



**SIX MONTHS RESULTS  
FY 2024/25**

Analyst meeting/Earnings call  
presentation





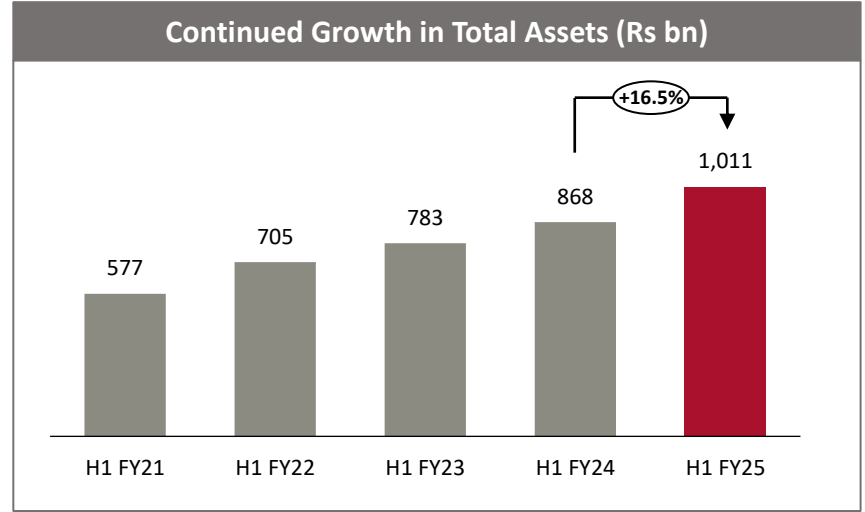
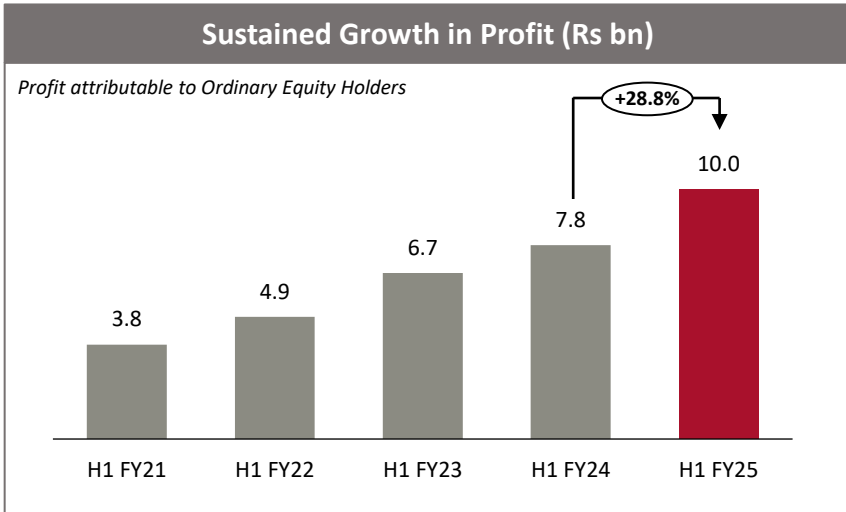
# At a Glance

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

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

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

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



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

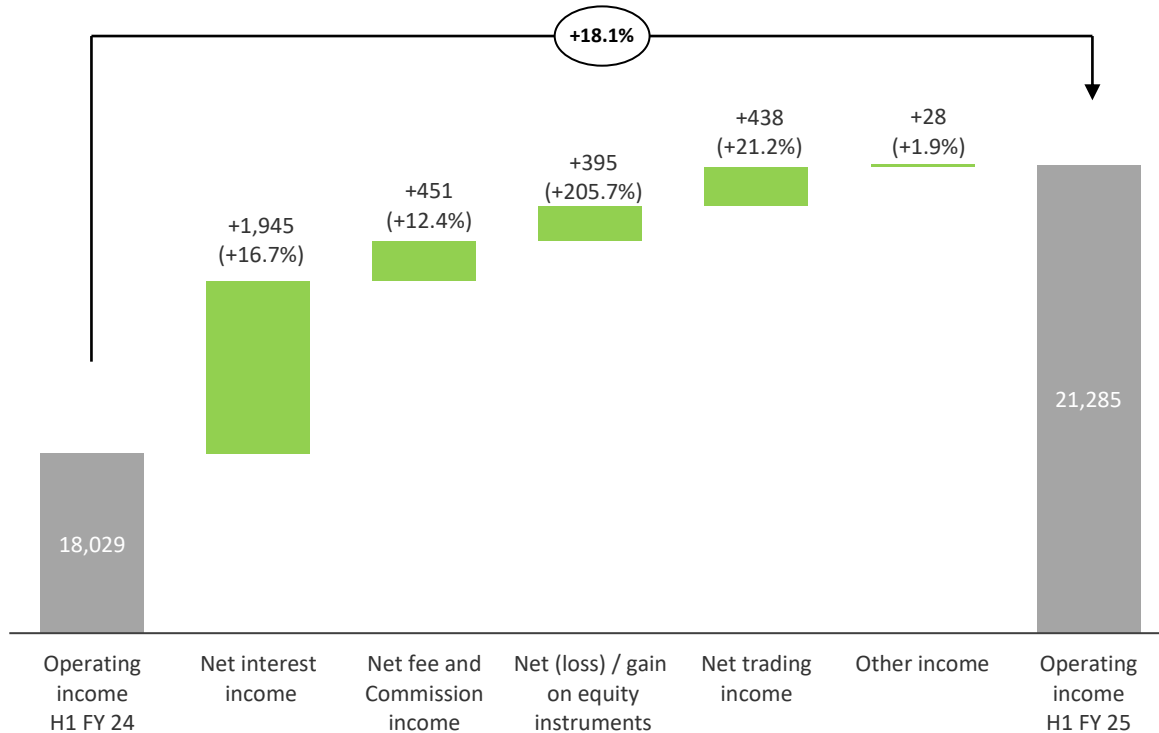
<b>Rs 415 bn</b> <i>(H1 FY24: Rs 359 bn)</i>	 <b>+15.7%</b>
<b>Net Customer Loans</b>	

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

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



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

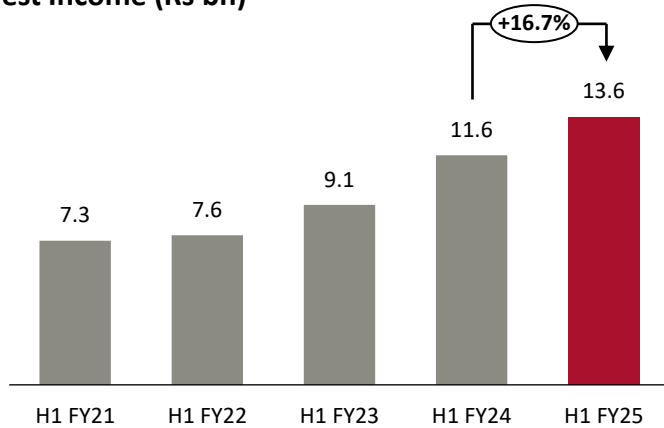


- Net fee and commission income growth driven by payment, lending and trade finance activities.
- Increase in forex profit supported by enhanced volume of financial market activities.
- Of note, the Visa and MasterCard shares held by MCB Ltd were acquired by MCB Group Ltd in November 2024. Going forward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

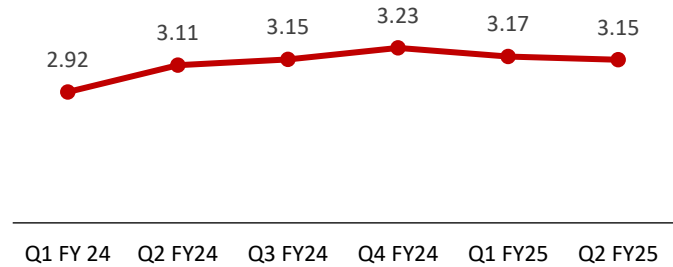


# Net Interest Income (NII) – Y.o.Y growth recorded in both margins and interest-earning assets

## Net Interest Income (Rs bn)

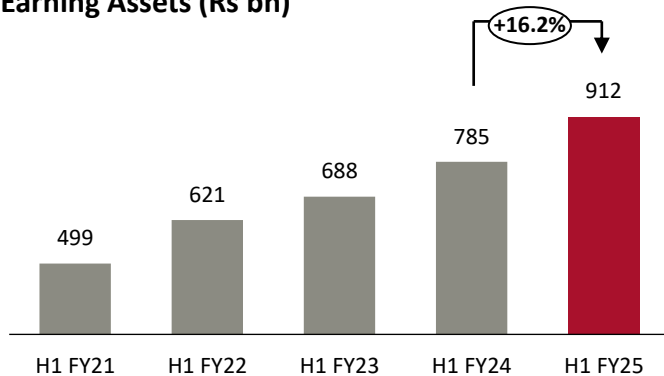


## Net Interest Margin\* (%)

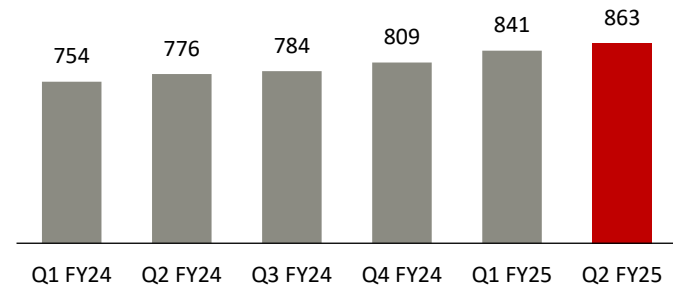


\*Net interest Margin: Net interest income as a % of average interest earning assets

## Interest-Earning Assets (Rs bn)

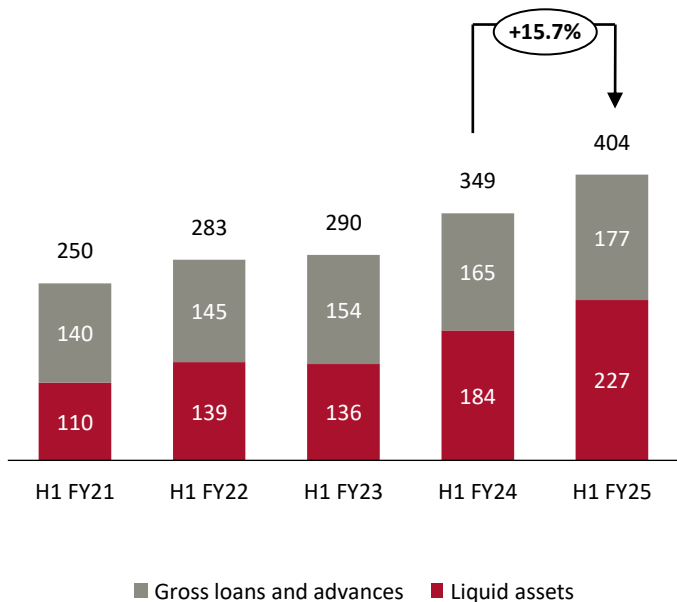


## Average Interest-Earning Assets (Rs bn)

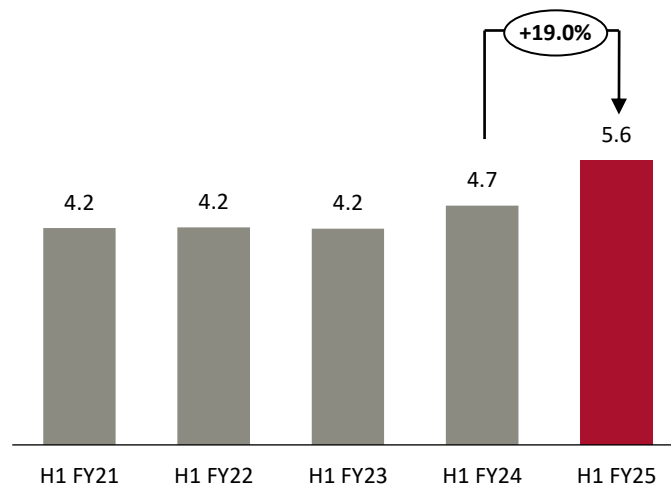




## MUR Interest-Earning assets\* (Rs bn)



## MUR Net Interest Income (Rs bn)

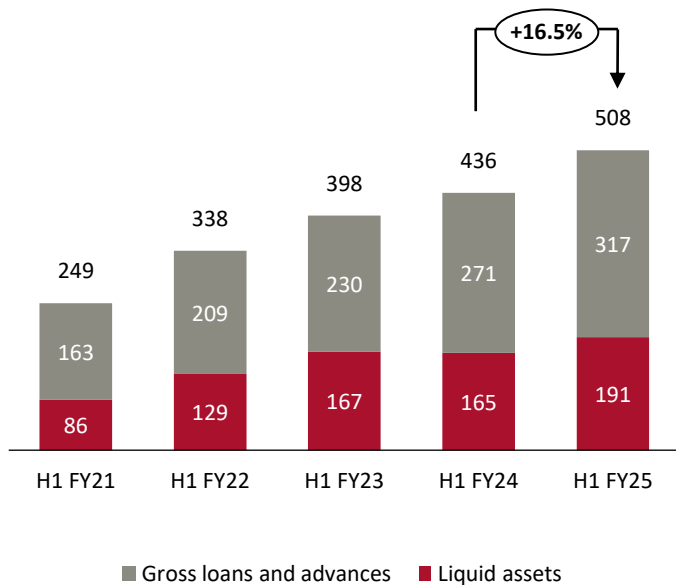


\* Interest earning assets reported as end of period balances; average balances increased by 14.3% y.o.y

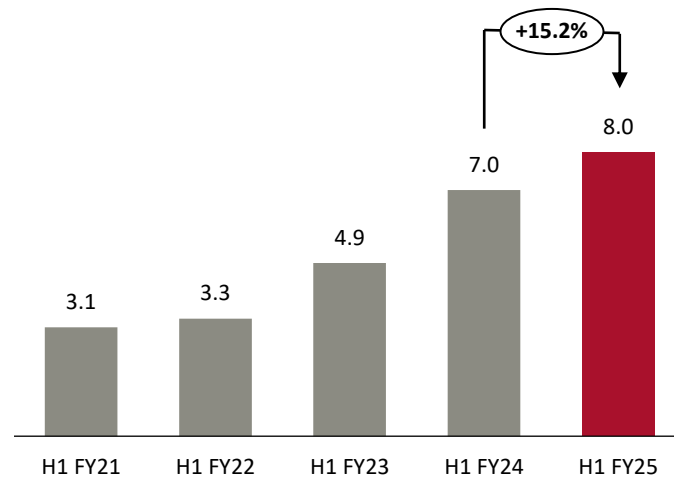


# FCY NII – Sustained growth achieved by an increase in assets and customer margins

### FCY Interest-Earning Assets\* (Rs bn)



### FCY Net Interest Income (Rs bn)



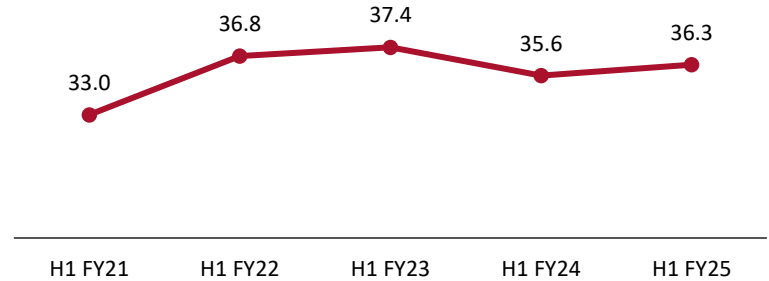
\* Interest earning assets reported as end of period balances; average balances increased by 8.8% y.o.y



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

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

## Non-Interest Income to Operating Income Ratio (%)



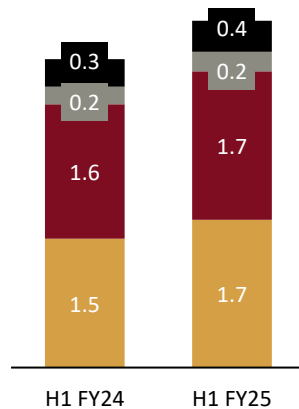
## Net fee and Commission Income (Rs bn)

Others

Wealth management services

Trade finance & credit facilities

Payments services



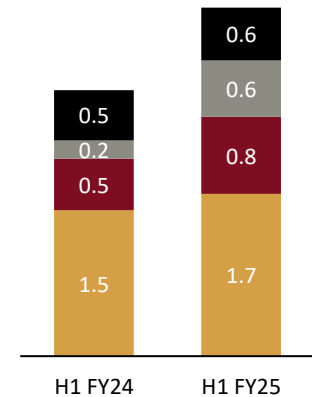
## Other Income (Rs bn)

Others

Gain from Equity Financial Instruments

Trading income - other

Trading income – FX sales

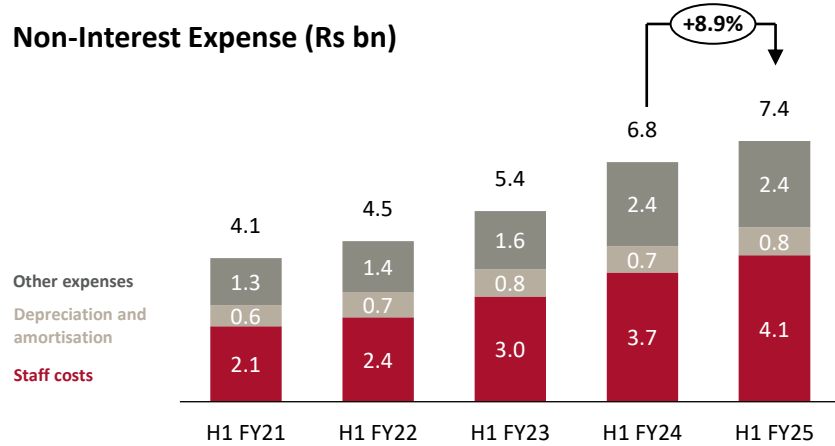


Note: Figures may not add up due to rounding

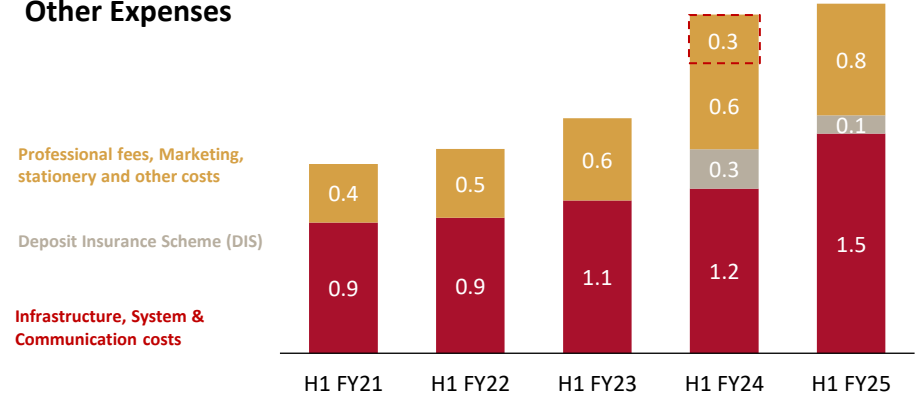


# Non-Interest expense (OPEX) - Increase largely explained by rise in staff costs

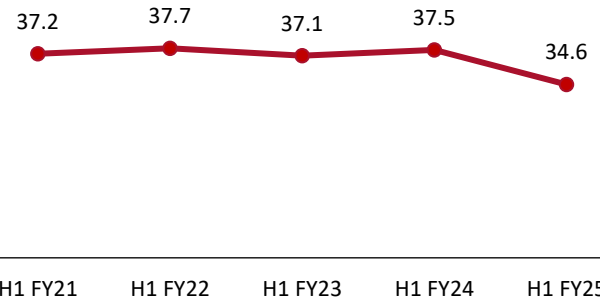
## Non-Interest Expense (Rs bn)



## Other Expenses



## Cost-to-Income Ratio (%)



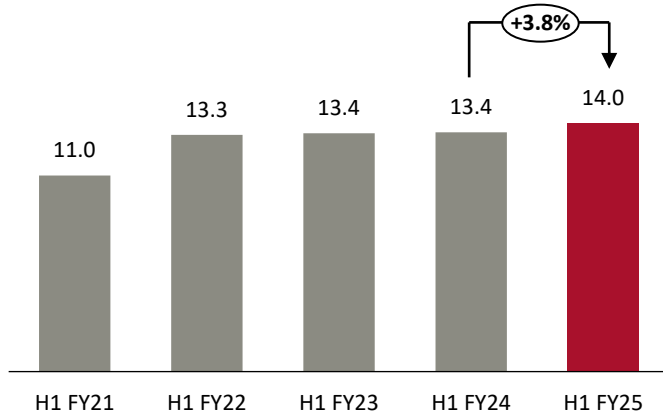
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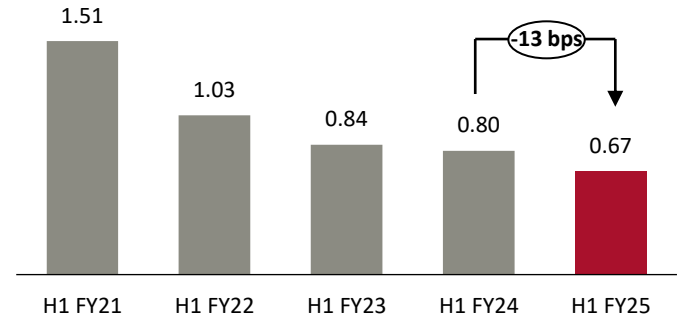


# Asset quality – Decline in Gross NPL and cost of risk with strong provision coverage

## Non-Performing Loans and Advances (Rs bn)

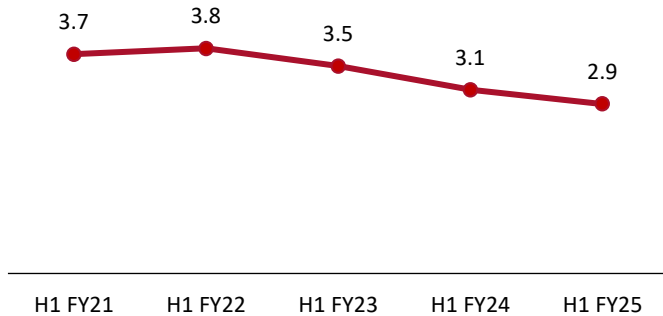


## Cost of Risk (%)

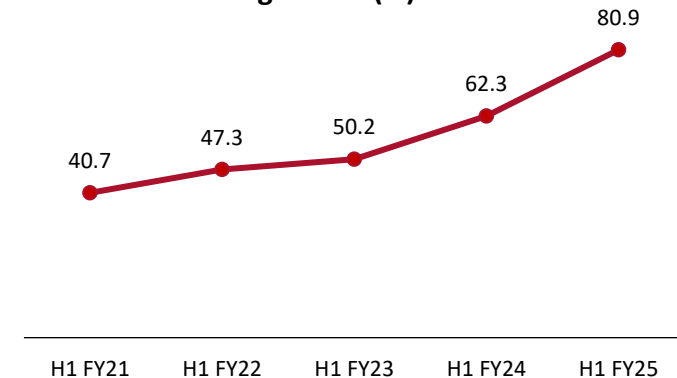


Cost of Risk: Net movement in provisions on loans and corporate notes as a % of gross loans and corporate notes

## Gross NPL Ratio (%)

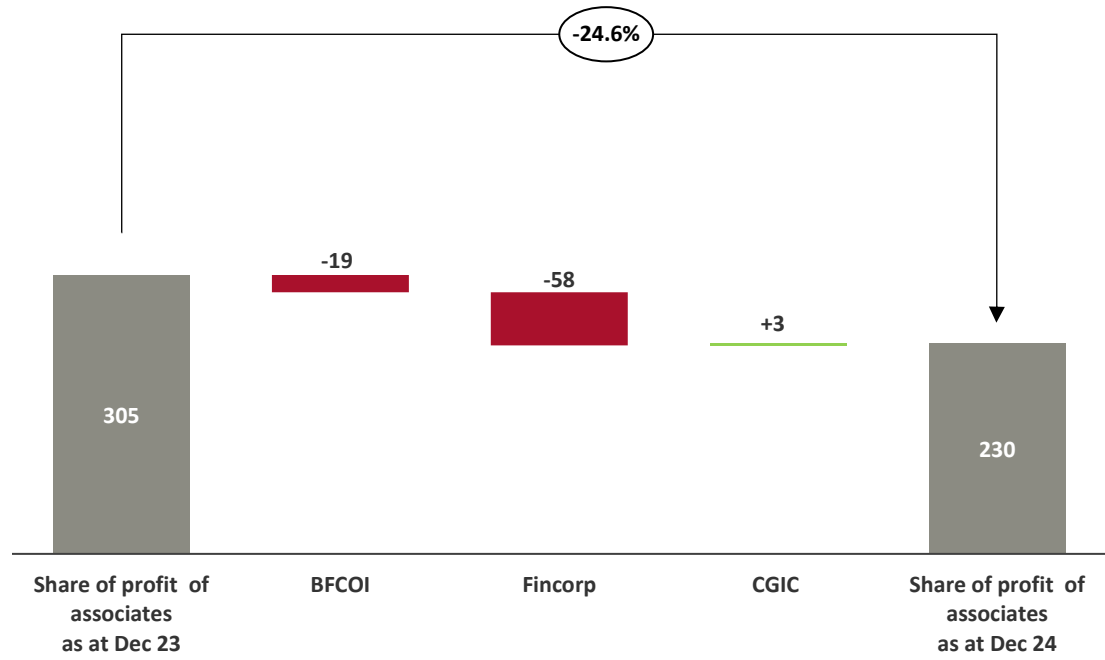


## Specific Provision Coverage Ratio (%)



Specific Provision Coverage Ratio: Stage 3 provision on loans and corporate notes as % of gross loans and corporate notes

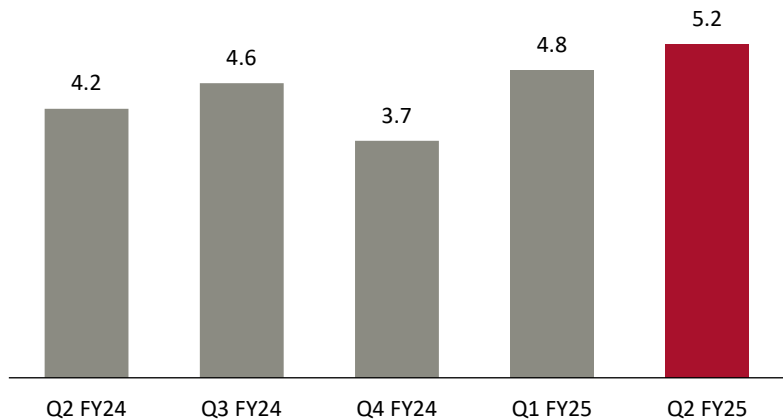
NPL: Non-performing loans and corporate notes as a % of gross loans and corporate notes



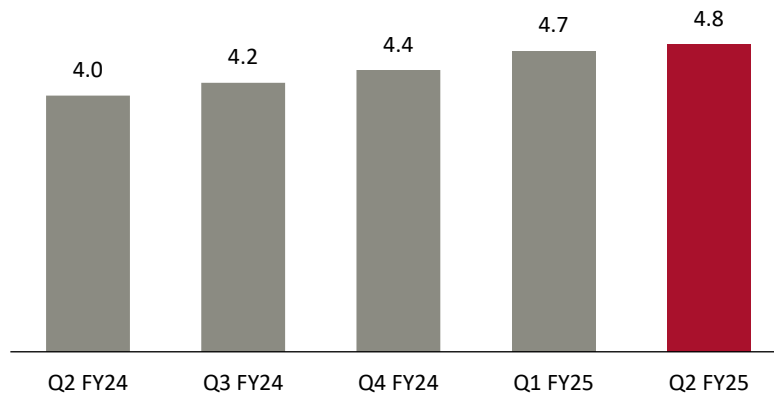
- Lower profit recorded by Fincorp resulting mainly from the drop in profit of Medine Ltd and losses recorded by Caudan Development Limited.

Note: Figures are in Rs million

Quarterly Attributable Profits (Rs bn)



Quarterly Normalised Profits after Tax (Rs bn)

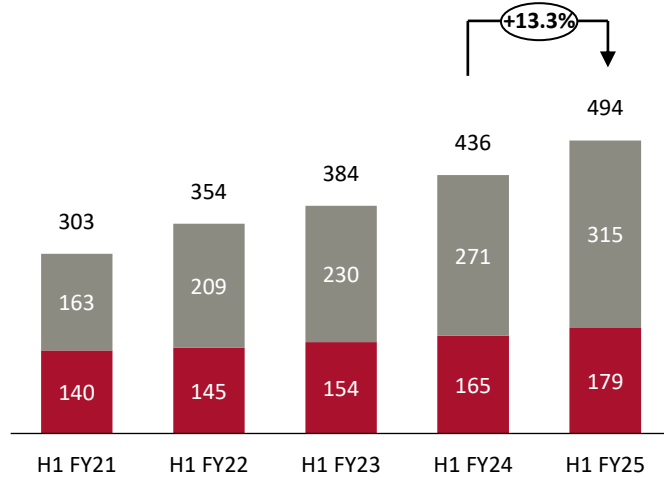




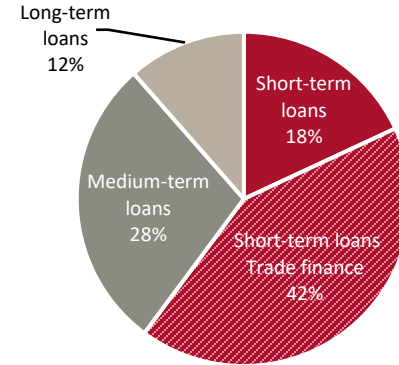
# Loans and advances – Growth in both MUR and FCY loan portfolio

## Gross Loans and Advances (Rs bn)

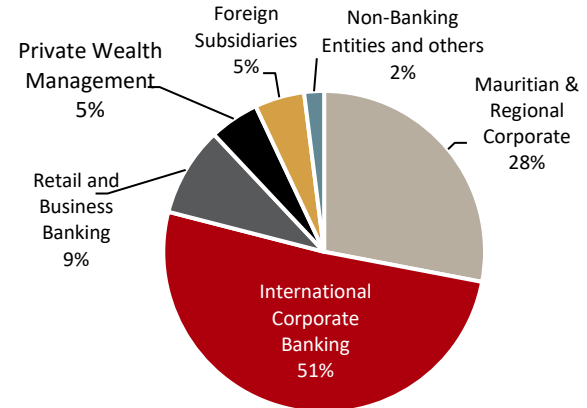
■ MUR  
■ FCY



## FCY Loans by Tenor (%) – H1 FY25



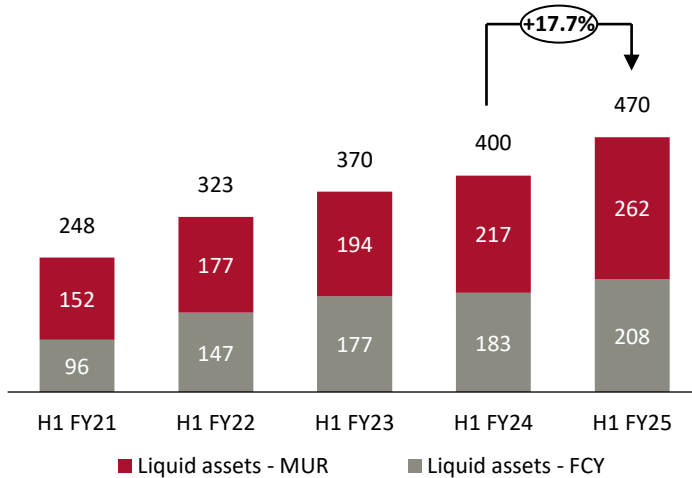
## Gross loans by Line of Business (%) – H1 FY25



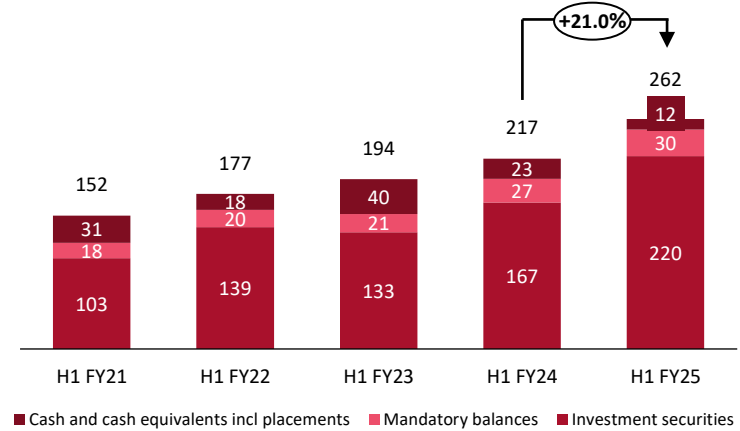


# Liquid assets – Excess liquidity in both MUR and FCY mainly deployed in government bonds

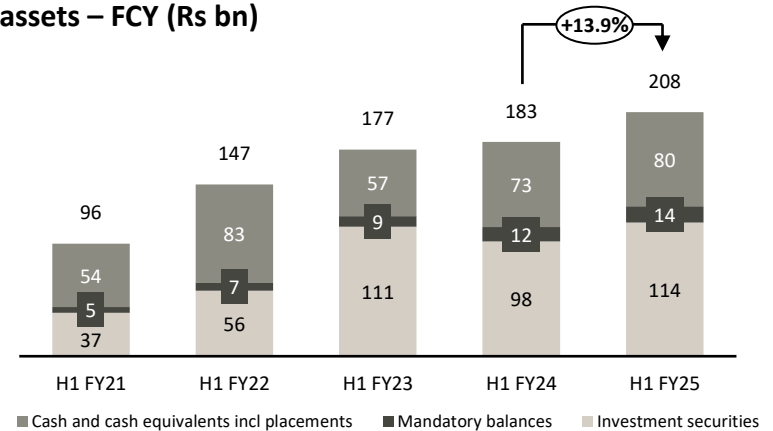
## Total liquid assets (Rs bn)



## Liquid assets – MUR (Rs bn)



## Liquid assets – FCY (Rs bn)

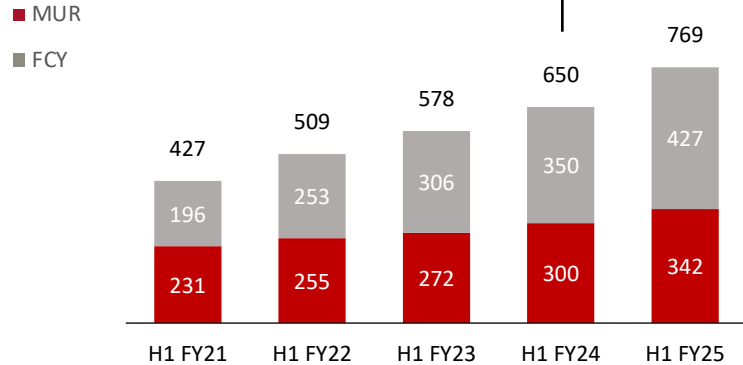


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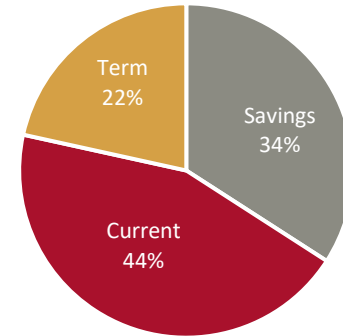


# Funding and liquidity – Continued growth in both MUR and FCY deposits

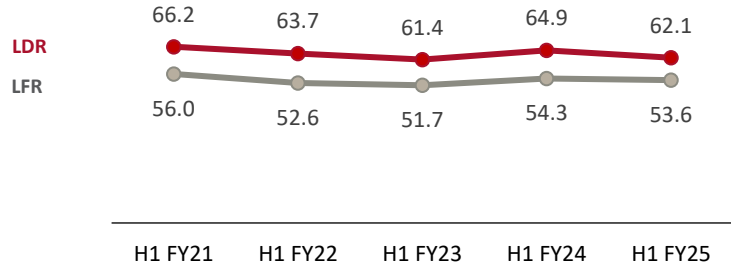
## Deposits (Rs bn)



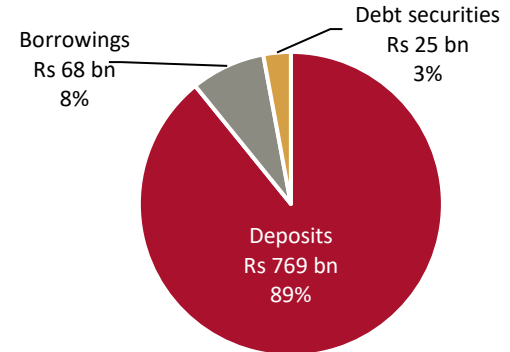
## MCB Ltd deposit mix (%) – H1 FY25



## Liquidity ratios (%)



## Funding base composition (%) – H1 FY25

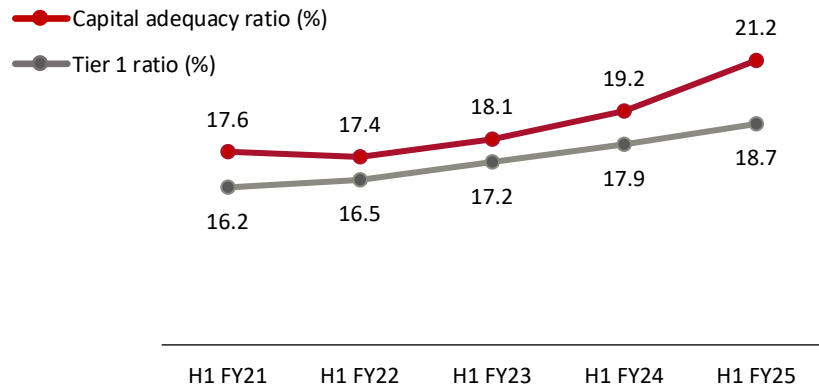


LDR: Net customer loans and advances to customer deposit ratio  
 LFR: Loan-to-funding base (including borrowings) ratio

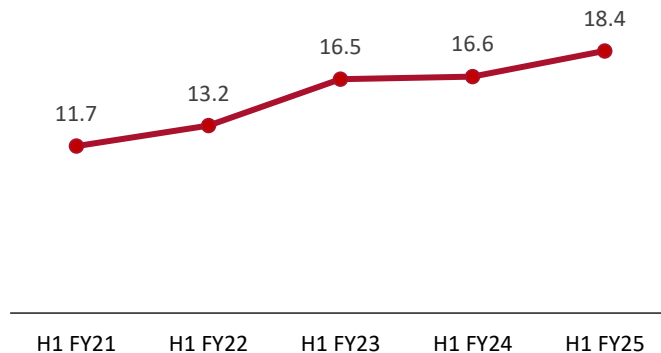


# Capital adequacy and return – Improved capital adequacy ratios and higher ROE

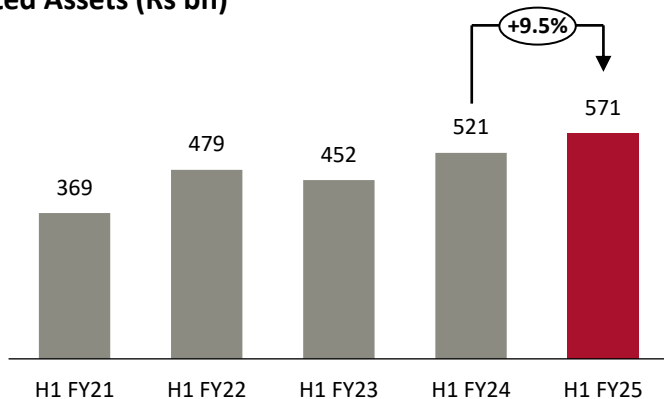
## Capital Adequacy Ratio (%)



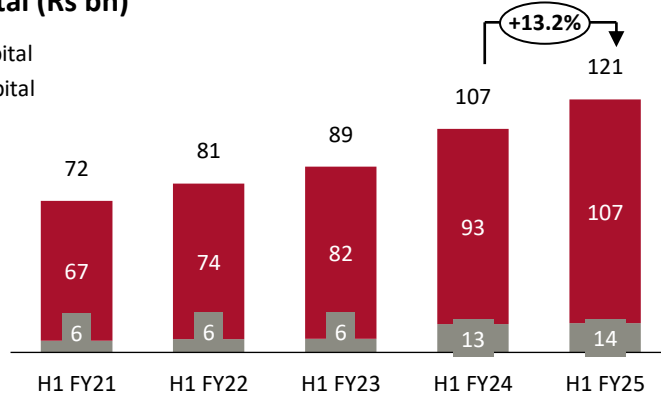
## Return on Equity (%)



## Risk-Weighted Assets (Rs bn)

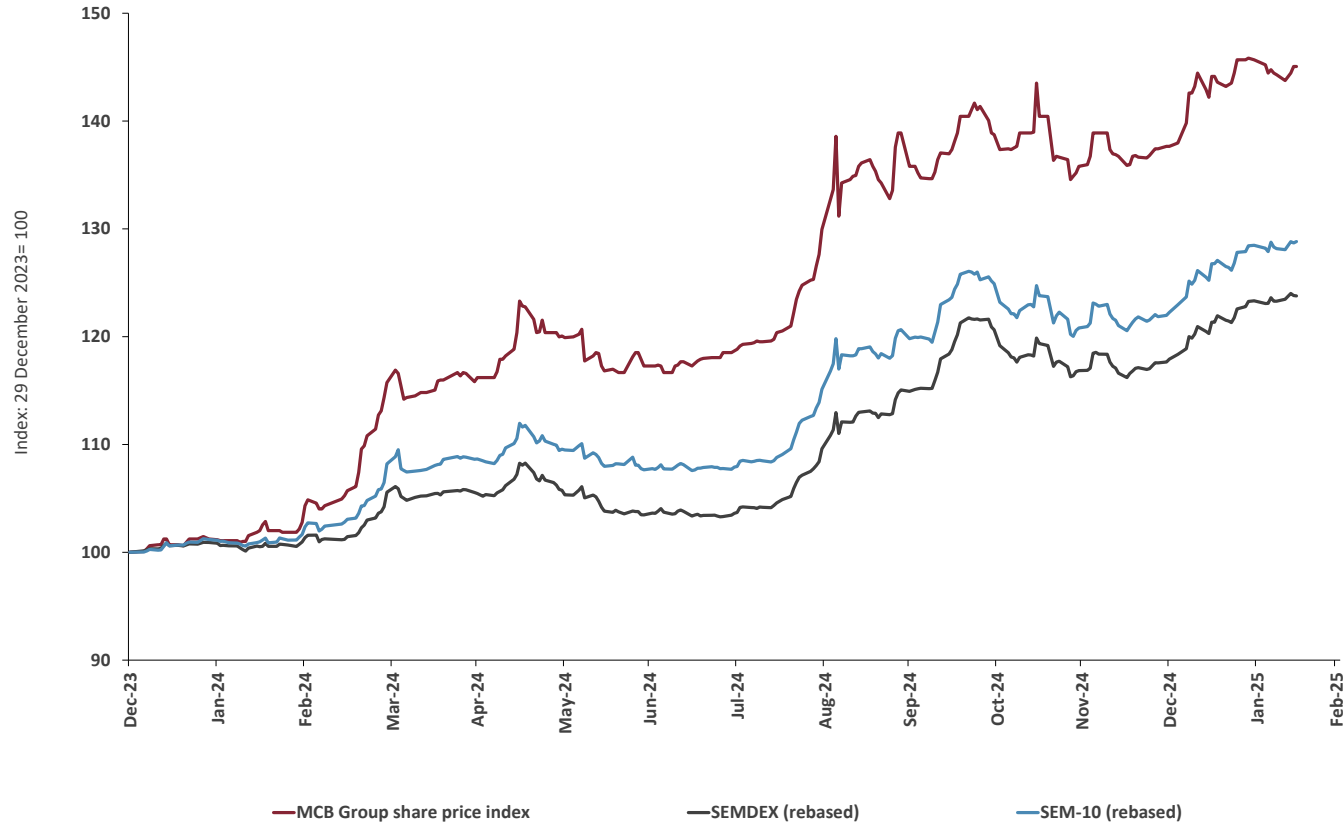


## Total Capital (Rs bn)





# MCB Group share price – MCB Group outperforming local indices





THANK YOU

