	80%

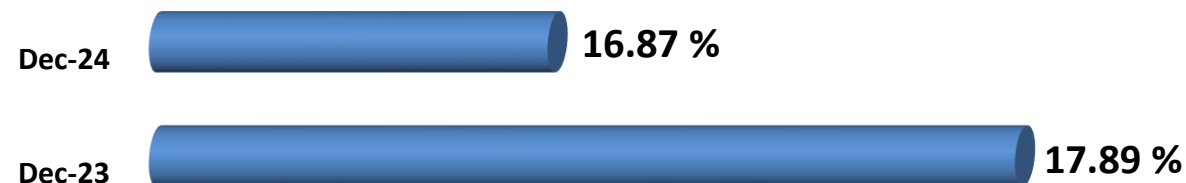
PKR in Millions	YTD (Dec 24 vs. Dec 23)			
	Dec 24	Dec 23	Var.	%
Total NPLs	53,551	53,883	(331)	-0.61%
OAEM	1,432	1,517	(85)	-6%
Substandard	972	863	109	13%
Doubtful	2,709	713	1,996	280%
Loss	48,439	50,790	(2,351)	-5%

PKR in Billions

Gross Advances (CAGR 12.26%)

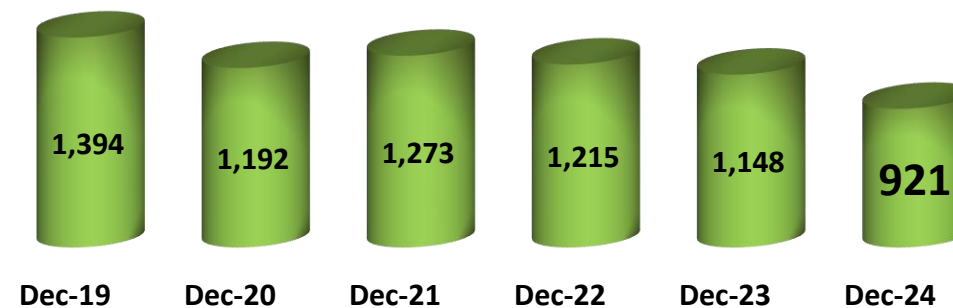


Yield on Advances



PKR in Millions

Recovery from NIB NPL Stock



Total Recoveries related to NPL stock transferred from NIB Bank amounts to Rs. 10.6 billion.

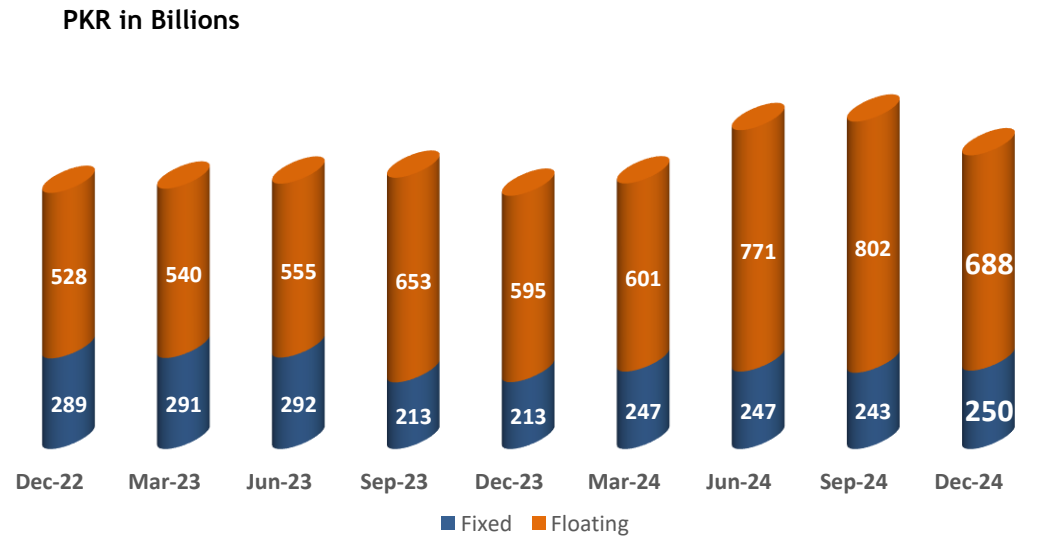
Diversified Investment Portfolio



PKR in Billions				
	Dec 2024	Dec 2023	Var.	% var.
Treasury Bills	76.30	354.83	(278.5)	-78%
Pakistan Investment Bonds - Fixed	250.13	213.41	36.7	17%
Pakistan Investment Bonds - Floating	687.54	595.14	92.4	16%
Other government securities / Euro Bonds	69.69	60.08	9.6	16%
Other Debt Securities (TFCs, Bonds)	11.20	11.82	(0.6)	-5%
Shares in Listed, Unlisted Co.s & Mutual funds	39.34	31.08	8.3	27%
Subsidiaries & Associated Undertakings	18.67	17.67	1.0	6%
Investments at cost	1,152.87	1,284.04	(131.2)	-10%
Credit loss allowance	(1.12)	(11.18)	10.1	-90%
Surplus/(Deficit) on revaluation of securities	15.70	(23.42)	39.1	-167%
Investments at revalued amount - net of provision	1,167.45	1,249.44	(82.0)	-7%

Composition of Investments		
	Dec 2024	Dec 2023
T-Bills	7%	28%
PIBs	81%	63%
Equity securities	5%	4%
Other Government Securities	6%	5%
Debt instruments	1%	1%

Pakistan Investment Bonds



Solid Growth in CASA : *improved CASA base to 97.24%*



Total Deposits
PKR **1.9** trillion

Current Deposits
PKR **944** billion

Saving Deposits
PKR **925** billion

CoD
9.23%
Up by 59 bps YoY

CASA
97.24%
Dec-23 : 96.81%

Market Share (Domestic)
5.74%
Dec-23 : 5.92%

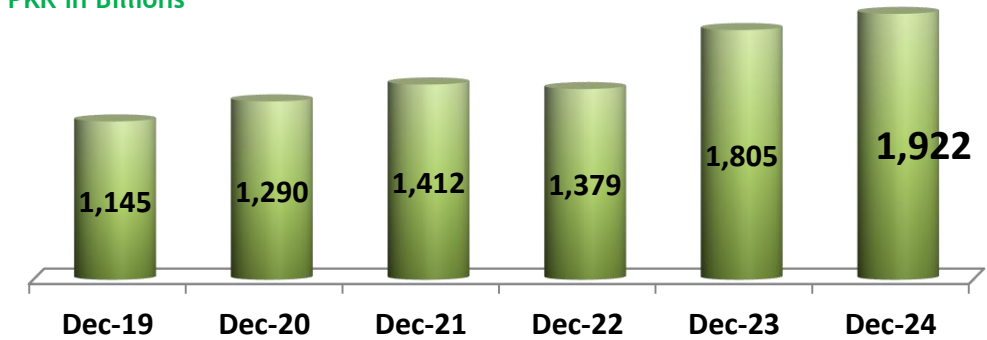
Domestic Branches
1,394
+(EPZ:1)

Foreign Branches
8
1 Rep. office in UK

Customer accounts
Over **9** million

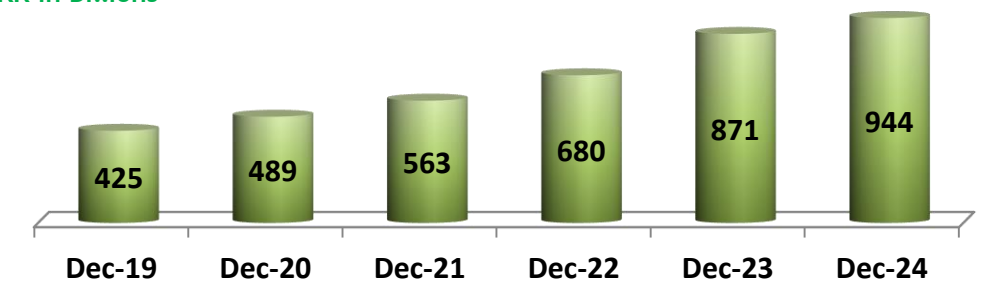
Total Deposits (CAGR : 10.62%)

PKR in Billions

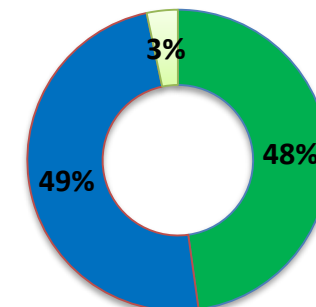


Current Deposits (CAGR : 15.30%)

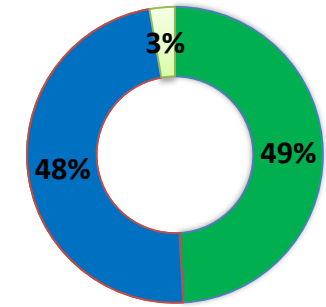
PKR in Billions



Deposits Mix Dec-23



Deposits Mix Dec-24



■ Current ■ Savings ■ Term

■ Current ■ Savings ■ Term

Impressive YoY increase in NII i.e. 14%

PKR in Billions	Dec 2024	Dec 2023	Var.	
			Var.	% var.
Mark-up Income	367.02	328.06	39.0	11.9%
Mark-up Expense	217.93	180.36	37.6	20.8%
Net Mark-up Income	149.09	147.70	1.4	0.9%
Non Interest Income	37.43	32.92	4.5	13.7%
Total Income	186.53	180.62	5.9	3.3%
Non Mark-up Expense	63.78	55.00	8.8	15.9%
Operating expenses	60.96	51.84	9.1	17.6%
other charges & WWF	2.81	3.16	(0.4)	-11.1%
Profit before Credit Loss Allowance	122.75	125.61	(2.9)	-2.3%
Credit Loss Allowance	4.33	0.37	4.0	1061.6%
against Investments	(0.03)	0.79	(0.8)	-103.5%
against loans & advances	4.76	(0.30)	5.1	1690.5%
Others including write off recovery	(0.40)	(0.12)	(0.3)	-224.6%
Profit before Tax	118.42	125.24	(6.8)	-5.4%
Taxation	60.81	65.61	(4.8)	-7.3%
Profit after Tax	57.61	59.63	(2.0)	-3.4%

Diversify Revenue Streams and Exceptional performance in Non-Interest Income:

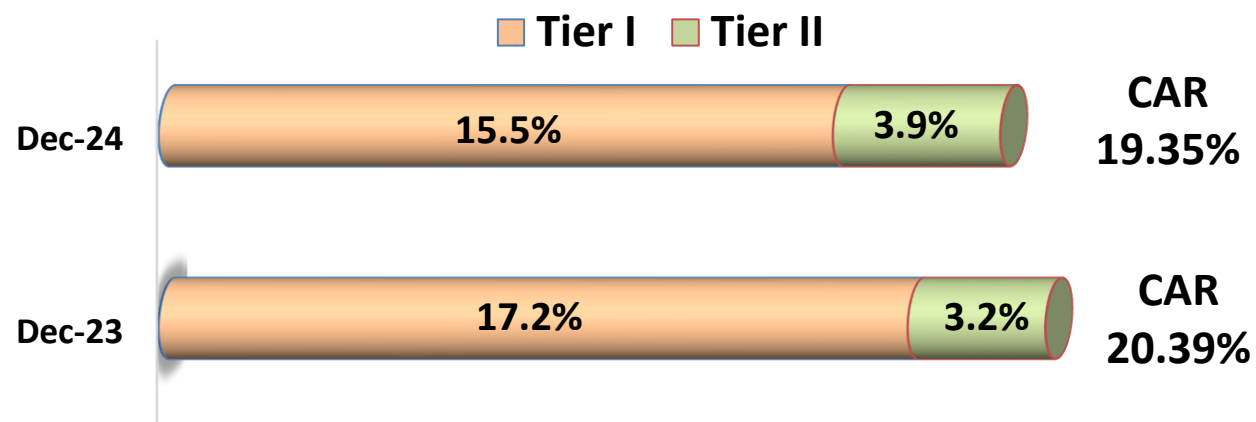
- Through focused efforts in maintaining no-cost deposits base and optimizing earning assets mix, net interest income is moderately increased by 1%;
- Non Interest Income increased to Rs. 37.43 billion (+14%) with notable contributions from fee commission income (PKR 21.2 billion, +5%), foreign exchange income (PKR 9.2 billion, +8%), Gain on Securities (PKR 3.1 billion, +287%) and dividend income (PKR 3.5 billion, +15%);
- Strategize to diversify its revenue streams, strong growth in fee-based income across multiple channels, including a 32% increase in card-related income, 18% growth in branch banking fees and a 61% rise in investment service commissions.
- The Bank continues to invest in digital transformation, enhancing customer experience and operational efficiency, leading to broad-based growth across digital platforms.
- MCB managed operating expenses prudently, reporting an increase of 18%, with key expenditures focused on staff costs, utilities, and IT-related upgrades, the operating expenses of the Bank were reported at Rs. 61 billion.
- Profit for overseas operations increased by 26%YoY to PKR 7.6 Billion (USD 27.42 million)
- PBT of Rs. 118.42 billion (-5%) where as consolidated PBT of PKR 131.18 billion;

Profitability Ratios:

- RoE 26.56% (Dec-23 : 31.60%) and RoA 2.25% (Dec-23 : 2.64%), healthy profitability ratios;
- Cost to Income ratio stands at 32.68% as compared to 28.70% Dec-23.

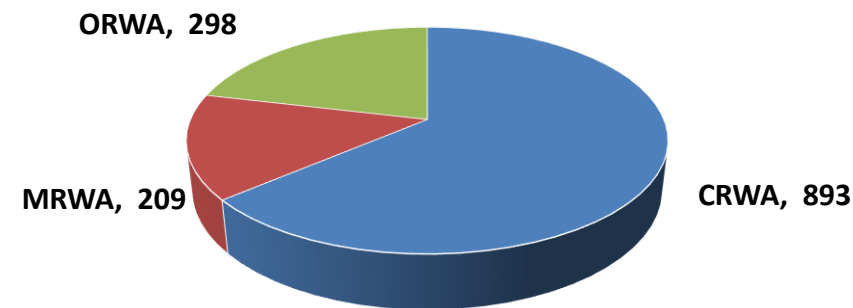
Strong Capital Position & Ratios

Buffer of 785bps on top of regulatory CAR

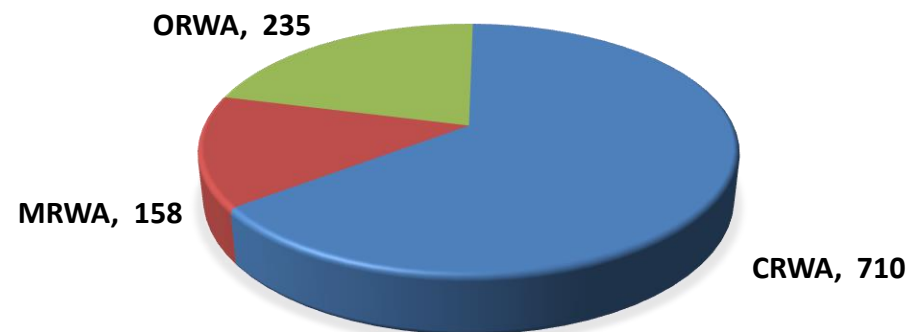


Risk Weighted Assets (RWA)

RWA Dec-24 : PKR 1,400 billion



RWA Dec-23 : PKR 1,103 billion



- Bank's total Capital Adequacy Ratio (CAR) is 19.35% against the requirement of 11.5% (including capital conservation buffer of 1.50% as reduced under the BPRD Circular Letter No. 12 of 2020).
- Leverage Ratio of 6.37% which is well above the regulatory limit of 3.0%
- Liquidity Coverage Ratio (LCR) of 241.33% and Net Stable Funding Ratio (NSFR) of 128.29% against requirement of 100%.

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

MCB Islamic Bank - Snapshot



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

Islamic Business - SoFP Key Indicators

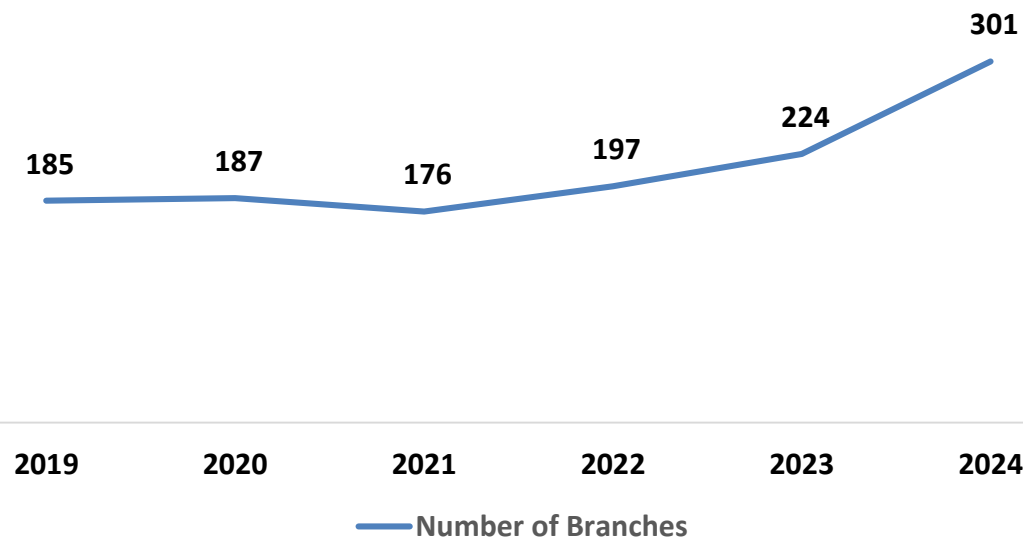
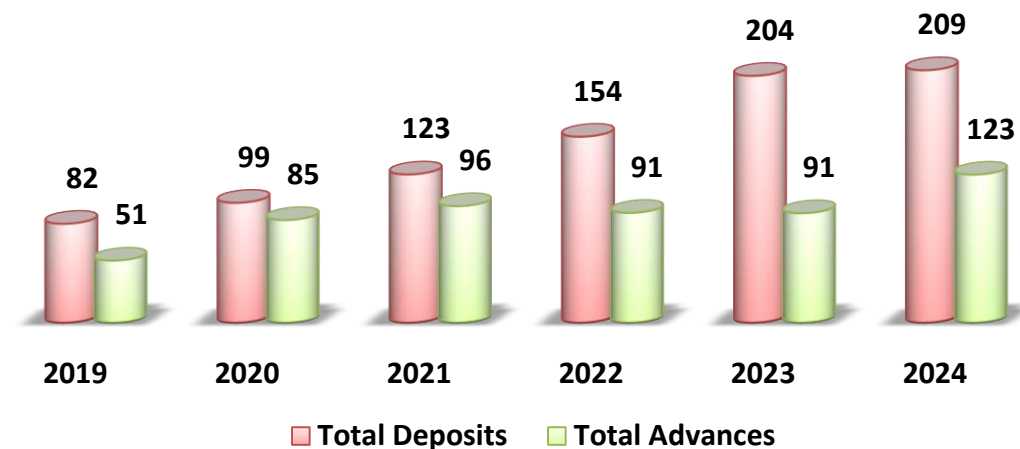
PKR in Billions	Dec 2024	Dec 2023	Var.	% var.
Deposits	209.11	204.46	4.65	2%
Gross Advances	122.60	90.64	31.96	35%
Investments	146.60	132.54	14.06	11%
Net Assets	25.95	22.04	3.91	18%

Islamic Business - Profitability Indicators

PKR in Billions	Dec 2024	Dec 2023	Var.	% var.
Net Mark-up Income	17.94	17.18	0.76	4%
Non Interest Income	1.97	1.74	0.23	13%
Total Income	19.91	18.92	0.99	5%
Non Mark-up Expense	10.26	7.65	2.61	34%
Profit before Provisions	9.65	11.27	(1.62)	-14%
Provisions	0.54	0.70	(0.16)	-23%
Profit before Tax	9.11	10.57	(1.46)	-14%
Taxation	4.87	5.41	(0.54)	-10%
Profit after Tax	4.24	5.15	(0.91)	-18%

MCB Islamic – Deposits & Advances

PKR in Billions



Awards & Accolades

Best Corporate Report

Winner – Overall Best Corporate Report Award 2023

Winner” - Best Corporate Report Award 2023 – Banking Sector

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

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

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

“Winner – Overall Best Corporate Report Award 2020”

“Winner” - Best Corporate Report Award 2020

Winner” - Best Corporate Report Award 2019

Winner” - Best Corporate Report Award 2018

Winner” - Best Corporate Report Award 2017

Winner” - Best Corporate Report Award 2016

Winner” - Best Corporate Report Award 2015

Winner” - Best Corporate Report Award 2014

“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

Pakistan Remittance Initiative

Leading Remittance Mobilizing Bank of Pakistan - MCB

Asian Development Bank

Leading Partner Bank in Pakistan - 2024

Momentum Award – Issuing Bank - 2024

Asiamoney Awards

Best Corporate Bank in Pakistan 2022

Overall Most outstanding Company in Pakistan 2020

Most outstanding Company in Pakistan 2020, 2019 Financial Sector

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

Asset AAA Country Awards

Best loan adviser - 2021

Best Structured Finance Deal - 2021

Best equity-Linked Deal – 2021

Telecom Deal of the Year - 2020

Best Corporate Sukuk - 2020

Best Acquisition Financing - 2020

Best Syndicated Loan - 2020

Euromoney Awards

Best Investment bank in Pakistan - 2017

Best Bank in Pakistan - 2016

Euromoney Awards for Excellence 2012:

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

Best Bank in Asia 2008

FinanceAsia’s Country Awards

Best Bank in Pakistan - 2021

Best Bank in Pakistan - 2019

Best Bank in Pakistan - 2018

Best Pakistan Deal, IPO of Pakistan Stock Exchange - 2017

Best Bank in Pakistan - 2016



77 *Years*
OF BANKING WITH
PAKISTAN



Thank you!



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Questions & Answers

