



MCB Bank Limited
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PSX-100(5F)2026/28
April 30, 2026

General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

Sub: **Transmission of Quarterly Report for the Period Ended March 31, 2026**

Dear Sir,

We have to inform you that the First Quarterly Financial Statements of the Bank for the period ended **March 31, 2026** have been transmitted through PUCARS and is also available on Bank's website.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours sincerely,

Farid Ahmad
Company Secretary

Encl: **As above**



FIRST QUARTERLY
REPORT

MARCH 31, 2026

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-term relationships with our customers. In doing so, we ensure that our shareholders can invest with confidence in us.

Core Values

- Integrity
- Innovation
- Excellence
- Customer Centricity
- Respect

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. 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. Anjum Javed
Company Secretary:	Mr. Farid Ahmad
Auditors:	M/s. KPMG Taseer Hadi & Co. Chartered Accountants
Legal Advisors:	M/s. Khalid Anwer & Co. Advocates & Legal Consultants
Registered /Principal Office:	MCB Building, 15-Main Gulberg, Jail Road, Lahore, Pakistan.
Contact us:	UAN: + 92 42 111 000 622 E-mail: investor.relations@mcb.com.pk Visit us: www.mcb.com.pk
Registrar's and Share Registration Office(s):	Head Office: M/s. THK Associates (Pvt.) Limited Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi, Pakistan. Branch Office: M/s. THK Associates (Pvt.) Limited Office No. 309, 3 rd Floor, North Tower, LSE Building, 19-Shahrah-e-Aiwan-e-Iqbal, Lahore, Pakistan'



On behalf of the Board of Directors, we are pleased to present the financial statements of MCB Bank Limited (MCB) for the quarter ended March 31, 2026.

Performance Review

On a standalone basis, the profit before and after taxation for the quarter ended March 31, 2026 together with appropriations is as under:

	Rs. in Million
Profit Before Taxation	26,734
Taxation	13,933
Profit After Taxation	12,801
Un-appropriated Profit Brought Forward	121,802
Surplus realized on disposal of investments in equity instruments through FVOCI - net of tax	1,144
Transfer in respect of incremental depreciation from surplus on revaluation of property & equipment to un-appropriated profit-net of tax	40
	122,986
Profit Available for Appropriation	135,787
Appropriations:	
Statutory Reserve	(1,280)
Final Cash Dividend at Rs. 9.0 per share - December 2025	(10,666)
Total Appropriations	(11,946)
Un-appropriated Profit Carried Forward	123,841

MCB reported a Profit Before Tax (PBT) of Rs. 26.7 billion and a Profit After Tax (PAT) of Rs. 12.8 billion, translating into Earnings Per Share (EPS) of Rs. 10.80. On a consolidated basis, PBT stood at Rs. 27.9 billion.

Net interest income increased by 9% year-on-year to Rs. 38.2 billion (Q1'25: Rs. 35.2 billion), primarily driven by sustained growth in low-cost deposits and effective yield optimization, despite a relatively lower average policy rate environment. Notably, this represents the highest quarterly net interest income reported by the Bank over the past six quarters, reflecting the strength of its funding mix and resilience of core earnings.

Non-markup income remained resilient at Rs. 8.5 billion. Fee and commission income increased by 13% year-on-year to Rs. 5.9 billion, driven by continued momentum in the Bank's digital banking franchise and higher transaction volumes. Within this segment, card-related income grew by 15%, branch banking fee income rose by 6% supported by improved customer engagement and cross-sell initiatives, while consumer banking fee income recorded a strong growth of 32%, reflecting increased customer activity and higher uptake of consumer financing products. Foreign exchange and dividend income contributed Rs. 1.384 billion and Rs. 1.137 billion respectively.

Operating expenses increased by 9% year-on-year, primarily reflecting continued investments in technology, HR and talent development, and brand-building initiatives to support long-term growth. Despite the planned expansion in the cost base, the Bank's cost-to-income ratio stood at 39.59%, demonstrating cost discipline alongside its focus on operational efficiency.

On the balance sheet, total assets increased to Rs. 3.263 trillion (YE'25: Rs. 3.247 trillion). Advances registered growth of Rs. 59 billion (8%), reflecting improved credit uptake. The investment portfolio stood at Rs. 1.932 trillion (YE'25: Rs. 1.947 trillion).

Asset quality remained satisfactory, with non-performing loans (NPLs) reported at Rs. 50 billion. The infection and coverage ratios improved to 6.29% and 94.51% respectively. The Bank continues to focus on proactive management of its delinquent portfolio, with emphasis on recoveries, resolution, and containment of credit losses.

Deposits stood at Rs. 2.3 trillion, with the current account mix improving to 56% (YE'25: 54%), reinforcing the Bank's strength in low-cost deposit mobilization. This favorable mix, along with a lower interest rate environment, reduced the domestic cost of deposits to 4.14% (Q1'25: 5.51%). The Bank reported Return on Assets (ROA) of 1.57% and Return on Equity (ROE) of 20.89%.



MCB Bank maintained its position as one of the leading players in the home remittance market, with a market share of 9.6%, processing USD 1,011 million in remittance inflows during the period. Leveraging its extensive branch footprint and expanding digital channels, the Bank continued to support the State Bank of Pakistan's financial inclusion and formal remittance initiatives.

The Bank's capital and liquidity positions remained robust, with the Capital Adequacy Ratio (CAR) standing at 18.70% and the Common Equity Tier-1 (CET1) ratio at 14.87%, well above minimum regulatory requirements. Liquidity buffers remained strong, reflected in a Liquidity Coverage Ratio (LCR) of 239.90% and a Net Stable Funding Ratio (NSFR) of 155.79%.

The Board of Directors has declared first interim cash dividend of Rs. 9.0 per share i.e. 90% for the quarter ended March 31, 2026.

Looking ahead, the Bank remains well-positioned to deliver sustainable growth, supported by a strong capital base, ample liquidity, diversified revenue streams, and disciplined risk management, while continuing to focus on operational efficiency and customer-centric innovation.

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 macroeconomic environment in the first quarter of 2026 was shaped primarily by three key factors forces; the sharp escalation of US–Iran tensions, evolving expectations about monetary policy expectations in advanced economies, and continued sustained structural optimism about around artificial intelligence and digital infrastructure. These factors lifted geopolitical risk premia and increased volatility in energy and safe-haven assets.

US–Iran tensions intensified during the quarter materially impacting global commodity and financial markets. Oil and LNG prices traded at a persistent risk premium as investors reassessed the likelihood of supply disruptions from Iran and neighboring producers. Risk assets experienced periodic corrections around major geopolitical developments.

At the same time, structural optimism about artificial intelligence and digital infrastructure continued to underpin global risk appetite. Strong earnings and investment in data centers, semiconductors and cloud-related services supported valuations of technology-intensive equities, helping offset some of the drag from geopolitical uncertainty and soft global trade. This AI-driven growth narrative remained a key pillar for major equity indices and contributed to differentiation between markets with strong tech exposure and those more reliant on traditional cyclical.

Monetary policy in advanced economies continued to shift from a strongly restrictive stance towards a more neutral bias as inflation drifted lower. Several key central banks signaled that policy rates were at or near their peaks, with markets pricing in a cautious, data-dependent interest rate cycle over the coming quarters.

In emerging markets, the net impact was mixed. Moderating global inflation and the prospect of lower policy rates in advanced economies supported portfolio flows and eased external financing constraints, but escalating US–Iran tensions and associated volatility in energy prices heightened vulnerability among oil-importing economies with limited fiscal and reserve buffers.

The macroeconomic environment in Pakistan during the first quarter of 2026 demonstrated a cautious yet gradual move from crisis mitigation towards economic stabilization. This shift was supported by disinflationary trends, an improved external account, and ongoing fiscal consolidation efforts. Nevertheless, the domestic outlook remains increasingly susceptible to rising tensions between the US and Iran, which pose heightened external risks to Pakistan's energy costs, external account, inflation trajectory, and interest rate path, especially considering the country's status as a net energy importer with limited fiscal and reserve buffers.

Official data indicates that the economic recovery, which began in the second half of the previous fiscal year, has continued into FY26. According to the Pakistan Bureau of Statistics, real GDP increased by approximately 3.89% in the second quarter of FY26. Growth rates for agriculture, industry, and services were 1.76%, 7.40%, and 3.69%, respectively. This expansion was supported by a recovery in large-scale manufacturing and construction, alongside steady gains in the services and livestock sectors. Although these indicators suggest economic stabilization, overall growth remains below potential and remains vulnerable to external shocks, particularly energy price fluctuations.

Disinflation remained a key macroeconomic achievement. Headline CPI inflation, which had previously been in double digits, moved into single-digit territory, reflecting the lagged effects of tight monetary policy, a relatively stable exchange rate, and softer international commodity prices. In March 2026, however, inflation rose to 7.3%, driven mainly by changes in administered prices, the normalization of food prices from earlier lows, and base effects, rather than a broad return of excess demand. However, the ongoing US–Iran conflict poses a clear upside risk to this path. Pakistan's heavy reliance on imported petroleum products and LNG means that sustained disruption to Gulf energy supplies or a persistent risk premium in oil markets would push inflation back into double-digit territory.

The current account remained manageable in the first half of FY26, supported by strong workers' remittances and continued multilateral and bilateral financing under the IMF-anchored framework. A staff-level agreement reached in late March 2026 opened the way for about USD 1.2 billion in additional funding, while total liquid foreign exchange reserves stood near USD 21.79 billion as of March 2026, including roughly USD 16.38 billion held by the State Bank of Pakistan. However, these gains face a cautious road ahead; continued US-Iran tensions could heighten market risk aversion and pressure Pakistan's external buffers.

Fiscal consolidation continued to anchor Pakistan's macroeconomic strategy. Building on the primary surplus achieved in the previous fiscal year, the FY26 budget aims to further strengthen the primary balance in alignment with IMF benchmarks. So far, fiscal performance appears broadly consistent with these objectives, supported by increased nominal tax revenues. However, the ongoing US-Iran conflict could impose significant fiscal pressures, necessitating a trade-off between petroleum development levies and subsidies, potentially forcing a difficult decision between maintaining revenue streams and providing subsidies or other forms of relief.

Monetary policy during the first quarter of 2026 remained centered on disinflation and maintaining external stability. The Monetary Policy Committee (MPC) maintained the policy rate at 10.5% in January and March 2026, ensuring a clearly positive real policy rate. However, heightened uncertainty increases the risk of an oil-driven rise in inflation. Consequently, the MPC faces a complex balancing act between the risk of inflation expectations deviating and the costs associated with tight monetary conditions in a still-recovering economy.

Future Outlook

Global growth is expected to remain modest but positive, with advanced economies constrained by structural headwinds while emerging markets contribute a larger share of incremental expansion. The US-Iran conflict is likely to remain a key source of geopolitical risk, with implications for energy markets, shipping routes and regional security. At the same time, the structural growth narrative around AI and digital infrastructure should continue to support investment and earnings in technology-intensive sectors, partly offsetting macroeconomic headwinds.

For Pakistan, the outlook hinges on policy continuity and the implementation of reforms under the IMF-supported program. Under a baseline of sustained fiscal consolidation, prudent monetary policy and continued external support, growth in FY26 is expected to improve relative to the previous year.

Medium-term prospects will depend on progress with structural reforms, particularly broadening the tax base, rationalizing energy pricing, improving the governance of state-owned enterprises and strengthening the business environment. Successful execution would help reduce debt vulnerabilities, create fiscal space for development and social spending, and raise potential growth. Conversely, reform slippages or a sustained spike in energy prices linked to the US-Iran conflict could undermine stabilization gains and re-ignite pressure on inflation, the exchange rate and reserves.

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
April 23, 2026



Mian Umer Mansha
Director
MCB Bank Limited

افراط زر میں کمی (ڈس انفلیشن) ایک اہم میکرو اکنامک کامیابی رہی۔ کنزیومر پرائس انڈیکس (CPI) کے مطابق مجموعی افراط زر کی شرح، جو پہلے دہائی کے ہندسوں (ڈبل ڈیجیٹ) میں تھی، اب ایک ہندسے (یعنی سنگل ڈیجیٹ) کی سطح پر آگئی ہے۔ یہ سخت مانیٹری پالیسی کے دیرپا اثرات، شرح مبادلہ کے نسبتاً استحکام اور عالمی منڈیوں میں اجناس کی قیمتوں میں کمی کا ثمر ہے۔ تاہم، مارچ 2026ء میں افراط زر کی شرح بڑھ کر 7.3 فیصد ہوگئی، جس کی بنیادی وجہ مجموعی طلب میں کمی بڑے اضافے کا نتیجہ نہیں بلکہ انتظامی قیمتوں میں تبدیلی، غذائی اشیاء کی قیمتوں کا کم ترین سطح سے دوبارہ معمول پر آنا اور ہمیں اہلیٹیک تھا۔ تاہم، امریکہ اور ایران کا جاری تنازع اس صورتحال کے لیے ایک واضح خطرہ ہے۔ پیٹرولیم مصنوعات اور ایل این جی کی درآمد پر پاکستان کا ہماری انحصار اس بات کی نشاندہی کرتا ہے کہ کلیدی توانائی کی سپلائی میں مسلسل خلل یا تیل کی منڈیوں میں قیمتوں کا مسلسل دباؤ افراط زر کو دوبارہ دہائی کے ہندسوں (ڈبل ڈیجیٹس) میں لے جاسکتا ہے۔

بیرون ملک معیق پاکستانوں کی جانب سے بھیجی گئی ترسیلات زر اور آئی ایم ایف فریم ورک کے تحت کثیر الجہتی اور دو طرفہ فنڈنگ کی مدد ملنے والی سال 2026ء کی پہلی ششماہی میں کرنٹ اکاؤنٹ مستحکم رہا۔ مارچ 2026ء کے آخر میں اسٹاف لیول معاہدے سے تقریباً 1.2 بلین امریکی ڈالرز کی اضافی فنڈنگ کی راہ ہموار ہوئی۔ جبکہ، مارچ 2026ء تک کل دستیاب فیملی زرمبادلہ کے ذخائر تقریباً 21.79 بلین ڈالرز پر درج ہوئے۔ جن میں اسٹیٹ بینک آف پاکستان کے پاس موجود تقریباً 16.38 بلین ڈالرز بھی شامل ہیں۔ تاہم، مستقبل میں ان کامیابیوں پر محتاط رویہ اختیار کرنے کی ضرورت ہے کیونکہ امریکہ اور ایران کی کشیدگی مارکیٹ کے خطرات کو بڑھا سکتی ہے اور پاکستان کے بیرونی واپس دیاؤ ذخائر پر دباؤ ڈال سکتی ہے۔

پاکستان کی میکرو اکنامک حکمت عملی میں مالیاتی استحکام کو مرکزی اہمیت حاصل رہی ہے۔ گزشتہ مالی سال میں حاصل ہونے والے پرائمری سرپلس کی بنیاد پر، مالی سال 2026ء کے بجٹ کا مقصد آئی ایم ایف کے معیارات کے مطابق پرائمری بیلنس کو مزید مضبوط بنانا ہے۔ اب تک مالیاتی کارکردگی ان مقاصد کے مطابق نظر آتی ہے، جس میں ٹیکس محصولات میں اضافے نے اہم کردار ادا کیا ہے۔ تاہم، جاری امریکہ-ایران تنازع نمایاں مالیاتی دباؤ کا سبب بن سکتا ہے۔ جس کے نتیجے میں پیٹرولیم ڈیولپمنٹ لیوی اور سسڈیز کے درمیان توازن برقرار رکھنا ایک مشکل امر ثابت ہو سکتا ہے۔ یہ صورتحال حکومت کو ریونیو کے حصول یا عوام کو ریلیف اور سسڈیز کی فراہمی میں سے کسی ایک مشکل انتخاب پر مجبور کر سکتی ہے۔

سال 2026ء کی پہلی سہ ماہی کے دوران، مانیٹری پالیسی کا محور افراط زر میں کمی اور بیرونی استحکام رہا۔ مانیٹری پالیسی کمیٹی نے جنوری اور مارچ 2026ء میں پالیسی ریٹ کو 10.5 فیصد پر برقرار رکھا، تاکہ حقیقی پالیسی ریٹ کو واضح طور پر مثبت رکھا جاسکے۔ تاہم، بروقت ہوئی غیر یقینی صورتحال اور تیل کی قیمتوں کی وجہ سے افراط زر میں اضافے کا خطرہ بڑھ گیا ہے۔ نتیجے کے طور پر، مانیٹری پالیسی کمیٹی کو ایک مشکل توازن برقرار رکھنا ہے۔ ایک طرف افراط زر کی توقعات میں بگاڑ کا خطرہ ہے اور دوسری طرف ابھی بھٹکتی ہوئی معیشت پر سخت مانیٹری شرائط کے بوجھ کا خدشہ ہے۔

مستقبل کی پیش بینی :

عالمی معاشی ترقی کی رفتار معمولی مگر مثبت رہنے کی توقع ہے، جہاں ترقی یافتہ معیشتیں ڈھانچے جاتی رکاوٹوں کا شکار ہیں جبکہ ابھرتی ہوئی مارکیٹیں عالمی ترقی میں بڑا حصہ ڈال رہی ہیں۔ امریکہ اور ایران کا تنازع جغرافیائی و سیاسی خطرے کا ایک اہم ذریعہ ہے، جو توانائی کی منڈیوں، بحری تجارتی راستوں اور علاقائی سلامتی پر اثر انداز ہو سکتا ہے۔ اسی دوران، مصنوعی ذہانت اور ڈیجیٹل انفراسٹرکچر سے متعلق ترقی کی لہر ٹیکنالوجی کے شعبوں میں سرمایہ کاری اور منافع کو سہارا دیتی رہے گی، جو کسی حد تک میکرو اکنامک رکاوٹوں کے اثرات کو زائل کرنے میں مددگار ثابت ہو سکتی ہے۔

پاکستان کے لیے مستقبل کا منظر نامہ، پالیسیوں کے تسلسل اور آئی ایم ایف کے پروگرام کے تحت اصلاحات کے نفاذ پر منحصر ہے۔ مالیاتی استحکام، محتاط مانیٹری پالیسی اور مسلسل بیرونی تعاون کے بنیادی تسلسل کے تحت، مالی سال 2026ء میں معاشی ترقی کی شرح گزشتہ سال کے مقابلے میں بہتر رہنے کی توقع ہے۔ درمیانی مدت کے امکانات کا انحصار ڈھانچے جاتی اصلاحات، خاص طور پر ٹیکس نیٹ کو وسعت دینے، توانائی کی قیمتوں کو منطقی بنانے، سرکاری اداروں (SOEs) کے نظم و نسق میں بہتری اور کاروباری ماحول کو مضبوط بنانے کی پیشرفت پر ہوگی۔ ان اصلاحات پر کامیاب عملدرآمد سے قرضوں کے بوجھ کو کم کرنے، ترقیاتی اور سماجی اخراجات کے لیے مالی گنجائش پیدا کرنے اور معاشی ترقی کی صلاحیت بڑھانے میں مدد ملے گی۔ اس کے برعکس، اصلاحات میں سستی یا امریکہ-ایران تنازع سے منسلک توانائی کی قیمتوں میں مسلسل اضافہ استحکام کے اثرات کو نقصان پہنچا سکتا ہے اور افراط زر، شرح مبادلہ اور زرمبادلہ کے ذخائر پر دوبارہ دباؤ پیدا کر سکتا ہے۔

تسلیم و تحسین:

ایم سی بی بینک کے بورڈ آف ڈائریکٹرز، حکومت پاکستان، اسٹیٹ بینک آف پاکستان، سیکورٹی اینڈ اینڈ ایگزیکیوٹو کمیشن آف پاکستان اور دیگر انضباطی اداروں کی بھاری معاونت، بینک کے شیئر ہولڈرز اور صارفین کا اگے اہتمام اور اپنے ملازمین کا اگے خلوص اور عزم پر شکریہ ادا کرتا ہے۔

منجانب و برائے بورڈ آف ڈائریکٹرز

محمد نعمان چغتائی

پریذیڈنٹ اور سی ای او
ایم سی بی بینک لمیٹڈ
23 اپریل 2026ء

میاں عمر منشاء

ڈائریکٹر
ایم سی بی بینک لمیٹڈ

بورڈ آف ڈائریکٹرز کی جانب سے ہم، ایم سی بی بینک لمیٹڈ (ایم سی بی) کے 31 مارچ 2026ء کو اختتام پذیر سرمایہ کے مالیاتی گوشواروں کو آپ کے سامنے پیش کرتے ہوئے نہایت مسرت محسوس کرتے ہیں۔

کارکردگی کا جائزہ

31 مارچ 2026ء کو اختتام پذیر سرمایہ کے بینک کے انفرادی منافع قبل و بعد از ٹیکس اور تنخصیص، مندرجہ ذیل ہے:

ملین روپے
26,734
13,933
12,801
121,802
1,144
40
122,986
135,787
(1,280)
(10,666)
(11,946)
123,841

منافع قبل از ٹیکس

ٹیکس

منافع بعد از ٹیکس

افتتاحی غیر تنخصیص شدہ منافع

ایف وی اے آئی (FVOCI) کے ذریعے ایکویٹی انشرو میٹنس

کی فروخت سے حاصل شدہ سرپلس۔ خالص از ٹیکس

از سر نو تخمینہ شدہ جائیداد و آلات کے سرپلس سے اضافی فرسودگی

کی غیر تنخصیص شدہ منافع میں منتقلی۔ خالص از ٹیکس

تنخصیص کے لیے دستیاب منافع

تنخصیص:

قانونی ریزرو میں منتقلی

حتی کیش ڈیویڈنڈ 9 روپے فی حصص 31 دسمبر 2025

کل تنخصیص

اختتامی غیر تنخصیص شدہ منافع

ایم سی بی بینک نے 26.7 ملین روپے کا قبل از ٹیکس منافع اور 12.8 ملین روپے کا بعد از ٹیکس منافع رپورٹ کیا ہے۔ جس کے مطابق فی حصص آمدنی 10.80 روپے پر درج ہوئی۔ مجموعی بنیاد پر، قبل از ٹیکس منافع 27.9 ملین روپے رہا۔

پالیسی ریٹ کی صورتحال کے نہایت کم اوسط پر رہنے کے باوجود، خالص انٹرسٹ آمدنی، سال بہ سال کی بنیاد پر، 9 فیصد اضافے کے ساتھ 38.2 ملین روپے پر ریکارڈ ہوئی (سال 2025ء کی پہلی سرمایہ: 35.2 ملین روپے)۔ جس کی بنیادی وجہ کم لاگت والے ڈیپازٹس میں مسلسل اضافہ اور بہتر منافع بخش سرمایہ کاری ہے۔ یہ امر قابل ذکر ہے کہ کچھ پہلے سرمایہ کاریوں کے مقابلے میں یہ بینک کی سب سے زیادہ سرمایہ خالص انٹرسٹ آمدنی ہے، جو اس کے فنڈنگ کی ترکیب اور بنیادی آمدنی کی مضبوطی کو ظاہر کرتی ہے۔

نان مارک اپ آمدنی 8.5 ملین روپے پر مستحکم رہی۔ ڈیجیٹل بینکنگ کے شعبے کے استعمال میں اضافے اور لین و دین کی بلند مقداریت کی بدولت فیس اور کمیشن کی آمدنی 13 فیصد کے سال بہ سال کی بنیاد پر اضافے کے ساتھ 5.9 ملین روپے ہو گئی۔ اس شعبے میں کارڈ سے متعلق آمدنی میں 15 فیصد، برانچ بینکنگ فیس میں 6 فیصد، جبکہ کنزومر بینکنگ فیس میں 32 فیصد کا نمایاں اضافہ ریکارڈ کیا گیا، جو صارفین کی بڑھتی ہوئی سرگرمیوں کو ظاہر ہے۔ فارن ایکسچینج آمدنی اور ڈیویڈنڈ آمدنی نے بالترتیب 1.384 ملین روپے اور 1.137 ملین روپے کی شمولیت ظاہر کی۔

کاروباری اخراجات میں، سال بہ سال کی بنیاد پر، 9 فیصد کا اضافہ ہوا جو کہ بینک کی جانب سے اپنی طویل مدت نمونہ کو تعاون دینے کی غرض سے ٹیکنالوجی، انفرادی وسائل و ٹیکنالوجی کی فروڈنا اور اپنی رائٹ بلڈنگ کے اقدامات میں مسلسل سرمایہ کاری کی عکاسی کرتا ہے۔ اپنی لاگت میں اس منظم وسعت کے باوجود، بینک نے اپنی لاگت سے آمدنی کا تناسب 39.59 فیصد کی توانا شرح پر برقرار رکھا۔ جو آپریشنل عہدگی پر مسلسل مرکز توجہ اور اس کے ساتھ ساتھ لاگت کے مضبوط نظم نسق اور بہترین مالیاتی انتظام کا مظہر ہے۔

بیلنس شیٹ کے حوالے سے، بینک کے کل اثاثہ جات بڑھ کر 3.263 ٹریلین روپے پر چا پینچے (سال بختمہ 2025ء: 3.247 ٹریلین روپے)۔ قرضہ جات میں 59 ارب روپے (8 فیصد) کا مضبوط اضافہ ریکارڈ ہوا، جبکہ سرمایہ کاری کا پورٹ فولیو 1.932 ٹریلین روپے شمار کیا گیا (سال بختمہ 2025ء: 1.947 ٹریلین روپے)۔

اثاثہ جات کا معیاری بخش رہا، جس میں غیر فعال قرضہ جات 50 ملین روپے پر رپورٹ ہوئے۔ انٹیکسٹ اور کوریج کی شرحیں بہتر ہو کر بالترتیب 6.29 فیصد اور 94.51 فیصد پر درج کی گئیں۔ بینک اپنے واجب الادا پورٹ فولیو کے فعال انتظام پر توجہ مرکوز کیے ہوئے ہے، جس میں ریکوریز، تصفیہ، اور کریڈٹ نقصانات کو محدود رکھنے پر زور دیا گیا ہے۔

ڈیپازٹس 2.3 ٹریلین روپے رہے، جبکہ کرنٹ اکاؤنٹ کی ترکیب بہتری کے ساتھ 56 فیصد (سال 2025ء: 54 فیصد) پر درج ہوئی، جو بینک کی کم لاگت کے ڈیپازٹس کے حصول کی تحریک کی مضبوطی کی غماز ہے۔ اس بہتر تناسب اور کم ہوتے انٹرسٹ ریٹ کی صورتحال کے باعث مقامی ڈیپازٹس کی لاگت کم ہو کر 4.14 فیصد (پہلی سرمایہ 2025ء: 5.51 فیصد) درج ہوئی۔ بینک نے اثاثہ جات پر آمدنی کو 1.577 فیصد اور ایکویٹی پر آمدنی کو 20.89 فیصد کی شرح پر رپورٹ کیا۔

ایم سی بی بینک نے گھریلو ترسیلات زر کی مارکیٹ میں اپنا نمایاں مقام برقرار رکھا اور 9.6 فیصد کے مارکیٹ شیئر کے ساتھ اس عرصے کے دوران 1,011 ملین امریکی ڈالر کی ترسیلات زر وصول کیں۔ اپنے وسیع برانچ نیٹ ورک اور بڑھتے ہوئے ڈیجیٹل چینلوں سے مستفید ہوتے ہوئے، بینک نے، اسٹیٹ بینک آف پاکستان کے مالیاتی شمولیت اور قانونی ذرائع سے ترسیلات زر کے اقدامات کی حمایت جاری رکھی۔

بینک کی سرمایے اور لیکویڈٹی کی پوزیشن مضبوط رہی؛ کیپٹل ایڈیوکیٹی (سرمائے کی معقولیت) کی شرح 18.70 فیصد اور کامن ایکویٹی ٹائر-1 (Common Equity Tier-1) کی شرح 14.87 فیصد پر ظاہر ہوئی جو رگولیٹری (ضوابطی) تقاضوں سے کہیں زیادہ ہے۔ لیکویڈٹی بفرز بھی مستحکم رہے، جس کا اظہار 239.90 فیصد کی لیکویڈٹی کوریج (Liquidity Coverage) کی شرح اور 155.79 فیصد کی نیٹ سٹیبل فنڈنگ (Net Stable Funding) کی شرح سے ہوتا ہے۔

بورڈ آف ڈائریکٹرز نے 31 مارچ 2026ء کو اختتام پذیر سرمایہ کے لیے 9.0 روپے فی شیئر (یعنی 90 فیصد) کے پہلے عبوری کیش ڈیویڈنڈ کا اعلان کیا ہے۔

مستقبل کے حوالے سے، بینک پائیدار ترقی کے حصول کے لیے مستحکم پوزیشن میں ہے۔ مضبوط سرمایے، وافر لیکویڈٹی، متنوع آمدنی کے ذرائع، اور نظم و ضبط پر مبنی رسک مینجمنٹ کی اعانت حاصل ہے۔ جبکہ بہتر کاروباری صلاحیت اور صارفین کی ضروریات پر مرکوز اختراعات اور جدت طرازی پر توجہ برقرار ہے۔

ریٹنگو:

پاکستان کریڈٹ ریٹنگ ایجنسی (پاکرا) نے اپنے نوٹیفیکیشن مورخہ 23 جون 2025ء کے ذریعے، بینک کی طویل اور قلیل مدت کی ریٹنگ کو بالترتیب AAA (ٹرپل اے) اور A1+ (اے ون پلس) پر دوبارہ مقرر کیا ہے۔

معاشی جائزہ:

سال 2026ء کی پہلی سرمایہ میں عالمی معاشی ماحول بنیادی طور پر تین عوامل کے زیر اثر رہا: امریکہ اور ایران کے درمیان تناؤ میں شدید اضافہ ترقی یافتہ معیشتوں میں مانیٹری پالیسی کے بارے میں بدلتی ہوئی توقعات اور مصنوعی ذہانت و ڈیجیٹل انفراسٹرکچر کے بارے میں ڈھانچہ جاتی امیدوں کا تسلسل۔ ان عوامل نے ن صرف جغرافیائی و سیاسی خدشات کی لاگت کو بڑھایا ہے بلکہ توانائی و محفوظ اثاثوں کی قیمتوں میں اتار و چڑھاؤ بھی پیدا کیا ہے۔

اس سرمایہ کے دوران، امریکہ اور ایران کے درمیان تناؤ شدید تصادم کی صورت اختیار کر گیا، جس نے عالمی اشیاء اور مالیاتی منڈیوں کو خاص طور پر متاثر کیا۔ سرمایہ کاروں نے ایران اور سرمایہ مالک سے سہلائی میں ممکنہ نقصان کے خدشات کے دوبارہ جائزے کے باعث، تیل اور ایل این جی کی قیمتوں میں مسلسل رسک پر ہییم دیکھا گیا۔ رسک اثاثوں میں، جغرافیائی و سیاسی تبدیلیوں کی وجہ سے وقتاً فوقتاً بدلتی دیکھنے میں آئی۔ اسی دوران، مصنوعی ذہانت اور ڈیجیٹل انفراسٹرکچر کے بارے میں مثبت سوچ نے عالمی انڈیٹوں قدر سے زائل کیا۔ ڈیٹا سٹریٹجی، سیکیورٹیز اور کلاؤڈ سروسز میں مضبوط منافع اور سرمایہ کاری نے ٹیکنالوجی سے وابستہ حصص کی قیمتوں کو مستحکم کیا۔ جس سے جغرافیائی و سیاسی غیر یقینی صورتحال اور سست عالمی تجارت کے منفی اثرات کو کم کرنے میں مدد کی۔ اے آئی پی ٹی ترقی کا یہ بیانیہ بڑے ایکویٹی انڈیکسز کے لیے ایک اہم ستون رہا اور ٹیکنالوجی سے وابستہ ماریٹوں اور روایتی شعبوں پر منحصر منڈیوں کے مابین فرق کو واضح کرنے میں مددگار ثابت ہوا۔

ترقی یافتہ معیشتوں میں مانیٹری پالیسی، افراط زر میں کمی کے ساتھ سخت پابندیوں والے رویے سے بتدریج غیر جانبدارانہ رجحان کی طرف منتقل ہونا شروع ہو گئی ہے۔ کئی اہم مرکزی بینکوں نے اشارہ دیا ہے کہ پالیسی ریش اپنی بلند ترین سطح پر یا اس کے قریب منتقل ہونے میں اور آنے والی سرمایہ جوں کے دوران، مارکیٹ کی قیمتیں محتاط اور ڈیٹا پر منحصر انٹرسٹ ریٹ کے مطابق متعین ہو سکیں گی۔

ابھرتی ہوئی ماریٹوں پر اس کا مجموعی اثر ملامت دار رہا۔ عالمی افراط زر میں اعتدال اور ترقی یافتہ معیشتوں میں پالیسی ریش میں کمی کے امکانات نے پورٹ فولیو کے بہاء (سرمایہ کاری کی آمد) کو سہارا دیا اور بیرونی مالیاتی رکاوٹوں کو کم کیا، لیکن امریکہ اور ایران کے بڑھتے ہوئے تناؤ اور توانائی کی قیمتوں میں اتار و چڑھاؤ نے ان تیل درآمد کرنے والی معیشتوں، جن کے مالیاتی اور زرمدار کے ذخائر محدود ہیں، کے لیے خطرات بڑھا دیے۔

پاکستان میں سال 2026ء کی پہلی سرمایہ کے دوران، کلاں معاشی ماحول بحران کے تدارک سے ایک محتاط مگر بتدریج معاشی استحکام کی طرف گامزن رہا۔ اس تجدیل کو افراط زر میں کمی کی رجحان، بہتر بیرونی اکاؤنٹس اور جاری مالیاتی استحکام کی کوششوں سے تقویت ملی۔ اس کے باوجود کئی صورتحال امریکہ اور ایران کے درمیان بڑھتی ہوئی کشیدگی کے باعث بیرونی خطرات کا شکار ہو سکتی ہے۔ جو پاکستان کی توانائی کی قیمتوں، بیرونی اکاؤنٹس، افراط زر کی شرح اور انٹرسٹ ریٹ کے راستے کے لیے بڑے چیلنجز پیدا کر سکتی ہے۔ خاص طور پر اس حقیقت کے پیش نظر کہ پاکستان اپنی توانائی کی ضروریات کے لیے درآمدات پر انحصار کرتا ہے اور اس کے پاس محدود مالیاتی زرمدار کے ذخائر ہیں۔

سرکاری اعداد و شمار کے مطابق معاشی بحالی کا عمل، جو پچھلے مالی سال کے دوسرے نصف حصے میں شروع ہوا تھا، مالی سال 2026ء میں بھی جاری ہے۔ پاکستان کے ادارہ شماریات کے مطابق، مالی سال 2026ء کی دوسری سرمایہ میں حقیقی جی ڈی پی میں تقریباً 3.89 فیصد اضافہ ہوا۔ زراعت، صنعت اور خدمات کے شعبوں میں شرح نمو بالترتیب 1.76 فیصد، 7.40 فیصد اور 3.69 فیصد رہی۔ اس ترقی کو بڑے پیمانے کی پیداواری صنعت اور تعمیراتی شعبے میں بہتری کے ساتھ ساتھ خدمات اور لائبرائٹس کے شعبوں میں ہونے والے مسلسل اضافے سے مدد ملی۔ اگرچہ، یہ اشاریے معاشی استحکام کی نشاندہی کرتے ہیں، لیکن مجموعی شرح نمو ابھی اپنی اصل صلاحیت سے کم ہے اور بیرونی خدشات، بالخصوص توانائی کی قیمتوں میں اتار و چڑھاؤ کے حوالے سے عدم تحفظ کا شکار ہے۔

Unconsolidated Condensed Interim Statement of Financial Position
As at March 31, 2026



Note	Unaudited March 31, 2026	Audited December 31, 2025
-----Rupees in '000-----		
ASSETS		
Cash and balances with treasury banks	7 175,648,118	190,083,526
Balances with other banks	8 36,151,848	39,698,066
Lendings to financial institutions	9 78,018,689	99,048,299
Investments	10 1,931,669,126	1,947,224,674
Advances	11 747,775,422	690,318,710
Property and equipment	12 97,819,310	97,069,222
Right-of-use assets	13 7,198,556	7,456,518
Intangible assets	14 1,255,272	1,351,034
Other assets	15 187,748,154	174,806,913
Total Assets	3,263,284,495	3,247,056,962
LIABILITIES		
Bills payable	17 15,449,117	25,617,252
Borrowings	18 471,322,978	457,871,857
Deposits and other accounts	19 2,304,988,640	2,261,275,030
Lease liabilities	20 11,582,534	11,804,530
Subordinated debt	-	-
Deferred tax liabilities	21 20,225,219	44,947,104
Other liabilities	22 143,946,169	129,799,963
Total Liabilities	2,967,514,657	2,931,315,736
NET ASSETS	295,769,838	315,741,226
REPRESENTED BY		
Share capital	11,850,600	11,850,600
Reserves	23 110,888,420	109,983,273
Surplus on revaluation of assets	24 49,190,076	72,105,363
Unappropriated profit	123,840,742	121,801,990
	295,769,838	315,741,226

CONTINGENCIES AND COMMITMENTS

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

Unconsolidated Condensed Interim Statement of Profit and Loss Account (Un-Audited)
For The Three Months Period Ended March 31, 2026



Note	Three Months Ended	
	January 01 to March 31, 2026	January 01 to March 31, 2025
-----Rupees in '000-----		
Mark-up / return / interest earned	27 72,350,273	69,839,610
Mark-up / return / interest expensed	28 34,118,636	34,655,511
Net mark-up / interest income	38,231,637	35,184,099
NON MARK-UP / INTEREST INCOME		
Fee and commission income	29 5,940,984	5,271,365
Dividend income	1,137,288	1,716,678
Foreign exchange income	1,383,972	2,242,062
Income from derivatives	523	880
Loss on securities - net	30 (44,533)	(186,399)
Net gains / (loss) on derecognition of financial assets measured at amortised cost	-	-
Other income	31 70,657	162,914
Total non-markup / interest income	8,488,891	9,207,500
Total income	46,720,528	44,391,599
NON MARK-UP / INTEREST EXPENSES		
Operating expenses	32 18,496,814	16,970,126
Workers Welfare Fund	534,678	586,054
Other charges	33 67,364	70,153
Total non-markup / interest expenses	19,098,856	17,626,333
Profit before credit loss allowance	27,621,672	26,765,266
Credit loss allowance and write offs - net	34 887,767	(2,537,412)
PROFIT BEFORE TAXATION	26,733,905	29,302,678
Taxation	35 13,933,210	15,490,807
PROFIT AFTER TAXATION	12,800,695	13,811,871
-----Rupees -----		
Basic and diluted earnings per share	36 10.80	11.65

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

Anjum Javed
Chief Financial Officer

Muhammad Nauman Chughtai
President / CEO

Main Umer Mansha
Director

Shahzad Hussain
Director

Muhammad Ali Zeb
Director

Anjum Javed
Chief Financial Officer

Muhammad Nauman Chughtai
President / CEO

Main Umer Mansha
Director

Shahzad Hussain
Director

Muhammad Ali Zeb
Director

Unconsolidated Condensed Interim Cash Flow Statement (Un-Audited)
For The Three Months Period Ended March 31, 2026



CASH FLOW FROM OPERATING ACTIVITIES

Note	Three Months Ended	
	January 01 to March 31, 2026	January 01 to March 31, 2025
	-----Rupees in '000-----	
Profit before taxation	26,733,905	29,302,678
Less: Dividend income	(1,137,288)	(1,716,678)
	25,596,617	27,586,000
Adjustments:		
Net mark-up / interest income	(38,231,637)	(35,184,099)
Depreciation on property and equipment	32 1,211,685	1,052,931
Depreciation on right-of-use assets	32 425,844	329,150
Depreciation on non-banking assets acquired in satisfaction of claims	32 3,142	4,111
Amortization	32 132,542	145,856
Credit loss allowance and write offs - net	34 887,767	(2,537,412)
Gain on sale of property and equipment - net	31 (40,158)	(94,363)
Finance charges on lease liability against right-of-use assets	28 431,269	315,234
Workers Welfare Fund	534,678	586,054
Reversal for defined benefit plans - net	(313,124)	(254,560)
Gain on termination of lease liability against right-of-use assets	31 (17,697)	(20,491)
Unrealized loss / (gain) on revaluation of investments classified as FVTPL	30 356,565	(210,224)
	(34,619,124)	(35,867,813)
	(9,022,507)	(8,281,813)
Decrease / (increase) in operating assets		
Lendings to financial institutions	21,030,587	(24,210,587)
Securities classified as FVTPL	1,307,050	870,738
Advances	(58,783,250)	284,515,982
Others assets (excluding advance taxation)	(24,159,621)	(26,846,985)
	(60,605,234)	234,329,148
Increase / (decrease) in operating liabilities		
Bills Payable	(10,168,135)	(30,539,818)
Borrowings from financial institutions	15,435,711	335,998,967
Deposits	43,713,610	170,247,461
Other liabilities (excluding current taxation)	4,760,898	2,080,941
	53,742,084	477,787,551
Mark-up / interest received	82,865,841	55,238,555
Mark-up / interest paid	(20,893,933)	(50,381,323)
Defined benefits paid	(47,735)	(71,875)
Income tax paid	(18,188,946)	(19,565,030)
Net cash flow from operating activities	27,849,570	689,055,213
CASH FLOW FROM INVESTING ACTIVITIES		
Net investment in securities classified as FVOCI	(30,882,278)	(656,468,988)
Net investment in securities classified as amortized cost	(501,349)	(16,874)
Dividends received	1,096,648	1,359,983
Investments in property and equipment	(1,978,378)	(1,834,291)
Disposal of property and equipment	48,143	114,109
Investments in Intangible assets	(40,024)	(183,411)
Effect of translation of net investment in foreign branches	(374,923)	45,497
Net cash flow used in investing activities	(32,632,161)	(656,983,975)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use-assets	(801,762)	(667,791)
Dividend paid	(10,572,573)	(10,562,881)
Net cash flow used in financing activities	(11,374,335)	(11,230,672)
Effects of credit loss allowance changes on cash and cash equivalents	159,889	(84,746)
(Decrease) / increase in cash and cash equivalents	(15,997,037)	20,755,820
Cash and cash equivalents at beginning of the period	227,873,646	192,170,855
Effects of exchange rate changes on cash and cash equivalents	(517,708)	438,342
Opening expected credit loss allowance on cash and cash equivalents	(619,315)	(562,567)
	226,736,623	192,046,630
	<u>210,739,586</u>	<u>212,802,450</u>

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

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited)
For The Three Months Period Ended March 31, 2026



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 1,402 branches (2025: 1,401 branches) within Pakistan and 9 branches (2025: 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, 2025.

Anjum Javed
Chief Financial Officer

Muhammad Nauman Chughtai
President / CEO

Main Umer Mansha
Director

Shahzad Hussain
Director

Muhammad Ali Zeb
Director

3.5 Standards, interpretations of and amendments to published 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, 2026 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 published approved accounting standards that are not yet effective

The following new standard will be effective from the date mentioned below against the respective standard.

**Effective date
(annual periods
beginning on
or after)**

January 01, 2027

IFRS 18 – Presentation and Disclosure in Financial Statements

4. 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, 2025.

5. 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, 2025.

6. Financial Risk Management

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the unconsolidated financial statements for the year ended December 31, 2025.

7. Cash and Balances with Treasury Banks

Unaudited March 31, 2026 **Audited December 31, 2025**
-----Rupees in '000-----

	Unaudited March 31, 2026	Audited December 31, 2025
In hand		
Local currency	46,299,611	39,426,882
Foreign currencies	9,525,509	7,212,191
	55,825,120	46,639,073
With State Bank of Pakistan in		
Local currency current account	60,252,263	83,881,413
Foreign currency current accounts	7,827,563	5,606,778
Foreign currency deposit account	8,970,703	8,716,198
	77,050,529	98,204,389
With other central banks in		
Foreign currency current accounts	17,698,286	22,595,643
With National Bank of Pakistan in		
Local currency current accounts	25,418,517	22,917,504
Prize bonds	104,343	109,340
Less: Credit loss allowance held against cash and balances with treasury banks	(448,677)	(382,423)
Cash and balances with treasury banks - net of credit loss allowance	175,648,118	190,083,526
8. Balances With Other Banks		
Inside Pakistan		
In current account	44,532	247,620
Outside Pakistan		
In current accounts	10,307,389	20,886,919
In deposit accounts	25,810,606	18,800,419
	36,117,995	39,687,338
Less: Credit loss allowance held against balances with other banks	(10,679)	(236,892)
Balances with other banks - net of credit loss allowance	36,151,848	39,698,066

Note **Unaudited March 31, 2026** **Audited December 31, 2025**
-----Rupees in '000-----

9. Lendings to Financial Institutions

Call / clean money lendings		55,327,255	94,049,292
Repurchase agreement lendings (Reverse Repo)		22,691,450	5,000,000
		78,018,705	99,049,292
Less: Credit loss allowance held against lending to financial institutions	9.1	(16)	(993)
Lending to financial institutions - net of credit loss allowance		78,018,689	99,048,299

Unaudited March 31, 2026 **Audited December 31, 2025**
Lending Credit loss allowance held Lending Credit loss allowance held
-----Rupees in '000-----

9.1 Particulars of credit loss allowance

		Unaudited March 31, 2026	Credit loss allowance held	Audited December 31, 2025	Credit loss allowance held
Domestic					
Performing	Stage 1	24,505,866	(11)	16,747,596	(993)
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3	-	-	-	-
	Substandard	-	-	-	-
	Doubtful	-	-	-	-
	Loss	-	-	-	-
		-	-	-	-
Total		24,505,866	(11)	16,747,596	(993)
Overseas					
Performing	Stage 1	53,512,839	(5)	82,301,696	-
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3	-	-	-	-
	Substandard	-	-	-	-
	Doubtful	-	-	-	-
	Loss	-	-	-	-
		-	-	-	-
Total		53,512,839	(5)	82,301,696	-



10. INVESTMENTS

Unaudited March 31, 2026

10.1 Investments by type:

	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
-----Rupees in '000-----				
FVTPL				
Federal Government Securities	988,401	-	-	988,401
Non Government Debt Securities	8,646,811	-	(9,570)	8,637,241
Foreign securities	1,406,880	-	(110,386)	1,296,494
Shares and units	1,534,213	-	(236,609)	1,297,604
	12,576,305	-	(356,565)	12,219,740
FVOCI				
Federal Government Securities	1,764,064,317	(170,601)	2,774,504	1,766,668,220
Shares	48,128,046	-	12,582,717	60,710,763
Foreign Securities	65,643,199	-	(14,280)	65,628,919
	1,877,835,562	(170,601)	15,342,941	1,893,007,902
Amortised Cost				
Federal Government Securities	6,408,518	(201,552)	-	6,206,966
Provincial Government Securities	118	(118)	-	-
Non Government Debt Securities	1,149,361	(467,785)	-	681,576
Foreign securities	885,400	(1,096)	-	884,304
	8,443,397	(670,551)	-	7,772,846
Associates	700,401	-	-	700,401
Subsidiaries	17,968,237	-	-	17,968,237
Total Investments	1,917,523,902	(841,152)	14,986,376	1,931,669,126

Audited December 31, 2025

	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
-----Rupees in '000-----				
FVTPL				
Federal Government Securities	873,016	-	-	873,016
Non Government Debt Securities	8,646,961	-	(9,586)	8,637,375
Foreign securities	1,398,413	-	(5,135)	1,393,278
Shares and units	2,703,278	-	276,408	2,979,686
	13,621,668	-	261,687	13,883,355
FVOCI				
Federal Government Securities	1,726,971,121	(169,923)	37,363,453	1,764,164,651
Shares	50,659,782	-	25,575,402	76,235,184
Foreign Securities	66,938,879	-	62,470	67,001,349
	1,844,569,782	(169,923)	63,001,325	1,907,401,184
Amortised Cost				
Federal Government Securities	6,389,592	(201,618)	-	6,187,974
Provincial Government Securities	118	(118)	-	-
Non Government Debt Securities	1,191,229	(469,426)	-	721,803
Foreign securities	361,880	(160)	-	361,720
	7,942,819	(671,322)	-	7,271,497
Associates	700,401	-	-	700,401
Subsidiaries	17,968,237	-	-	17,968,237
Total Investments	1,884,802,907	(841,245)	63,263,012	1,947,224,674

Unaudited March 31, 2026 Audited December 31, 2025

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

- Market Treasury Bills
- Pakistan Investment Bonds

	3,079,736	4,459,153
	408,578,652	389,509,264
	411,658,388	393,968,417

10.2 Credit loss allowance for diminution in value of investments

- Opening balance
- Exchange adjustments
- Charge / (reversals)
- Charge for the period / year
- Reversals for the period / year

	841,245	1,120,960
	(1,446)	4,482
	2,994	11,979
	(1,641)	(296,176)
	1,353	(284,197)
	841,152	841,245



Unaudited March 31, 2026 Audited December 31, 2025

10.3 Particulars of credit loss allowance against debt securities

Domestic

	Stage 1	Stage 2	Stage 3	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
Performing				1,756,237,798	2,287	1,719,109,725	2,287
Under performing				591,279	-	563,891	-
Non-performing							
Substandard				-	-	-	-
Doubtful				-	-	-	-
Loss				465,616	465,616	467,257	467,257
				465,616	465,616	467,257	467,257

Overseas

	Stage 1	Stage 2	Stage 3	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
Performing				80,498,906	1,096	81,244,226	160
Under performing				11,399,406	372,153	11,386,110	371,541
Non-performing				-	-	-	-
				91,898,312	373,249	92,630,336	371,701
Total				1,849,193,005	841,152	1,812,771,209	841,245

10.4 Summarized financial information of associates and subsidiaries

Unaudited March 31, 2026

	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 March 31, 2026)	Pakistan	30.00%	559,034	(150,558)	(150,558)	3,412,609	2,942,217
Adamjee Insurance Company Limited (audited based on December 31, 2025)	Pakistan	20.00%	74,942,305	5,764,035	10,145,585	264,707,553	212,862,425
Subsidiaries							
MCB Islamic Bank Limited (unaudited based on March 31, 2026)	Pakistan	100.00%	7,427,360	292,498	(381,136)	353,448,500	326,061,655
MCB Investment Management Limited (unaudited based on March 31, 2026)	Pakistan	81.42%	3,574,317	1,254,794	1,254,794	5,952,680	1,885,503
MCB Non-Bank Credit Organization Closed Joint Stock Company (unaudited based on March 31, 2026)	Azerbaijan	99.94%	300,536	95,360	95,360	7,425,641	5,653,346
MCB Exchange Company (Private) Limited (unaudited based on March 31, 2026)	Pakistan	100.00%	36,486	(23,638)	(23,638)	1,089,552	113,034

Audited December 31, 2025

	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, 2025)	Pakistan	30.00%	2,417,659	440,980	440,980	3,155,701	2,434,018
Adamjee Insurance Company Limited (unaudited based on September 30, 2025)	Pakistan	20.00%	52,612,992	4,475,970	7,807,970	258,072,849	208,571,009
Subsidiaries							
MCB Islamic Bank Limited (audited based on December 31, 2025)	Pakistan	100.00%	32,684,154	2,279,490	1,821,975	337,298,018	309,530,037
MCB Investment Management Limited (audited based on June 30, 2025)	Pakistan	81.42%	4,787,594	1,758,371	1,758,371	5,023,564	1,743,181
MCB Non-Bank Credit Organization Closed Joint Stock Company (audited based on December 31, 2025)	Azerbaijan	99.94%	1,102,344	255,490	255,490	7,439,845	5,756,939
MCB Exchange Company (Private) Limited (unaudited based on December 31, 2025)	Pakistan	100.00%	90,062	(43,141)	(43,141)	1,097,364	97,208



Note	Performing		Non Performing		Total	
	Unaudited March 31, 2026	Audited December 31, 2025	Unaudited March 31, 2026	Audited December 31, 2025	Unaudited March 31, 2026	Audited December 31, 2025
Loans, cash credits, running finances, etc.	721,063,541	658,172,285	49,505,891	49,261,137	770,569,432	707,433,422
Bills discounted and purchased	23,968,129	28,400,780	494,512	495,012	24,462,641	28,895,792
Advances - gross	745,031,670	686,573,065	50,000,403	49,756,149	795,032,073	736,329,214
Credit loss allowance against advances	(1,870,166)	(1,676,548)	-	-	(1,870,166)	(1,676,548)
- Stage 1	(477,039)	(343,162)	-	-	(477,039)	(343,162)
- Stage 2	(6,099,162)	(5,850,070)	(38,810,284)	(38,140,724)	(38,810,284)	(38,140,724)
- Stage 3	(9,446,367)	(7,869,780)	(38,810,284)	(38,140,724)	(47,256,651)	(46,010,504)
- General	736,585,303	678,703,285	11,190,119	11,615,425	747,775,422	690,318,710
Advances - net of credit loss allowance						

11.3

11.1 Particulars of advances (gross)

In local currency
In foreign currencies

11.2 Advances include Rs. 50,000,403 million (2025: Rs. 49,756,149 million) which have been placed under Stage 3 status as detailed below:

Category of Classification

Category of Classification	Unaudited March 31, 2026		Audited December 31, 2025	
	Non Performing Loans	Credit loss allowance	Non Performing Loans	Credit loss allowance
Domestic				
Other Assets Especially Mentioned (OAEEM)	1,467,245	724,254	1,418,889	709,130
Substandard	1,802,570	925,223	570,962	309,611
Doubtful	162,335	80,905	779,098	392,197
Loss	31,353,441	30,768,025	31,624,820	31,037,324
	34,785,591	32,498,407	34,393,769	32,448,262
Overseas				
Substandard	351,304	174,275	1,731,951	870,979
Doubtful	119,214	59,607	226,390	113,849
Loss	14,744,294	6,077,995	13,404,039	4,707,634
	15,214,812	6,311,877	15,362,380	5,692,462
Total	50,000,403	38,810,284	49,756,149	38,140,724

11.2.1 This includes non-performing portfolio of agricultural, small enterprise and infrastructure project financing classified as "Other Assets Especially Mentioned" as per the requirements of respective Prudential Regulations issued by the State Bank of Pakistan.

11.3 Particulars of credit loss allowance against advances

	Unaudited March 31, 2026					Audited December 31, 2025				
	Expected Credit Loss			General	Total	Expected Credit Loss			General	Total
	Stage 1	Stage 2	Stage 3			Stage 1	Stage 2	Stage 3		
Opening balance	1,676,548	343,162	38,140,724	5,850,070	46,010,504	2,400,994	845,982	41,492,020	8,456,884	53,195,880
Exchange adjustments	(22,409)	-	(31,908)	-	(54,317)	(25,817)	-	(7,333)	-	(33,150)
Charge for the period / year	436,306	261,574	1,860,476	249,092	2,807,448	747,774	228,346	3,123,507	-	4,099,627
Reversal for the period / year	(220,279)	(127,697)	(1,030,633)	-	(1,378,609)	(1,446,403)	(731,166)	(4,143,751)	(2,606,814)	(8,928,134)
	216,027	133,877	829,843	249,092	1,428,839	(698,629)	(502,820)	(1,020,244)	(2,606,814)	(4,828,507)
Amounts written off	-	-	(128,375)	-	(128,375)	-	-	(130,872)	-	(130,872)
Amounts charged off	-	-	-	-	-	-	-	(2,192,847)	-	(2,192,847)
Closing balance	1,870,166	477,039	38,810,284	6,099,162	47,256,651	1,676,548	343,162	38,140,724	5,850,070	46,010,504

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

	Unaudited March 31, 2026					Audited December 31, 2025				
	Expected Credit Loss			General	Total	Expected Credit Loss			General	Total
	Stage 1	Stage 2	Stage 3			Stage 1	Stage 2	Stage 3		
Opening balance	1,676,548	343,162	38,140,724	5,850,070	46,010,504	2,400,994	845,982	41,492,020	8,456,884	53,195,880
Exchange adjustments	(22,409)	-	(31,908)	-	(54,317)	(25,817)	-	(7,333)	-	(33,150)
New Advances	97,733	41,850	30	943,758	1,083,371	416,506	38,125	38,215	654,995	1,147,841
Advances derecognized or repaid	(17,588)	(843)	(71,960)	(157,415)	(247,806)	(367,958)	(49,677)	(2,015,120)	(852,610)	(3,285,365)
Transfer to stage 1	21,572	(21,572)	-	(316,495)	(316,495)	51,000	(50,915)	(85)	(733,497)	(733,497)
Transfer to stage 2	(125,516)	125,863	(347)	281,296	281,296	(163,828)	167,263	(3,435)	397,501	397,501
Transfer to stage 3	(94,197)	(697,799)	791,996	720,749	720,749	(1,234,858)	(601,451)	1,836,309	1,757,248	1,757,248
	(117,996)	(552,501)	719,719	1,471,893	1,521,115	(1,299,138)	(496,655)	(144,116)	1,223,637	(716,272)
Amounts written off	-	-	(128,375)	-	(128,375)	-	-	(130,872)	-	(130,872)
Amounts charged off	-	-	-	-	-	-	-	(2,192,847)	-	(2,192,847)
Changes in risk parameters	334,023	686,378	110,124	(1,222,801)	(92,276)	600,509	(6,165)	(876,128)	(3,830,451)	(4,112,235)
Closing balance	1,870,166	477,039	38,810,284	6,099,162	47,256,651	1,676,548	343,162	38,140,724	5,850,070	46,010,504

11.3.2 Category of Classification

	Unaudited March 31, 2026		Audited December 31, 2025	
	Outstanding amount	Credit loss allowance Held	Outstanding amount	Credit loss allowance Held
Domestic				
Performing	677,650,015	1,678,048	614,540,196	1,524,534
Under performing	21,975,113	376,344	21,305,994	318,100
Non-performing				
Other Assets Especially Mentioned	1,467,245	724,254	1,418,889	709,130
Substandard	1,802,570	925,223	570,962	309,611
Doubtful	162,335	80,905	779,098	392,197
Loss	31,353,441	30,768,025	31,624,820	31,037,324
	34,785,591	32,498,407	34,393,769	32,448,262
General Provision	-	5,820,864	-	5,368,068
	734,410,719	40,373,663	670,239,959	39,658,964
Overseas				
Performing				
Under performing	42,480,391	192,118	46,931,636	152,014
Non-performing	2,926,151	100,695	3,795,239	25,062
Substandard	351,304	174,275	1,731,951	870,979
Doubtful	119,214	59,607	226,390	113,849
Loss	14,744,294	6,077,995	13,404,039	4,707,634
	15,214,812	6,311,877	15,362,380	5,692,462
General Provision	-	278,298	-	482,002
	60,621,354	6,882,988	66,089,255	6,351,540
Total	795,032,073	47,256,651	736,329,214	46,010,504

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 (NPLs) for five years from the date of classification. However, management has not taken the FSV benefit in calculation of specific provision.



	Note	Unaudited	Audited				
		March 31, 2026	December 31, 2025				
-----Rupees in '000-----							
12. PROPERTY AND EQUIPMENT							
Capital work-in-progress	12.1	3,819,276	6,040,900				
Property and equipment		94,000,034	91,028,322				
		<u>97,819,310</u>	<u>97,069,222</u>				
12.1 Capital work-in-progress							
Civil works		2,446,464	2,209,260				
Equipment		17,535	17,535				
Advance payment - Suppliers and Property Acquisition		1,345,215	3,804,026				
Others		10,062	10,079				
		<u>3,819,276</u>	<u>6,040,900</u>				
		Unaudited Three Months Period ended March 31, 2026	Unaudited Three Months Period ended March 31, 2025				
-----Rupees in '000-----							
12.2 Additions to property and equipment							
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		258,202	134,739				
Building on leasehold land		-	710				
Freehold land		3,198,672	800,598				
Electrical office and computer equipment		254,721	475,942				
Furniture and fixture		86,722	62,874				
Leasehold Improvements		284,191	248,446				
Vehicles		117,494	421,954				
		<u>4,200,002</u>	<u>2,145,263</u>				
		<u>4,200,002</u>	<u>2,145,263</u>				
12.3 Disposal of property and equipment							
The net book value of property and equipment disposed off during the period is as follows:							
Vehicles		5,228	18,107				
Furniture and fixture		501	450				
Electrical office and computer equipment		2,256	1,189				
		<u>7,985</u>	<u>19,746</u>				
		Unaudited March 31, 2026	Audited December 31, 2025				
-----Rupees in '000-----							
13. RIGHT-OF-USE ASSETS							
Right-of-use assets	13.1	7,198,556	7,456,518				
		Unaudited March 31, 2026	Audited December 31, 2025				
		Buildings Others Total	Buildings Others Total				
-----Rupees in '000-----							
13.1 At January 01,							
Cost		14,948,743	-	14,948,743	12,441,274	-	12,441,274
Accumulated depreciation		(7,492,225)	-	(7,492,225)	(6,395,928)	-	(6,395,928)
Net carrying amount at January 01,		7,456,518	-	7,456,518	6,045,346	-	6,045,346
Additions / adjustments during the period / year		191,668	-	191,668	3,313,968	-	3,313,968
Deletions during the period / year		(21,140)	-	(21,140)	(94,181)	-	(94,181)
Exchange adjustments		(2,646)	-	(2,646)	3,324	-	3,324
Depreciation charge for the period / year		(425,844)	-	(425,844)	(1,811,939)	-	(1,811,939)
Closing net carrying amount		<u>7,198,556</u>	-	<u>7,198,556</u>	<u>7,456,518</u>	-	<u>7,456,518</u>



	Note	Unaudited	Audited
		March 31, 2026	December 31, 2025
-----Rupees in '000-----			
14. INTANGIBLE ASSETS			
Computer software		604,341	698,275
Capital work-in-progress		650,931	652,759
		<u>1,255,272</u>	<u>1,351,034</u>
		Unaudited Three Months Period ended March 31, 2026	Unaudited Three Months Period ended March 31, 2025
-----Rupees in '000-----			
14.1 Additions to intangible assets			
The following additions have been made to intangible assets during the period:			
Computer software			
		40,024	67,721
Capital work-in-progress - net of transferred out for capitalization			
		-	115,690
		<u>40,024</u>	<u>183,411</u>
		Unaudited March 31, 2026	Audited December 31, 2025
-----Rupees in '000-----			
15. OTHER ASSETS			
Income / mark-up accrued in local currency		55,163,004	65,139,900
Income / mark-up accrued in foreign currencies		1,095,120	1,007,491
Advances, deposits, advance rent and other prepayments		19,647,161	16,662,201
Advance taxation (payments less provisions)		55,766	-
Non-banking assets acquired in satisfaction of claims		1,162,482	1,165,624
Branch adjustment account		-	278,694
Mark to market gain on forward foreign exchange contracts		1,182,955	1,012,088
Unrealized gain on derivative financial instruments		4,072	15,921
Acceptances	22	39,128,214	41,015,271
Receivable from the pension fund		17,773,795	17,312,255
Clearing and settlement accounts		44,874,193	23,346,488
Deferred cost on staff loans		6,658,230	6,534,465
Claims receivable against fraud and forgeries		790,344	802,160
Others		3,161,928	3,691,705
		<u>190,697,264</u>	<u>177,984,263</u>
Less: Credit loss allowance held against other assets	15.1	3,370,765	3,599,005
Other Assets net of credit loss allowance		<u>187,326,499</u>	<u>174,385,258</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	24	421,655	421,655
Other Assets - total		<u>187,748,154</u>	<u>174,806,913</u>
		Unaudited March 31, 2026	Audited December 31, 2025
-----Rupees in '000-----			
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		790,344	802,160
Mark-up accrued		42,832	51,365
Others		2,497,498	2,705,389
		<u>3,370,765</u>	<u>3,599,005</u>



21. DEFERRED TAX LIABILITIES - NET

Taxable Temporary Differences on

- Surplus on revaluation of property and equipment
- Surplus on revaluation of non-banking assets
- Accelerated tax depreciation
- Receivable from pension fund
- Surplus on revaluation of investments
- Business combination

Deductible Temporary Differences on

- Leases (net)
- Credit loss allowance against financial assets

Note	Unaudited March 31, 2026	Audited December 31, 2025
	-----Rupees in '000-----	
	5,301,565	5,344,100
	219,261	219,261
	4,203,075	4,336,550
	9,242,373	9,002,373
	7,978,329	32,760,688
	705,218	705,218
	27,649,821	52,368,190
	(2,557,238)	(2,524,378)
	(4,867,364)	(4,896,708)
	<u>20,225,219</u>	<u>44,947,104</u>

22. OTHER LIABILITIES

- Mark-up / return / interest payable in local currency
- Mark-up / return / interest payable in foreign currencies
- Unearned commission and income on bills discounted
- Accrued expenses
- Current taxation (provisions less payments)
- Workers Welfare Fund
- Acceptances
- Unclaimed / dividends payable
- Mark to market loss on forward foreign exchange contracts
- Unrealised loss on derivative financial instruments
- Branch adjustment account
- Provision for employees' compensated absences
- Provision for post retirement medical benefits
- Provision for employees' contributory benevolent scheme
- Insurance payable against consumer assets
- Unclaimed balances
- Duties and taxes payable
- Credit loss allowance against off-balance sheet obligations
- Security deposits against lease
- Clearing and settlement accounts
- Others

Note	Unaudited March 31, 2026	Audited December 31, 2025
	-----Rupees in '000-----	
	14,772,096	1,146,669
	584,891	533,949
	3,688,805	3,366,801
	7,037,510	8,930,266
	-	3,020,673
22.1	19,022,725	18,488,047
15	39,128,214	41,015,271
	3,201,670	3,108,703
	1,268,154	1,172,792
	4,072	15,921
	27,995	-
	1,565,732	1,517,876
	2,299,702	2,246,751
	137,857	137,984
	44,502	36,172
	469,068	471,496
	1,995,914	5,233,443
22.2	1,473,646	1,538,494
	5,403,429	5,015,676
	33,497,596	23,649,074
	8,322,591	9,153,905
	<u>143,946,169</u>	<u>129,799,963</u>

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.



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

Note	Unaudited March 31, 2026	Audited December 31, 2025
	-----Rupees in '000-----	
	1,538,494	1,459,096
	-	-
	(8,958)	(7,396)
	275,043	479,384
	(330,933)	(392,590)
	(55,890)	86,794
	1,473,646	1,538,494
	-----Rupees in '000-----	
	23,751,114	23,751,114
23.1	908,317	908,317
	8,289,225	8,664,148
23.2	59,339,764	58,059,694
	18,600,000	18,600,000
	<u>110,888,420</u>	<u>109,983,273</u>

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		8,289,225	8,664,148
Statutory reserve	23.2	59,339,764	58,059,694
General reserve		18,600,000	18,600,000
		<u>110,888,420</u>	<u>109,983,273</u>

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 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 against the NCR.

23.2 Statutory reserve represents amount set aside as per the requirements of section 21 of the Banking Companies Ordinance, 1962.

24. SURPLUS ON REVALUATION OF ASSETS

Note	Unaudited March 31, 2026	Audited December 31, 2025
	-----Rupees in '000-----	
	2,760,224	37,425,923
	12,582,717	25,575,402
	46,924,635	47,006,432
	421,655	421,655
	62,689,231	110,429,412
	(1,435,316)	(19,461,480)
	(6,543,013)	(13,299,208)
	(5,301,565)	(5,344,100)
	(219,261)	(219,261)
	<u>(13,499,155)</u>	<u>(38,324,049)</u>
	<u>49,190,076</u>	<u>72,105,363</u>



Note	Unaudited March 31, 2026	Audited December 31, 2025	
-----Rupees in '000-----			
25. CONTINGENCIES AND COMMITMENTS			
-Guarantees	25.1	251,542,827	248,096,091
-Commitments	25.2	641,499,462	552,701,700
-Other contingent liabilities	25.3	33,978,744	35,710,949
		927,021,033	836,508,740
25.1 Guarantees:			
Financial guarantees		171,218,381	168,117,809
Performance guarantees		76,489,216	74,943,843
Other guarantees		3,835,230	5,034,439
		251,542,827	248,096,091
25.2 Commitments:			
Documentary credits and short-term trade-related transactions			
- letters of credit		304,989,182	275,290,399
Commitments in respect of:			
- forward foreign exchange contracts	25.2.1	327,289,700	264,399,969
- forward government securities transactions	25.2.2	3,223,880	4,000,000
- derivatives (notional)	25.2.3	3,907,036	6,984,430
Commitments for acquisition of:			
- property and equipment		1,665,516	1,594,661
- intangible assets		424,148	432,241
		641,499,462	552,701,700
25.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		180,036,301	131,361,638
Sale		147,253,399	133,038,331
		327,289,700	264,399,969
25.2.2 Commitments in respect of forward government securities transactions			
Purchase		3,223,880	4,000,000
Sale		-	-
		3,223,880	4,000,000
25.2.3 Commitments in respect of derivatives			
FX options (notional)			
Purchase		1,953,518	3,492,215
Sale		1,953,518	3,492,215
		3,907,036	6,984,430

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.



Note	Unaudited March 31, 2026	Audited December 31, 2025			
-----Rupees in '000-----					
25.3 Other contingent liabilities					
Claims against the Bank not acknowledged as debts	25.3.1	33,978,744	35,710,949		
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 1988-89 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. 2,632.384 million (2025: 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 issue has not attained finality.					
26. DERIVATIVE INSTRUMENTS					
Unaudited March 31, 2026					
Cross Currency Swaps		Interest Rate Swaps		FX Options	
Notional	Mark to market gain / loss	Notional	Mark to market gain / loss	Notional	Mark to market gain / loss
Principal		Principal		Principal	
-----Rupees in '000-----					
Total					
Hedging	-	-	-	1,953,518	4,072
Market Making	-	-	-	1,953,518	(4,072)
Audited December 31, 2025					
-----Rupees in '000-----					
Total					
Hedging	-	-	-	3,492,215	15,921
Market Making	-	-	-	3,492,215	(15,921)

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited)
For The Three Months Period Ended March 31, 2026



Note	Unaudited Three Months Period ended March 31, 2026	Unaudited Three Months Period ended March 31, 2025
	-----Rupees in '000-----	
27. MARK-UP / RETURN / INTEREST EARNED		
Loans and advances	18,895,891	23,752,679
Investments	51,850,897	44,732,799
Lendings to financial institutions	1,254,521	1,017,552
Balances with banks	348,964	336,580
	<u>72,350,273</u>	<u>69,839,610</u>
27.1 Interest income recognised on:		
Financial assets measured at amortised cost	20,657,935	25,385,033
Financial assets measured at FVOCI	51,135,178	43,150,267
Financial assets measured at FVTPL	557,160	1,304,310
	<u>72,350,273</u>	<u>69,839,610</u>
28. MARK-UP / RETURN / INTEREST EXPENSED		
Deposits	21,421,969	25,535,082
Borrowings	12,003,204	8,769,921
Cost of foreign currency swaps against foreign currency deposits / borrowings	262,194	35,274
Finance charges on lease liability against right-of-use assets	431,269	315,234
	<u>34,118,636</u>	<u>34,655,511</u>
	Unaudited Three Months Period ended March 31, 2026	Unaudited Three Months Period ended March 31, 2025
	-----Rupees in '000-----	
29. FEE & COMMISSION INCOME		
Branch banking customer fees	1,205,601	1,142,016
Consumer finance related fees	242,459	183,570
Card related fees (debit and credit cards)	2,518,569	2,188,109
Credit related fees	153,546	262,777
Investment banking fee	36,809	24,687
Commission on trade	698,573	747,409
Commission on guarantees	256,198	230,860
Commission on cash management	299,337	275,929
Commission on remittances including home remittances	15,201	(336,639)
Commission on bancassurance	306,801	314,261
Rent on lockers	67,337	70,289
Commission on utility bills	26,087	23,963
Commission on investments services	49,733	93,146
Others	64,733	50,988
	<u>5,940,984</u>	<u>5,271,365</u>
30. GAIN / (LOSS) ON SECURITIES		
Realised	30.1	312,032
Unrealised - Measured at FVTPL	10.1	(356,565)
		<u>(44,533)</u>
30.1 Realised (loss) / gain on:		
Federal Government Securities		295,302
Non Government Debt Securities		18,613
Shares		(1,883)
		<u>312,032</u>
30.2 Realised (loss) / gain on:		
Financial assets measured at FVTPL		
Designated upon initial recognition		40,335
Mandatorily measured at FVTPL		-
		<u>40,335</u>
Financial assets measured at FVOCI		271,697
		<u>271,697</u>
		<u>312,032</u>

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited)
For The Three Months Period Ended March 31, 2026



Note	Unaudited Three Months Period ended March 31, 2026	Unaudited Three Months Period ended March 31, 2025
	-----Rupees in '000-----	
31. OTHER INCOME		
Rent on property	12,802	48,060
Gain on termination of lease liability against right of use assets	17,697	20,491
Gain on sale of property and equipment - net	40,158	94,363
	<u>70,657</u>	<u>162,914</u>
32. OPERATING EXPENSES		
Total compensation expense	8,940,030	7,395,670
Property expense		
Rent and taxes	187,813	143,517
Insurance	7,841	7,042
Utilities cost	525,973	605,286
Fuel expense generators	197,265	194,021
Security (including guards)	587,146	591,124
Repair and maintenance (including janitorial charges)	376,880	333,011
Depreciation on right-of-use assets	425,844	329,150
Depreciation	351,715	298,648
	<u>2,660,477</u>	<u>2,501,799</u>
Information technology expenses		
Software maintenance	641,623	565,900
Hardware maintenance	64,165	90,789
Depreciation	389,344	379,949
Amortization	132,542	145,856
Network charges	161,539	164,875
Insurance	2,828	2,968
	<u>1,392,041</u>	<u>1,350,337</u>
Other operating expenses		
Directors' fees and allowances	15,160	14,560
Legal and professional charges	186,691	139,609
Outsourced services costs	339,345	294,807
Travelling and conveyance	146,076	143,100
NIFT clearing charges	74,972	68,110
Depreciation	470,626	374,334
Depreciation on non-banking assets acquired in satisfaction of claims	3,142	4,111
Training and development	61,396	14,503
Postage and courier charges	87,634	83,016
Communication	729,508	644,332
Stationery and printing	298,612	290,358
Marketing, advertisement & publicity	198,750	1,006,581
Auditors' remuneration	17,744	23,137
Cash transportation charges	285,377	330,064
Repair and maintenance	207,934	199,223
Subscription	9,131	24,178
Entertainment	123,427	131,463
Remittance charges	54,163	72,296
Brokerage expenses	23,601	12,924
Card related expenses	1,189,612	947,397
CNIC verification charges	96,547	76,954
Insurance	723,035	641,735
Others	161,783	185,528
	<u>5,504,266</u>	<u>5,722,320</u>
	<u>18,496,814</u>	<u>16,970,126</u>



Note	Unaudited Three Months Period ended March 31, 2026	Unaudited Three Months Period ended March 31, 2025
	-----Rupees in '000-----	
33. OTHER CHARGES		
Penalties of State Bank of Pakistan	347	2,975
VAT & National Building tax & Crop Insurance Levy	37,016	39,978
Education cess	30,001	27,200
	<u>67,364</u>	<u>70,153</u>
34. CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET		
(Reversal) / credit loss allowance against balance with other banks	(226,143)	63,195
Credit loss allowance against cash and balances with treasury banks	66,254	21,551
Credit loss allowance for diminution in value of investments	10.2 1,353	6,738
Credit loss allowance / (reversal) against loans and advances	11.3 1,428,839	(2,777,022)
(Reversal) / credit loss allowance against lendings to financial institutions	(977)	2,904
(Reversal) / credit loss allowance against off balance sheet items	(55,890)	150,781
(Reversal) / credit loss allowance against other assets	15.1.1 (223,368)	50,346
Recovery of written off / charged off bad debts	(102,301)	(55,905)
	<u>887,767</u>	<u>(2,537,412)</u>
35. TAXATION		
Current	13,872,735	13,403,203
Deferred	60,475	2,087,604
	<u>13,933,210</u>	<u>15,490,807</u>
36. BASIC AND DILUTED EARNINGS PER SHARE		
	-----Rupees in '000-----	
Profit after tax	<u>12,800,695</u>	<u>13,811,871</u>
	-----Number-----	
Weighted average number of ordinary shares	<u>1,185,060,006</u>	<u>1,185,060,006</u>
	-----Rupees-----	
Basic and diluted earnings per share	<u>10.80</u>	<u>11.65</u>



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:

	Unaudited March 31, 2026				Total
	Carrying / Notional Value	Level 1	Level 2	Level 3	
	-----Rupees in '000-----				
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	1,767,656,621	-	1,767,656,621	-	1,767,656,621
Shares and units	62,008,367	54,417,722	209,087	7,381,558	62,008,367
Non-Government Debt Securities	8,637,241	-	8,637,241	-	8,637,241
Foreign Securities	66,925,413	-	66,925,413	-	66,925,413
Financial assets - disclosed but not measured at fair value					
Investments (amortized cost, subsidiaries and associates)	26,441,484	-	-	-	-
Non - Financial Assets measured at fair value					
Property and equipment (land and buildings)	78,031,323	-	78,031,323	-	78,031,323
Non-banking assets	1,544,046	-	1,544,046	-	1,544,046
Off-balance sheet financial instruments - measured at fair value					
Forward purchase of foreign exchange	180,036,301	-	1,110,947	-	1,110,947
Forward sale of foreign exchange	147,253,399	-	1,025,748	-	1,025,748
Derivatives purchase	1,953,518	-	4,072	-	4,072
Derivatives sale	1,953,518	-	4,072	-	4,072

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Carrying / Notional Value	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	1,765,037,667	-	1,765,037,667
Shares and units	71,590,221	243,070	7,381,579	79,214,870
Non-Government Debt Securities	-	8,637,375	-	8,637,375
Foreign Securities	-	68,394,627	-	68,394,627
Financial assets - disclosed but not measured at fair value				
Investments (amortized cost, unquoted ordinary shares, subsidiaries and associates)	25,940,135	-	-	-
Non - Financial Assets measured at fair value				
Property and equipment (land and buildings)	-	74,794,092	-	74,794,092
Non-banking assets	-	1,547,188	-	1,547,188
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	938,631	-	938,631
Forward sale of foreign exchange	-	777,927	-	777,927
Forward purchase of government securities	-	-	-	-
Derivatives purchase	-	15,921	-	15,921
Derivatives sale	-	15,921	-	15,921

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 projected cash flows, where available. In the absence of reliable projections, a comparable market approach is applied using relevant P/B and P/E multiples of comparable listed companies. For entities with negative equity and sustained losses or negative cash flows, fair value is assessed at the lower of cost or 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).

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
Unquoted equity investments (Income approach)	DCF method	Discount rate	19.63%	Increase / decrease in discount rate by 1% with all other variables held constant, would decrease / increase the fair value by Rs. 386.910 million and Rs. 473.460 million respectively.
		Terminal growth rate	4% - 13%	Increase / decrease in terminal growth factor rate by 1% with all other variables held constant, would increase / decrease the fair value by Rs. 358.119 million and Rs. 286.786 million respectively.
Unquoted equity investments (market approach)	Price to Earnings and Price to Book Value	Market multiple/ transaction price	Not applicable	Not applicable

* 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 March 31, 2026	Audited December 31, 2025
	-----Rupees in '000-----	
Opening balance	7,381,579	5,017,877
Remeasurement recognised in OCI / adjustments	(21)	2,363,702
Closing balance	7,381,558	7,381,579



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

	Unaudited Three Months Period ended March 31, 2026								
	Retail Banking	Consumer banking	Corporate Banking	Treasury	International Banking	Others	Sub-total	Eliminations	Total
-----Rupees in '000-----									
Statement of Profit & Loss Account									
Net mark-up / return / profit	(18,356,868)	1,724,678	12,695,795	40,050,314	2,117,718	-	38,231,637	-	38,231,637
Inter segment revenue - net	43,984,062	(1,078,116)	(10,270,696)	(35,491,388)	(96,182)	2,952,320	-	-	-
Non mark-up / return / interest income	4,077,076	833,553	1,024,837	1,457,656	432,724	663,045	8,488,891	-	8,488,891
Total Income	29,704,270	1,480,115	3,449,936	6,016,582	2,454,260	3,615,365	46,720,528	-	46,720,528
Segment direct expenses	13,221,714	892,472	(380,867)	256,066	1,006,679	4,102,792	19,098,856	-	19,098,856
Inter segment expense allocation	-	-	-	-	-	-	-	-	-
Total expenses	13,221,714	892,472	(380,867)	256,066	1,006,679	4,102,792	19,098,856	-	19,098,856
Credit loss allowance and write offs - net	353,307	22,290	512,779	-	606,430	(607,039)	887,767	-	887,767
Profit before tax	16,129,249	565,353	3,318,024	5,760,516	841,151	119,612	26,733,905	-	26,733,905

	Unaudited March 31, 2026								
-----Rupees in '000-----									
Statement of Financial Position									
Cash & Bank balances	80,297,344	110,661	1,120,969	86,281,781	43,989,211	-	211,799,966	-	211,799,966
Investments	-	-	9,383,476	1,830,732,245	91,553,405	-	1,931,669,126	-	1,931,669,126
Net inter segment lending	1,793,701,519	-	-	-	-	303,879,436	2,097,580,955	(2,097,580,955)	-
Lendings to financial institutions	-	-	-	24,505,855	53,512,834	-	78,018,689	-	78,018,689
Advances - performing / underperforming	52,634,189	55,407,518	589,529,029	-	45,113,729	(6,099,162)	736,556,303	-	736,556,303
- non performing	128,787	163,170	1,411,756	-	8,902,935	583,471	11,190,119	-	11,190,119
Others	63,217,184	6,229,106	66,506,782	41,539,907	2,990,523	113,537,790	294,021,292	-	294,021,292
Total Assets	1,988,979,023	61,910,455	667,952,012	1,983,059,788	246,062,637	411,901,535	5,360,865,450	(2,097,580,955)	3,263,284,495
Borrowings	1,959,957	34,251	54,454,553	413,149,330	1,724,887	-	471,322,978	-	471,322,978
Deposits and other accounts	1,973,067,624	-	125,322,598	-	206,598,418	-	2,304,988,640	-	2,304,988,640
Net inter segment borrowing	-	51,769,735	446,182,729	1,567,484,619	32,143,872	-	2,097,580,955	(2,097,580,955)	-
Others	14,951,442	10,106,469	41,992,132	2,425,839	5,595,460	116,131,697	191,203,039	-	191,203,039
Total liabilities	1,988,979,023	61,910,455	667,952,012	1,983,059,788	246,062,637	116,131,697	5,065,095,612	(2,097,580,955)	2,967,514,657
Equity	-	-	-	-	-	295,769,838	295,769,838	-	295,769,838
Total Equity and liabilities	1,988,979,023	61,910,455	667,952,012	1,983,059,788	246,062,637	411,901,535	5,360,865,450	(2,097,580,955)	3,263,284,495
Contingencies and Commitments	110,328,938	-	428,683,067	334,420,616	17,514,178	36,074,234	927,021,033	-	927,021,033

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 segments are included in the Head office. Income taxes are managed at bank level and are not allocated to operating segments.

	Unaudited Three Months Period ended March 31, 2025								
	Retail Banking	Consumer banking	Corporate Banking	Treasury	International Banking	Others	Sub-total	Eliminations	Total
-----Rupees in '000-----									
Statement of Profit & Loss Account									
Net mark-up / return / profit	(21,100,827)	1,649,423	16,089,153	36,648,082	1,898,268	-	35,184,099	-	35,184,099
Inter segment revenue - net	44,632,663	(935,307)	(13,736,574)	(32,643,910)	(88,652)	2,771,780	-	-	-
Non mark-up / return / interest income	3,889,010	814,504	1,749,478	2,251,727	649,697	(146,916)	9,207,500	-	9,207,500
Total Income	27,420,846	1,528,620	4,102,057	6,255,899	2,459,313	2,624,864	44,391,599	-	44,391,599
Segment direct expenses - Restated	11,084,870	693,859	1,136,881	266,543	834,783	3,609,397	17,626,333	-	17,626,333
Inter segment expense allocation	-	-	-	-	-	-	-	-	-
Total expenses	11,084,870	693,859	1,136,881	266,543	834,783	3,609,397	17,626,333	-	17,626,333
Credit loss allowance and write offs - net	1,144,146	51,180	(119,532)	(192,027)	(84,396)	(3,336,783)	(2,537,412)	-	(2,537,412)
Profit before tax	15,191,830	783,581	3,084,708	6,181,383	1,708,926	2,352,250	29,302,678	-	29,302,678

	Audited December 31, 2025								
-----Rupees in '000-----									
Statement of Financial Position									
Cash & Bank balances	68,843,100	118,623	285,083	108,325,440	52,209,346	-	229,781,592	-	229,781,592
Investments	-	-	9,359,179	1,845,307,619	92,557,876	-	1,947,224,674	-	1,947,224,674
Net inter segment lending	1,760,188,077	-	-	-	-	355,720,293	2,115,908,370	(2,115,908,370)	-
Lendings to financial institutions	-	-	-	16,746,603	82,301,696	-	99,048,299	-	99,048,299
Advances - performing / underperforming	47,606,751	49,912,087	536,484,718	-	50,549,799	(5,850,070)	678,703,285	-	678,703,285
- non performing	127,017	160,553	746,315	-	9,669,918	911,622	11,615,425	-	11,615,425
Others	60,129,463	3,587,468	63,618,182	54,663,139	2,673,183	96,012,252	280,683,687	-	280,683,687
Total Assets	1,936,894,408	53,778,731	610,493,477	2,025,042,801	289,961,818	446,794,097	5,362,965,332	(2,115,908,370)	3,247,056,962
Borrowings	1,786,061	35,830	60,888,235	392,856,382	2,325,349	-	457,871,857	-	457,871,857
Deposits and other accounts	1,910,873,393	-	104,181,107	1,630,088,435	246,220,530	-	2,261,275,030	-	2,261,275,030
Net inter segment borrowing	-	45,539,151	403,770,695	1,630,088,435	36,510,089	-	2,115,908,370	(2,115,908,370)	-
Others	24,234,954	8,203,750	41,673,440	2,097,984	4,905,850	131,052,871	212,168,849	-	212,168,849
Total liabilities	1,936,894,408	53,778,731	610,493,477	2,025,042,801	289,961,818	131,052,871	5,047,224,106	(2,115,908,370)	2,931,315,736
Equity	-	-	-	-	-	315,741,226	315,741,226	-	315,741,226
Total Equity and liabilities	1,936,894,408	53,778,731	610,493,477	2,025,042,801	289,961,818	446,794,097	5,362,965,332	(2,115,908,370)	3,247,056,962
Contingencies and Commitments	101,275,094	-	399,615,175	275,384,399	22,491,394	37,742,678	836,508,740	-	836,508,740

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited)
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39 RELATED PARTY TRANSACTIONS

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

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 respect of staff retirement benefits and other benefit plans are made in 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:

	Unaudited March 31, 2026				Audited December 31, 2025					
	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties
(Rupees in '000)										
Lendings to Financial Institutions										
Opening balance	-	-	8,747,596	-	-	-	-	-	-	-
Addition during the period / year	-	-	43,247,596	-	-	-	-	105,742,434	-	-
Repaid during the period / year	-	-	(50,180,776)	-	-	-	-	(96,994,838)	-	-
Closing balance	-	-	1,814,416	-	-	-	-	8,747,596	-	-
Credit loss allowance held against lendings to financial institutions*	-	-	(8)	-	-	-	-	(519)	-	-
Investments										
Opening balance	-	-	17,968,237	700,401	249,253	-	-	17,968,237	700,401	249,253
Investment made during the period / year	-	-	-	-	-	-	-	-	-	-
Investment disposed off during the period / year	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	17,968,237	700,401	249,253	-	-	17,968,237	700,401	249,253
Credit loss allowance for diminution in value of investments*	-	-	-	-	-	-	-	-	-	-
Advances										
Opening balance	13,582	209,268	560,245	-	2,242,934	20,707	368,057	614,054	-	5,288,804
Addition / exchange adjustment during the period / year	3,195	30,488	-	-	755,119	16,935	54,666	-	-	3,193,959
Repaid / exchange adjustment during the period / year	(5,454)	(21,385)	(1,451)	-	(931,873)	(24,060)	(66,112)	(53,809)	-	(6,239,829)
Transfer in / (out)	-	(23,193)	-	-	-	-	(147,343)	-	-	-
Closing balance	11,323	195,178	558,794	-	2,066,180	13,582	209,268	560,245	-	2,242,934
Credit loss allowance against advances*	(103)	(1,545)	(4,141)	-	(4,832)	(33)	(1,571)	(4,944)	-	(13,877)
Property and equipment										
Purchase of property and equipment	-	-	-	4,344	7,242	-	-	-	8,555	66,834

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited)
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	Unaudited March 31, 2026				Audited December 31, 2025					
	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties
(Rupees in '000)										
Other Assets										
Income / markup accrued	880	3,641	26,717	-	23,689	836	3,957	87,508	-	24,919
Advances, deposits, advance rent and other prepayments	-	-	114,757	912,657	27,474	-	-	84,618	387,190	27,588
Receivable from pension fund	-	-	-	-	17,773,795	-	-	-	-	17,312,255
Credit loss allowance against other assets*	880	3,641	141,474	912,657	17,824,958	836	3,957	172,126	387,190	17,364,762
	(1)	(5)	(43)	-	(37)	(13)	(55)	(68)	-	(234)
Borrowings										
Opening balance	-	-	31,769	-	-	-	-	33,725	-	-
Borrowings / exchange adjustment during the period / year	-	-	739,530	-	-	-	-	3,873,624	-	-
Settled during the period / year	-	-	(665,562)	-	-	-	-	(3,875,580)	-	-
Closing balance	-	-	105,717	-	-	-	-	31,769	-	-
Deposits and other accounts										
Opening balance	303,185	177,151	838,214	9,535,138	13,866,224	147,783	204,135	939,294	9,178,670	8,319,616
Received during the period / year	1,125,618	603,386	18,986,117	25,134,118	77,920,504	7,527,883	1,634,686	49,471,655	80,084,735	243,465,421
Withdrawn during the period / year	(1,008,425)	(547,416)	(19,389,142)	(23,641,068)	(83,181,051)	(7,372,481)	(1,960,080)	(49,572,735)	(79,728,267)	(237,800,375)
Transfer in / (out) - net	-	2,038	-	-	(569)	-	298,410	-	-	(118,438)
Closing balance	420,378	240,169	435,169	11,028,188	8,606,108	303,185	177,151	838,214	9,535,138	13,866,224
Other Liabilities										
Markup / return / interest payable	449	232	7,869	234,533	145,479	3,290	6	-	99,635	5,457
Accrued expenses and other payable	-	-	21,595	37,648	125	-	-	22,042	35,163	202
Unrealized loss on forward foreign exchange contracts - outstanding	-	-	355	-	18,204	-	-	20	-	-
Advance received against sale of property	-	-	20,000	-	-	-	-	20,000	-	-
Credit loss allowance against off-balance sheet obligations*	449	232	49,819	272,181	163,808	3,290	6	42,062	134,798	5,659
	-	-	117	5,279	10,716	-	-	121	329	11,246
Contingencies and Commitments										
Letter of Credit	-	-	-	-	530,592	-	-	-	-	1,828,407
Bank guarantee	-	-	137,065	8,753,488	2,892,560	-	-	138,064	8,784,002	2,896,611
Forward foreign exchange contracts (Notional)	-	-	558,920	-	1,702,937	-	-	1,120,840	-	-
	-	-	695,985	8,753,488	5,126,089	-	-	1,259,904	8,784,002	4,725,018

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	Unaudited March 31, 2026				Unaudited March 31, 2025					
	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties
Income	119	6,016	154,865	-	30,671	175	6,095	109,481	-	45,261
Markup / return / interest earned	-	-	45,344	301,149	6,837	-	-	96,109	309,965	6,081
Fee and commission income	-	-	175,863	-	65,266	-	-	205,173	-	85,358
Dividend income	-	-	(5,897)	-	-	-	-	-	-	(7)
Net gain / (loss) on foreign exchange contracts matured during the period	-	-	423	92	-	-	11	-	648	30
Net gain / (loss) on sale of securities	-	205	-	-	-	-	30	-	-	-
Gain on sale of property and equipment	-	-	44,115	2,846	1,408	-	-	39,702	2,921	1,047
Rent income	-	-	-	-	-	-	-	-	-	-
Expense	3,360	1,968	7,869	134,899	151,844	2,865	1,148	23,329	94,240	140,033
Markup / return / interest expensed	-	-	-	-	-	-	-	-	-	-
Other Operating expenses	-	-	-	-	-	-	-	-	-	-
Clearing expenses paid to NIFT	-	-	-	-	74,972	-	-	-	-	68,110
Contribution to provident fund	-	-	-	-	215,832	-	-	-	-	174,084
Rent expenses	-	-	-	25,077	16,985	-	-	-	26,999	15,756
Cash sorting expenses	-	-	-	-	34,540	-	-	-	-	35,172
Stationery expenses	-	-	-	-	105,909	-	-	-	-	143,251
Security guards expenses	-	-	-	-	1,681	-	-	-	-	1,457
Remuneration to key executives and non-executive directors fee	109,208	513,361	-	-	-	61,767	459,698	-	-	-
Outsourcing service expenses	-	-	38,270	-	-	-	-	-	36,412	-
E-dividend processing fee and CDC charges	-	-	-	-	3,747	-	-	-	-	3,795
Travelling Expenses	-	-	-	-	28,697	-	-	-	-	31,622
Hotel stay expenses	-	-	-	-	1,502	-	-	-	-	1,112
Repair & Maintenance Charges	-	-	-	-	1,564	-	-	-	-	1,637
Utility expenses	-	-	-	-	-	-	-	-	-	261
Miscellaneous expenses and payments	-	-	-	-	1,086	-	-	-	-	1,495
Insurance premium-net of refund	-	-	-	652,751	-	-	-	-	576,896	-
Insurance claim settled	-	-	-	60,128	-	-	-	-	65,573	-
Other Transactions	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of property and equipment	-	488	-	-	-	30	-	-	-	-
Sale of foreign currency	-	-	12,830,186	-	-	-	-	8,260,333	-	-
Purchase of foreign currency	-	-	16,473,290	-	-	-	-	8,998,042	-	-
Payments against home remittances	-	-	848,323	-	-	-	-	1,344,020	-	-
Reimbursement of other expenses	-	-	237	-	-	-	-	41,440	-	-
Sale of government securities	-	9,747	1,246,224	6,224,644	907,648	-	32,543	-	4,964,407	770,132
Purchase of government securities	-	-	872,802	992,156	4,094,621	-	25,991	-	98,783	20,192
Forward exchange contracts matured during the period	-	-	2,730,611	-	270,000	-	-	-	-	237,000

(Rupees in '000)

Net gain / (loss) on foreign exchange contracts matured during the period

Gain on sale of property and equipment

Expense

Markup / return / interest expensed

Other Operating expenses

Clearing expenses paid to NIFT

Contribution to provident fund

Rent expenses

Cash sorting expenses

Stationery expenses

Security guards expenses

Remuneration to key executives and non-executive directors fee

Outsourcing service expenses

E-dividend processing fee and CDC charges

Travelling Expenses

Hotel stay expenses

Repair & Maintenance Charges

Utility expenses

Miscellaneous expenses and payments

Insurance premium-net of refund

Insurance claim settled

Other Transactions

Proceeds from sale of property and equipment

Sale of foreign currency

Purchase of foreign currency

Payments against home remittances

Reimbursement of other expenses

Sale of government securities

Purchase of government securities

Forward exchange contracts matured during the period

*Represents credit loss allowance recognized against performing exposures on adoption of IFRS 9.

The Chairman has been provided with free use of the Bank's maintained car. The Chief Executive and certain executives are provided with free use of the Bank's maintained cars and household equipment in accordance with the terms of their employment.

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited)
For The Three Months Period Ended March 31, 2026



	Unaudited March 31, 2026	Audited December 31, 2025
-----Rupees in '000-----		
40 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
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	233,465,726	230,337,134
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	233,465,726	230,337,134
Eligible Tier 2 Capital	60,004,827	82,571,219
Total Eligible Capital (Tier 1 + Tier 2)	293,470,553	312,908,353
Risk Weighted Assets (RWAs):		
Credit Risk	967,818,928	938,955,723
Market Risk	261,018,531	322,478,845
Operational Risk	340,803,917	340,803,917
Total	1,569,641,376	1,602,238,485
Common Equity Tier 1 Capital Adequacy ratio	14.87%	14.38%
Tier 1 Capital Adequacy Ratio	14.87%	14.38%
Total Capital Adequacy Ratio	18.70%	19.53%
The Bank has not taken benefit allowed to banks to absorb the impact of IFRS 9 on regulatory capital.		
40.2 Leverage Ratio (LR):		
Eligible Tier 1 Capital	233,465,726	230,337,134
Total Exposures	4,035,928,560	3,955,924,632
Leverage Ratio	5.78%	5.82%
40.3 Liquidity Requirements		
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	1,624,292,675	1,540,865,591
Total Net Cash Outflow	677,071,589	576,357,861
Liquidity Coverage Ratio	239.90%	267.35%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	1,939,212,144	1,970,592,090
Total Required Stable Funding	1,244,760,888	1,203,698,874
Net Stable Funding Ratio	155.79%	163.71%

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-Audited)
For The Three Months Period Ended March 31, 2026



41 EVENTS AFTER THE REPORTING DATE

The Board of Directors in its meeting held on April 23, 2026 has announced an interim cash dividend in respect of three months period ended March 31, 2026 of Rs. 9.00 per share (March 31, 2025: Rs. 9.00 per share). These unconsolidated condensed interim financial statements for the period ended March 31, 2026 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 for the purposes of better presentation.

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

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 on April 23, 2026.



MCB BANK LIMITED

Consolidated Condensed Interim Financial Statements for the Three Months Period Ended March 31, 2026

Anjum Javed
Chief Financial Officer

Muhammad Nauman Chughtai
President / CEO

Main Umer Mansha
Director

Shahzad Hussain
Director

Muhammad Ali Zeb
Director

MCB Bank Limited & Subsidiary Companies
Consolidated Condensed Interim Statement of Financial Position
As at March 31, 2026



Note Unaudited Audited
 March 31, 2026 December 31, 2025

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

ASSETS

Cash and balances with treasury banks	7	197,972,093	211,224,339
Balances with other banks	8	37,347,179	41,825,804
Lendings to financial institutions	9	84,945,362	99,041,793
Investments	10	2,086,704,253	2,099,046,161
Advances	11	888,741,762	821,711,633
Property and equipment	12	104,425,746	103,683,770
Right-of-use assets	13	10,096,575	10,442,271
Intangible assets	14	3,352,427	3,453,209
Other assets	15	204,482,584	188,312,726
Total Assets		3,618,067,981	3,578,741,706

LIABILITIES

Bills payable	17	17,741,376	31,132,570
Borrowings	18	501,466,259	476,169,106
Deposits and other accounts	19	2,588,657,092	2,529,503,221
Lease liabilities	20	15,188,741	15,505,119
Subordinated debt		-	-
Deferred tax liabilities	21	23,641,035	49,340,982
Other liabilities	22	154,741,070	139,912,047
Total Liabilities		3,301,435,573	3,241,563,045

NET ASSETS

316,632,408 337,178,661

REPRESENTED BY

Share capital		11,850,600	11,850,600
Reserves	23	114,635,364	113,681,018
Surplus on revaluation of assets	24	51,028,110	74,810,215
Unappropriated profit		138,361,506	136,068,597
		315,875,580	336,410,430
Non-controlling interest		756,828	768,231
		316,632,408	337,178,661

CONTINGENCIES AND COMMITMENTS

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 Profit and Loss Account (Un-Audited)
For The Three Months Period Ended March 31, 2026



Note Three Months Ended
 January 01 to January 01
 March 31, 2026 March 31, 2025

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

Mark-up / return / interest earned	27	80,015,743	77,987,291
Mark-up / return / interest expensed	28	38,359,813	38,915,030
Net mark-up / interest income		41,655,930	39,072,261

NON MARK-UP / INTEREST INCOME

Fee and commission income	29	7,213,703	6,613,942
Dividend income		962,262	1,525,284
Foreign exchange income		1,619,748	2,357,039
Income from derivatives		523	880
Loss on securities - net	30	(5,117)	(139,655)
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-
Other income	31	61,931	146,885
Total non-markup / interest Income		9,853,050	10,504,375
Total income		51,508,980	49,576,636

NON MARK-UP / INTEREST EXPENSES

Operating expenses	32	22,247,163	20,143,355
Workers Welfare Fund		556,159	631,069
Other charges	33	67,829	74,410
Total non-markup / interest expenses		22,871,151	20,848,834

Share of profit of associates

164,988 492,951

Profit before credit loss allowance

28,802,817 29,220,753

Credit loss allowance and write offs - net

34 892,450 (2,332,565)

PROFIT BEFORE TAXATION

27,910,367 31,553,318

Taxation

35 14,768,827 16,818,096

PROFIT AFTER TAXATION

13,141,540 14,735,222

Less: Profit attributable to non-controlling interest

(28,737) (83,703)

PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE BANK

13,112,803 14,651,519

-----Rupees -----

Basic and diluted earnings per share

36 11.07 12.36

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

Anjum Javed
 Chief Financial Officer

Muhammad Nauman Chughtai
 President / CEO

Main Umer Mansha
 Director

Shahzad Hussain
 Director

Muhammad Ali Zeb
 Director

Anjum Javed
 Chief Financial Officer

Muhammad Nauman Chughtai
 President / CEO

Main Umer Mansha
 Director

Shahzad Hussain
 Director

Muhammad Ali Zeb
 Director

MCB Bank Limited & Subsidiary Companies
Consolidated Condensed Interim Cash Flow Statement (Un-Audited)
For The Three Months Period Ended March 31, 2026



Note	Three Months Ended	
	January 01 to March 31, 2026	January 01 to March 31, 2025
-----Rupees in '000-----		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	27,910,367	31,553,318
Less: Dividend income and share of profit of associates	(1,127,250)	(2,018,235)
	26,783,117	29,535,083
Adjustments:		
Net mark-up / interest income	(41,655,930)	(39,072,261)
Depreciation on property and equipment	1,452,501	1,257,958
Depreciation on right-of-use assets	676,339	521,944
Depreciation on non-banking assets acquired in satisfaction of claims	3,142	4,111
Amortization	178,263	178,242
Credit loss allowance and write offs - net	892,450	(2,332,565)
Gain on sale of property and equipment - net	(40,557)	(94,616)
Finance charges on lease liability against right-of-use assets	550,860	420,243
Gain on conversion of Ijarah agreements	(1,215)	(2,258)
Workers Welfare Fund	556,159	631,069
Reversal for defined benefit plans - net	(313,124)	(254,560)
Gain on termination of lease liability against right-of-use assets	(17,697)	(20,491)
Unrealized loss / (gain) on revaluation of investments classified as FVTPL	455,712	(210,224)
	(37,263,097)	(38,973,408)
	(10,479,980)	(9,438,325)
Decrease / (increase) in operating assets		
Lendings to financial institutions	14,097,408	(13,616,049)
Securities classified as FVTPL	2,930,898	1,310,676
Advances	(68,460,819)	296,820,509
Others assets (excluding advance taxation)	(24,405,174)	(32,175,309)
	(75,837,687)	252,339,827
Increase / (decrease) in operating liabilities		
Bills Payable	(13,391,194)	(40,439,911)
Borrowings from financial institutions	27,350,332	321,254,881
Deposits	59,153,871	187,648,981
Other liabilities (excluding current taxation)	5,719,066	2,200,568
	78,832,075	470,664,519
Mark-up / interest received	87,929,417	61,699,430
Mark-up / interest paid	(25,682,163)	(54,419,314)
Defined benefits paid	(47,735)	(71,875)
Income tax paid	(18,939,665)	(20,960,614)
Net cash flow from operating activities	35,774,262	699,813,648
CASH FLOW FROM INVESTING ACTIVITIES		
Net investment in securities classified as FVOCI	(36,759,405)	(662,612,204)
Net investment in securities classified as amortized cost	(859,510)	(4,527)
Dividends received	923,621	1,168,589
Investments in property and equipment	(2,127,344)	(2,804,206)
Disposal of property and equipment	48,822	114,557
Investments in Intangible assets	(79,336)	(363,906)
Net investment in associates	(583,235)	(833,118)
Effect of translation of net investment in foreign branches and subsidiary	(384,224)	55,524
Net cash flow used in investing activities	(39,820,611)	(665,279,291)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use-assets	(1,178,480)	(968,400)
Dividend paid	(10,612,512)	(10,609,453)
Net cash flow used in financing activities	(11,790,992)	(11,577,853)
Effects of credit loss allowance changes on cash and cash equivalents	159,648	(91,694)
(Decrease) / increase in cash and cash equivalents	(15,677,693)	22,864,810
Cash and cash equivalents at beginning of the period	251,202,911	211,431,923
Effects of exchange rate changes on cash and cash equivalents	(517,708)	438,342
Opening expected credit loss allowance on cash and cash equivalents	(622,553)	(582,389)
	250,062,650	211,287,876
Cash and cash equivalents at end of the period	234,384,957	234,152,686

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

MCB Bank Limited & Subsidiary Companies
Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited)
For The Three Months Period Ended March 31, 2026



1. STATUS AND NATURE OF BUSINESS

The Group consists of:

- Holding Company - MCB Bank Limited

Subsidiary Companies

- MCB Investment Management Limited
- MCB Non-Bank Credit Organization Closed Joint Stock Company
- MCB Islamic Bank Limited
- MCB Exchange Company (Private) Limited

"Percentage holding of MCB Bank Limited"

81.42%
99.94%
100%
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 1,402 branches (2025: 1,401 branches) within Pakistan and 9 branches (2025: 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 three months period ended March 31, 2026 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 three months period ended March 31, 2026.

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 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.

Anjum Javed
Chief Financial Officer

Muhammad Nauman Chughtai
President / CEO

Main Umer Mansha
Director

Shahzad Hussain
Director

Muhammad Ali Zeb
Director

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, 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 Group's accounting periods beginning on or after January 1, 2026 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 will be effective from the date mentioned below against the respective standard.

	Effective date (annual periods beginning on or after)
IFRS 18 – Presentation and Disclosure in Financial Statements	January 01, 2027

4. 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, 2025.

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, 2025.

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, 2025.

	Note	Unaudited March 31, 2026		Audited December 31, 2025	
		-----Rupees in '000-----			
7. CASH AND BALANCES WITH TREASURY BANKS					
In hand					
Local currency		51,985,020		43,681,313	
Foreign currencies		10,273,749		7,915,456	
		62,258,769		51,596,769	
With State Bank of Pakistan in					
Local currency current accounts		74,541,314		98,447,311	
Foreign currency current accounts		8,817,837		6,630,888	
Foreign currency deposit account		8,970,703		8,716,198	
		92,329,854		113,794,397	
With other central banks in					
Foreign currency current accounts		17,698,286		22,595,643	
With National Bank of Pakistan in					
Local currency current accounts		26,032,151		23,513,255	
Prize bonds		104,343		109,340	
Less: Credit loss allowance held against cash and balances with treasury banks		(451,310)		(385,065)	
Cash and balances with treasury banks - net of credit loss allowance		197,972,093		211,224,339	
8. BALANCES WITH OTHER BANKS					
Inside Pakistan					
In current account		253,495		316,426	
In deposit accounts		9,780		18,483	
		263,275		334,909	
Outside Pakistan					
In current accounts		11,284,823		22,927,964	
In deposit accounts		25,810,606		18,800,419	
		37,095,429		41,728,383	
Less: Credit loss allowance held against balances with other banks		(11,525)		(237,488)	
Balances with other banks - net of credit loss allowance		37,347,179		41,825,804	
9. LENDINGS TO FINANCIAL INSTITUTIONS					
Call / clean money lendings		53,512,838		85,301,696	
Repurchase agreement lendings (Reverse Repo)		22,691,450		5,000,000	
Bai mu'ajjal		3,241,138		3,241,138	
Musharaka arrangements		5,500,000		5,500,000	
		84,945,426		99,042,834	
Less: Credit loss allowance held against lending to financial institutions	9.1	(64)		(1,041)	
Lending to financial institutions - net of credit loss allowance		84,945,362		99,041,793	
		Unaudited March 31, 2026		Audited December 31, 2025	
		Lending	Credit loss allowance held	Lending	Credit loss allowance held
		-----Rupees in '000-----			
9.1 Particulars of credit loss allowance					
Domestic					
Performing	Stage 1	31,432,587	(59)	16,741,138	(1,041)
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3	-	-	-	-
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
Total		31,432,587	(59)	16,741,138	(1,041)
Overseas					
Performing	Stage 1	53,512,839	(5)	82,301,696	-
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3	-	-	-	-
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
Total		53,512,839	(5)	82,301,696	-

10. INVESTMENTS

Unaudited March 31, 2026

10.1 Investments by type:

	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
-----Rupees in '000-----				
FVTPL				
Federal Government Securities	2,177,585	-	(9,035)	2,168,550
Non Government Debt Securities	9,316,811	-	(9,486)	9,307,325
Foreign securities	1,406,880	-	(110,386)	1,296,494
Shares and units	1,815,479	-	(326,805)	1,488,674
	14,716,755	-	(455,712)	14,261,043
FVOCI				
Federal Government Securities	1,894,403,802	(170,601)	2,195,395	1,896,428,596
Shares	48,128,046	-	12,582,717	60,710,763
Foreign Securities	65,643,199	-	(14,280)	65,628,919
	2,008,175,047	(170,601)	14,763,832	2,022,768,278
Amortised Cost				
Federal Government Securities	35,133,566	(201,552)	-	34,932,014
Provincial Government Securities	118	(118)	-	-
Non Government Debt Securities	1,149,361	(467,785)	-	681,576
Foreign securities	885,400	(1,096)	-	884,304
	37,168,445	(670,551)	-	36,497,894
Associates	13,177,038	-	-	13,177,038
Total Investments	2,073,237,285	(841,152)	14,308,120	2,086,704,253

Audited December 31, 2025

	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
-----Rupees in '000-----				
FVTPL				
Federal Government Securities	2,304,608	-	2,374	2,306,982
Non Government Debt Securities	9,316,961	-	(16,595)	9,300,366
Foreign securities	1,398,413	-	(5,135)	1,393,278
Shares and units	4,219,506	-	427,521	4,647,027
	17,239,488	-	408,165	17,647,653
FVOCI				
Federal Government Securities	1,851,433,214	(169,923)	38,187,749	1,889,451,040
Shares	50,660,047	-	25,575,402	76,235,449
Foreign Securities	66,938,879	-	62,470	67,001,349
	1,969,032,140	(169,923)	63,825,621	2,032,687,838
Amortised Cost				
Federal Government Securities	34,756,479	(201,618)	-	34,554,861
Provincial Government Securities	118	(118)	-	-
Non Government Debt Securities	1,191,229	(469,426)	-	721,803
Foreign securities	361,880	(160)	-	361,720
	36,309,706	(671,322)	-	35,638,384
Associates	13,072,286	-	-	13,072,286
Total Investments	2,035,653,620	(841,245)	64,233,786	2,099,046,161

10.1.1 Investments given as collateral

- Market Treasury Bills
- Pakistan Investment Bonds

	Unaudited March 31, 2026	Audited December 31, 2025
-----Rupees in '000-----		
	3,079,736	4,459,153
	408,578,652	389,509,264
	411,658,388	393,968,417

10.2 Credit loss allowance for diminution in value of investments

	Unaudited March 31, 2026	Audited December 31, 2025
-----Rupees in '000-----		
Opening balance	841,245	1,120,960
Exchange adjustments	(1,446)	4,482
Charge / (reversals)		
Charge for the period / year	2,994	11,979
Reversals for the period / year	(1,641)	(296,176)
	1,353	(284,197)
Closing Balance	841,152	841,245

10.3 Particulars of credit loss allowance against debt securities

Domestic

		Unaudited March 31, 2026	Credit loss allowance held	Audited December 31, 2025	Credit loss allowance held
-----Rupees in '000-----					
Performing	Stage 1	1,917,161,515	2,287	1,874,040,297	2,287
Under performing	Stage 2	591,279	-	563,891	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		465,616	465,616	467,257	467,257
		465,616	465,616	467,257	467,257
		1,918,218,410	467,903	1,875,071,445	469,544
Overseas					
Performing	Stage 1	80,498,906	1,096	81,244,226	160
Under performing	Stage 2	11,399,406	372,153	11,386,110	371,541
Non-performing	Stage 3	-	-	-	-
		91,898,312	373,249	92,630,336	371,701
Total		2,010,116,722	841,152	1,967,701,781	841,245

10.4 Summarized financial information of associates

		Unaudited March 31, 2026					
	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 March 31, 2026)	Pakistan	30.00%	559,034	(150,558)	(150,558)	3,412,609	2,942,217
Adamjee Insurance Company Limited (audited based on December 31, 2025)	Pakistan	20.00%	74,942,305	5,764,035	10,145,585	264,707,553	212,862,425
		Audited December 31, 2025					
	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, 2025)	Pakistan	30.00%	2,417,659	440,980	440,980	3,155,701	2,434,018
Adamjee Insurance Company Limited (unaudited based on September 30, 2025)	Pakistan	20.00%	52,612,992	4,475,970	7,807,970	258,072,849	208,571,009

10.5 Investment in Adamjee Insurance Company Limited under equity method - holding 20.00% (2025: 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 March 31, 2026 amounted to Rs. 4,448.500 million. (2025: Rs. 5,679.100 million).

	Unaudited March 31, 2026	Audited December 31, 2025
	-----Rupees in '000-----	
Opening balance	10,353,752	8,551,051
Share of profit for the period / year before tax	333,644	1,981,698
Dividend from associate	-	(245,000)
Share of tax	(193,183)	(795,001)
	140,461	941,697
Share of other comprehensive (loss) / income	(408,347)	861,004
Closing balance	10,085,866	10,353,752
	-----Rupees in '000-----	
Share of other comprehensive (loss) / income	(404,976)	854,248
Share of unrealized (deficit) / surplus on assets -net of tax	(3,371)	6,756
Share of exchange translation reserve of associate	(408,347)	861,004

10.6 Investment in Euronet Pakistan Private Limited under equity method - holding 30.00% (2025: 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'.

	Unaudited March 31, 2026	Audited December 31, 2025
	-----Rupees in '000-----	
Opening balance	216,505	106,318
Share of (loss) / profit for the period / year before tax	(35,445)	172,117
Share of tax	(39,942)	(61,930)
	(75,387)	110,187
Closing balance	141,118	216,505

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'.

	Unaudited March 31, 2026	Audited December 31, 2025
	-----Rupees in '000-----	
Investment at the beginning of the period / year	2,502,029	1,911,056
Investment / (redemptions) during the period / year	583,235	(51,861)
Share of (loss) / profit for the period / year	(133,211)	672,775
Dividend Income	(1,999)	(29,941)
	448,025	590,973
Closing balance	2,950,054	2,502,029

11. ADVANCES

	Performing		Non Performing		Total	
	Unaudited March 31, 2026	Audited December 31, 2025	Unaudited March 31, 2026	Audited December 31, 2025	Unaudited March 31, 2026	Audited December 31, 2025
	-----Rupees in '000-----					
Loans, cash credits, running finances, etc.	727,418,061	664,240,336	49,517,758	49,266,343	776,935,819	713,506,679
Islamic financing and related assets	135,719,260	126,328,653	2,442,076	2,448,485	138,161,336	128,777,138
Bills discounted and purchased	23,968,129	28,400,780	494,512	495,012	24,462,644	28,895,792
Advances - gross	887,105,450	818,969,769	52,454,346	52,209,840	939,559,796	871,179,609
Credit loss allowance against advances	(2,212,792)	(1,952,417)	-	-	(2,212,792)	(1,952,417)
- Stage 1	(787,704)	(667,795)	-	-	(787,704)	(667,795)
- Stage 2	-	-	(41,058,543)	(40,355,149)	(41,058,543)	(40,355,149)
- Stage 3	-	-	-	-	-	-
- General	(6,758,995)	(6,492,615)	-	-	(6,758,995)	(6,492,615)
Advances - net of credit loss allowance	877,345,959	809,856,942	11,395,803	11,854,691	888,741,762	821,711,633
	-----Rupees in '000-----					
	834,725,779	742,578,094	834,725,779	742,578,094	834,725,779	742,578,094
	104,834,017	128,601,515	104,834,017	128,601,515	104,834,017	128,601,515
	939,559,796	871,179,609	939,559,796	871,179,609	939,559,796	871,179,609
	-----Rupees in '000-----					
	Note		Note		Note	
	11.1		11.2		11.2.1	
	Particulars of advances (gross)		Particulars of advances (gross)		Particulars of advances (gross)	
	In local currency		In local currency		In local currency	
	In foreign currencies		In foreign currencies		In foreign currencies	
	Advances include Rs. 52,454,346 million (2025: Rs. 52,209,840 million) which have been placed under Stage 3 status as detailed below:		Advances include Rs. 52,454,346 million (2025: Rs. 52,209,840 million) which have been placed under Stage 3 status as detailed below:		Advances include Rs. 52,454,346 million (2025: Rs. 52,209,840 million) which have been placed under Stage 3 status as detailed below:	
	Category of Classification		Category of Classification		Category of Classification	
	Domestic		Domestic		Domestic	
	Other Assets Especially Mentioned (OAEI)		Other Assets Especially Mentioned (OAEI)		Other Assets Especially Mentioned (OAEI)	
	Substandard		Substandard		Substandard	
	Doubtful		Doubtful		Doubtful	
	Loss		Loss		Loss	
	Overseas		Overseas		Overseas	
	Substandard		Substandard		Substandard	
	Doubtful		Doubtful		Doubtful	
	Loss		Loss		Loss	
	Total		Total		Total	
	1,469,002	726,011	1,469,002	726,011	1,469,002	726,011
	1,832,203	948,574	1,832,203	948,574	1,832,203	948,574
	586,296	499,408	586,296	499,408	586,296	499,408
	33,340,166	32,569,706	33,340,166	32,569,706	33,340,166	32,569,706
	37,227,667	34,743,699	37,227,667	34,743,699	37,227,667	34,743,699
	363,171	177,242	363,171	177,242	363,171	177,242
	119,214	59,607	119,214	59,607	119,214	59,607
	14,744,294	6,077,995	14,744,294	6,077,995	14,744,294	6,077,995
	15,226,679	6,314,844	15,226,679	6,314,844	15,226,679	6,314,844
	52,454,346	41,058,543	52,454,346	41,058,543	52,454,346	41,058,543
	Non Performing Loans		Non Performing Loans		Non Performing Loans	
	Credit loss allowance		Credit loss allowance		Credit loss allowance	
	Total		Total		Total	
	1,418,889	709,130	1,418,889	709,130	1,418,889	709,130
	756,194	485,237	756,194	485,237	756,194	485,237
	1,043,463	652,654	1,043,463	652,654	1,043,463	652,654
	33,623,708	32,814,365	33,623,708	32,814,365	33,623,708	32,814,365
	36,842,254	34,661,386	36,842,254	34,661,386	36,842,254	34,661,386
	1,737,157	872,280	1,737,157	872,280	1,737,157	872,280
	226,390	113,849	226,390	113,849	226,390	113,849
	13,404,039	4,707,634	13,404,039	4,707,634	13,404,039	4,707,634
	15,367,586	5,693,763	15,367,586	5,693,763	15,367,586	5,693,763
	52,209,840	40,355,149	52,209,840	40,355,149	52,209,840	40,355,149

11.2.1 This includes non-performing portfolio of agricultural, small enterprise and infrastructure project financing classified as 'Other Assets Especially Mentioned' as per the requirements of respective Prudential Regulations issued by the State Bank of Pakistan.

MCB Bank Limited & Subsidiary Companies
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11.3 Particulars of credit loss allowance against advances

	Unaudited March 31, 2026					Audited December 31, 2025				
	Expected Credit Loss			General	Total	Expected Credit Loss			General	Total
	Stage 1	Stage 2	Stage 3			Stage 1	Stage 2	Stage 3		
	Rupees in '000									
Opening balance	1,952,417	667,795	40,355,149	6,492,615	49,467,976	3,003,535	1,283,679	43,422,799	8,739,178	56,449,191
Exchange adjustments	(22,644)	(2)	(31,912)	-	(54,558)	(25,780)	-	(7,335)	-	(33,115)
Charge for the period / year	534,402	358,203	1,911,922	266,380	3,070,907	946,395	508,537	3,570,936	-	5,025,868
Reversal for the period / year	(251,383)	(238,292)	(1,048,241)	-	(1,537,916)	(1,971,733)	(1,124,421)	(4,307,532)	(2,246,563)	(9,650,249)
	283,019	119,911	863,681	266,380	1,532,991	(1,025,338)	(615,884)	(736,596)	(2,246,563)	(4,624,381)
Amounts written off	-	-	(128,375)	-	(128,375)	-	-	(130,872)	-	(130,872)
Amounts charged off	-	-	-	-	-	-	-	(2,192,847)	-	(2,192,847)
Closing balance	2,212,792	787,704	41,058,543	6,758,995	50,818,034	1,952,417	667,795	40,355,149	6,492,615	49,467,976

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

	Unaudited March 31, 2026					Audited December 31, 2025				
	Expected Credit Loss			General	Total	Expected Credit Loss			General	Total
	Stage 1	Stage 2	Stage 3			Stage 1	Stage 2	Stage 3		
	Rupees in '000									
Opening balance	1,952,417	667,795	40,355,149	6,492,615	49,467,976	3,003,535	1,283,679	43,422,799	8,739,178	56,449,191
Exchange adjustments	(22,644)	(2)	(31,912)	-	(54,558)	(25,780)	-	(7,335)	-	(33,115)
New Advances	142,844	128,955	1,700	943,758	1,217,257	617,893	291,557	65,388	1,015,246	1,990,084
Advances derecognized or repaid	(42,619)	(4,418)	(73,074)	(157,415)	(277,526)	(625,818)	(83,772)	(2,046,144)	(852,610)	(3,608,344)
Transfer to stage 1	57,430	(57,430)	-	(316,495)	(316,495)	51,963	(51,878)	(85)	(733,497)	(733,497)
Transfer to stage 2	(126,040)	126,387	(347)	281,296	281,296	(184,424)	187,936	(3,512)	397,501	397,501
Transfer to stage 3	(102,948)	(701,155)	804,103	720,749	720,749	(1,253,320)	(988,771)	2,242,091	1,757,248	1,757,248
	(71,333)	(507,661)	732,382	1,471,893	1,625,281	(1,393,706)	(644,928)	257,738	1,583,888	(197,008)
Amounts written off	-	-	(128,375)	-	(128,375)	-	-	(130,872)	-	(130,872)
Amounts charged off	-	-	-	-	-	-	-	(2,192,847)	-	(2,192,847)
Changes in risk parameters	354,352	627,572	131,299	(1,205,513)	(92,290)	368,368	29,044	(994,334)	(3,830,451)	(4,427,373)
Closing balance	2,212,792	787,704	41,058,543	6,758,995	50,818,034	1,952,417	667,795	40,355,149	6,492,615	49,467,976

11.3.2 Category of Classification

		Unaudited March 31, 2026		Audited December 31, 2025	
		Outstanding amount	Credit loss allowance Held	Outstanding amount	Credit loss allowance Held
Rupees in '000					
Domestic					
Performing	Stage 1	807,622,318	1,951,566	719,117,760	1,732,250
Under performing	Stage 2	27,742,483	684,198	42,494,841	642,342
Non-performing	Stage 3				
Other Assets Especially Mentioned					
Substandard		1,469,002	726,011	1,418,889	709,130
Doubtful		1,832,203	948,574	756,194	485,237
Loss		586,296	499,408	1,043,463	652,654
General Provision		33,340,166	32,569,706	33,623,708	32,814,365
		37,227,667	34,743,699	36,842,254	34,661,386
		-	6,480,697	-	6,012,096
		872,592,468	43,860,160	798,454,855	43,048,074
Overseas					
Performing	Stage 1	48,814,498	261,226	53,542,982	220,167
Under performing	Stage 2	2,926,151	103,506	3,814,186	25,453
Non-performing	Stage 3				
Substandard		363,171	177,242	1,737,157	872,280
Doubtful		119,214	59,607	226,390	113,849
Loss		14,744,294	6,077,995	13,404,039	4,707,634
General Provision		15,226,679	6,314,844	15,367,586	5,693,763
		-	278,298	-	480,519
		66,967,328	6,957,874	72,724,754	6,419,902
Total		939,559,796	50,818,034	871,179,609	49,467,976

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 (and building only) held as collateral against Non Performing Loans (NPLs) for five years from the date of classification. The Bank (Holding 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.135.840 million (December 31, 2025: Rs. 165.977 million) in determining the provisioning against non-performing Islamic financing and related assets as at March 31, 2026. The additional benefit arising from availing the FSV benefit - net of tax amounts to Rs. 65.203 million as at March 31, 2026 (December 31, 2025: Rs. 78.01 million) is not available for payment of cash or stock dividends to shareholders.

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12. PROPERTY AND EQUIPMENT

Capital work-in-progress
Property and equipment

12.1 Capital work-in-progress

Civil works
Equipment
Advance payment - Suppliers and Property Acquisition
Others

Note	Unaudited March 31, 2026	Audited December 31, 2025
	Rupees in '000	
12.1	4,343,266	6,554,403
	100,082,480	97,129,367
	104,425,746	103,683,770
	2,680,108	2,419,950
	283,754	181,083
	1,369,342	3,943,291
	10,062	10,079
	4,343,266	6,554,403

Unaudited Three Months Period ended March 31, 2026
Unaudited Three Months Period ended March 31, 2025

Rupees in '000

12.2 Additions to property and equipment

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
Freehold land
Electrical office and computer equipment
Furniture and fixture
Leasehold Improvements
Vehicles

	-	456,126
	258,202	136,456
	-	710
	3,198,672	800,598
	295,001	559,865
	100,272	68,516
	352,264	308,529
	134,070	473,406
	4,338,481	2,348,080
	4,338,481	2,804,206

12.3 Disposal of property and equipment

The net book value of property and equipment disposed off during the period is as follows:

Vehicles
Furniture and fixture
Electrical office and computer equipment

	5,228	18,107
	501	538
	2,536	1,296
	8,265	19,941

Unaudited March 31, 2026
Audited December 31, 2025

Rupees in '000

13. RIGHT-OF-USE ASSETS

Right-of-use assets

13.1	10,096,575	10,442,271
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	Unaudited March 31, 2026			Audited December 31, 2025		
	Buildings	Others	Total	Buildings	Others	Total
	Rupees in '000					
13.1 At January 01,						
Cost	21,083,286	-	21,083,286	17,814,517	-	17,814,517
Accumulated depreciation	(10,641,015)	-	(10,641,015)	(9,361,703)	-	(9,361,703)
Net carrying amount at January 01,	10,442,271	-	10,442,271	8,452,814	-	8,452,814
Additions / adjustments during the period / year	354,598	-	354,598	4,787,070	-	4,787,070
Deletions during the period / year	(21,140)	-	(21,140)	(94,181)	-	(94,181)
Exchange adjustments	(2,815)	-	(2,815)	3,334	-	3,334
Depreciation charge for the period / year	(676,339)	-	(676,339)	(2,706,766)	-	(2,706,766)
Closing net carrying amount	10,096,575	-	10,096,575	10,442,271	-	10,442,271



Note	Unaudited March 31, 2026	Audited December 31, 2025
-----Rupees in '000-----		
14. INTANGIBLE ASSETS		
Computer software	1,490,645	1,610,471
Goodwill	82,127	82,127
Management rights	192,000	192,000
Capital work-in-progress	1,587,655	1,568,611
	<u>3,352,427</u>	<u>3,453,209</u>
	Unaudited Three Months Period ended March 31, 2026	Unaudited Three Months Period ended March 31, 2025
	-----Rupees in '000-----	
14.1 Additions to intangible assets		
The following additions have been made to intangible assets during the period:		
Computer software	60,292	265,516
Capital work-in-progress - net of transferred out for capitalization	19,044	98,390
	<u>79,336</u>	<u>363,906</u>
	Unaudited March 31, 2026	Audited December 31, 2025
	-----Rupees in '000-----	
15. OTHER ASSETS		
Income / mark-up accrued in local currency	63,338,944	70,653,555
Income / mark-up accrued in foreign currencies	1,095,120	1,007,491
Advances, deposits, advance rent and other prepayments	20,770,048	18,014,012
Advance taxation (payments less provisions)	518,124	-
Non-banking assets acquired in satisfaction of claims	1,162,482	1,165,624
Mark to market gain on forward foreign exchange contracts	1,182,955	1,036,546
Unrealized gain on derivative financial instruments	4,072	15,921
Acceptances	40,284,738	41,769,268
Receivable from the pension fund	17,773,795	17,312,255
Clearing and settlement accounts	48,442,824	27,367,114
Deferred cost on staff loans	8,111,464	7,796,934
Claims receivable against fraud and forgeries	790,344	802,160
Others	3,976,554	4,571,109
	<u>207,451,464</u>	<u>191,511,989</u>
Less: Credit loss allowance held against other assets	3,390,535	3,620,918
Other Assets net of credit loss allowance	<u>204,060,929</u>	<u>187,891,071</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	421,655	421,655
Other Assets - total	<u>204,482,584</u>	<u>188,312,726</u>
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	790,344	802,160
Mark-up accrued	62,602	73,278
Others	2,497,498	2,705,389
	<u>3,390,535</u>	<u>3,620,918</u>



	Unaudited March 31, 2026	Audited December 31, 2025
-----Rupees in '000-----		
15.1.1 Movement in credit loss allowance held against other assets		
Opening balance	3,620,918	3,685,865
Charge for the period / year	2,460	262,660
Reversal for the period / year	(227,971)	(335,139)
	(225,511)	(72,479)
Amounts written off	-	(250)
Exchange and other adjustments	(4,872)	7,782
Closing balance	<u>3,390,535</u>	<u>3,620,918</u>
16. CONTINGENT ASSETS		
There were no contingent assets of the Group as at March 31, 2026 (2025: Nil).		
17. BILLS PAYABLE		
In Pakistan	16,444,622	30,108,764
Outside Pakistan	1,296,754	1,023,806
	<u>17,741,376</u>	<u>31,132,570</u>
18. BORROWINGS		
Secured		
Borrowings from State Bank of Pakistan		
Under export refinance scheme	23,685,487	28,582,782
Under long term financing facility	12,353,190	13,237,900
Under renewable energy performance platform	1,775,911	1,905,809
Under temporary economic refinance facility	23,840,876	24,410,395
Under financing facility for storage of agricultural produce	142,567	142,946
Investment under Shariah Compliant Open Market Operations	14,973,992	-
Under refinance and credit guarantee scheme for Women Entrepreneurs	2,773	3,012
	<u>76,774,796</u>	<u>68,282,844</u>
Repurchase agreement borrowings	413,813,838	391,729,648
Total secured	<u>490,588,634</u>	<u>460,012,492</u>
Unsecured		
Call borrowings	-	407,115
Borrowings from other financial institution	4,566,783	4,731,826
Overdrawn nostro accounts	934,315	2,987,493
Musharaka Arrangements	5,214,241	7,867,894
Others	162,286	162,286
Total unsecured	<u>10,877,625</u>	<u>16,156,614</u>
	<u>501,466,259</u>	<u>476,169,106</u>

	Unaudited March 31, 2026			Audited December 31, 2025		
	In Local currency	In Foreign currencies	Total	In Local currency	In Foreign currencies	Total
Customers						
Current deposits	1,050,667,844	234,849,447	1,285,517,291	959,454,612	266,725,949	1,226,180,561
Savings deposits	1,000,060,279	34,800,220	1,034,860,499	1,027,956,884	30,323,987	1,058,280,871
Term deposits	60,538,969	23,763,584	84,302,553	58,769,399	25,449,316	84,218,715
Others	81,811,421	4,749,578	86,560,999	57,906,076	4,596,566	62,502,642
	2,193,078,513	298,162,829	2,491,241,342	2,104,086,971	327,095,918	2,431,182,889
Financial Institutions						
Current deposits	20,355,275	3,944,828	24,300,103	17,970,604	4,333,534	22,304,138
Savings deposits	61,576,028	1,073,126	62,649,154	65,543,080	355,565	65,898,645
Term deposits	545,968	9,836,330	10,382,298	533,968	9,499,168	10,033,136
Others	-	84,195	84,195	-	84,413	84,413
	82,477,271	14,938,479	97,415,750	84,047,652	14,272,680	98,320,332
	2,275,555,784	313,101,308	2,588,657,092	2,188,134,623	341,368,598	2,529,503,221

20. LEASE LIABILITIES

Lease Liabilities

	Unaudited March 31, 2026		Audited December 31, 2025	
	Buildings	Others	Buildings	Others
20.1 At January 01,	15,505,119	-	15,505,119	-
Additions / adjustments during the period / year	354,598	-	12,663,814	-
Lease payments including interest	(1,178,480)	-	4,787,070	-
Finance charges	550,860	-	(4,157,320)	-
Deletions during the period / year	(38,837)	-	2,368,490	-
Exchange adjustments	(4,519)	-	(176,283)	-
Closing Balance	15,188,741	-	15,505,119	-
20.2 Liabilities Outstanding				
Not later than one year	2,362,111	-	2,332,971	-
Later than one year and upto five years	7,051,658	-	7,188,023	-
Over five years	5,774,972	-	5,984,125	-
Total at the period / year end	15,188,741	-	15,505,119	-

For the purpose of discounting PKRV rates are being used.

22. OTHER LIABILITIES

Mark-up / return / interest payable in local currency	16,547,603	3,410,620
Mark-up / return / interest payable in foreign currencies	603,780	554,382
Unearned commission and income on bills discounted	3,769,273	3,471,757
Accrued expenses	9,213,776	11,244,513
Current taxation (provisions less payments)	-	2,670,318
Workers Welfare Fund	19,836,616	19,280,457
Acceptances	40,284,738	41,769,268
Unclaimed / dividends payable	3,208,281	3,115,115
Mark to market loss on forward foreign exchange contracts	1,385,063	1,172,792
Unrealised loss on derivative financial instruments	4,072	15,921
Branch adjustment account	657,207	17,961
Provision for employees' compensated absences	1,565,732	1,517,876
Provision for post retirement medical benefits	2,299,702	2,246,751
Provision for employees' contributory benevolent scheme	137,857	137,984
Insurance payable against consumer assets	44,502	36,172
Unclaimed balances	469,068	471,496
Duties and taxes payable	2,621,531	5,808,518
Charity fund balance	42,809	31,844
Credit loss allowance against off-balance sheet obligations	1,520,039	1,682,454
Security deposits against lease	6,371,053	6,008,377
Clearing and settlement accounts	34,654,628	24,602,583
Others	9,503,740	10,644,888
	154,741,070	139,912,047

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.

21. DEFERRED TAX LIABILITIES - NET

Taxable Temporary Differences on

- Surplus on revaluation of property and equipment	5,423,917	5,467,046
- Surplus on revaluation of non-banking assets	219,261	219,261
- Accelerated tax depreciation	4,477,390	4,706,194
- Receivable from pension fund	9,242,373	9,002,373
- Surplus on revaluation of investments	7,677,192	33,189,322
- Business combination	705,218	705,218
- Investments in associated undertaking	4,907,751	5,047,052

Deductible Temporary Differences on

- Leases (net)	(3,032,256)	(2,993,758)
- Workers Welfare Fund	(323,094)	(315,720)
- Credit loss allowance against financial assets	(5,656,717)	(5,686,006)

Note	Unaudited March 31, 2026	Audited December 31, 2025
	32,653,102	58,336,466
	(3,032,256)	(2,993,758)
	(323,094)	(315,720)
	(5,656,717)	(5,686,006)
	23,641,035	49,340,982

Unaudited
March 31, 2026

Audited
December 31,
2025

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

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

Note	Unaudited March 31, 2026	Audited December 31, 2025
-----Rupees in '000-----		
Opening balance	1,682,454	1,543,367
Exchange adjustment	(8,958)	(7,396)
Charge for the period / year	275,043	539,073
Reversal for the period / year	(428,500)	(392,590)
	(153,457)	146,483
Closing balance	1,520,039	1,682,454
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	9,023,642	9,407,866
Statutory reserve	23.2 62,130,381	60,791,811
General reserve	18,600,000	18,600,000
	114,635,364	113,681,018

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.

24. SURPLUS ON REVALUATION OF ASSETS

Note	Unaudited March 31, 2026	Audited December 31, 2025
-----Rupees in '000-----		
Surplus / (deficit) on revaluation of		
- Securities measured at FVOCI - Debt securities	10.1 2,181,115	38,250,219
- Securities measured at FVOCI - Equity securities	10.1 12,582,717	25,575,402
- Property and equipment	47,998,579	48,081,519
- Non-banking assets acquired in satisfaction of claims	421,655	421,655
- Associated undertaking	2,890,760	3,295,737
	66,074,826	115,624,532
Deferred tax on (surplus) / deficit on revaluation of:		
- Securities measured at FVOCI - Debt securities	21 (1,134,179)	(19,890,114)
- Securities measured at FVOCI - Equity securities	21 (6,543,013)	(13,299,208)
- Property and equipment	21 (5,423,917)	(5,467,046)
- Non-banking assets acquired in satisfaction of claims	(219,261)	(219,261)
- Associated undertaking	(1,726,346)	(1,938,688)
	(15,046,716)	(40,814,317)
	51,028,110	74,810,215

25. CONTINGENCIES AND COMMITMENTS

Note	Unaudited March 31, 2026	Audited December 31, 2025
-----Rupees in '000-----		
-Guarantees	25.1 292,907,895	287,348,991
-Commitments	25.2 708,985,830	626,887,873
-Other contingent liabilities	25.3 34,087,938	35,870,144
	1,035,981,663	950,107,008
25.1 Guarantees:		
Financial guarantees	171,080,468	167,979,896
Performance guarantees	92,017,503	91,081,060
Other guarantees	29,809,924	28,288,035
	292,907,895	287,348,991
25.2 Commitments:		
Documentary credits and short-term trade-related transactions		
- letters of credit	323,772,313	297,666,130
Commitments in respect of:		
- forward foreign exchange contracts	25.2.1 374,461,720	314,027,563
- forward government securities transactions	25.2.2 3,223,880	4,000,000
- derivatives (notional)	25.2.3 3,907,036	6,984,430
- commitments to extend credit	1,170,238	1,825,478
Commitments for acquisition of:		
- property and equipment	1,769,309	1,700,208
- intangible assets	681,334	684,064
	708,985,830	626,887,873
25.2.1 Commitments in respect of forward foreign exchange contracts		
Purchase	205,656,230	156,792,284
Sale	168,805,490	157,235,279
	374,461,720	314,027,563
25.2.2 Commitments in respect of forward government securities transactions		
Purchase	3,223,880	4,000,000
Sale	-	-
	3,223,880	4,000,000
25.2.3 Commitments in respect of derivatives		
FX options (notional)		
Purchase	1,953,518	3,492,215
Sale	1,953,518	3,492,215
	3,907,036	6,984,430

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.

Note	Unaudited March 31, 2026	Audited December 31, 2025
	-----Rupees in '000-----	

25.3 Other contingent liabilities

Claims against the Group not acknowledged as debts	25.3.1	34,087,938	35,870,144
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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 1988-89 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. 2,632.384 million (2025: 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 amortisation for few years has been assessed in Holding company 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.

26. DERIVATIVE INSTRUMENTS

	Unaudited March 31, 2026					
	Cross Currency Swaps		Interest 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
	-----Rupees in '000-----					
Total						
Hedging	-	-	-	-	1,953,518	4,072
Market Making	-	-	-	-	1,953,518	(4,072)
	-----Rupees in '000-----					
	Audited December 31, 2025					
	-----Rupees in '000-----					
Total						
Hedging	-	-	-	-	3,492,215	15,921
Market Making	-	-	-	-	3,492,215	(15,921)

Note	Unaudited Three Months Period ended March 31, 2026	Unaudited Three Months Period ended March 31, 2025
	-----Rupees in '000-----	

27. MARK-UP / RETURN / INTEREST EARNED

Loans and advances	22,374,846	27,026,131
Investments	56,000,167	49,653,367
Lendings to financial institutions	1,291,216	970,357
Balances with banks	349,514	337,436
	<u>80,015,743</u>	<u>77,987,291</u>

27.1 Interest income recognised on:

Financial assets measured at amortised cost	24,971,568	29,566,488
Financial assets measured at FVOCI	54,467,355	47,116,493
Financial assets measured at FVTPL	576,820	1,304,310
	<u>80,015,743</u>	<u>77,987,291</u>

28. MARK-UP / RETURN / INTEREST EXPENSED

Deposits	24,886,693	28,424,651
Borrowings	12,660,066	10,034,862
Cost of foreign currency swaps against foreign currency deposits / borrowings	262,194	35,274
Finance charges on lease liability against right-of-use assets	550,860	420,243
	<u>38,359,813</u>	<u>38,915,030</u>

Unaudited Three Months Period ended March 31, 2026	Unaudited Three Months Period ended March 31, 2025
-----Rupees in '000-----	

29. FEE & COMMISSION INCOME

Branch banking customer fees	1,211,487	1,146,744
Consumer finance related fees	249,929	189,281
Card related fees (debit and credit cards)	2,674,934	2,282,637
Credit related fees	157,346	265,160
Investment banking fee	36,809	24,687
Commission on trade	760,028	801,685
Commission on guarantees	282,779	254,822
Commission on cash management	309,329	291,025
Commission on remittances including home remittances	19,104	(321,449)
Commission on bancassurance	317,650	216,250
Rent on lockers	77,358	77,727
Commission on utility bills	26,087	23,963
Commission on investments services	854,159	1,210,440
Others	236,704	150,970
	<u>7,213,703</u>	<u>6,613,942</u>

30. GAIN / (LOSS) ON SECURITIES

Realised	30.1	450,595	(349,879)
Unrealised - Measured at FVTPL	10.1	(455,712)	210,224
		<u>(5,117)</u>	<u>(139,655)</u>

30.1 Realised (loss) / gain on:

Federal Government Securities	150,502	(231,947)
Non Government Debt Securities	18,613	31,053
Shares	281,480	(148,985)
	<u>450,595</u>	<u>(349,879)</u>

30.2 Realised (loss) / gain on:

Financial assets measured at FVTPL		
Designated upon initial recognition	(104,465)	(392,046)
Mandatorily measured at FVTPL	-	-
	<u>(104,465)</u>	<u>(392,046)</u>
Financial assets measured at FVOCI	555,060	42,167

555,060	42,167
<u>450,595</u>	<u>(349,879)</u>

MCB Bank Limited & Subsidiary Companies
Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited)
For The Three Months Period Ended March 31, 2026



31. OTHER INCOME

Rent on property
Gain on termination of lease liability against right of use assets
Gain on sale of property and equipment - net
Gain on conversion of Ijarah agreements

Unaudited Three Months Period ended March 31, 2026	Unaudited Three Months Period ended March 31, 2025
-----Rupees in '000-----	
2,462	29,520
17,697	20,491
40,557	94,616
1,215	2,258
61,931	146,885
-----Rupees in '000-----	
Unaudited Three Months Period ended March 31, 2026	Unaudited Three Months Period ended March 31, 2025

32. OPERATING EXPENSES

Total compensation expense
Property expense

Rent and taxes
Insurance
Utilities cost
Fuel expense generators
Security (including guards)
Repair and maintenance (including janitorial charges)
Depreciation on right-of-use assets
Depreciation

Information technology expenses

Software maintenance
Hardware maintenance
Depreciation
Amortization
Network charges
Insurance

Other operating expenses

Directors' fees and allowances
Fees and allowances to Sharia Board members
Legal and professional charges
Outsourced services costs
Travelling and conveyance
NIFT clearing charges
Depreciation
Depreciation on non-banking assets acquired in satisfaction of claims
Training and development
Postage and courier charges
Communication
Stationery and printing
Marketing, advertisement & publicity
Auditors' remuneration
Cash transportation charges
Repair and maintenance
Subscription
Entertainment
Remittance charges
Brokerage expenses
Card related expenses
CNIC verification charges
Insurance
Others

10,917,616	9,097,533
218,415	172,512
20,730	20,184
614,606	690,977
214,150	209,166
719,838	713,006
449,730	405,994
676,339	521,944
497,971	427,946
3,411,779	3,161,729
768,969	631,533
115,789	109,457
459,168	440,848
178,263	178,242
225,451	206,739
4,248	4,617
1,751,888	1,571,436
15,160	14,560
7,026	6,119
221,862	162,984
413,401	359,478
185,810	182,236
90,085	81,414
495,362	389,164
3,142	4,111
64,842	21,653
104,933	97,198
795,604	693,422
342,540	340,797
225,330	1,062,417
24,922	31,667
364,312	372,462
233,177	221,291
27,321	37,309
149,319	160,972
54,163	72,296
40,552	26,596
1,189,612	947,397
96,547	77,043
790,141	701,558
230,717	248,513
6,165,880	6,312,657
22,247,163	20,143,355

MCB Bank Limited & Subsidiary Companies
Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited)
For The Three Months Period Ended March 31, 2026



33. OTHER CHARGES

Penalties of State Bank of Pakistan
VAT & National Building tax & Crop Insurance Levy
Education cess

34. CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET

(Reversal) / credit loss allowance against balance with other banks
Credit loss allowance against cash and balances with treasury banks
Credit loss allowance for diminution in value of investments
Credit loss allowance / (reversal) against loans and advances
(Reversal) / credit loss allowance against lendings to financial institutions
(Reversal) / credit loss allowance against off balance sheet items
(Reversal) / credit loss allowance against other assets
Recovery of written off / charged off bad debts

35. TAXATION

Current
Deferred
Share of tax of associates

36. BASIC AND DILUTED EARNINGS PER SHARE

Profit after tax attributable to Equity Shareholders of the Bank

Weighted average number of ordinary shares

Basic and diluted earnings per share

Note	Unaudited Three Months Period ended March 31, 2026	Unaudited Three Months Period ended March 31, 2025
	-----Rupees in '000-----	
	812	7,232
	37,016	39,978
	30,001	27,200
	67,829	74,410
	(231,403)	63,524
	71,755	28,170
10.2	1,353	6,738
11.3	1,532,991	(2,591,270)
	(977)	1,959
	(153,457)	161,665
15.1.1	(225,511)	52,571
	(102,301)	(55,922)
	892,450	(2,332,565)
	14,511,451	14,481,489
	24,251	2,079,524
	233,125	257,083
	14,768,827	16,818,096
	-----Rupees in '000-----	
	13,112,803	14,651,519
	-----Number-----	
	1,185,060,006	1,185,060,006
	-----Rupees-----	
	11.07	12.36

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 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 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:

Carrying / Notional Value	Unaudited March 31, 2026				Total
	Level 1	Level 2	Level 3		
-----Rupee s in '000-----					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	1,898,597,146	-	1,898,597,146	-	1,898,597,146
Shares and units	62,199,437	54,608,792	209,087	7,381,558	62,199,437
Non-Government Debt Securities	9,307,325	-	9,307,325	-	9,307,325
Foreign Securities	66,925,413	-	66,925,413	-	66,925,413
Financial assets - disclosed but not measured at fair value					
Investments (amortized cost and associates)	49,674,932	-	-	-	-
Non - Financial Assets measured at fair value					
Property and equipment (land and buildings)	78,031,323	-	78,031,323	-	78,031,323
Non-banking assets	1,544,046	-	1,544,046	-	1,544,046
Off-balance sheet financial instruments - measured at fair value					
Forward purchase of foreign exchange	205,656,230	-	1,227,856	-	1,227,856
Forward sale of foreign exchange	168,805,490	-	1,025,748	-	1,025,748
Derivatives purchase	1,953,518	-	4,072	-	4,072
Derivatives sale	1,953,518	-	4,072	-	4,072

Audited December 31, 2025

Carrying / Notional Value	Audited December 31, 2025				Total
	Level 1	Level 2	Level 3		
-----Rupee s in '000-----					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	1,891,758,022	-	1,891,758,022	-	1,891,758,022
Shares and units	80,882,476	73,257,827	243,070	7,381,579	80,882,476
Non-Government Debt Securities	9,300,366	-	9,300,366	-	9,300,366
Foreign Securities	68,394,627	-	68,394,627	-	68,394,627
Financial assets - disclosed but not measured at fair value					
Investments (amortized cost, unquoted ordinary shares and associates)	48,710,670	-	-	-	-
Non - Financial Assets measured at fair value					
Property and equipment (land and buildings)	76,959,384	-	76,959,384	-	76,959,384
Non-banking assets	1,547,188	-	1,547,188	-	1,547,188
Off-balance sheet financial instruments - measured at fair value					
Forward purchase of foreign exchange	157,913,124	-	914,173	-	914,173
Forward sale of foreign exchange	157,235,279	-	777,927	-	777,927
Forward purchase of government securities	4,000,000	-	-	-	-
Derivatives purchase	3,492,215	-	15,921	-	15,921
Derivatives sale	3,492,215	-	15,921	-	15,921

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 projected cash flows, where available. In the absence of reliable projections, a comparable market approach is applied using relevant P/B and P/E multiples of comparable listed companies. For entities with negative equity and sustained losses or negative cash flows, fair value is assessed at the lower of cost or 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).

Unaudited Three Months Period ended March 31, 2025

	Retail Banking	Consumer banking	Corporate Banking	Treasury	International Banking	Islamic Banking	Asset Management	Others	Sub-total	Eliminations	Total
Net mark-up / return / profit	(21,100,827)	1,649,423	16,089,153	36,646,082	1,896,268	3,716,184	5,400	164,578	39,072,261	-	39,072,261
Inter segment revenue - net	44,632,663	(935,307)	(13,736,574)	(32,643,910)	(88,652)	-	-	2,771,780	-	-	-
Non mark-up / return / interest income	3,889,010	814,504	1,749,478	2,046,554	649,897	431,330	1,133,197	283,556	10,997,326	-	10,997,326
Total Income	27,420,846	1,528,620	4,102,087	6,050,726	2,459,313	4,149,514	1,138,597	3,219,914	50,069,587	-	50,069,587
Segment direct expenses	11,084,870	688,959	1,138,881	266,543	834,783	2,686,008	400,075	3,716,815	20,848,834	-	20,848,834
Inter segment expense allocation	-	-	-	-	-	-	-	-	-	-	-
Total expenses	11,084,870	688,959	1,138,881	266,543	834,783	2,686,008	430,075	3,716,815	20,848,834	-	20,848,834
Credit loss allowance and write offs - net	1,144,146	51,180	(119,532)	(192,027)	(84,398)	149,983	-	(3,281,919)	(2,332,565)	-	(2,332,565)
Profit before tax	15,191,830	788,581	3,084,708	5,976,210	1,708,926	1,314,523	708,522	2,785,018	31,553,318	-	31,553,318

Audited December 31, 2025

Cash & Bank balances	68,843,100	118,623	285,083	108,325,440	52,209,346	23,058,587	46,975	163,009	253,050,143	-	253,050,143
Investments	-	-	9,359,179	1,827,094,382	92,557,876	155,824,222	3,936,260	10,274,242	2,099,046,161	-	2,099,046,161
Net inter segment lending	1,760,188,077	-	-	-	-	-	-	389,219,890	2,129,407,967	(2,129,407,967)	-
Lendings to financial institutions	-	-	-	7,999,007	82,301,896	8,741,090	-	-	99,041,793	-	99,041,793
Advances - performing / underperforming	47,606,751	49,912,087	535,924,472	-	50,549,799	125,154,149	16,951	692,733	809,856,942	-	809,856,942
- non performing	127,017	160,553	748,315	-	9,669,918	235,361	-	915,527	11,854,681	-	11,854,681
Others	60,129,463	3,587,468	64,178,428	54,863,139	2,673,183	23,031,123	1,688,911	95,960,261	305,881,976	-	305,881,976
Total Assets	1,936,894,408	53,778,731	610,493,477	1,998,081,968	289,961,818	336,044,512	5,669,097	477,225,662	5,708,149,673	(2,129,407,967)	3,578,741,706
Borrowings	1,786,061	35,830	60,868,235	392,866,382	2,325,349	13,622,899	-	4,674,350	476,169,106	-	476,169,106
Deposits and other accounts	1,910,167,310	-	104,181,107	-	246,220,530	288,934,274	-	-	2,529,503,221	-	2,529,503,221
Net inter segment borrowing	-	45,539,151	403,770,695	1,603,127,602	36,510,089	36,458,100	4,802,330	-	2,129,407,967	(2,129,407,967)	-
Others	24,941,037	8,203,750	41,673,440	2,097,984	4,905,850	17,029,239	1,666,767	135,372,651	235,880,718	-	235,880,718
Total liabilities	1,936,894,408	53,778,731	610,493,477	1,998,081,968	289,961,818	336,044,512	5,669,097	140,047,001	5,370,971,012	(2,129,407,967)	3,241,563,045
Equity	-	-	-	-	-	-	-	337,178,661	337,178,661	-	337,178,661
Total Equity and liabilities	1,936,894,408	53,778,731	610,493,477	1,998,081,968	289,961,818	336,044,512	5,669,097	477,225,662	5,708,149,673	(2,129,407,967)	3,578,741,706
Contingencies and Commitments	101,275,094	-	399,615,175	274,125,646	22,491,394	114,857,021	-	37,742,678	950,107,008	-	950,107,008

38.2 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 segments are included in the Head office. Income taxes are managed at bank level and are not allocated to operating segments.

39 RELATED PARTY TRANSACTIONS

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

The Group 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 respect of staff retirement benefits and other benefit plans are made in 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 consolidated condensed interim financial statements are as follows:

	Un-Audited March 31, 2026			Audited December 31, 2025		
	Directors	Key Management Personnel and Shariah Advisors	Other Related Parties	Directors	Key Management Personnel and Shariah Advisors	Other Related Parties
Investments						
Opening balance	-	-	13,072,286	-	-	1,367,493
Equity method adjustments	-	-	(478,483)	-	-	10,568,425
Investment made during the period / year	-	-	2,302,878	-	-	2,759,349
Investment disposed off during the period / year	-	-	(1,719,643)	-	-	11,418,895
Closing balance	-	-	13,177,038	-	-	(11,674,383)
Credit loss allowance for diminution in value of investments*	-	-	-	-	-	13,072,286
	-	-	-	-	-	1,367,493
Advances						
Opening balance	13,582	295,850	-	20,707	461,038	-
Addition / exchange adjustment during the period / year	3,195	78,647	-	16,935	54,666	-
Repaid / exchange adjustment during the period / year	(5,454)	(21,967)	-	(24,060)	(72,511)	-
Transfer in / (out)	-	(23,193)	-	-	(147,343)	-
Closing balance	11,323	329,337	-	13,562	295,850	-
Credit loss allowance against advances*	(103)	(1,545)	-	(33)	(1,571)	-
	-	-	4,344	-	-	49,816
Property and equipment						
Purchase of property and equipment	-	-	-	-	-	66,834
Other Assets						
Income / markup accrued	880	3,681	-	836	3,957	-
Advances, deposits, advance rent and other prepayments	-	-	1,368,380	-	-	902,030
Receivable from Pension Fund	-	-	-	-	-	17,312,255
Credit loss allowance / provision held against other assets*	880	3,681	1,368,380	836	3,957	902,030
	(1)	(5)	-	(13)	(65)	-
	-	-	(37)	-	-	(234)

	Un-Audited March 31, 2026			Audited December 31, 2025		
	Directors	Key Management Personnel and Shariah Advisors	Other Related Parties	Directors	Key Management Personnel and Shariah Advisors	Other Related Parties
Deposits and other accounts						
Opening balance	303,185	260,881	14,366,059	147,783	284,882	11,681,947
Received during the period / year	1,125,618	1,520,015	25,134,118	7,527,883	5,716,351	265,236,555
Withdrawn during the period / year	(1,008,425)	(608,413)	(23,641,068)	(7,372,481)	(6,038,762)	(259,874,063)
Transfer in / (out) - net	-	(33,767)	(569)	-	298,410	(2,678,380)
Closing balance	420,378	1,138,716	11,028,188	303,185	260,881	14,366,059
Other Liabilities						
Markup / return / interest payable	449	1,234	234,533	3,290	317	99,635
Accrued expenses and other payable	-	194	447,392	-	194	438,584
Unrealized loss on forward foreign exchange contracts - outstanding	-	-	18,204	-	-	-
	449	1,428	681,925	3,290	511	538,219
	-	-	5,279	-	-	329
	-	-	10,716	-	-	11,246
Contingencies and Commitments						
Letter of Credit	-	-	1,123,871	-	-	2,479,787
Bank guarantee	-	-	8,753,498	-	-	4,722,150
	-	-	8,753,498	-	-	7,201,937

------(Rupees in'000)-----

	Un-Audited March 31, 2026			Un-Audited March 31, 2025		
	Directors	Key Management Personnel and Shariah Advisors	Other Related Parties	Directors	Key Management Personnel and Shariah Advisors	Other Related Parties
RELATED PARTY TRANSACTIONS						
Income						
Markup / return / interest earned	119	6,305	76,929	175	6,085	92,558
Fee and commission income	-	28	18,636	-	185	26,559
Dividend Income	-	-	1,998	-	-	87,133
Gain / loss on forward foreign exchange contracts matured during the period	-	-	-	-	-	(7)
Net gain / loss on sale of securities	-	-	92	-	11	30
Gain on sale of Property and equipment	-	205	-	-	30	-
Rent income and reimbursement of other expenses	-	-	2,846	-	-	1,047
Management fee and Advisory income	-	-	1,173,780	-	-	1,304,084
	3,360	3,647	134,899	2,865	2,462	178,479
Expense						
Markup / return / interest expensed	-	-	159,888	-	-	68,174
Other Operating expenses						
Clearing expenses paid to NIFT	-	-	74,972	-	-	238,326
Contribution to provident fund	-	-	293,487	-	-	15,756
Rent expenses	-	-	34,956	-	-	35,172
Cash sorting expenses	-	-	16,985	-	-	143,251
Stationery expenses	-	-	34,540	-	-	1,457
Security guards expenses	-	-	105,909	-	-	-
Remuneration to key executives, shariah advisors and non-executive directors fee	109,208	745,115	1,681	61,767	718,495	-
Outsourcing service expenses	-	-	38,270	-	-	36,412
E-dividend processing fee and CDC charges	-	-	-	-	-	3,795
Travelling Expenses	-	-	3,747	-	-	31,622
Hotel stay expenses	-	-	28,697	-	-	1,112
Repair & Maintenance Charges	-	-	1,502	-	-	1,637
Utilities cost	-	-	1,564	-	-	324
Miscellaneous expenses and payments	-	-	19	-	-	1,495
Selling & Marketing	-	-	1,086	-	-	2,884
Sharia Fee Paid	-	-	1,754	-	-	150
Insurance premium-net of refund	-	-	750	-	-	-
Insurance claim settled	-	-	696,266	-	-	624,041
	-	-	60,128	-	-	65,573
Other Transactions						
Proceeds from sale of Property and equipment	-	488	10	-	30	-
Sale of government securities	-	9,747	6,224,644	-	32,543	770,132
Purchase of government securities	-	-	992,156	-	25,991	20,192
Sale of foreign currency	-	2,122,500	4,094,621	-	-	-
Purchase of foreign currency	-	2,790,000	-	-	-	-
Forward exchange contracts matured during the period	-	-	270,000	-	-	237,000

------(Rupees in'000)-----

*Represents credit loss allowance recognized against performing exposures on adoption of IFRS 9 .

The Chairman has been provided with free use of the Bank's maintained car. The Chief Executive and certain executives are provided with free use of the Bank's maintained cars and household equipment in accordance with the terms of their employment.

40 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Unaudited March 31, 2026 Audited December 31, 2025
-----Rupees in '000-----

40.1 Capital Adequacy

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses)

11,850,600	11,850,600
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Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital

240,452,450	236,783,465
-------------	-------------

Eligible Additional Tier 1 (ADT 1) Capital

-	-
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Total Eligible Tier 1 Capital

240,452,450	236,783,465
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Eligible Tier 2 Capital

63,225,674	86,689,405
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Total Eligible Capital (Tier 1 + Tier 2)

303,678,124	323,472,870
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Risk Weighted Assets (RWAs):

Credit Risk

1,051,797,315	1,011,273,444
---------------	---------------

Market Risk

270,584,763	339,272,581
-------------	-------------

Operational Risk

380,423,662	380,423,662
-------------	-------------

Total

1,702,805,740	1,730,969,687
---------------	---------------

Common Equity Tier 1 Capital Adequacy ratio

14.12%	13.68%
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Tier 1 Capital Adequacy Ratio

14.12%	13.68%
--------	--------

Total Capital Adequacy Ratio

17.83%	18.69%
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The Group has not taken benefit allowed to banks to absorb the impact of IFRS 9 on regulatory capital.

Unaudited March 31, 2026 Audited December 31, 2025
-----Rupees in '000-----

40.2 Leverage Ratio (LR):

Eligible Tier 1 Capital

240,452,450	236,783,465
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Total Exposures

4,443,144,193	4,337,042,211
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Leverage Ratio

5.41%	5.46%
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40.3 Liquidity Requirements

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets

1,768,870,497	1,675,952,526
---------------	---------------

Total Net Cash Outflow

777,430,984	674,887,672
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Liquidity Coverage Ratio

227.53%	248.33%
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Net Stable Funding Ratio (NSFR):

Total Available Stable Funding

2,189,975,601	2,180,700,976
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Total Required Stable Funding

1,390,195,473	1,350,322,708
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Net Stable Funding Ratio

157.53%	161.49%
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41 EVENTS AFTER THE REPORTING DATE

The Board of Directors in its meeting held on April 23, 2026 has announced an interim cash dividend in respect of three months period ended March 31, 2026 of Rs. 9.00 per share (March 31, 2025: Rs. 9.00 per share). These consolidated condensed interim financial statements for the period ended March 31, 2026 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 consolidated condensed interim financial statements for the purposes of better presentation.

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

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 on April 23, 2026.