

MCB BANK LIMITED

INCOME STATEMENT

Sri Lanka Operations LKR (Mn)

Group Pakistan PKR (Mn)

For the period ended 31st March	2025	2024	2025	2024
Interest income	523	815	77,987	100,642
Interest expenses	(215)	(294)	(38,915)	(58,194)
Net interest income	308	521	39,072	42,448
Fee and commission income	33	34	6,614	6,796
Fee and commission expenses	(8)	(5)	-	-
Net fee and commission income	25	29	6,614	6,796
Other operating income (net)	42	51	4,029	2,826
Total operating income	375	601	49,577	52,076
Impairment charges	30	-	2,333	28
Net operating income	405	601	51,909	52,104
Personnel expenses	(123)	(102)	(9,098)	(7,677)
Depreciation and amortization expenses	(21)	(21)	(1,962)	(1,615)
Other expenses	(114)	(112)	(9,789)	(7,880)
Operating profit before VAT on financial Services	147	366	31,060	34,933
Value Added Tax on Financial Services (VAT on FS) and Social Security Contribution Levy (SSCL)	(47)	(82)	-	-
Operating profit after VAT on FS & SSCL	100	285	31,060	34,933
Share of profits of associates and joint ventures	-	-	493	417
Profit before tax	100	285	31,553	35,349
Income tax expense	(35)	(100)	(16,818)	(17,495)
Profit for the period	65	185	14,735	17,854
Profit attributable to:				
Equity holders of the parent	65	185	14,652	17,820
Non-controlling interests	-	-	84	34
	65	185	14,735	17,854
Earnings per share on profit				
Basic earnings per ordinary share	-	-	12.36	15.04
Diluted earnings per ordinary share	-	-	12.36	15.04

STATEMENT OF COMPREHENSIVE INCOME

Sri Lanka Operations
LKR (Mn)

Group Pakistan
PKR 000'

Profit for the period	65	185	14,735	17,854
Items that will be reclassified to income statement				
Exchange differences on translation of foreign operations	12	(125)	54	188
Net gains/(losses) on cash flow hedges	-	-	-	-
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	(33)	(34)	-	-
Less: Tax expense relating to items that will be reclassified to income statement	10	10		
Other comprehensive income for the period, net of taxes	(11)	(149)	372	(409)
Total comprehensive income for the period	54	36	15,107	17,445

MCB BANK LIMITED

STATEMENT OF FINANCIAL POSITION	Sri Lanka Operations LKR (Mn)		Group Pakistan PKR (Mn)	
	2025-03-31 Un Audited	2024-12-31 Audited	2025-03-31 Un Audited	2024-12-31 Audited
Assets				
Cash and cash equivalents	281	380	196,526	186,680
Balances with central banks	895	585	-	-
Placements with banks / Financial Institutions	2,946	2,626	109,445	86,510
Derivative financial instruments	0	0	-	-
Financial assets recognized through profit or loss			-	-
measured at fair value	-	-	11,756	13,539
designated at fair value	-	-	-	-
Financial assets at amortised cost			-	-
Loans and Advances to customers	9,639	9,840	871,741	1,165,915
Debt and other financial instrument	-	-	41,959	41,954
Financial Assets measured at FVTOCI	12,060	11,695	1,904,108	1,240,495
Investments in associates and joint ventures	-	-	11,994	10,568
Property, plant and equipment	375	402	97,852	96,472
Goodwill and Intangible assets	20	23	2,830	2,650
Deferred tax assets	170	170	-	-
Current tax assets	-	-	-	-
Other assets	135	91	213,343	164,939
Total assets	26,523	25,814	3,461,553	3,009,722
Liabilities				
Due to banks	300	450	616,178	276,477
Derivative financial instruments	-	-	-	-
Financial liabilities at amortised cost			-	-
due to depositors	16,544	15,828	2,318,174	2,130,525
due to debt securities holders	-	-	-	-
due to other borrowers	154	6	21,616	43,759
Debt securities issued	-	-	-	-
Retirement benefit obligations	79	82	-	-
Current tax liabilities	65	86	-	-
Deferred tax liabilities	-	-	22,773	20,824
Other provisions	35	33	-	-
Other liabilities	792	828	191,169.46	250,888
Total liabilities	17,969	17,314	3,169,911	2,722,475
Equity				
Assigned capital	3,970	3,970	11,851	11,851
Statutory reserve fund	352	349	109,717	108,158
Retained earnings	3,199	3,138	45,656	45,811
Other reserves	1,033	1,044	123,880	120,926
Total shareholders' equity	8,554	8,500	291,104	286,746
Non-controlling interests	-	-	538	502
Total equity	8,554	8,500	291,642	287,247
Total equity and liabilities	26,523	25,814	3,461,553	3,009,722
Contingent liabilities and commitments	11,757	10,389	969,905	1,069,713
Number of Employees	111	115	17,243	17,243
Number of Branches	5	5	1,404	1,408

Note: Amount stated are net of impairment amortization and depreciation

	Assigned capital	Reserve fund	Revaluation Reserve	FVTOCI Reserve	Retained earnings	Exchange Equilization reserves	Total
Balance as at 01st January 2025	3,970	349	142	22	3,138	880	8,500
Change in the foreign exchange reserve					-	-	-
Total comprehensive income for the year							
Profit for the year	-	-	-	-	65	-	65
Other comprehensive income (net of tax)	-	-	-	977	-	(988)	(11)
Deferred Tax effect on other comprehensive income			-		-		-
Total comprehensive income for the year	-	-	-	977	65	(988)	54
Gain on revaluation of property, plant & equipment	-	-	-	-	-	-	-
Transfers to reserves during the period	-	3	-	-	(3)	-	-
Share issue/increase of assigned capital	-	-	-	-	-	-	-
Profit transferred to head office	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total transactions with equity holders	-	3	-	-	(3)	-	-
Balance as at 31st March 2025	3,970	352	142	999	3,199	(108)	8,554

	Share capital	Statutory Reserve	Revaluation Reserves	Other Reserve	Retained earnings	Minority Interest	Total
Balance as at 01st January 2025	11,851	54,916	45,811	53,241	120,926	502	287,247
Profit after taxation for the period ended March 31, 2025	-	-	-	-	14,652	84	14,735
Other comprehensive income (net of tax)							
Effect of translation of net investment in foreign branches and subsidiary	-	-	-	56	-	0	56
Movement in surplus / (deficit) on revaluation of equity investments through FVOCI - net of tax	-	-	2,091	-	-	-	2,091
Movement in surplus on associated undertaking-net of tax	-	-	169	-	-	-	169
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	-	-	(1,944)	-	-	-	(1,944)
Total comprehensive income for the year	-	-	316	56	-	0	372
Transfer to statutory reserve	-	1,504	-	-	(1,504)	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	(33)	-	33	-	-
Surplus realized on disposal of investments in equity instruments through FVOCI - net of tax	-	-	(439)	-	439	-	-
Final cash dividend	-	-	-	-	(10,666)	-	(10,666)
Transactions with owners, recorded directly in equity	-	1,504	(472)	-	(11,698)	-	(10,666)
Share of dividend attributable to Non-controlling interest	-	-	-	-	-	(47)	(47)
Balance as at September 30, 2024	11,851	56,420	45,656	53,297	123,880	538	291,642

MCB BANK LIMITED - SRI LANKA BRANCH
SRI LANKA BRANCH
CASH FLOW STATEMENT

For the period ended 31st March	Sri Lanka Operations LKR (Mn)	
	2025	2024
Cash Flows From Operating Activities		
Interest and commission receipts	556	849
Interest payments	(215)	(294)
Payments to employees	(123)	(102)
VAT on financial services and SSCL	(47)	(82)
Receipts/(outgoings) from other operating activities	42	51
Cash payments to suppliers	(122)	(117)
Operating profit before changes in Operating Assets and Liabilities	91	305
Increase in Operating Assets		
Balances with Central Bank of Sri Lanka	(310)	(367)
Financial assets at amortised cost - loans & advances	230	1,559
Other Assets	(44)	(31)
Increase/(Decrease) in Operating Liabilities		
Financial liabilities at amortised cost – due to depositors	715	116
Other Liabilities	(39)	(389)
Net Cash Generated from Operations	643	1,194
Income Tax Paid	(56)	(127)
Net Cash Flows Generated from Operating Activities	588	1,067
Cash Flows from Investing Activities		
Net proceeds from maturity and purchase of Financial Investments	(374)	(491)
Proceed from maturity of other Placements with Banks	(321)	1,190
Purchase of Property, Plant and Equipments	10	(0)
Dividends received from investment in subsidiaries and associates	-	-
Proceeds from Sale of Property, Plant and Equipment	-	-
Net Cash Flows generated from Investing Activities	(685)	699
Cash flow from Financing Activities		
Capital Infusion from Head Office	-	-
Profit transferred to Head Office	-	-
Increase/(Decrease) of borrowings	(2)	(1,826)
Decrease of Securities Sold Under Repurchase Agreement	-	-
Net cash generated from/(used in) financing Activities	(2)	(1,826)
Net Increase in Cash and Cash Equivalents	(99)	(60)
Cash and Cash Equivalents at the Beginning of the year	380	284
Cash and Cash Equivalents at the End of the year	281	224
Reconciliation of cash and cash equivalents	281	224
Cash and cash equivalents	281	224

Figures in brackets indicate deductions.

GROUP CASH FLOW STATEMENT

For the period ended March 31,

	2025	2024
Cash Flows From Operating Activities		
Profit before taxation	31,553	35,349
Less: Dividend income and share of profit of associates	(2,018)	(1,215)
	29,535	34,134
Adjustments:		
Net mark-up / Interest Income	(39,072)	(42,448)
Depreciation on property and equipment	1,258	957
Depreciation on right of use assets	522	472
Depreciation on non-banking assets acquired in satisfaction of claims	4	5
Amortization	178	181
Credit loss allowance / provisions and write offs - net	(2,333)	(28)
Worker welfare fund	631	705
(Gain) / loss on sale of non-banking assets acquired in satisfaction of claims - ne	-	-
Gain on sale of property and equipment - net	(95)	(48)
(Reversal) / charge for defined benefit plans - net	(255)	(103)
Unrealized (gain) / loss on revaluation of investments classified as FVTPL	(210)	(6)
Finance charges on lease liability against right-of-use assets	420	373
Gain on termination of lease liability against right of use assets	(20)	(16)
Gain on conversion of Ijarah agreements	2	(3)
	(9,434)	(5,826)
Decrease / (increase) in operating assets		
Lending to financial institutions	(13,616)	40,489
Securities classified as FVTPL	1,311	2,222
Advances	296,821	(43,687)
Others assets (excluding advance taxation)	(32,282)	65,802
	252,233	64,826
Increase / (decrease) in operating liabilities		
Bills payable	(40,440)	(14,227)
Borrowings from financial institutions	321,255	(52,295)
Deposits	187,649	44,286
Others liabilities (excluding current taxation)	2,201	(4,480)
	470,665	(26,716)
Mark-up / Interest Received	62,391	92,392
Mark-up / Interest Paid	(55,009)	(41,768)
Defined benefits paid	(72)	(67)
Income tax paid	(20,961)	(24,058)
Net cash flow from operating activities	699,814	58,783
Cash flow from investing activities		
Net investment in securities classified as FVOCI	(662,612)	(23,364)
Net investment in securities classified as amortized cost	(5)	(826)
Dividends received	1,169	659
Net investment in associates	(833)	(51)
Investments in property and equipment	(2,804)	(2,579)
Investments in intangible assets	(364)	(860)
Disposal of property and equipment	115	64
Effect of translation of net investment in foreign branches and subsidiaries	56	188
Net cash flow used in investing activities	(665,279)	(26,769)
Cash flow from financing activities		
Payment of lease liability against right-of-use-assets	(968)	(830)
Dividend paid	(10,609)	(9,224)
Net cashflow used in financing activities	(11,578)	(10,054)
Effects of credit loss allowance changes on cash and cash equivalents	(92)	76
(Decrease) / Increase in cash and cash equivalents	22,865	22,035
Cash and Cash equivalents at beginning of the period	211,432	226,996
Effects of exchange rate changes on cash and cash equivalents	438	(487)
Opening expected credit loss allowance on cash and cash equivalents	(582)	-
	211,288	226,509
Cash and Cash equivalents at end of the period	234,153	248,544

MCB BANK LTD
SELECTED PERFORMANCE INDICATORS/KEY FINANCIAL DATA
AS AT 2025-03-31

Item	Current Period 2025-03-31	Previous Period 2024-12-31
Regulatory Capital Adequacy (LKR in Million)		
Common Equity Tier 1	7,972	7,908
Tier 1 Capital	7,908	7,908
Total Regulatory Capital	8,102	8,031
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement: 7%)	58.72	61.10
Tier 1 Capital Ratio (%) (Minimum Requirement: 8.50%)	58.72	61.10
Total Capital Ratio (%) (Minimum Requirement: 12.50%)	59.67	62.04
Basel III Leverage Ratio (Minimum Requirement : 3%)	28.99	28.11
Regulatory Liquidity Requirement		
Liquidity Coverage Ratio (%) - (Minimum Requirement : 100%)		
-Rupee (%)	527.57	584.71
-All Currency (%)	834.59	929.44
Net Stable Funding Ratio (%) - (Minimum Requirement : 100%)	235.32	239.57
Assets Quality		
Impaired Loans (Stage 3) to Total Loans, Ratio (%)*	6.04	6.17
Impairment (Stage 3) to Stage 3 Loans, Ratio (%)*	72.37	70.76
Income and Profitability		
Net Interest Margin (%)	4.80	5.82
Return on Assets (before Tax) (%)	1.02	1.43
Return on Equity (%)	3.04	4.29
Cost to Income Ratio (%)	68.61	57.73
Memorandum Information		
Credit Rating (Fitch Ratings)	AA- (lka)	AA- (lka)
Number of Employees	111	115
Number of Branches	5	5

* Including Undrawn Portion of Credit

CERTIFICATION:

We, the undersigned, being the Country General Manager and Department Head - Financial Control of MCB Bank jointly certify that :

(a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka;

(b) the information contained in these statements have been extracted from the unaudited financial statements of the bank unless indicated as audited.

Tahir Riaz
Country General Manager
31/03/2025

Thushara Perera
Department Head - Financial
31/03/2025

MCB BANK LIMITED - SRI LANKA BRANCH**ANALYSIS OF DEPOSITS****As at***All amounts in Sri Lankan Rupees***2025-03-31****2024-12-31****Deposits from customers****Product wise analysis of deposits from customers****By product - Domestic currency**

Demand deposits (current accounts)	2,665,105,488	2,725,354,994
Savings deposits	3,288,691,376	2,412,856,903
Fixed deposits	7,528,668,870	7,691,748,269
Margin deposits and VOSTRO	196,893,849	92,372,266
	13,679,359,583	12,922,332,433

By product - Foreign currency

Demand deposits (current accounts)	230,521,051	274,424,432
Savings deposits	774,112,554	881,002,570
Fixed deposits	1,769,019,775	1,660,734,311
Margin deposits and VOSTRO	90,556,050	89,642,238
	2,864,209,431	2,905,803,550

Total Deposits from customers

16,543,569,014**15,828,135,983**

MCB BANK LIMITED - SRI LANKA BRANCH**ANALYSIS OF LOANS AND ADVANCES, COMMIMENTS, CONTINGENCIES AND IMPAIRMENT****As at****2025-03-31****2024-12-31***All amounts in Sri Lankan Rupees***Loans and advances to customers**

Gross loans and advances	10,984,271,189	11,195,401,519
Less: Accumulated impairment	1,344,791,219	1,375,791,219
Total loans and advances	9,639,479,969	9,819,610,299

Concentration by Product - Domestic Currency

Overdrafts	2,821,039,379	2,735,191,126
Trade finance	481,250,243	496,027,214
Lease rentals receivable	-	-
Credit cards	-	-
Pawning	-	-
Staff loans	109,452,244	121,181,556
Term loans	160,950,777	216,213,388
Short-term	5,473,681,294	5,562,889,210
Long-term	-	-
Reverse repo agreements	-	-
Others	-	-
	9,046,373,937	9,131,502,494

Concentration by Product - Foreign Currency

Overdrafts	310,794,569	307,563,150
Trade finance	338,381,305	347,048,891
Lease rentals receivable	-	-
Credit cards	-	-
Pawning	-	-
Staff loans	-	-
Term loans	-	-
Short-term	1,288,721,377	1,409,286,983
	1,937,897,251	2,063,899,024
	10,984,271,189	11,195,401,519

Commitments

Commitment for unutilised credit facilities	3,988,100,114	4,057,882,220
Lease commitments		
Other commitments on forwards and swaps	664,319,460	394,276,120
	4,652,419,574	4,452,158,340

Contingencies

Acceptance	524,319,797	439,729,941
Documentary credits	986,898,503	665,399,294
Guarantees	243,026,146	216,915,572
Bills sent for collection	5,350,237,444	4,614,395,999
	7,104,481,889	5,936,440,807
	11,756,901,463	10,388,599,147

All amounts in Sri Lankan Rupees

Movement in provision for impairment during the year (Under SLFRS 9)

Loans and Advances	Stage 1	Stage 2	Stage 3	Total
As at 01st January 2025	252,396,470	456,043,949	667,350,801	1,375,791,219
Charge/(Write back) to statement of Profit / loss	(11,098,627)	(7,006,477)	(12,894,896)	(31,000,000)
write-off/(Recoveries) during the year	-	-	-	-
Exchange movement	-	-	-	-
As at 31st March 2025	241,297,843	449,037,472	654,455,905	1,344,791,219
Commitment and contingencies				
As at 01st January 2025	32,756,642	619,976	-	33,376,619
Charge/(Write back) to statement of Profit / loss	(1,957,138)	3,174,513	-	1,217,374
write-off/(Recoveries) during the year	-	-	-	-
Exchange movement	-	-	-	-
As at 31st March 2025	30,799,504	3,794,489	-	34,593,993
Total				
As at 01st January 2025	285,153,112	456,663,925	667,350,801	1,409,167,838
Charge/(Write back) to statement of Profit / loss	(13,055,766)	(3,831,964)	(12,894,896)	(29,782,626)
write-off/(Recoveries) during the year	-	-	-	-
Exchange movement	-	-	-	-
As at 31st March 2025	272,097,346	452,831,961	654,455,905	1,379,385,212

All amounts in Sri Lankan Rupees

Financial Assets and Liabilities
Classification of Financial Assets and Liabilities by Measurement Basis

The following table provides a reconciliation between line items in the statement of financial position and categories of financial instruments.

Classification of Financial Assets and Liabilities by Measurement Basis as per SLFRS 9 - Financial Instruments

As at 31st March 2025

ASSETS	FVTPL	FVOCI	Amortised cost	Total
Cash and Cash Equivalents	-	-	281,180,959	281,180,959
Balances with Central Banks	-	-	895,329,492	895,329,492
Placement with Banks	-	-	2,946,351,960	2,946,351,960
Derivative Financial Instruments	65,827	-	-	65,827
Financial assets at amortised cost				
Loans and Advances to customers	-	-	9,639,479,969	9,639,479,969
Debt and other financial instrument	-	-	-	-
Investment securities - Measured at FVOCI*	-	12,059,853,540	-	12,059,853,540
Total Financial Assets	65,827	12,059,853,540	13,762,342,380	25,822,261,747

	FVTPL	Amortised cost	Total
LIABILITIES			
Due to Banks	-	300,261,370	300,261,370
Derivative Financial Instruments	-	-	-
Deposits from customers	-	16,543,569,014	16,543,569,014
Other Borrowings	-	154,443,403	154,443,403
Total Financial Liabilities	-	16,998,273,787	16,998,273,787

As at 31st December 2024

	FVTPL	FVOCI	Amortised cost	Total
ASSETS				
Cash and Cash Equivalents	-	-	380,321,626	380,321,626
Balances with Central Banks	-	-	585,401,484	585,401,484
Placement with Banks	-	-	2,625,754,727	2,625,754,727
Derivative Financial Instruments	157,351	-	-	157,351
Financial assets at amortised cost				
Loans and Advances to customers	-	-	9,839,910,075	9,839,910,075
Debt and other financial instrument	-	-	-	-
Investment securities - Measured at FVOCI*	-	11,695,234,943	-	11,695,234,943
Total Financial Assets	157,351	11,695,234,943	13,431,387,912	25,126,780,207

	FVTPL	Amortised cost	Total
LIABILITIES			
Due to Banks	-	450,098,630	450,098,630
Derivative Financial Instruments	-	-	-
Deposits from customers	-	15,828,135,983	15,828,135,983
Other Borrowings	-	6,485,468	6,485,468
Total Financial Liabilities	-	16,284,720,082	16,284,720,082

* Unquoted equity investments of Rs. 3,030,000 are stated at cost as it was impractical to compute the market value due to unavailability of market information. However, Management has determined the impact as immaterial as it was less than 0.01 % of the total assets.