



**SIX MONTHS RESULTS
FY 2024/25**

Earnings call presentation





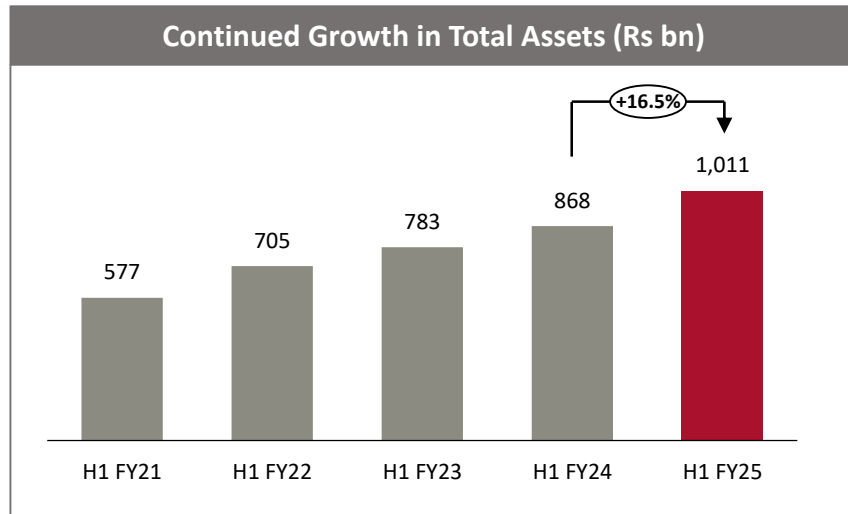
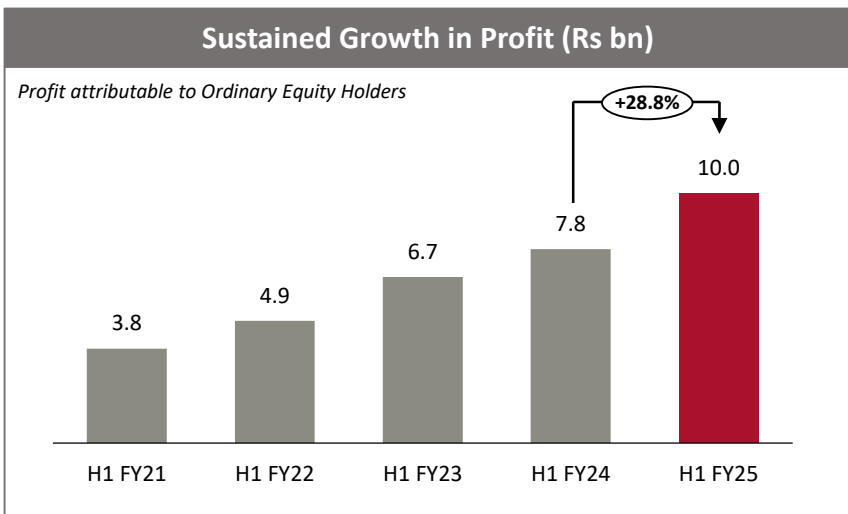
At a Glance

Rs 21.3 bn <i>(HY1 FY24: Rs 18.0 bn)</i>	 +18.1%
Operating Income	

Rs 7.4 bn <i>(HY1 FY24: Rs 6.8 bn)</i>	 +8.9%
Operating Expense	

34.6% <i>(HY1 FY24: 37.5%)</i>	 -291 bps
Cost-to-income	

18.4% <i>(HY1 FY24: 16.6%)</i>	 +181 bps
Return on Equity	



62.1% <i>(H1 FY24: 64.9%)</i>	 -277 bps
Net Loans to Deposits	

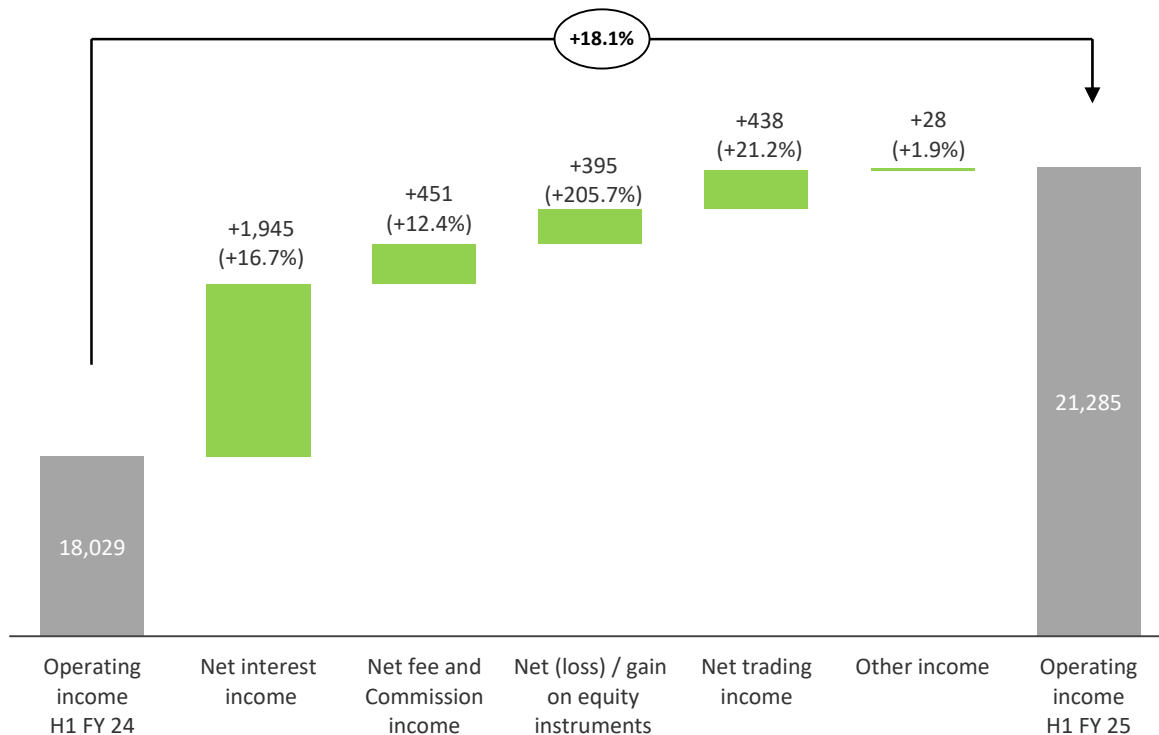
Rs 415 bn <i>(H1 FY24: Rs 359 bn)</i>	 +15.7%
Net Customer Loans	

Rs 745 bn <i>(H1 FY24: Rs 621bn)</i>	 +20.0%
Customer Deposits	

21.2% <i>(H1 FY24: 20.5%)</i>	 +72 bps
Capital Adequacy Ratio	



Operating income – Growth achieved in both net interest income and fees

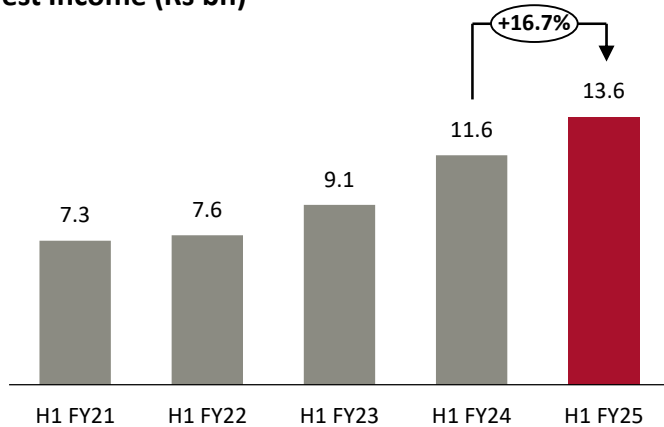


- Net fee and commission income growth driven by payment, lending and trade finance activities.
- Increase in forex profit supported by enhanced volume of financial market activities.
- Of note, the Visa and MasterCard shares held by MCB Ltd were acquired by MCB Group Ltd in November 2024. Going forward the fair value of these securities will be accounted in Other Comprehensive Income.

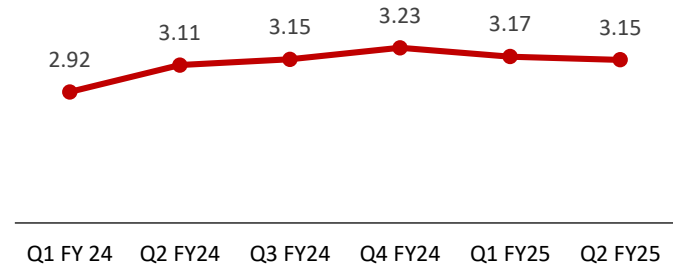


Net Interest Income (NII) – Y.o.Y growth recorded in both margins and interest-earning assets

Net Interest Income (Rs bn)

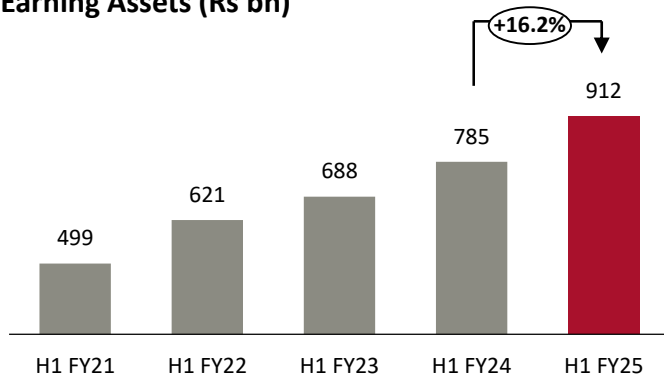


Net Interest Margin* (%)

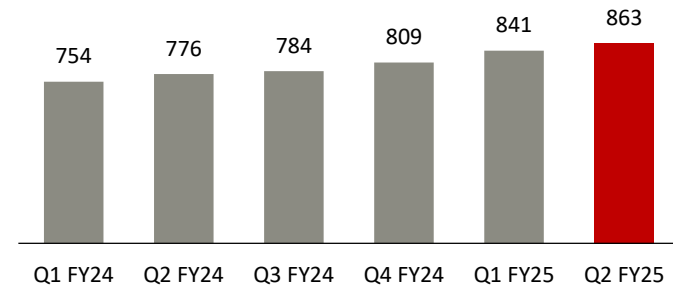


*Net interest Margin: Net interest income as a % of average interest earning assets

Interest-Earning Assets (Rs bn)

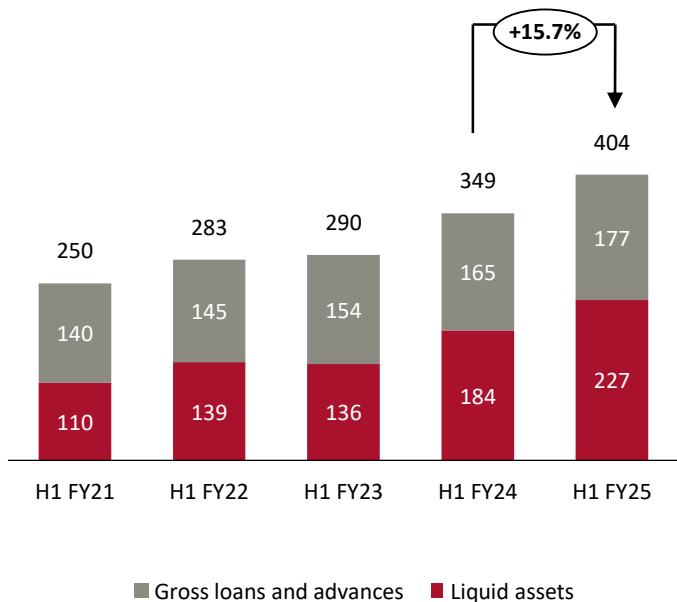


Average Interest-Earning Assets (Rs bn)

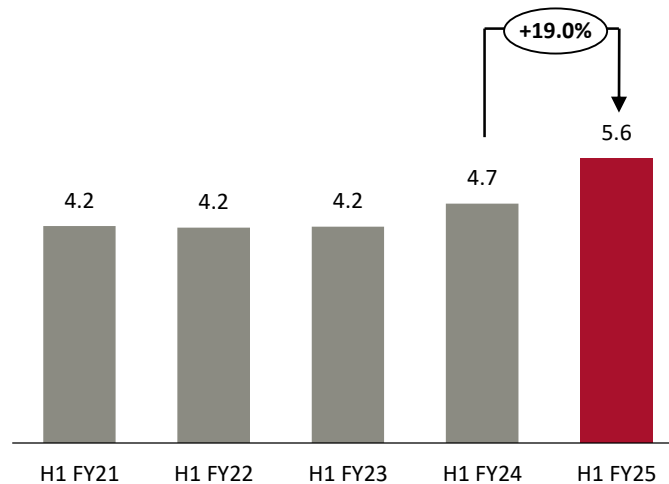




MUR Interest-Earning assets* (Rs bn)



MUR Net Interest Income (Rs bn)

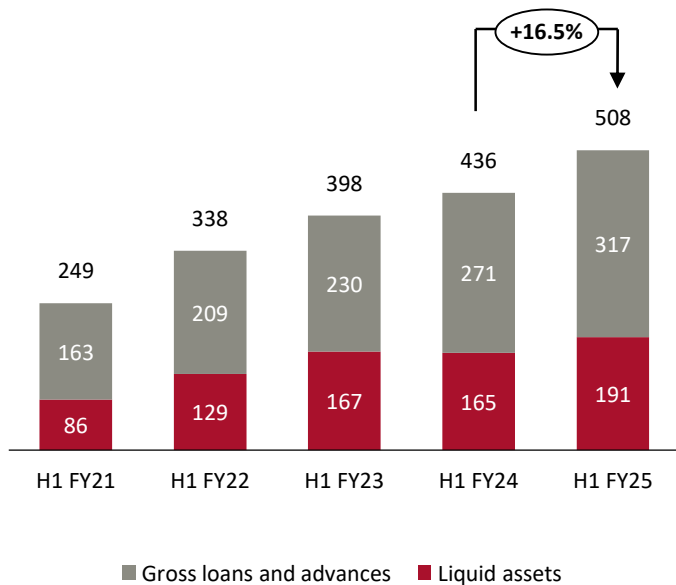


* Interest earning assets reported as end of period balances; average balances increased by 14.3% y.o.y

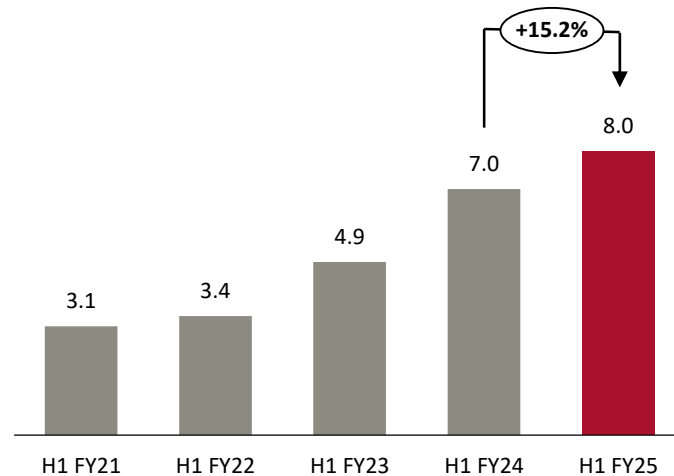


FCY NII – Sustained growth achieved by an increase in assets and customer margins

FCY Interest-Earning Assets* (Rs bn)



FCY Net Interest Income (Rs bn)



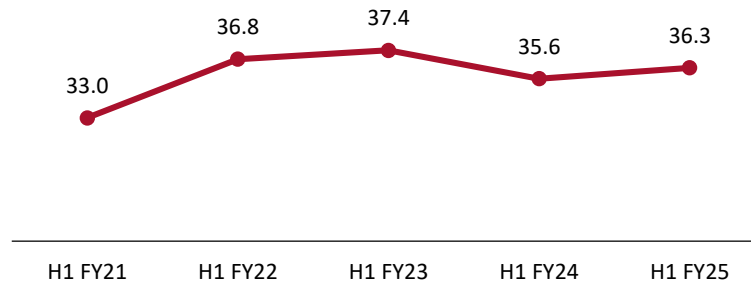
* Interest earning assets reported as end of period balances; average balances increased by 8.8% y.o.y



Non-interest income – Growth driven by both fees and forex profit

Non-Interest Income <i>(Figures in Rs bn)</i>	H1 FY24	H1 FY 25	%Δ Y-o-Y
Net Fee and Commission Income	3.6	4.1	12.4%
Other Income	2.8	3.6	30.9%
Total Non-Interest Income	6.4	7.7	20.4%

Non-Interest Income to Operating Income Ratio (%)



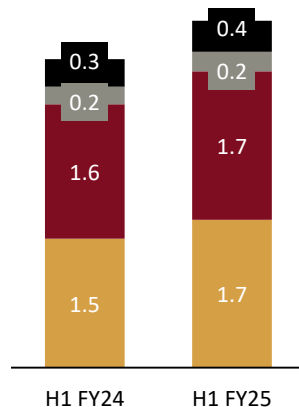
Net fee and Commission Income (Rs bn)

Others

Wealth management services

Trade finance & credit facilities

Payments services



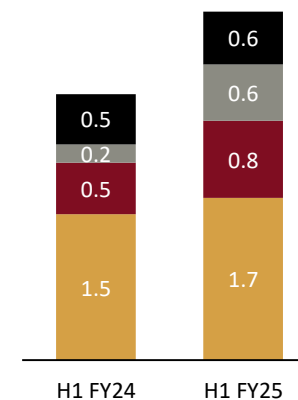
Other Income (Rs bn)

Others

Gain from Equity Financial Instruments

Trading income - other

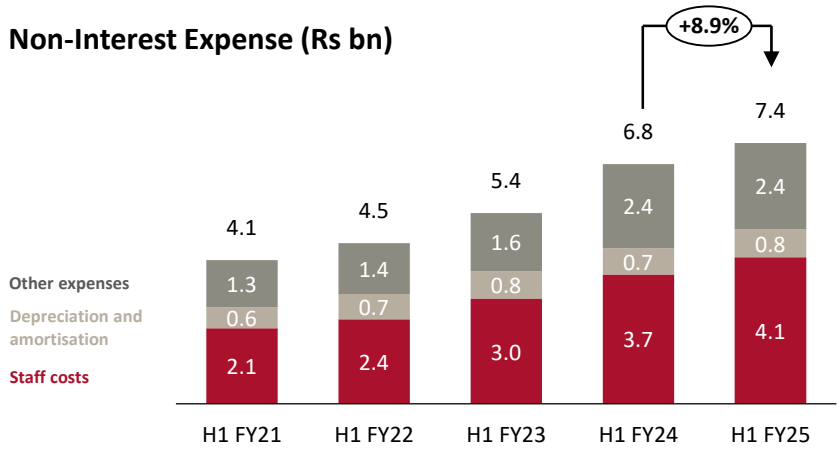
Trading income – FX sales



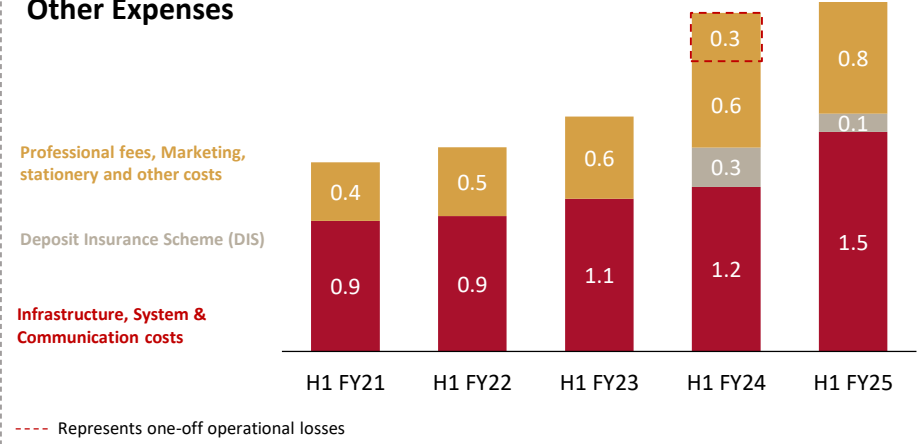


Non-Interest expense (OPEX) - Increase largely explained by rise in staff costs

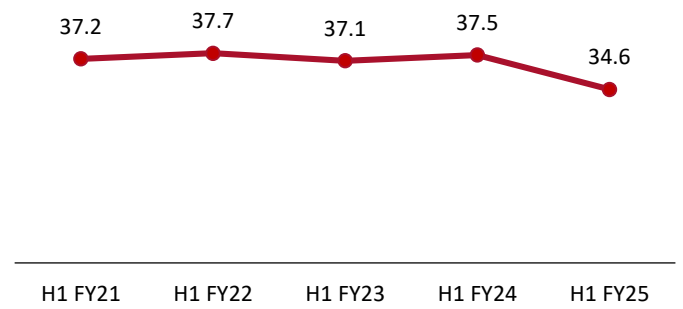
Non-Interest Expense (Rs bn)



Other Expenses



Cost-to-Income Ratio (%)

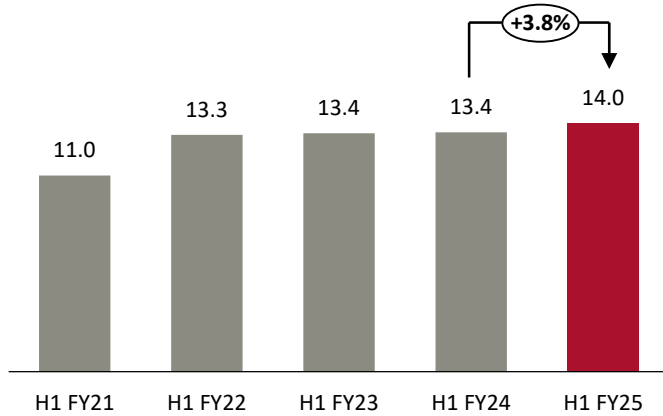


Note: Figures may not add up due to rounding

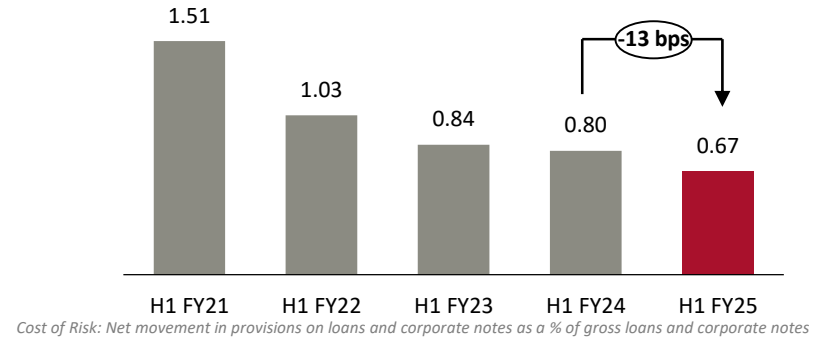


Asset quality – Decline in Gross NPL and cost of risk with strong provision coverage

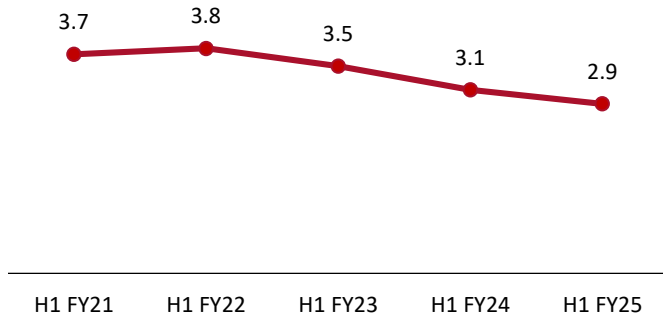
Non-Performing Loans and Advances (Rs bn)



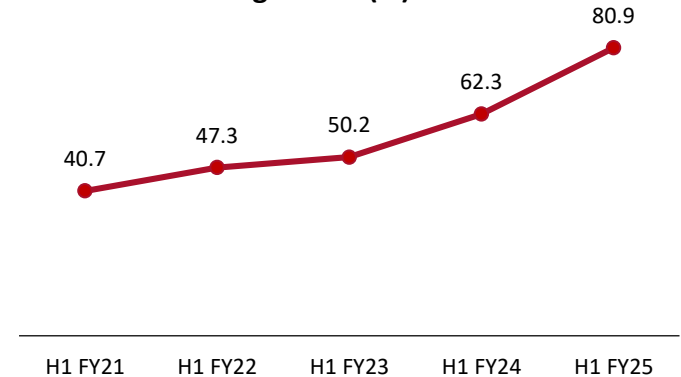
Cost of Risk (%)

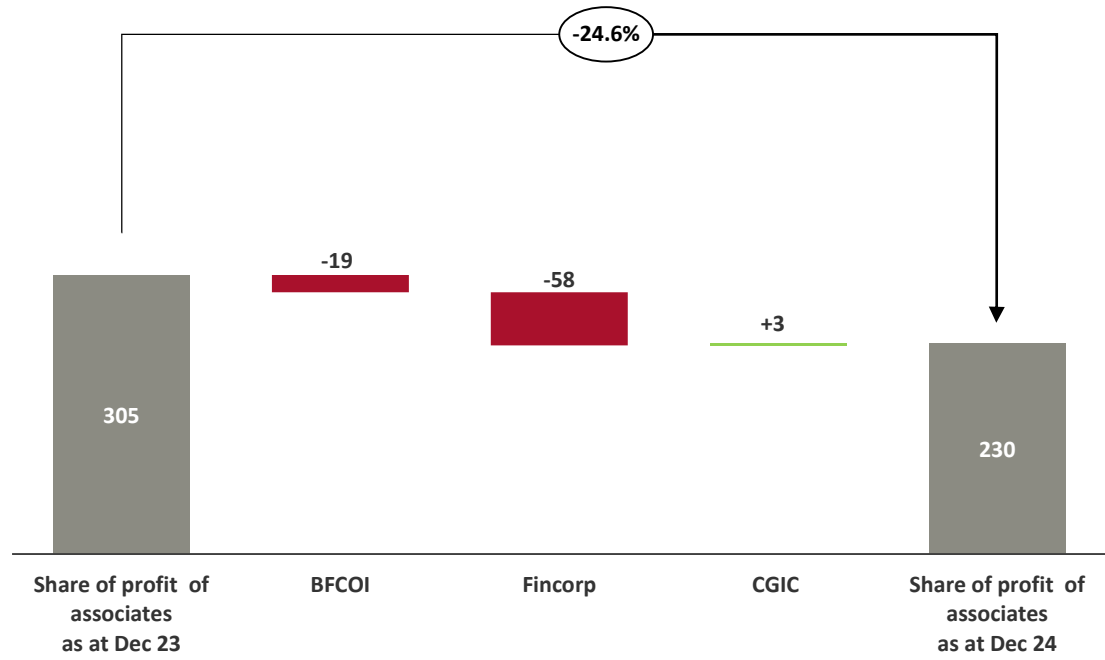


Gross NPL Ratio (%)



Specific Provision Coverage Ratio (%)

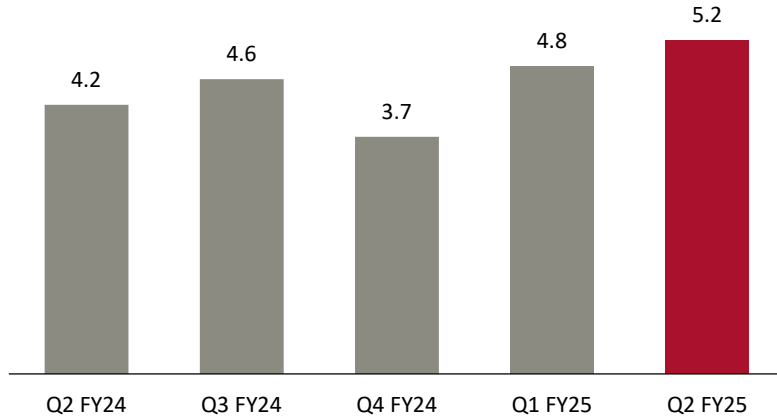




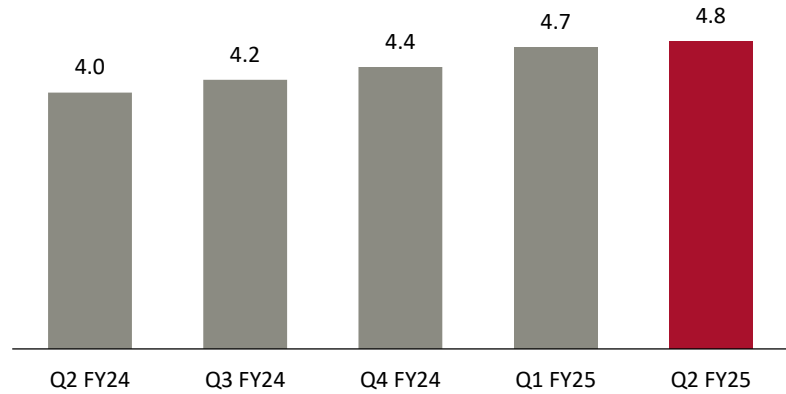
- Lower profit recorded by Fincorp resulting mainly from the drop in profit of Medine Ltd and losses recorded by Caudan Development Limited.

Note: Figures are in Rs million

Quarterly Attributable Profits (Rs bn)



Quarterly Normalised Profits after Tax (Rs bn)

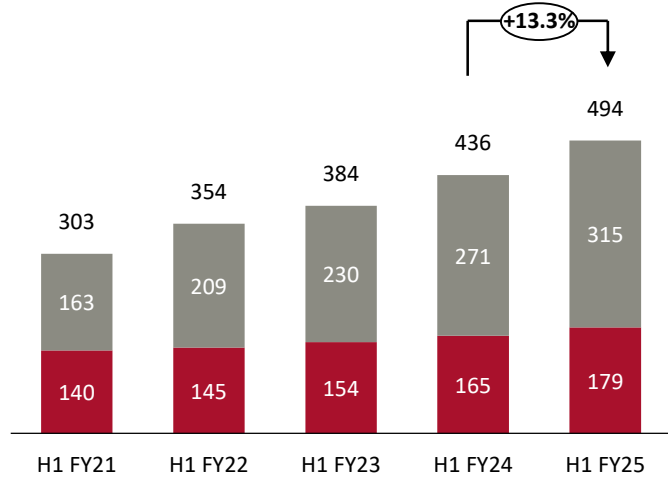




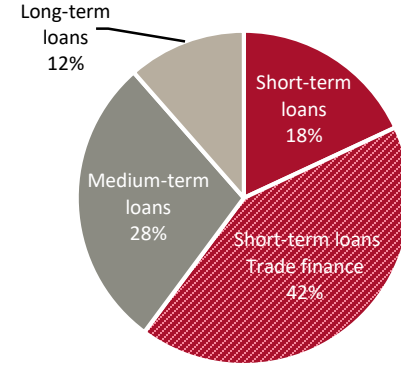
Loans and advances – Growth in both MUR and FCY loan portfolio

Gross Loans and Advances (Rs bn)

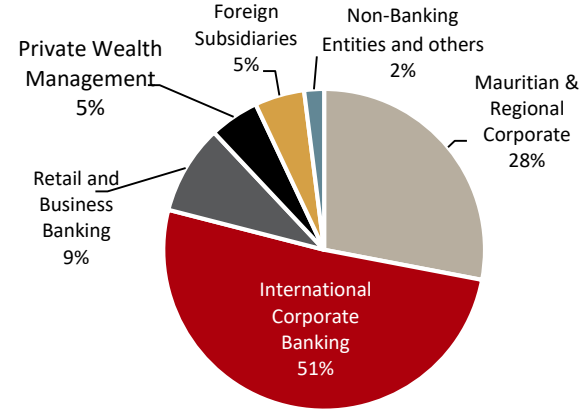
■ MUR
■ FCY



FCY Loans by Tenor (%) – H1 FY25



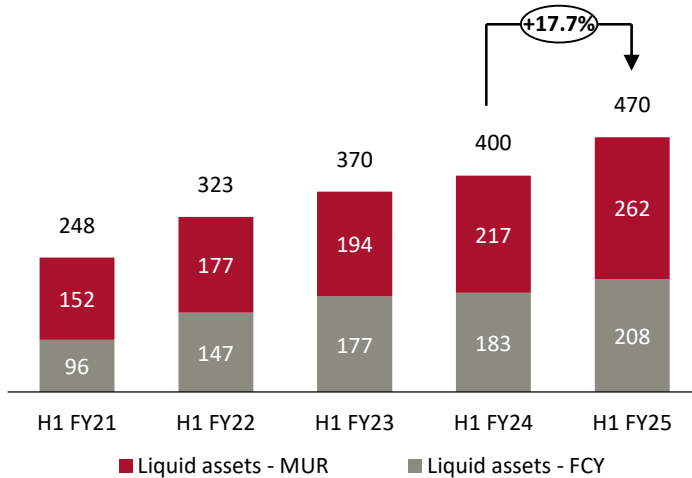
Gross loans by Line of Business (%) – H1 FY25



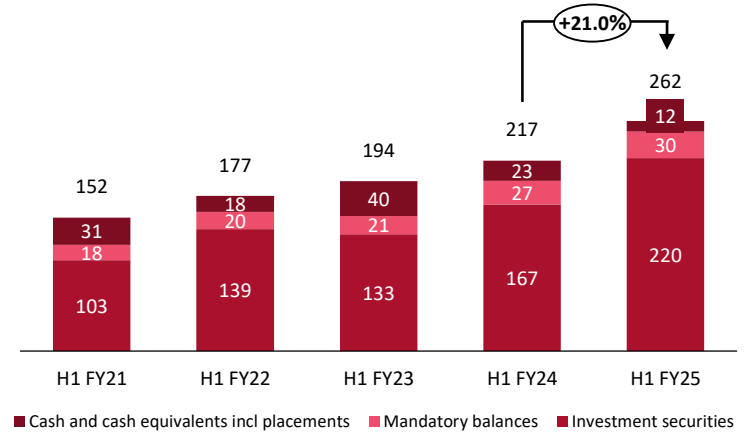


Liquid assets – Excess liquidity in both MUR and FCY mainly deployed in government bonds

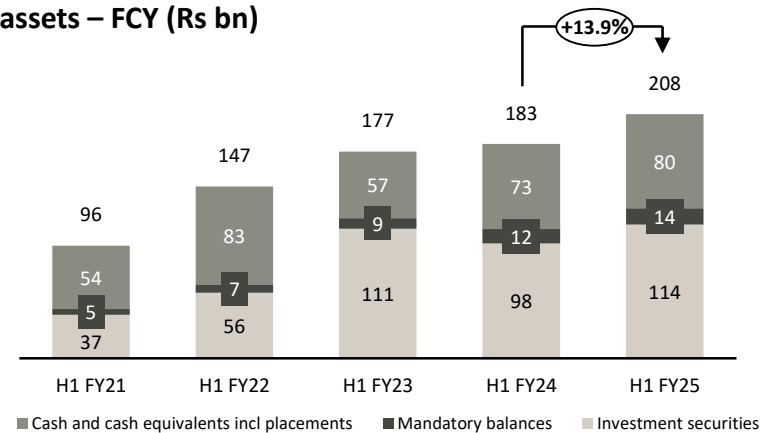
Total liquid assets (Rs bn)



Liquid assets – MUR (Rs bn)



Liquid assets – FCY (Rs bn)

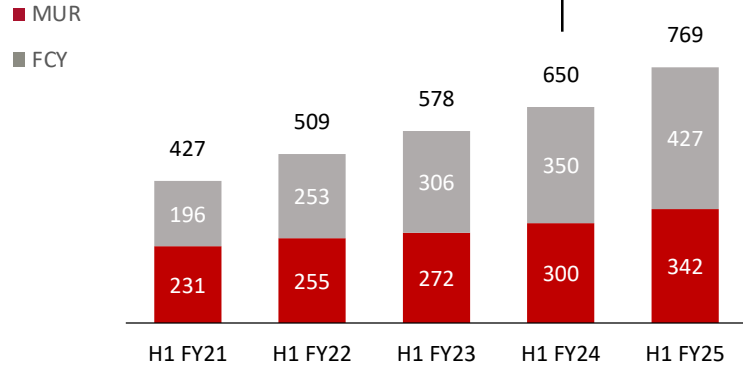


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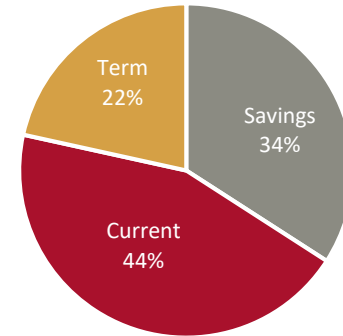


Funding and liquidity – Continued growth in both MUR and FCY deposits

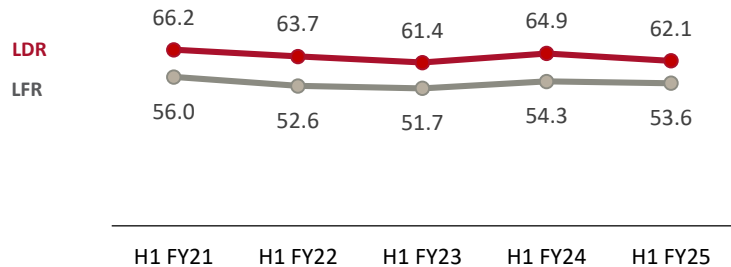
Deposits (Rs bn)



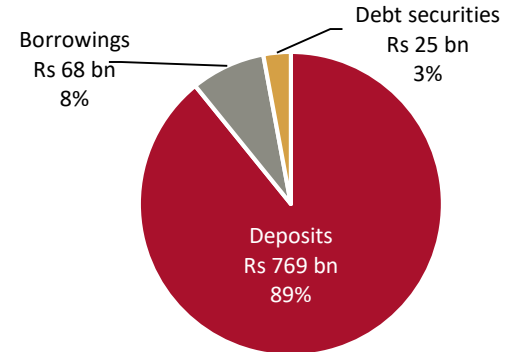
MCB Ltd deposit mix (%) – H1 FY25



Liquidity ratios (%)



Funding base composition (%) – H1 FY25

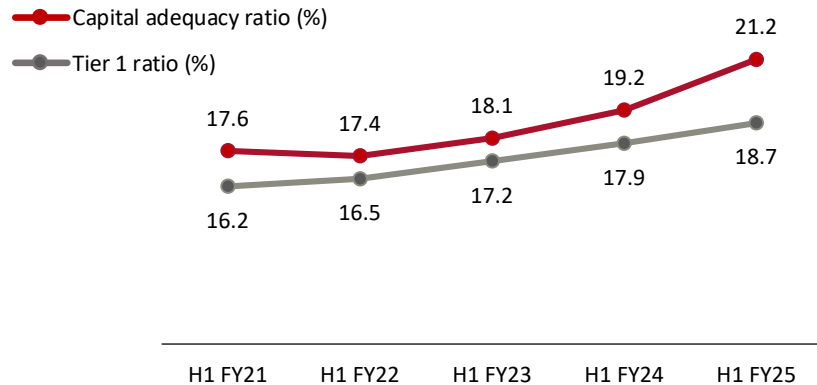


LDR: Net customer loans and advances to customer deposit ratio
 LFR: Loan-to-funding base (including borrowings) ratio

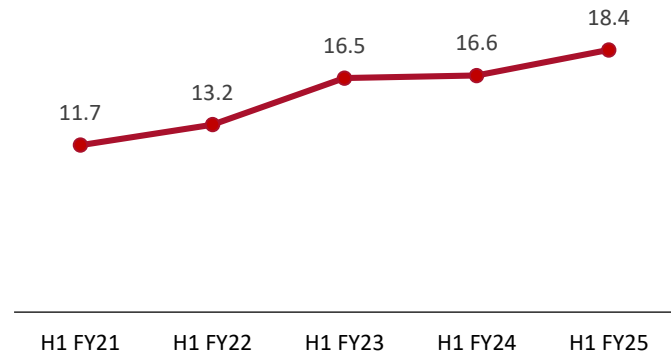


Capital adequacy and return – Improved capital adequacy ratios and higher ROE

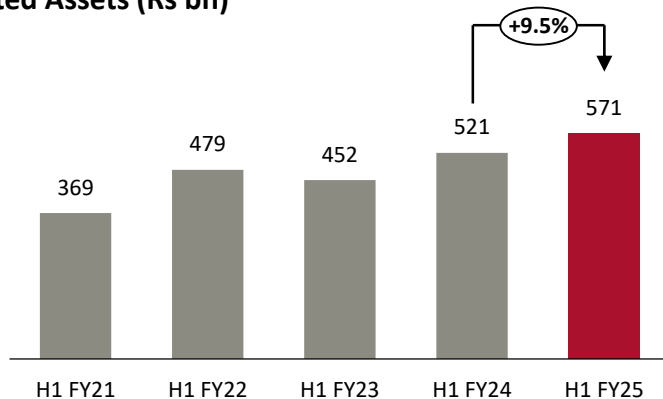
Capital Adequacy Ratio (%)



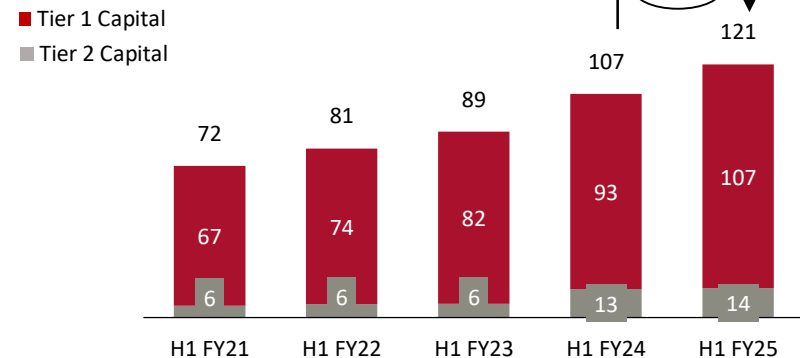
Return on Equity (%)



Risk-Weighted Assets (Rs bn)

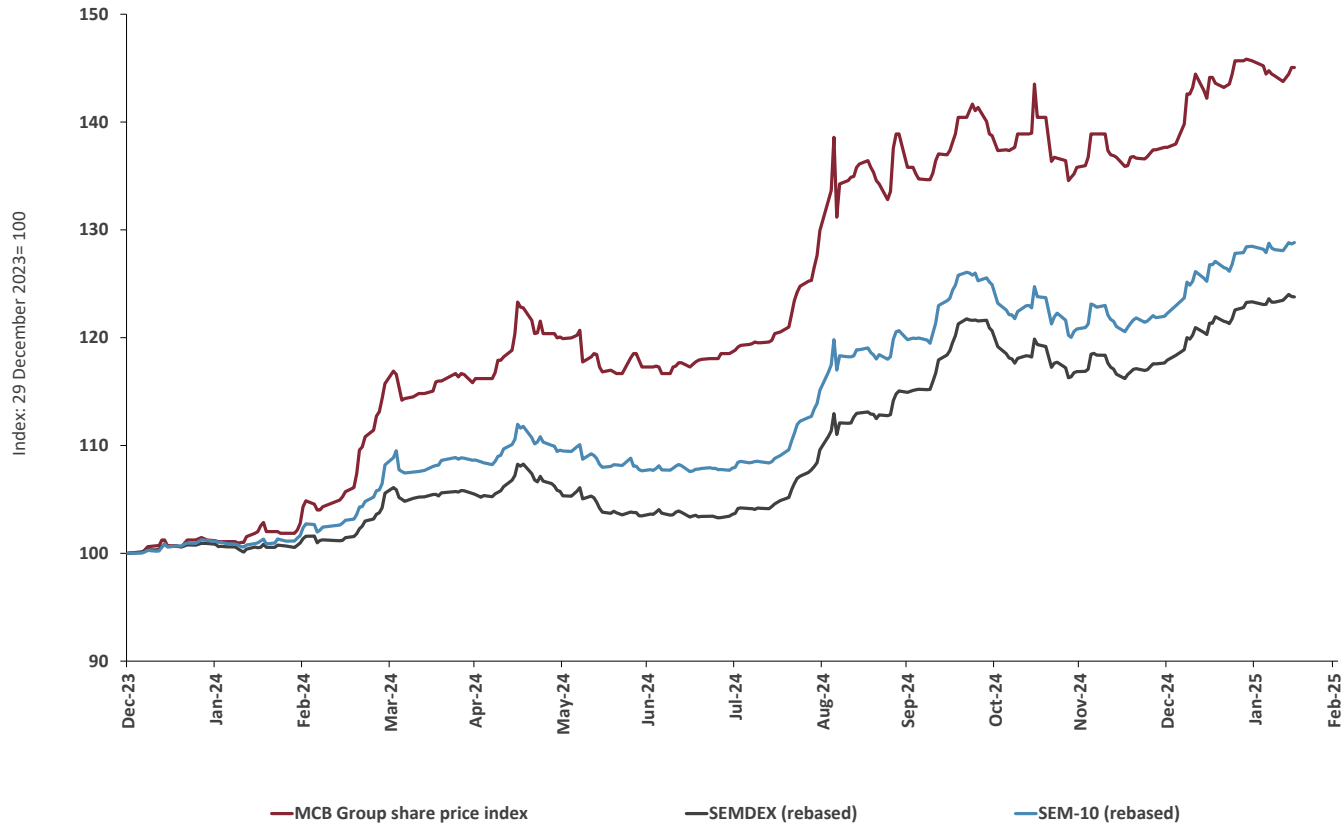


Total Capital (Rs bn)





MCB Group share price – MCB Group outperforming local indices



THANK YOU

