

MCB BANK LIMITED

INCOME STATEMENT

Sri Lanka Operations LKR (Mn)

Group Pakistan
PKR (Mn)

For the period ended 31st December	2025	2024	2025	2024
Interest income	2,106	2,636	327,508	413,551
Interest expenses	(952)	(1,081)	(166,305)	(245,604)
Net interest income	1,154	1,554	161,203	167,947
Fee and commission income	170	111	24,347	24,785
Fee and commission expenses	(34)	(27)	-	-
Net fee and commission income	136	84	24,347	24,785
Other operating income (net)	187	201	15,864	12,987
Total operating income	1,477	1,840	202,606	209,188
Impairment (Charges)/ Reversal	207	190	5,067	(4,878)
Net operating income	1,684	2,030	207,673	204,309
Personnel expenses	(480)	(470)	(33,090)	(31,749)
Depreciation and amortization expenses	(97)	(89)	(6,955)	(6,235)
Other expenses	(392)	(504)	(45,336)	(37,590)
Operating profit before VAT on financial Services	715	968	122,292	128,736
Value Added Tax on Financial Services (VAT on FS) and Social Security Contribution Levy (SSCL)	(204)	(247)	-	-
Operating profit after VAT on FS & SSCL	511	721	122,292	128,736
Share of profits of associates and joint ventures	-	-	2,827	2,441
Profit before tax	511	721	125,119	131,177
Income tax expense	(223)	(338)	(66,344)	(67,711)
Profit for the period	288	383	58,775	63,466
		-		
Profit attributable to:		-		
Equity holders of the parent	288	383	58,415	63,225
Non-controlling interests	-	-	360	241
	288	383	58,775	63,466
Earnings per share on profit				
Basic earnings per ordinary share	-	-	37.42	44.47
Diluted earnings per ordinary share	-	-	37.42	44.47

MCB BANK LIMITED

STATEMENT OF COMPREHENSIVE INCOME

Sri Lanka Operations LKR (Mn)

Group Pakistan
PKR (Mn)

Profit for the period	288	383	58,775	63,466
Items that will be reclassified to income statement				
Exchange differences on translation of foreign operations	70	(154)	(359)	431
Net gains/(losses) on cash flow hedges	-	-	-	-
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	(28)	(61)	-	-
Share of profits of associates and joint ventures	-	-	7	(13)
Debt instruments at fair value through other comprehensive income	-	-	15,448	17,323
Movement in share of surplus / deficit on revaluation of associated undertaking- net of tax	-	-	407	528
Less: Tax expense relating to items that will be reclassified to income statement	8	16		
Items that will not be reclassified to income statement				
Change in fair value on investments in equity instruments designated at fair value through other comprehensive income	-	-	8,071	11,735
Change in fair value attributable to change in the Bank's own credit risk on financial liabilities designated at fair value through profit or loss	-	-		
Re-measurement of post-employment benefit obligations	5	(11)	1,211	2,423
Changes in revaluation surplus	73	-	7,394	(238)
Share of profits of associates and joint ventures	-	-	-	-
Less: Tax expense relating to items that will not be reclassified to income statement	(23)	3	-	-
Other comprehensive income for the period, net of taxes	105	(207)	32,177	32,189
Total comprehensive income for the period	393	176	90,953	95,654

MCB BANK LIMITED

STATEMENT OF FINANCIAL POSITION

As at	Sri Lanka Operations LKR (Mn)		Group Pakistan PKR (Mn)	
	2025-12-31 Audited	2024-12-31 Audited	2025-12-31 Audited	2024-12-31 Audited
Assets				
Cash and cash equivalents	278	380	211,224	186,680
Balances with central banks	179	585	-	-
Placements with banks / Financial Institutions	1,747	2,626	140,868	86,510
Derivative financial instruments	0.17	0.16	16	158
Financial assets at amortised cost		-		
Loans and Advances to customers	15,578	9,840	821,712	1,165,915
Debt and other financial instrument	403	-	35,638	41,954
Financial Assets measured at FVTOCI	11,018	11,695	2,037,335	1,240,495
Investments in associates and joint ventures	-	-	13,072	10,568
Property, plant and equipment	504	402	114,126	96,472
Goodwill and Intangible assets	76	23	3,453	2,650
Deferred tax assets	95	170	-	-
Current tax assets	-	-	-	-
Other assets	95	91	188,297	164,781
Total assets	29,974	25,814	3,578,742	3,009,722
Liabilities				
Due to banks	2,234	450	460,012	276,477
Derivative financial instruments	-	-	-	-
Financial liabilities at amortised cost		-		
due to depositors	18,058	15,828	2,529,503	2,130,525
due to debt securities holders	-	-	-	-
due to other borrowers	104	6	16,157	43,759
Debt securities issued	-	-	-	-
Retirement benefit obligations	80	82	-	-
Current tax liabilities	55	86	-	-
Deferred tax liabilities	-	-	49,341	20,824
Other provisions	41	33	-	-
Other liabilities	700	828	186,550	250,888
Total liabilities	21,273	17,314	3,241,563	2,722,475
Equity				
Assigned capital	3,970	3,970	11,851	11,851
Statutory reserve fund	364	349	113,681	108,158
Retained earnings	3,224	3,138	74,810	45,811
Other reserves	1,145	1,044	136,069	120,926
Total shareholders' equity	8,702	8,500	336,410	286,746
Non-controlling interests	-	-	768	502
Total equity	8,702	8,500	337,179	287,247
Total equity and liabilities	29,974	25,814	3,578,742	3,009,722
Contingent liabilities and commitments	15,535	10,389	950,107	1,069,713
Number of Employees	118	115	18,696	17,243
Number of Branches	5	5	1,410	1,408

Note: Amount stated are net of impairment amortization and depreciation

Prepared By

Checked by

MCB BANK LIMITED

STATEMENT OF CHANGES IN EQUITY

Sri Lanka Operations LKR (Mn)

	Assigned capital	Reserve fund	Revaluation Reserve	FVTOCI Reserve	Retained earnings	Exchange Equilization reserves	Total
Balance as at 01st January 2025	3,970	349	142	22	3,138	880	8,500
Change in the foreign exchange reserve					-	-	-
Total comprehensive income for the year							
Profit for the year	-	-	-	-	288	-	288
Other comprehensive income (net of tax)	-	-	-	(20)	5	70	55
Deferred Tax effect on other comprehensive income			(22)		(1)		(23)
Total comprehensive income for the year	-	-	(22)	(20)	292	70	320
Gain on revaluation of property, plant & equipment	-	-	73	-	-	-	73
Transfers to reserves during the period	-	14	-	-	(14)	-	-
Share issue/increase of assigned capital	-	-	-	-	-	-	-
Profit transferred to head office	-	-	-	-	(191)	-	(191)
Others	-	-	-	-	-	-	-
Total transactions with equity holders	-	14	73	-	(206)	-	(118)
Balance as at 31st December 2025	3,970	364	193	3	3,224	949	8,702

STATEMENT OF CHANGES IN EQUITY

Group Pakistan PKR 000'

	Share capital	Statutory Reserve	Revaluation Reserves	Other Reserve	Retained earnings	Minority Interest	Total
Balance as at 01st January 2025	11,850,600	54,916,400	47,545,474	53,241,370	120,926,276	501,529	288,981,649
Profit after taxation for the year ended December 31, 2025	-	-	-	-	58,415,056	360,352	58,775,408
Other comprehensive income (net of tax)							
Effect of translation of net investment in foreign branches and subsidiary	-	-	-	(352,163)	-	4	(352,159)
Movement in surplus on revaluation of property and equipment – net of tax	-	-	-	-	7,421,362	-	7,421,362
Movement in surplus on revaluation of non–banking assets – net of tax	-	-	-	-	(27,483)	-	(27,483)
Movement in surplus / (deficit) on revaluation of equity investments through FVOCI - net of tax	-	-	8,070,575	-	-	-	8,070,575
Remeasurement gain on defined benefit obligations – net of tax	-	-	-	-	1,210,935	-	1,210,935
Movement in surplus on associated undertaking-net of tax	-	-	406,526	-	-	-	406,526
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	-	-	15,447,662	-	-	-	15,447,662
Total comprehensive income for the year	-	-	23,924,763	(352,163)	8,604,814	4	32,177,418
Transfer to statutory reserve	-	5,875,411	-	-	(5,875,411)	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	(132,511)	-	132,511	-	-
Surplus realized on disposal of investments in equity instruments through FVOCI - net of tax	-	-	(3,108,092)	-	3,108,092	-	-
Surplus realized on disposal of revalued property and equipment - net of tax	-	-	(773,827)	-	773,827	-	-
Surplus realized on disposal of non-banking assets - net of tax	-	-	(39,471)	-	39,471	-	-
Final cash dividend	-	-	-	-	(10,665,540)	-	(10,665,540)
Interim cash dividend	-	-	-	-	(31,996,620)	-	(31,996,620)
Transactions with owners, recorded directly in equity	-	5,875,411	(4,053,901)	-	(44,483,670)	-	(42,662,160)
Share of dividend attributable to Non-controlling interest	-	-	-	-	-	(93,654)	(93,654)
Balance as at December 31, 2025	11,850,600	60,791,811	67,416,336	52,889,207	143,462,476	768,231	337,178,661

MCB BANK LIMITED
CASH FLOW STATEMENT

Sri Lanka Operations LKR (Mn)

For the period ended 31st December

2025

2024

Cash Flows From Operating Activities

Interest and commission receipts	2,276	3,256
Interest payments	(952)	(1,049)
Payments to employees	(480)	(340)
VAT on financial services and SSCL	(204)	(351)
Receipts/(outgoings) from other operating activities	187	379
Cash payments to suppliers	(421)	(344)

Operating profit before changes in Operating Assets and Liabilities

406 **1,551**

Increase in Operating Assets

Balances with Central Bank of Sri Lanka	406	994
Financial assets at amortised cost - loans & advances	(5,532)	2,988
Other Assets	(4)	(22)

Increase/(Decrease) in Operating Liabilities

Financial liabilities at amortised cost - due to depositors	2,229	(1,559)
Other Liabilities	(87)	(502)

Net Cash Generated from Operations

(2,582) **3,451**

Income Tax Paid

(178) (498)

Net Cash Flows Generated from Operating Activities

(2,760) **2,953**

Cash Flows from Investing Activities

Net proceeds from maturity and purchase of Financial Investments	266	(6,051)
Proceed from maturity of other Placements with Banks	879	2,020
Purchase of Property, Plant and Equipments	(178)	10
Dividends received from investment in subsidiaries and associates	-	-
Proceeds from Sale of Property, Plant and Equipment	0	-

Net Cash Flows generated from Investing Activities

967 **(4,021)**

Cash flow from Financing Activities

Capital Infusion from Head Office	-	-
Profit transferred to Head Office	(191)	(307)
Increase/(Decrease) of borrowings	1,882	1,451

Net cash generated from/(used in) financing Activities

1,690 **1,144**

Net Increase in Cash and Cash Equivalents

(102) **76**

Cash and Cash Equivalents at the Beginning of the year

380 **261**

Cash and Cash Equivalents at the End of the year

278 **337**

Reconciliation of cash and cash equivalents

278 337

Cash and cash equivalents

278 **337**

Figures in brackets indicate deductions.

GROUP CASH FLOW STATEMENT

	Pakistan Rupees 000'	Pakistan Rupees 000'
For the year ended December 31,	2025	2024
Cash Flows From Operating Activities		
Profit before taxation	125,118,917	131,177,019
Less: Dividend income and share of profit of associates	(7,276,574)	(5,370,935)
	117,842,343	125,806,084
Adjustments:		
Net mark-up / Interest Income	(161,203,074)	(167,947,353)
Depreciation on property and equipment	5,294,504	4,507,526
Depreciation on right of use assets	2,706,766	2,365,859
Depreciation on non-banking assets acquired in satisfaction of claims	16,443	18,390
Amortization	665,266	766,220
Credit loss allowance / provisions and write offs - net	(5,066,789)	4,878,210
Worker welfare fund	2,471,691	2,599,084
(Gain) / loss on sale of non-banking assets acquired in satisfaction of claims - net	-	(2,008)
Gain on sale of property and equipment - net	(312,846)	(223,852)
Reversal for defined benefit plans - net	(839,244)	(501,969)
Unrealized (gain) / loss on revaluation of investments classified as FVTPL	(408,165)	(209,681)
Finance charges on lease liability against right-of-use assets	2,368,490	1,959,921
Gain on termination of lease liability against right of use assets	(82,102)	(86,514)
Unrealized gain on forward contracts of government securities	-	(2,096,975)
	(36,546,717)	(28,167,058)
Decrease / (increase) in operating assets		
Lending to financial institutions	(41,387,308)	32,057,874
Securities classified as FVTPL	(1,981,095)	3,720,083
Advances	349,100,781	(525,532,657)
Others assets (excluding advance taxation)	(2,384,450)	57,442,600
	303,347,928	(432,312,100)
Increase / (decrease) in operating liabilities		
Bills payable	(22,289,381)	26,150,567
Borrowings from financial institutions	157,191,166	92,851,227
Deposits	398,977,843	120,696,759
Others liabilities (excluding current taxation)	(6,662,114)	11,176,745
	527,217,514	250,875,298
Mark-up / Interest Received	313,052,207	424,399,489
Mark-up / Interest Paid	(200,739,450)	(211,787,332)
Defined benefits paid	(269,383)	(371,278)
Income tax paid	(77,934,645)	(83,897,007)
Net cash flow from operating activities	828,127,454	(81,259,988)
Cash flow from investing activities		
Net (investment) / divestment in securities classified as FVOCI	(740,909,285)	111,610,547
Net investment in securities classified as amortized cost	6,315,691	9,671,566
Dividends received	4,721,616	3,157,361
Net investment in associates	51,861	(88,050)
Investments in property and equipment	(13,459,479)	(11,907,944)
Investments in intangible assets	(1,470,458)	(1,555,297)
Disposals of property and equipment	2,059,203	361,180
Disposals of non-banking assets acquired in satisfaction of claims	281,000	280,000
Effect of translation of net investment in foreign branches and subsidiaries	(352,163)	431,337
Net cash flow used in investing activities	(742,762,014)	111,960,700
Cash flow from financing activities		
Payment of lease liability against right-of-use-assets	(4,157,320)	(3,457,629)
Dividend paid	(42,393,173)	(42,415,715)
Net cashflow used in financing activities	(46,550,493)	(45,873,344)
Effects of credit loss allowance changes on cash and cash equivalents	(40,173)	54,854
(Decrease) / Increase in cash and cash equivalents	38,774,774	(15,117,778)
Cash and Cash equivalents at beginning of the period	211,371,537	227,436,013
Effects of exchange rate changes on cash and cash equivalents	498,728	(403,227)
Opening expected credit loss allowance on cash and cash equivalents	(582,389)	(627,132)
	211,287,876	226,405,654
Cash and Cash equivalents at end of the period	250,062,650	211,287,876

MCB BANK LIMITED - SRI LANKA BRANCH**ANALYSIS OF DEPOSITS**

As at	2025-12-31	2024-12-31
<i>All amounts in Sri Lankan Rupees</i>		
Deposits from customers		
Product wise analysis of deposits from customers		
By product - Domestic currency		
Demand deposits (current accounts)	2,967,953,321	2,725,354,994
Savings deposits	2,875,665,757	2,412,856,903
Fixed deposits	8,604,767,935	7,691,748,269
Margin deposits and VOSTRO	159,603,487	92,372,266
	14,607,990,500	12,922,332,433
By product - Foreign currency		
Demand deposits (current accounts)	401,385,484	274,424,432
Savings deposits	1,059,021,053	881,002,570
Fixed deposits	1,895,867,423	1,660,734,311
Margin deposits and VOSTRO	93,305,415	89,642,238
	3,449,579,375	2,905,803,550
Total Deposits from customers	18,057,569,876	15,828,135,983

MCB BANK LIMITED - SRI LANKA BRANCH**ANALYSIS OF LOANS AND ADVANCES, COMMIMENTS, CONTINGENCIES AND IMPAIRMENT**

As at	2025-12-31	2024-12-31
<i>All amounts in Sri Lankan Rupees</i>		
Loans and advances to customers		
Gross loans and advances	16,718,009,499	11,195,401,519
Less: Accumilated impairment	1,139,582,206	1,375,791,219
Total loans and advances	15,578,427,293	9,819,610,299
Concentration by Product - Domestic Currency		
Overdrafts	3,100,633,195	2,735,191,126
Trade finance	613,450,032	496,027,214
Lease rentals receivable	-	-
Credit cards	-	-
Pawning	-	-
Staff loans	109,838,134	121,181,556
Term loans	1,244,831,103	216,213,388
Short-term	7,741,156,375	5,562,889,210
Long-term	-	-
Reverse repo agreements	-	-
Others	-	-
	12,809,908,837	9,131,502,494
Concentration by Product - Foreign Currency		
Overdrafts	324,942,414	307,563,150
Trade finance	1,569,225,216	347,048,891
Lease rentals receivable	-	-
Credit cards	-	-
Pawning	-	-
Staff loans	-	-
Term loans	1,113,714,826	-
Short-term	900,218,206	1,409,286,983
	3,908,100,662	2,063,899,024
	16,718,009,499	11,195,401,519
Commitments		
Commitment for unutilised credit facilities	5,654,547,218	4,057,882,220
Lease commitments		
Other commitments on forwards and swaps	1,127,715,270	394,276,120
	6,782,262,488	4,452,158,340
Contingencies		
Acceptance	476,865,545	439,729,941
Documentary credits	1,675,207,420	665,399,294
Guarantees	285,634,968	216,915,572
Bills sent for collection	6,314,578,850	4,614,395,999
	8,752,286,783	5,936,440,807
	15,534,549,271	10,388,599,147

MCB BANK LIMITED - SRI LANKA BRANCH

ANALYSIS OF LOANS AND ADVANCES, COMMIMENTS, CONTINGENCIES AND IMPAIRMENT (CONTINUED..)

All amounts in Sri Lankan Rupees

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

Loans and Advances	Stage 1	Stage 2	Stage 3	Total
As at 01st January 2025	252,396,470	456,043,949	667,350,801	1,375,791,219
Charge/(Write back) to statement of Profit / loss	119,462,621	(293,799,509)	(40,065,673)	(214,402,561)
write-off/(Recoveries) during the year	-	(21,806,452)	-	(21,806,452)
Exchange movement	-	-	-	-
As at 31st December 2025	371,859,091	140,437,987	627,285,128	1,139,582,206
Commitment and contingencies				
As at 01st January 2025	32,756,642	619,976	-	33,376,619
Charge/(Write back) to statement of Profit / loss	(3,800,814)	11,460,236	-	7,659,422
write-off/(Recoveries) during the year	-	-	-	-
Exchange movement	-	-	-	-
As at 31st December 2025	28,955,828	12,080,213	-	41,036,040
Debt and other financial instruments at Amortised Cost				
As at 01st January 2025	-	-	-	-
Charge/(Write back) to statement of Profit / loss	176,522	-	-	176,522
write-off/(Recoveries) during the year	-	-	-	-
Exchange movement	-	-	-	-
As at 31st December 2025	176,522	-	-	176,522
Total				
As at 01st January 2025	285,153,112	456,663,925	667,350,801	1,409,167,838
Charge/(Write back) to statement of Profit / loss	115,838,328	(282,339,273)	(40,065,673)	(206,566,618)
write-off/(Recoveries) during the year	-	(21,806,452)	-	(21,806,452)
Exchange movement	-	-	-	-
As at 31st December 2025	400,991,440	152,518,200	627,285,128	1,180,794,768

MCB BANK LIMITED - SRI LANKA BRANCH
ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

All amounts in Sri Lankan Rupees

Financial Assets and Liabilities

Classification of Financial Assets and Liabilities by Measurement Basis

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

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

As at 31st December 2025

ASSETS	FVTPL	FVOCI	Amortised cost	Total
Cash and Cash Equivalents	-	-	278,004,333	278,004,333
Balances with Central Banks	-	-	179,409,396	179,409,396
Placement with Banks	-	-	1,747,095,254	1,747,095,254
Derivative Financial Instruments	167,408	-	-	167,408
Financial assets at amortised cost				
Loans and Advances to customers	-	-	15,578,427,293	15,578,427,293
Debt and other financial instrument	-	-	403,028,958	403,028,958
Investment securities - Measured at FVOCI*	-	11,017,844,653	-	11,017,844,653
Total Financial Assets	167,408	11,017,844,653	18,185,965,233	29,203,977,295
		FVTPL	Amortised cost	Total
LIABILITIES				
Due to Banks		-	2,234,393,221	2,234,393,221
Derivative Financial Instruments		-	-	-
Deposits from customers		-	18,057,569,876	18,057,569,876
Other Borrowings		-	104,105,452	104,105,452
Total Financial Liabilities		-	20,396,068,549	20,396,068,549

As at 31st December 2024

ASSETS	FVTPL	FVOCI	Amortised cost	Total
Cash and Cash Equivalents	-	-	380,321,626	380,321,626
Balances with Central Banks	-	-	585,401,484	585,401,484
Placement with Banks	-	-	2,625,754,727	2,625,754,727
Derivative Financial Instruments	157,351	-	-	157,351
Financial assets at amortised cost				
Loans and Advances to customers	-	-	9,839,910,075	9,839,910,075
Debt and other financial instrument	-	-	-	-
Investment securities - Measured at FVOCI*	-	11,695,234,943	-	11,695,234,943
Total Financial Assets	157,351	11,695,234,943	13,431,387,912	25,126,780,207
		FVTPL	Amortised cost	Total
LIABILITIES				
Due to Banks		-	450,098,630	450,098,630
Derivative Financial Instruments		-	-	-
Deposits from customers		-	15,828,135,983	15,828,135,983
Other Borrowings		-	6,485,468	6,485,468
Total Financial Liabilities		-	16,284,720,082	16,284,720,082

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

MCB BANK LTD

SELECTED PERFORMANCE INDICATORS/KEY FINANCIAL DATA AS AT 2025-12-31

Item	Current Period	Previous Period
	2025-12-31	2024-12-31
Regulatory Capital Adequacy (LKR in Million)		
Common Equity Tier 1	7,998	7,908
Tier 1 Capital	7,998	7,908
Total Regulatory Capital	8,188	8,031
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement: 7%)	44.26	61.10
Tier 1 Capital Ratio (%) (Minimum Requirement: 8.50%)	44.26	61.10
Total Capital Ratio (%) (Minimum Requirement: 12.50%)	45.31	62.04
Basel III Leverage Ratio (Minimum Requirement : 3%)	24.39	28.11
Regulatory Liquidity Requirement		
Liquidity Coverage Ratio (%)- (Minimum Requirement : 100%)		
-Rupee (%)	522.47	584.71
-All Currency (%)	511.06	929.44
Net Stable Funding Ratio (%) - (Minimum Requirement : 100%)	187.17	239.57
Assets Quality		
Impaired Loans (Stage 3) to Total Loans, Ratio (%)*	3.94	6.17
Impairment (Stage 3) to Stage 3 Loans, Ratio (%)*	71.11	70.76
Income and Profitability		
Net Interest Margin (%)	4.16	5.82
Return on Assets (before Tax) (%)	1.04	1.43
Return on Equity (%)	3.32	4.29
Cost to Income Ratio (%)	66.33	57.73
Memorandum Information		
Credit Rating (Fitch Ratings)	AA (lka)	AA- (lka)
Number of Employees	114	115
Number of Branches	5	5

* Including Undrawn Portion of Credit

CERTIFICATION:

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

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

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

Tahir Riaz

Country General Manager
31/03/2025

Thushara Perera

Department Head - Financial Control
31/03/2025

