



باپرکتے پینکاری،
ہمارے ذمہ داری



HALF YEARLY REPORT 2024



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MCB Islamic Bank Ltd.

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ABOUT MCB ISLAMIC BANK

MCB Islamic Bank Limited (the "Bank") is the wholly owned subsidiary of MCB Bank Limited and commenced its operations in 2015 with a nation-wide network of branches.

The aim of MCB Islamic Bank Limited is to be the first choice Shari'ah compliant financial services provider for the customers and to carry out business purely in accordance with Shari'ah principles with full conviction and devotion.

MISSION STATEMENT

- To provide innovative Shari'ah compliant financial solutions and quality services to our customers.
- To maximize returns in Halal manners for our shareholders.
- To nurture an internal environment of qualified professionals and cutting-edge technology.

VISION STATEMENT

To be the leading provider of Shari'ah Compliant Innovative financial products with a focus on service quality and providing superior value for our customers, shareholders, employees and the community.

OUR VALUES

We are Shari'ah driven

Following the Shari'ah we will conduct our activity in a fair, ethical and socially responsible manner.

Dedicated and Dependable

We will build strong, enduring relationships, delivering an experience that delights our customers.

Aspirational

We will be professional and fulfil our commitments, delivering high quality products and services.



CREDIT RATING

Long Term

A+

Short Term

A - 1



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CORPORATE INFORMATION

Board of Directors

Mr. Raza Mansha (Chairman)	Non-Executive Director
Mr. Jawaid Iqbal	Independent Director
Ms. Seema Aziz	Independent Director
Mr. Ahmed Ebrahim Hasham	Non-Executive Director
Mr. Ibrahim Shamsi	Non-Executive Director
Mr. Hammad Khalid	Non-Executive Director
Mr. Omair Safdar	Non-Executive Director
Mr. Zargham Khan Durrani	President / CEO

Board Audit Committee

Mr. Jawaid Iqbal	Chairman
Ms. Seema Aziz	Member
Mr. Ibrahim Shamsi	Member
Mr. Omair Safdar	Member
Mr. Hammad Khalid	Member

Human Resource & Remuneration Committee

Mr. Jawaid Iqbal	Chairman
Ms. Seema Aziz	Member
Mr. Raza Mansha	Member
Mr. Omair Safdar	Member

Risk Management & Portfolio Review Committee

Mr. Omair Safdar	Chairman
Mr. Ahmed Ebrahim Hasham	Member
Mr. Ibrahim Shamsi	Member
Mr. Jawaid Iqbal	Member
Mr. Zargham Khan Durrani	Member

Board Evaluation Committee

Ms. Seema Aziz	Chairman
Mr. Hammad Khalid	Member



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Business Strategy & Service Quality Review Committee

Mr. Ahmed Ebrahim Hasham	Chairman
Mr. Hammad Khalid	Member
Mr. Omair Safdar	Member
Mr. Zargham Khan Durrani	Member

Board I.T. Committee

Mr. Ibrahim Shamsi	Chairman
Mr. Jawaid Iqbal	Member
Mr. Hammad Khalid	Member
Mr. Zargham Khan Durrani	Member

Shari'ah Board

Prof. Mufti Munib-ur-Rehman	Chairman
Mufti Syed Sabir Hussain	Resident Shari'ah Board Member
Mufti Nadeem Iqbal	Shari'ah Board Member

Chief Financial Officer

Syed Iftikhar Hussain Rizvi

Company Secretary

Ms. Maimoona Cheema

Head of Internal Audit

Mr. Muhammad Imran Siddique

Legal Advisor

M/s Imtiaz Siddiqui & Associates,
Advocates & Solicitor

Auditors

M/s A.F. Ferguson & Co., Chartered
Accountants

Registered Office

59-T Block, Phase-II, DHA, Lahore

Website

www.mcbislamicbank.com

Directors' Report to the Members

As representatives of the Board of Directors (the Board) of MCB Islamic Bank Limited (the Bank), we take pleasure in presenting the financial results for the Half year Ended June 30, 2024.

Statement of Financial Position	30-Jun-24	31-Dec-23	Growth
Deposits	252,026	204,460	23.3%
Total Assets	300,777	267,000	13%
Investments – net	128,323	132,544	-3%
Islamic Financing – net	102,803	89,347	15%
Shareholders' Equity (including revaluations)	23,399	22,036	6%

Profit & Loss Account	Jan – Jun 2024	Jan – Jun 2023	Growth
Operating income	8,953	7,783	15%
Operating and other expenses	4,646	3,452	35%
Credit loss allowance against financing and investments	(46)	(318)	-0.14 Times
Profit before taxation	4,261	4,013	6%
Profit after taxation	2,173	1,966	11%
Basic / diluted earnings per share - Rs.	1.40	1.26	11%

Performance Review

In the first half of 2024, the Pakistani banking industry exhibited resilience despite significant challenges including high living cost, climate-related expenses, economic stagnation and political instability.

Amidst these challenges, our Bank proactively navigated the economic and operational landscape following a strategic approach focused on sustained growth. This entailed optimizing deposit mobilization, timely investments and adherence to prudent financing practices. Supported by an efficient organizational structure, robust risk management and strict regulatory compliance, the Bank achieved a commendable **profit before tax of Rs. 4.26 billion for the half year ended June 30, 2024. Alhamdulillah.**

As of June 30, 2024 the Bank's Deposits surged to Rs. 252.03 billion as compared to Rs. 204.46 billion as of December 31, 2023 a significant growth of 23.3%. The Bank's Current and Saving Account (CASA) mix stands at a healthy 77% with non-remunerative Deposits comprising 30% of the total deposit mix. The Bank reported remarkable growth in Current Accounts by Rs. 12.49 billion (20%) in H1 2024. Emphasizing Islamic Banking, we continue to reach potential non-banked customers through a diverse range of Islamic Banking products, ensuring service excellence.

Total Assets of the Bank crossed Rs.300 billion mark with a growth of 13% during the first half of 2024. The net Financing grew by 15% and closed at Rs. 102.80 billion compared to Rs. 89.35 billion as at December 31, 2023, demonstrating prudent financial management, while investments stood at Rs. 128.32 billion. The Bank's Capital Adequacy decreased by 0.97% points, closing at 22.82%. The management maintains unwavering focus on efficient capital management, superior asset quality and a high-yielding portfolio.

During the half year ended under review, the Bank generated an operating income of Rs. 8.95 billion, 15% higher than corresponding period last year, achieving a return on earning assets at 18.62% with a net spread of 6.61%. However, operating and other expenses rose by 35% due to high inflation, increase in business volume and branch network. This escalation is vigilantly monitored through effective management controls to sustain profitability.

In light of these developments, the Bank's posted after-tax Profit of Rs. 2.17 billion for the half year ended under review, a notable improvement from Rs. 1.97 billion in the corresponding last period. Earnings per share after tax rose to Rs. 1.40 for the half year ended under review, compared to Rs. 1.26 in the corresponding last period.

Credit Rating

Another significant milestone achieved by the bank as Pakistan Credit Rating Agency (PACRA) has upgraded the Bank's medium to long-term rating to 'A+' and maintained the short-term rating as 'A-1,' with stable outlook.

Economic Review

The global economy has demonstrated remarkable resilience amidst various challenges, maintaining steady growth as inflation consistently going down toward target levels. Key events, including post-pandemic supply chain disruptions, the Ukraine and Gaza-Israel conflicts triggering a global energy and food crisis and a surge in inflation have significantly impacted this period. These challenges were met with globally synchronized monetary policy tightening. However, economic expansion remains historically low due to high borrowing costs, the withdrawal of fiscal support, lingering effects of the pandemic and geopolitical tensions. Elevated uncertainty around inflation has made central banks more cautious about easing policies. Despite pessimistic forecasts, the world avoided a recession, the banking system proved resilient and major emerging markets did not suffer sudden stops. The International Monetary Fund (IMF) expects global headline inflation to decrease from an annual average of 6.8% in 2023 to 5.9% in 2024, with global growth projected to remain at 3.2% in 2024 compared to 3.3% in 2023.

In Pakistan, the recently concluded Fiscal Year (FY) 2024 experienced a moderate economic revival, largely attributed to the stabilization of the exchange rate and a positive real interest rate. Improved foreign reserves were achieved through stringent import restrictions and prudent government expenditure management. The IMF staff and Pakistani authorities have reached a staff-level agreement on a 37-month Extended Fund Facility (EFF) arrangement of approximately USD 7 billion. This agreement is subject to approval by the IMF's Executive Board and the timely confirmation of necessary financing assurances from Pakistan's development and bilateral partners. The Pakistan Stock Exchange (PSX) has surged by more than 80% since June 2023. The IMF and SBP estimate growth for FY 2024 at 2.0% and 2.4%, respectively, compared to a negative 0.2% in 2023.

In June 2024, the National Consumer Price Index (CPI) experienced a significant decline to 12.6% year-on-year down from 29.4% in June 2023. During FY 2024, monetary aggregates showed modest growth, driven by bank deposits and an improved currency-to-deposit ratio. Despite a rise in headline inflation to 12.6% in June 2024, up from 11.8% in May due to higher electricity tariffs and Eid-related price increases, core inflation remained stable. The average inflation forecast for FY 2025 is expected to range between 11.5% and 13.5%, a substantial decrease from FY 2024's 23.4%, bolstered by ongoing fiscal consolidation and a tight monetary policy.

In response, the State Bank of Pakistan (SBP) reduced the policy rate by 150 and 100 basis points in its Monetary Policy Committee meetings on June 10, 2024 and July 29, 2024, respectively. With the positive real interest rate trajectory, further policy rate reductions may be considered in the coming months.

During July-April FY 2024, the Large Scale Manufacturing (LSM) sector saw moderate growth of 0.45%, a marked improvement from the 8.8% contraction in the same period last year. In April 2024, LSM increased by 5.8% year-on-year. Notably, several sectors showed positive growth during July-April FY 2024, including Food, Wearing Apparel, Leather, Wood Products, Coke & Petroleum Products, Chemicals, Pharmaceuticals, Rubber Products, Machinery & Equipment, Furniture and Football. The growth in agriculture sector after showing a strong performance in FY 2024, is expected to slow down in FY 2025 majorly due to input conditions for Kharif crops.

On the external front, during July-May FY 2024, the Current Account deficit significantly reduced to USD 464 million from USD 3.8 billion in the same period the previous year. This decline was attributed to stricter import policies and administrative measures. Exports increased by 11.3% to USD 28.7 billion during July-May FY 2024, while imports declined by 2.3% to USD 48.4 billion, narrowing the trade deficit to USD 19.7 billion from USD 23.8 billion. Workers' remittances totalled USD 30.3 billion, reflecting a 10.7% increase. Foreign exchange reserves reached USD 14.6 billion as of June 28, 2024, with a year-on-year exchange rate appreciation of over 2.7%.

On the fiscal front, the overall deficit slightly reduced to 4.5% of GDP (Rs. 4,726 billion) during July-April FY 2024 compared to 4.7% of GDP (Rs. 3,929 billion) in the same period of the previous year.

The KSE-100 Index closed at 78,445 points on June 28, 2024, marking a 15,994-point increase from December 31, 2023.



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The Islamic banking industry experienced significant growth, with assets increasing by Rs. 241 billion and deposits by Rs. 126 billion during the first quarter of 2024. Total assets and deposits increase by 2.7% and 1.9%, reaching Rs. 9,235 billion (market share of 19.9%) and Rs. 6,875 billion (market share of 23.2%) respectively. Additionally, the branch network expanded to 5,101 branches by the end of March 2024.

Future Outlook

In the evolving global economic landscape, a combination of disinflation and steady growth suggests a hopeful scenario for a potential soft landing with balanced risks. However, geopolitical tensions such as the war in Ukraine and the conflict in Gaza and Israel pose a risk of new price spikes. Persistent core inflation in tight labour markets may also elevate interest rate expectations. As the global economy approaches a soft landing, the immediate priority for central banks is to manage inflation meticulously, avoiding both premature policy easing and delays that could lead to missing targets. These challenges could temper the anticipated growth. The IMF forecasts a global headline annual average inflation decrease to 5.9% in 2024 and 4.5% in 2025, with growth projections of 3.3% in 2025 from 3.2% in 2024.

On the domestic front, Pakistan's growth prospects appear promising. The Federal Budget for FY 2025 is designed to usher in an era of sustainable and inclusive growth. To realize these objectives, the government is prioritizing high-potential sectors such as information technology, small and medium-sized enterprises (SMEs), mining and minerals, tourism, exports and agriculture. The trajectory of positive real interest rates will be crucial in steering inflation towards the medium-term target range of 5 to 7%. Additionally, the approval of the EFF Arrangement by the IMF's Executive Board is anticipated to unlock significant financial inflows, which will bolster foreign exchange reserves.

Fitch Ratings' recent upgrade of Pakistan's rating to CCC+ reflects improved certainty regarding the availability of external funding, supported by the newly signed USD 7 billion IMF program. Nonetheless, there are risks to the near-term inflation outlook due to recent budgetary measures and uncertainties surrounding future energy price adjustments. Consequently, both the IMF and SBP project an increase in GDP growth to 3.5% and a range of 2.5% to 3.5% respectively in 2025 up from 2.0% in 2024.

The banking sector is confronted with heightened risks, including credit, operational and cyber threats, driven by the expansion of digital financial services. Addressing these challenges demands robust and proactive strategic risk management.

Despite these challenges, our dedication to sustainable growth remains steadfast. We focus on enhancing profitability through the acquisition of cost-effective deposits, asset optimization and advancements in digitization. Concurrently, we are committed to investing in IT infrastructure, improving employee satisfaction, and implementing best-in-class management practices. With a forward-looking approach, we are well-positioned to navigate the evolving landscape of banking and finance, maintaining our leadership and continuing to thrive.

Acknowledgment

On behalf of the Board and management, we extend our heartfelt gratitude to our valued customers, esteemed business partners and dedicated shareholders for their steadfast support and trust. We also wish to acknowledge the State Bank of Pakistan, the Securities & Exchange Commission of Pakistan, other regulatory authorities and the Shari'ah Board for their ongoing guidance and support. Additionally, we commend the exceptional efforts of our dedicated staff members whose commitment has been instrumental in driving the growth of our franchise even in the face of challenging business conditions.

For and on behalf of the Board of Directors

Zargham Khan Durrani
President & CEO

Date : August 05, 2024

Raza Mansha
Chairman

ان مشکلات کے باوجود ہم پائیدار ترقی کے حصول کے لیے منعقد اور پر عزم ہیں، ہم موثر لاگت کے ڈیپازٹس کے حصول، اثاثہ جات میں بہتری اور ڈیجیٹلائزیشن میں ترقی پر اپنی توجہ مرکوز کیے ہوئے ہیں۔ اس کے ساتھ ساتھ ہم آئی ٹی انفراسٹرکچر میں سرمایہ کاری، اپنے ملازمین کے اطمینان میں اضافے، اور بہترین انتظامی طریقوں کے نفاذ کا بھی اعادہ رکھتے ہیں۔ ایک دورانہدیش نقطہ نظر کے ساتھ ہم بینکاری اور مالیاتی کے تیزی سے بدلتے منظر نامے سے ہم آہنگ ہونے، اپنی قیادت کو برقرار رکھنے اور مسلسل جدوجہد کے لیے نہایت ثابت قدمی سے پر عزم ہیں۔

تسلیم و تحسین :

بورڈ آف ڈائریکٹرز اور مینجمنٹ کی جانب سے ہم اپنے صارفین، کاروباری شراکت دار اور شیئر ہولڈرز کا ان سے غیر متزلزل اعتماد اور تعاون پر تہ دل سے مشکور ہیں۔ ہم اسٹیٹ بینک آف پاکستان، سکیورٹی اینڈ ایکسچینج کمیشن آف پاکستان، دیگر انضباطی ادارے اور شریعہ بورڈ کی جانب سے جاری معاونت اور رہنمائی پر بھی اگلے بے حد مشکور ہیں۔ مزید برآں، ہم اپنے ملازمین کی نمایاں اور بے مثال خدمات کا پُر خلوص اعتراف کرتے ہیں جن کی بدولت ادارے نے مشکل کاروباری ماحول میں بھی شاندار ترقی کی ہے۔

مخانب و برائے بورڈ آف ڈائریکٹرز:



رضانشاء

چیئرمین



ضرفام خان ڈرانی

پریزیڈنٹ اسی ای او

05 اگست 2024ء

پی کی 4.7 فیصد کی سطح (3,929 ملین روپے) کے مقابلے میں معمولی کمی دیکھی گئی، جس کی شرح جی ڈی پی کی 4.5 فیصد (4,726 ملین روپے) رہی۔

کے ایس ای - 100 انڈیکس 28 جون 2024ء تک 78,445 پوائنٹس پر بند ہوا جو کہ 31 دسمبر 2023 کی سطح سے 15,994 زیادہ پوائنٹس کو ظاہر کرتا ہے۔

اسلامی بینکاری کی صنعت ایک شاندار نمو کے دور سے مستفید ہو رہی ہے جس میں سال 2024ء کی پہلی سہ ماہی کے دوران، اثاثہ جات میں 241 ملین روپے اور ڈیپازٹس میں 126 ملین روپے کا اضافہ ہوا۔ کل اثاثہ جات اور ڈیپازٹس 2.7 فیصد اور 1.9 فیصد کے اضافے کے اندراج کے ساتھ بالترتیب 9,235 ملین روپے (مارکیٹ شیئر 19.9 فیصد) اور 6,875 ملین روپے (مارکیٹ شیئر 23.2 فیصد) پر درج ہوئے۔ مزید برآں، برانچ نیٹ ورک مارچ 2024ء کے اختتام تک 5,101 برانچوں پر پہنچ گیا۔

مستقبل کی پیش بینی:

اس ارتقاء پذیر عالمی معاشی مظننہ میں افراط زر کی کمی اور مستحکم نمو کا امتزاج، متوقع سوئف لینڈنگ (soft landing) کے حوالے سے متوازن خدشات کے بارے میں ایک امید افزاء صورتحال کا پیش خیمہ ہے۔ تاہم، یوکرین میں جنگ اور غزہ و اسرائیل میں جاری تنازعوں جیسے جغرافیائی و سیاسی مسائل سے قیمتوں میں پھر سے بلند ہونے کے خدشات لاحق ہیں۔ مسابقتی افرادی منڈیوں میں خالص افراط زر کے تسلسل سے انٹرسٹ ریٹ میں اضافے کی توقعات بھی پیدا ہو سکتی ہیں۔ جیسا کہ عالمی معیشت ایک سوئف لینڈنگ کی جانب بڑھ رہی ہے، مرکزی بینکوں کی فوری ترجیح پالیسی کی وقت سے پہلے آسانی اور قفل دونوں عوامل، جس سے اہداف کے حاصل ہونے میں دشواری ہو سکتی ہو، سے بچتے ہوئے افراط زر کو پوری طرح سے قابو کرنے پر ہے۔ یہ خدشات، نمو کی توقعات پر بھی اثر انداز ہو سکتے ہیں۔ آئی ایم ایف نے عالمی سرخیلی سالانہ اوسط افراط زر کی شرح سال 2024ء کے لیے 5.9 فیصد اور سال 2025ء کے لیے 4.5 فیصد پر تخمینہ کی ہے، جبکہ نمو کی پیش بینی سال 2024ء کی 3.2 فیصد کی شرح سے سال 2025ء کے لیے 3.3 فیصد پر کی گئی ہے۔

داخلی محاذ پر، پاکستان کی ترقی کے تعیننے خاصے حوصلہ افزاء ہیں۔ سال 2025ء کا وفاقی بجٹ پائیدار اور جامع ترقی کے دور کے آغاز کے طور پر ترتیب دیا گیا ہے۔ ان مقاصد کے حصول کی خاطر حکومت نے بلند مواقع کے حامل شعبوں، جن میں انفارمیشن ٹیکنالوجی، چھوٹے اور درمیانے درجے کے کاروبار (ایس ایم ایز)، کان کنی اور معدنیات، سیاحت، برآمدات اور زراعت کے شعبے شامل ہیں، کو اپنی ترجیحات میں شامل کیا ہے۔ مثبت حقیقی انٹرسٹ ریٹ کا یہ رجحان، افراط زر کو درمیان مدت میں 5 تا 7 فیصد کی ہدف شدہ شرح تک لانے میں مددگار ثابت ہوگا۔ علاوہ ازیں، آئی ایم ایف کے ایگزیکٹو بورڈ کی جانب سے ای ایف ایف (EFF) ارنجمنٹ کی منظوری سے بیرونی مالیاتی بہاؤ میں اعانت حاصل ہوگی جس سے غیر ملکی زرمبادلہ کے ذخائر میں بھی مضبوطی پیدا ہوگی۔

فٹچ (Fitch) ریٹنگز کے حالیہ اپ گریڈ میں پاکستان کی ریٹنگ کا ٹرپل سی پلس (CCC+) پر مقرر ہونا بیرونی سرمایے کی دستیابی کی بہتر صورتحال کا عکس ہے جس میں آئی ایم ایف پروگرام سے 7 بلین امریکی ڈالر کے نئے معاہدے کا تعاون بھی شامل ہے۔ تاہم، قریب الیاد افراط زر کی پیش بینی میں حالیہ بجٹ کے اقدامات اور مستقبل میں توانائی کی قیمتوں میں مطابقت کو لاحق خدشات کے باعث مشکلات درپیش ہیں۔

چنانچہ، آئی ایم ایف اور اسٹیٹ بینک آف پاکستان دونوں اداروں کی جانب سے جی ڈی پی کی نمو کو سال 2024ء کی 2.0 فیصد کی شرح کی نسبت سال 2025ء کے لیے بالترتیب 3.5 فیصد اور 2.5 فیصد سے 3.5 فیصد کی حد میں رہنے کی توقع ظاہر کی ہے۔ بینکاری کے شعبے کو ڈیجیٹل مالیاتی خدمات میں وسعت کی بناء پر کریڈٹ، کاروباری اور سماجی خطرات سمیت بڑھتے ہوئے خطرات کا سامنا ہے۔ ان خدشات سے نمٹنے اور تدارک کے لیے ایک فعال اور مضبوط اسٹریٹجک رسک مینجمنٹ نظام ناگزیر ہے۔

مالیت کے ایکٹیوڈ فنڈ فیسیٹی (EFF - Extended Fund Facility) کے معاہدے پر اتفاق ہو چکا ہے۔ یہ معاہدہ آئی ایم ایف کے ایگزیکٹیو بورڈ اور پاکستان کی ترقی کے لیے قرض کی فراہمی کے ضامن و دوطرفہ شراکت داروں کی تائید سے مشروط ہے۔ پاکستان اسٹاک ایکسچینج جون 2023ء سے اب تک 80 فیصد سے زیادہ اضافے کو ریکارڈ کر چکا ہے۔ آئی ایم ایف اور اسٹیٹ بینک آف پاکستان نے مالی سال 2023ء کی منفی 0.2 فیصد کی نمو کے مقابلے میں مالی سال 2024ء کے نمو کی شرح بالترتیب 2 فیصد اور 2.4 فیصد پر تجویز کی ہے۔

جون 2024ء کے دوران، صارف کی قیمتوں کے قومی جدول (نیشنل کنزیومر پرائس انڈیکس۔ سی پی آئی) سال 2023ء کی 29.4 فیصد کی شرح سے نمایاں کمی کا مظاہرہ کرتے ہوئے سال بہ سال کی بنیاد پر، 12.6 فیصد کی شرح پر ریکارڈ ہوا۔ مالی سال 2024ء کے دوران بینکوں کے ڈیپازٹس اور کرنسی سے ڈیپازٹ کی بہتر شرح کے باعث مالیاتی جامعیت میں معتدل نمو دیکھی گئی۔ سرنجلی افراط زر کی شرح کے، مئی میں 11.8 فیصد کی سطح سے بجلی اور عیداضی کے متعلقہ اشیاء کی قیمتوں میں اضافے کے باعث جون 2024ء 12.6 فیصد تک پہنچ جانے کے باوجود، خالص افراط زر میں استحکام دیکھا گیا۔ اوسط افراط زر کی شرح کا تخمینہ مالی سال 2025ء کے لیے 11.5 فیصد سے 13.5 فیصد کے درمیان رہنے پر تجویز کیا گیا ہے۔ جو کہ، مالی سال 2024ء کی 23.4 فیصد کی شرح سے نمایاں کمی کا اظہار ہے اور جس کو جاری انضباطی جامعیت اور کڑے مالیاتی بیانیے کی اعانت حاصل رہی ہے۔

اس کے ردعمل میں اسٹیٹ بینک آف پاکستان نے اپنی مالیاتی پالیسی کمیٹی کے 10 جون 2024ء اور 29 جولائی 2024ء کو منعقد کردہ اجلاسوں میں پالیسی ریٹ میں بالترتیب 150 اور 100 بیس پوائنٹس کی کمی ہے۔ حقیقی انٹرسٹ ریٹ میں مثبت رجحان کے پیش نظر، آئندہ آئیوا لے مہینوں میں پالیسی ریٹ میں مزید کمی کی توقع کی جاسکتی ہے۔

مالی سال 2024ء کے جولائی تا اپریل کے عرصے کے دوران بڑے پیمانے کی پیداواری صنعت کے شعبے میں 0.45 فیصد کی معتدل نمو دیکھی گئی جو کہ گزشتہ سال کے ممالی عرصے کے 8.8 فیصد کے سگڑاؤ کی نسبت بہتری کا مظاہرہ ہے۔ اپریل 2024ء میں بڑے پیمانے کی پیداواری صنعت میں، سال بہ سال کی بنیاد پر، 5.8 فیصد کا اضافہ ہوا۔ مالی سال 2024ء کے جولائی تا اپریل کے عرصے میں مختلف شعبوں میں مثبت نمو دیکھی گئی جن میں اشیاء خورد و نوش، اجناس، ملبوسات، چمڑے، لکڑی کی اشیاء، کونکے اور پیٹرو لیوم پراڈکٹس، کیمیکلز، فارماسیوٹیکلز، ربڑ کی اشیاء، مشینری و آلات، فرنیچر اور فٹ بال قابل ذکر ہیں۔ مالی سال 2024ء میں ایک مضبوط کارکردگی دکھانے کے بعد زراعت کے شعبے میں مالی سال 2025ء میں خریف کی فصلوں کی صورتحال کے تناظر میں کسی قدرست روی کی توقع ہے۔

بیرونی محاذ پر، مالی سال 2024ء کے جولائی تا مئی کی مدت میں کرنٹ اکاؤنٹ کا خسارہ گزشتہ سال کی ممالی مدت کے دوران کی 3.8 بلین امریکی ڈالر کی سطح کی نسبت نمایاں کمی کے ساتھ 464 بلین امریکی ڈالر پر درج ہوا۔ اس کمی کی بنیادی وجوہ میں سخت درآمدی پالیسی اور انتظامی اقدامات تھے۔

مالی سال 2024ء کے جولائی تا مئی کے عرصے کے دوران، برآمدات 11.3 فیصد کے اضافے کے ساتھ 28.7 بلین امریکی ڈالر پر درج ہوئیں جبکہ، درآمدات 2.3 فیصد کی کمی کے ساتھ 48.4 بلین امریکی ڈالر پر ریکارڈ ہوئیں۔ جس سے تجارتی خسارے کا حجم 23.8 بلین امریکی ڈالر سے کم ہو کر 19.7 بلین امریکی ڈالر پر چاہنچا۔ افرادی ترسیلات زر 10.7 فیصد کے اضافے کے اندراج کے ساتھ 30.3 بلین امریکی ڈالر پر پہنچ گئیں۔ غیر ملکی زرمبادلہ کے ذخائر، شرح تبادلہ میں سال بہ سال کی بنیاد پر، 2.7 فیصد سے زیادہ شرح افزودگی کے ساتھ 28 جون 2024ء تک 14.6 بلین امریکی ڈالر پر پہنچ گئے۔

مالیاتی محاذ پر، مالی سال 2024ء کے جولائی تا اپریل کے عرصے میں مجموعی خسارے میں پچھلے سال کے ممالی عرصے کی جی ڈی

سال 2024ء کی پہلی ششماہی کے دوران، بینک کے کل اثاثہ جات 13 فیصد کے اضافے کے ساتھ 300 بلین روپے کے سنگ میل عبور کر گئے۔ خالص قرضہ جات 31 دسمبر 2023 کی 89.35 بلین روپے کے مقابلے میں 15 فیصد کے اضافے کے ساتھ 102.80 بلین روپے پر جا پہنچے۔ جو کہ دانشندانہ مالیاتی انتظام کی غماز ہے جبکہ سرمایہ کاری 128.32 بلین روپے پر درج کی گئی۔ بینک کے سرمائے کی معقولیت کی شرح 0.97 فیصد پوائنٹس کی کمی کے ساتھ 22.82 فیصد پر رہی۔ انتظامیہ سرمائے کے موثر انتظام، اثاثہ جات کے اعلیٰ ترین معیار اور بلند پیداوار کے پورٹ فولیو کو برقرار رکھنے میں اپنی غیر متزلزل توجہ مرکوز کئے ہوئے ہے۔ اس زیر تجزیہ ششماہی کے دوران، بینک نے گزشتہ سال کے تقابلی عرصے سے 15 فیصد کے اضافے کے ساتھ 8.95 بلین روپے کی کاروباری آمدنی حاصل کی اور اس طرح پیداواری اثاثہ جات کی آمدنی کی 18.62 فیصد کی شرح اور اس کے ساتھ 6.61 فیصد کا خالص سپریڈ حاصل کیا۔ تاہم، افراط زر کی بلند شرح، بڑھتے کاروبار اور برانچ نیٹ ورک کے باعث کاروباری اور دیگر اخراجات میں 35 فیصد کا اضافہ دیکھا گیا۔ پائیدار منافع کے حصول کو یقینی بنانے کے لیے اخراجات میں اس اضافے کی کڑی نگاہ رکھی جا رہی ہے۔ ان پیش رفتوں کے تناظر میں اس زیر تجزیہ ششماہی کے دوران، بینک نے 2.17 بلین روپے کا منافع بعد از ٹیکس درج کیا گیا جو کہ گزشتہ تقابلی مدت کے 1.97 بلین روپے سے نمایاں بہتری کو ظاہر کرتا ہے۔ اس زیر تجزیہ ششماہی کے دوران، فی حصص آمدنی گزشتہ تقابلی مدت کی 1.26 روپے فی حصص کی سطح سے بڑھتے ہوئے 1.40 روپے فی حصص پر پہنچ گئی۔

کریڈٹ ریٹنگ :

بینک نے ایک مزید سنگ میل عبور کیا ہے جیسا کہ پاکستان کریڈٹ ریٹنگ ایجنسی (پاکرا) نے بینک کی درمیانی سے طویل المدت ریٹنگ کو "A+" (اے پلس) پر اپ گریڈ کر دیا ہے اور قبل المدت ریٹنگ کو "A-1" (اے ون) کی سطح پر مستحکم پیش بینی کے ساتھ برقرار رکھا ہے۔

معاشی جائزہ :

مختلف مشکلات سے نہرو آزما عالمی معیشت، اپنی پائیدار نمو کو برقرار رکھتے ہوئے، شاندار کارکردگی کا مظاہرہ کر رہی ہے۔ جس کا اظہار افراط زر کے رجحان سے ہوتا ہے جو اپنی ہدف شدہ سطحوں سے مسلسل کمی کی راہ پر گامزن ہے۔ عالمگیر وباء کے بعد کے دور میں رسد کی ترسیل میں حائل رکاوٹیں، یوکرین اور غزہ و اسرائیل کے تنازعے سے ابھرتے تو اتائی اور اجناس کے عالمی بحران اور افراط زر کے بڑھتے دباؤ جیسے اہم معاملات، اس عرصے کے دوران نمایاں طور پر اثر انداز ہوئے۔ ان خدشات کا تدارک، ایک کڑے اور ہم آہنگ عالمی مالیاتی بیانیے کے ذریعے کیا گیا۔ تاہم، قرضہ جات کی بڑھتی لاگت، مالی امداد کے خاتمے، عالمگیر وباء کے دیرپا اثرات اور جغرافیائی و سیاسی تنازعوں کے باعث معاشی وسعت تاریخی اعتبار سے قدرے کم رہی۔ افراط زر کی غیر یقین صورتحال کے تناظر میں، مرکزی بینکوں نے پالیسوں میں آسانی فراہم کرنے کے بارے میں محتاط رویہ اپنایا۔ مایوس کن پیش بینی کے باوجود، دنیا بھر کی بازاری سے محفوظ رہی۔ بینکار کے نظام نے بھرپور پلک کا مظاہرہ کیا اور اہم ابھرتی منڈیوں میں کسی طرح کی اچانک بندش نہ دیکھی گئی۔ عالمی مالیاتی فنڈ (آئی ایم ایف) کو توقع ہے کہ عالمی سرخیلی (بیڈلائن) افراط زر کی سالانہ اوسط مالی سال 2023ء کی 6.8 فیصد کی شرح سے کم ہوتے ہوئے سال 2024ء میں 5.9 فیصد تک آسکے گی۔ جس کے ساتھ عالمی نمو کا تخمینہ سال 2023ء کی 3.3 فیصد کی شرح کی نسبت سال 2024ء میں 3.2 فیصد تک رہنے کی توقع ہے۔

پاکستان میں حالیہ اختتام شدہ مالی سال 2024ء کے دوران، معتدل معاشی بحالی دیکھی گئی۔ جس میں شرح تبادلہ میں استحکام اور ایک حقیقی مثبت انٹرسٹ ریٹ کا نمایاں کردار رہا۔ حکومتی اخراجات کے دانشندانہ انتظام اور سخت درآمدی پابندیوں کی بدولت غیر ملکی زر مبادلہ کے ذخائر میں بہتری نظر آئی۔ آئی ایم ایف کے اسٹاف اور پاکستانی حکام کے مابین 37 ماہ پر محیط تقریباً 7 بلین امریکی ڈالر کی

ممبران کے لیے ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کے نمائندے کی حیثیت سے ہم انتہائی مسرت کے ساتھ ایم سی بی اسلامک بینک لمیٹڈ (بینک) کی 30 جون 2024ء کو اختتام پذیر ششماہی کے مالیاتی نتائج پیش کر رہے ہیں۔

ملین روپے

نمو	31 دسمبر 2023	30 جون 2024	مالیاتی اسیٹمنٹس کی حیثیت (پوزیشن):
23.3%	204,460	252,026	ڈیپازٹس
13%	267,000	300,777	کل اثاثہ جات
-3%	132,544	128,323	سرمایہ کاری۔ خالص
15%	89,347	102,803	اسلامی فنانسنگ خالص
6%	22,036	23,399	حصص یافتگان کی ایکویٹی (سرمایہ) بشمول تخمینہ نو

نمو	جنوری۔ جون 2023	جنوری۔ جون 2024	نفع و نقصان کا اکاؤنٹ:
15%	7,783	8,953	آپریٹنگ (کاروباری) آمدنی
35%	3,452	4,646	کاروباری و دیگر اخراجات
-0.14%	(318)	(46)	کریڈٹ نقصان الاؤنس قرضہ جات اور سرمایہ کاری کے لیے
6%	4,013	4,261	منافع قبل از ٹیکس
11%	1,966	2,173	منافع بعد از ٹیکس
11%	1.26	1.40	بنیادی/تحلیل شدہ منافع / آمدنی فی شیئر (حصص) روپے

کارکردگی کا جائزہ:

سال 2024ء کی پہلی ششماہی کے دوران، پاکستان کی بینکاری کی صنعت نے زندگی گزارنے کی بلند لاگت، ماحولیاتی تبدیلی سے متعلقہ اخراجات، معاشی جمود اور سیاسی غیر یقینی اور عدم استحکام جیسے چیلنجز کے باوجود بھرپور چلک و کامیابی کا مظاہرہ کیا ہے۔ ان چیلنجز کے بائین، ہمارا بینک پائیدار نمو پر مرکوز اپنے اسٹریٹیجک نقطہ نظر کی مکمل پاسداری کرتے ہوئے اس معاشی اور کاروباری منظر نامے میں پیش قدمی کے ساتھ روپے کے ساتھ روپے کے حصول کی تحریک کو مزید بہتر بنانے، بروقت سرمایہ کاری اور قرضہ جات کے اجراء کے دانشمندانہ طریقہ کار کو اختیار کرنا شامل ہے۔ ایک موثر تنظیمی ڈھانچے، خدشات کے تدارک کے مضبوط نظام اور کڑی ضوابطی تعلیمات کی مدد سے بینک نے الحمد للہ 30 جون 2024ء کو اختتام پذیر ششماہی کے دوران 4.26 بلین روپے کا منافع قبل از ٹیکس حاصل کیا۔

30 جون 2024ء تک بینک کے ڈیپازٹس 31 دسمبر 2023ء تک کے 204.46 بلین روپے کے حجم کے مقابلے میں 23.3 فیصد کے اضافے کا اندراج کرتے ہوئے 252.03 بلین روپے پر درج ہوئے۔ بینک کے کرنٹ اکاؤنٹ، سیونگ اکاؤنٹ (کاسا) ڈیپازٹس کی ترکیب 77 فیصد کی مضبوط سطح پر رہی۔ جس میں غیر پیداواری ڈیپازٹس کی کل ڈیپازٹس میں ترکیب کی شرح 30 فیصد پر ریکارڈ ہوئی۔ سال 2024ء کی پہلی ششماہی میں بینک نے کرنٹ ڈیپازٹس میں، 12.49 بلین روپے (20%) کی نمایاں نمو حاصل کی۔ اسلامی بینکاری کی مصنوعات کے فروغ پر زور دیتے ہوئے ہم، اسلامی بینکاری کی پراڈکٹس میں تنوع اور خدمات کے معیار میں عمدگی اور بہتری کے ذریعے بینکاری سے محروم صارفین تک اپنی رسائی کے عمل کو جاری رکھیں گے۔



MCB Islamic Bank Ltd.

باپرکت سے بینکارکے، ہمارکے ذمہ دارکے



A.F. FERGUSON & CO.

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF MCB ISLAMIC BANK LIMITED

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of MCB Islamic Bank Limited ("the Bank") as at June 30, 2024 and the related condensed interim statement of profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim cash flow statement, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures for the quarters ended June 30, 2024 and June 30, 2023 in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Hammad Ali Ahmad.

A. F. Ferguson & Co.
Chartered Accountants
Lahore

Dated: August 23, 2024

UDIN: AR2024100928HnaBiuE

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■ KARACHI ■ LAHORE ■ ISLAMABAD



MCB Islamic Bank Ltd.

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CONDENSED INTERIM FINANCIAL STATEMENTS



MCB Islamic Bank Ltd.

بائپرکتے ہینکارکے، ہمارکے ذمہ دارکے

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

		(Unaudited) June 30, 2024	(Audited) December 31, 2023
	Note	Rupees in thousands	
ASSETS			
Cash and balances with treasury banks	8	25,305,524	19,529,055
Balances with other banks	9	13,093,139	2,803,425
Due from financial institutions	10	8,499,914	2,500,000
Investments	11	128,322,628	132,544,302
Islamic financing and related assets	12	102,802,633	89,347,415
Property and equipment	13	4,481,041	3,755,402
Right-of-use assets	14	2,025,314	2,027,791
Intangible assets	15	1,075,560	532,846
Deferred tax assets	16	437,555	-
Other assets	17	14,733,811	13,959,469
		300,777,119	266,999,705
LIABILITIES			
Bills payable	19	1,791,788	2,175,473
Due to financial institutions	20	11,830,108	25,813,546
Deposits and other accounts	21	252,025,644	204,460,158
Lease liabilities	22	2,656,468	2,636,096
Subordinated debts		-	-
Deferred tax liabilities	16	-	445,291
Other liabilities	23	9,073,772	9,432,889
		277,377,780	244,963,453
NET ASSETS		<u>23,399,339</u>	<u>22,036,252</u>
REPRESENTED BY			
Share capital	24	15,550,000	15,550,000
Reserves	25	1,863,098	1,428,486
Surplus on revaluation of assets - net of tax	26	705,532	934,644
Unappropriated profit		5,280,709	4,123,122
		<u>23,399,339</u>	<u>22,036,252</u>
CONTINGENCIES AND COMMITMENTS		27	

The annexed notes 1 to 44 form an integral part of these condensed interim financial statements.

Syed Iftikhar Hussain Rizvi
Chief Financial Officer

Zargham Khan Durrani
President / Chief Executive

Hammad Khalid
Director


Omair Safdar
Director

Jawaid Iqbal
Director

**CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024**

Note	Quarter Ended		Half Year Ended		
	April 1, 2024 to June 30, 2024	April 1, 2023 to June 30, 2023	January 1, 2024 to June 30, 2024	January 1, 2023 to June 30, 2023	
Rupees in thousands					
Profit / return earned	28	11,914,976	8,590,457	23,630,999	14,887,558
Profit / return expensed	29	7,773,196	4,496,676	15,294,157	7,906,911
Net profit / return		4,141,780	4,093,781	8,336,842	6,980,647
OTHER INCOME					
Fee and commission income	30	235,955	193,719	462,013	368,194
Dividend income		-	2,713	-	6,589
Foreign exchange income		64,183	260,459	56,165	313,859
Loss on securities	31	(3,184)	-	(5,484)	(46)
Other income	32	49,734	74,735	102,995	113,656
Total other income		346,688	531,626	615,689	802,252
Total income		4,488,468	4,625,407	8,952,531	7,782,899
OTHER EXPENSES					
Operating expenses	33	2,456,681	1,803,408	4,555,995	3,360,685
Workers welfare fund		40,934	57,144	89,498	90,059
Other charges	34	5	1,321	222	1,326
Total other expenses		2,497,620	1,861,873	4,645,715	3,452,070
Profit before credit loss allowance		1,990,848	2,763,534	4,306,816	4,330,829
Credit loss allowance and write offs - net	35	(3,305)	202,526	45,695	318,135
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		1,994,153	2,561,008	4,261,121	4,012,694
Taxation	36	977,138	1,435,090	2,088,059	2,047,096
PROFIT AFTER TAXATION		1,017,015	1,125,918	2,173,062	1,965,598
-----Rupees-----					
Basic and diluted earnings per share	37	0.654	0.724	1.397	1.264

The annexed notes 1 to 44 form an integral part of these condensed interim financial statements.



Syed Iftikhar Hussain Rizvi
Chief Financial Officer



Zargham Khan Durrani
President / Chief Executive



Hammad Khalid
Director



Omair Safdar
Director



Jawaid Iqbal
Director



MCB Islamic Bank Ltd.

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2024

	Quarter Ended		Half Year Ended	
	April 1, 2024 to June 30, 2024	April 1, 2023 to June 30, 2023	January 1, 2024 to June 30, 2024	January 1, 2023 to June 30, 2023
	Rupees in thousands			
Profit after taxation for the period	1,017,015	1,125,918	2,173,062	1,965,598
Other comprehensive (loss) / income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in deficit on revaluation of debt investments through FVTOCI- net of tax	(55,778)	109,170	(231,372)	(23,812)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in deficit on revaluation of property and equipment - net of tax	-	(11,984)	-	(11,984)
Total comprehensive income for the period	961,237	1,223,104	1,941,690	1,929,802

The annexed notes 1 to 44 form an integral part of these condensed interim financial statements.

Syed Iftikhar Hussain Rizvi
Chief Financial Officer

Zargham Khan Durrani
President / Chief Executive

Hammad Khalid
Director

Omair Safdar
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Jawaid Iqbal
Director



MCB Islamic Bank Ltd.

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CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2024

	Share Capital	Statutory Reserve	Surplus / (deficit) on revaluation of		Unappropriated profit / (loss)	Total
			Investments	Property & Equipment		
Rupees in thousands						
Balance as at January 1, 2023	15,550,000	397,819	(79,928)	480,758	(1,767)	16,346,882
Total comprehensive income / (loss) for the half year ended June 31, 2023 - net of tax						
Profit after taxation for the half year ended June 30, 2023	-	-	-	-	1,965,598	1,965,598
Other comprehensive loss	-	-	(23,812)	(11,984)	-	(35,796)
	-	-	(23,812)	(11,984)	1,965,598	1,929,802
Transfer to statutory reserve	-	393,120	-	-	(393,120)	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(1,111)	1,111	-
Balance as at June 30, 2023 (Unaudited)	15,550,000	790,939	(103,740)	467,663	1,571,822	18,276,684
Total comprehensive income / (loss) for the six month period ended December 31, 2023 - net of tax						
Profit after taxation for the six months period ended December 31, 2023	-	-	-	-	3,187,737	3,187,737
Other comprehensive income / (loss)	-	-	571,831	-	-	571,831
	-	-	571,831	-	3,187,737	3,759,568
Transfer to statutory reserve	-	637,547	-	-	(637,547)	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(1,110)	1,110	-
Balance as at December 31, 2023 (Audited)	15,550,000	1,428,486	468,091	466,553	4,123,122	22,036,252
Impact of adopting IFRS-9						
Expected Credit Loss - net of tax	-	-	3,371	-	(581,974)	(578,603)
Restated Balance under IFRS 9 as at December 31, 2023	15,550,000	1,428,486	471,462	466,553	3,541,148	21,457,649
Total comprehensive income / (loss) for the half year ended June 30, 2024 - net of tax						
Profit after taxation for the half year ended June 30, 2024	-	-	-	-	2,173,062	2,173,062
Other comprehensive loss	-	-	(231,372)	-	-	(231,372)
	-	-	(231,372)	-	2,173,062	1,941,690
Transfer to statutory reserve	-	434,612	-	-	(434,612)	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(1,111)	1,111	-
Balance as at June 30, 2024 (Unaudited)	15,550,000	1,863,098	240,090	465,442	5,280,709	23,399,339

The annexed notes 1 to 44 form an integral part of these condensed interim financial statements.

Syed Iftikhar Hussain Rizvi
Chief Financial Officer

Zargham Khan Durrani
President / Chief Executive

Hammad Khalid
Director

Omair Safdar
Director

Jawaid Iqbal
Director



MCB Islamic Bank Ltd.

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CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2024

Note	June 30,	June 30,
	2024	2023
Rupees in thousands		
CASH FLOW FROM OPERATING ACTIVITIES		
	4,261,121	4,012,694
Profit before taxation		
Less: Dividend income	-	(6,589)
	4,261,121	4,006,105
Adjustments		
Depreciation on property & equipments	33 277,633	222,969
Depreciation on right-of-use asset	33 289,711	256,241
Depreciation on Ijarah assets under IFAS 2	192,937	279,719
Amortization	33 100,550	93,159
Unwinding of liability against right of use assets	29 172,412	148,750
Credit loss allowance and write offs - net	35 45,695	318,135
Unrealized loss on forward foreign exchange contracts - net	38,677	357,493
Gain on sale of property and equipment - net	32 (1,308)	(250)
Gain on termination of lease liability against right-of-use asset	-	(6,319)
Unrealised loss / (gain) on revaluation of FVTPL securities	31 4,181	-
Unrealised loss on revaluation of FVTPL securities	31 3,184	-
(Gain) / loss on sale of securities - net	31 (1,881)	46
	1,121,791	1,669,943
	5,382,912	5,676,048
(Increase) / decrease in operating assets		
Due from financial institutions	(5,999,883)	(3,280,000)
Islamic financing and related assets	(13,651,822)	(3,420,971)
Other assets (excluding advance taxation)	(1,654,383)	(3,814,446)
	(21,306,088)	(10,515,417)
Increase / (decrease) in operating liabilities		
Bills payable	(383,685)	(1,637,723)
Due to financial institutions	(13,983,438)	(1,507,657)
Deposits	47,565,486	31,008,362
Other liabilities (excluding current taxation)	790,048	1,673,157
	33,988,411	29,536,139
	18,065,235	24,696,770
Income tax paid	(3,683,680)	(1,635,224)
Net cash flow generated from operating activities	14,381,555	23,061,546
CASH FLOW FROM INVESTING ACTIVITIES		
Net divestments in securities classified as FVTPL	1,996,619	-
Net divestments in securities classified as FVTOCI	(6,229,244)	(4,997,352)
Net divestments / (investments) in amortised cost securities	8,001,755	(8,000,087)
Dividends received	-	6,589
Investments in property and equipment	13.2 (1,003,485)	(351,626)
Disposal of property and equipment	1,521	895
Investments in intangible assets	15.1 (643,264)	(74,582)
Net cash flow generated from / (used in) investing activities	2,123,902	(13,416,163)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use asset	(439,274)	(361,595)
Net cash flow used in financing activities	(439,274)	(361,595)
Increase in cash and cash equivalents during the period	16,066,183	9,283,788
Cash and cash equivalents at the beginning of the period	22,332,480	15,144,558
Cash and cash equivalents at the end of the period	38,398,663	24,428,346

The annexed notes 1 to 44 form an integral part of these condensed interim financial statements.

Syed Iftikhar Hussain Rizvi
Chief Financial Officer

Zargham Khan Durrani
President / Chief Executive

Hammad Khalid
Director

Omair Safdar
Director

Jawaid Iqbal
Director



**NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024**

1 STATUS AND NATURE OF BUSINESS

- 1.1 MCB Islamic Bank Limited (the Bank) was incorporated in Pakistan on May 15, 2014 as an unlisted public limited company under the Companies Act, 2017 (previously Companies Ordinance, 1984) to carry out the business of an Islamic Commercial Bank in accordance and in conformity with the principles of Islamic Shari'ah and in accordance with regulations and guidelines of the State Bank of Pakistan. The Securities and Exchange Commission of Pakistan granted "Certificate of Commencement of Business" to the Bank on January 30, 2015. The Bank is a wholly owned subsidiary of MCB Bank Limited (MCB).
- 1.2 The State Bank of Pakistan (SBP) granted a "Certificate of Commencement of Banking Business" to the Bank on September 14, 2015 under Section 27 of the Banking Companies Ordinance, 1962. The Bank formally commenced operations as a scheduled Islamic Commercial Bank with effect from October 15, 2015 upon receiving notification in this regard from SBP under section 37 of the State Bank of Pakistan Act, 1956. Currently, the Bank is engaged in corporate, commercial, consumer, micro finance, investment and retail banking activities.
- 1.3 The Bank is operating through 232 branches including two sub branches in Pakistan (December 31, 2023: 226 branches including two sub branches). The Registered office of the Bank is situated at 59 Block T, Phase II, DHA, Lahore Cantt and Principal Office is situated at 14-A Main Jail Road, Gulberg, Lahore.
- 1.4 Pakistan Credit Rating Agency (PACRA) has upgraded our Bank's medium to long-term rating from "A" to A+ and maintained the short-term rating as 'A-1' with stable outlook.

1.5 Demerger of 39 Branches from MCB Bank Limited

The Board of Directors of MCB Bank Limited ("MCB") in its meeting held on April 24, 2024 had approved the Scheme of Compromises, Arrangements and Reconstruction (the "Scheme"), under Section 279 to 283 and 285 of the Companies Act, 2017, between the Bank and its wholly owned subsidiary MCB Islamic Bank Limited ("MIB").

The Scheme envisages transfer of banking business of thirty nine (39) branches of the Bank subject to approval by the shareholders of the banks and sanction by the Honourable Lahore High Court; whereby the existing business, assets, liabilities and operations of the 39 branches of MCB along with all rights and obligations pertaining thereto will be transferred to and vested in MIB. The banking business of these branches will also stand converted into Islamic banking business on the effective date, against payment of cash consideration, pursuant to the compliance of applicable regulatory permissions.

No Objection Certificate of the State Bank of Pakistan ("SBP") on the Scheme was received on April 29, 2024 and petition was filed with the Honourable Lahore High Court for sanctioning the scheme of demerger. The shareholders of MCB Bank Limited approved the Scheme in the Extra Ordinary General Meeting (EOGM) held on July 06, 2024.

2 BASIS OF PRESENTATION

- 2.1 These condensed interim financial statements have been prepared in conformity with the format of interim financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular No. 2 dated February 09, 2023.
- 2.2 The Bank provides financing through Shari'ah compliant financing products mainly through Murabaha, Istisna, Salam, Ijarah, Diminishing Musharaka and Running Musharaka. The Bank also provides refinance facilities under various refinance schemes of the State Bank of Pakistan including Islamic Export Refinance Scheme.
- 2.3 The purchases and sales arising under these arrangements are not reflected in these condensed interim financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of profit thereon. The income on such Islamic financing is recognised in accordance with the principles of Islamic Shari'ah and in accordance with regulations and guidelines of the State Bank of Pakistan. However, income, if any, received which does not comply with the principles of Islamic Shari'ah is recognised as charity payable if so directed by the Shari'ah Board of the Bank.

3 STATEMENT OF COMPLIANCE

- 3.1 These 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 (IAS) 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 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.

The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' on banks through its notification S.R.O 411(I)/2008 dated April 28, 2008. The State Bank of Pakistan through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standard-3 for Profit and Loss Sharing on Deposits (IFAS-3) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and notified by the SECP, vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IIFS). Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements.

The disclosures made in these condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular Letter No. 2 dated February 09, 2023 and the requirements of IAS 34 "Interim Financial Reporting". They do not include all the information and disclosures required in preparation of annual financial statements, and should be read in conjunction with the annual audited financial statements for the year ended December 31, 2023.

The Bank believes that there is no significant doubt on the Bank's ability to continue as a going concern. Therefore, the condensed interim financial statements have been prepared on a going concern basis.

3.2 Standards, interpretations of and amendments to accounting and reporting 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 01, 2024 but are considered not to be relevant or do not have any material effect on the Bank's operations and are therefore not detailed in these condensed interim financial statements except for IFRS 9 (Financial Instruments), the impact of which is disclosed under note 6.2.

3.3 Standards, interpretations of and amendments to approved accounting standards that are not yet effective

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 01, 2025 but are considered not to be relevant or will not have any material effect on the Bank's financial statements except for:

- the new standard - IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit and Loss Account' with certain additional disclosures in the financial statements.
- amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

4 BASIS OF MEASUREMENT

4.1 Accounting convention

These condensed interim financial statements have been prepared under the historical cost convention except for certain property and equipment and non banking assets acquired in satisfaction of claims which are stated at revalued amounts; fair value through profit or loss, fair value through other comprehensive income, investments which are measured at fair value; and right of use of assets and related lease liability measured at present value.

4.2 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency. The amounts are rounded off to the nearest thousand rupees except as stated otherwise.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements of the Bank for the year ended December 31, 2023.

6 MATERIAL ACCOUNTING POLICIES INFORMATION

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the financial statements of the Bank for the year ended December 31, 2023 except for the adoption of IFRS 9 "Financial Instruments" w.e.f January 01, 2024.

6.1 Adoption of new forms for the preparation of condensed interim financial statements

The SBP, vide its BPRD Circular No. 02 dated February 09, 2023, issued the revised forms for the preparation of the condensed interim financial statements of the Banks. The implementation of the revised forms has resulted in certain changes to the presentation and disclosures of various elements of the condensed interim financial statements. Right of use assets and corresponding lease liability are now presented separately on the face of the Statement of financial position. Previously, these were presented under property and equipment (earlier titled as fixed assets) and other liabilities respectively. There is no impact of this change on the condensed interim financial statements in terms of recognition and measurement of assets and liabilities.

6.2 IFRS 9 - 'Financial Instruments'

As per SBP BPRD Circular Letter No. 07 of 2023 dated April 13, 2023, IFRS 9 is applicable on banks with effect from January 01, 2024. IFRS 9 brings fundamental changes to the accounting for financial assets and to certain aspects of accounting for financial liabilities. To determine appropriate classification and measurement category, IFRS 9 requires all financial assets, except equity instruments, to be assessed based on combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics. The adoption of IFRS 9 has also fundamentally changed the impairment method of financial assets with a forward-looking Expected Credit Losses (ECL) approach.

The SBP through its BPRD Circular Letter No. 16 dated July 29, 2024 has made certain amendments and extended the timelines of SBP's IFRS 9 Application Instructions to address most of the matters raised by the banks with a direction to ensure compliance by the extended timeline.

There are a few matters which include income recognition on Islamic financings and fair valuation of subsidized loans, the treatments of which are still under deliberation with the SBP. The Bank has continued to follow the treatment adopted in respect of these matters in the prior periods till the time SBP issues the relevant guidance / clarification.

6.2.1 Classification
Financial Assets

Under IFRS 9, existing categories of financial assets: Held for trading (HFT), Available for sale (AFS), Held to maturity (HTM) and loans and receivables have been replaced by:

- Financial assets at fair value through profit or loss account (FVTPL)
- Financial assets at fair value through other comprehensive income (FVOCI)
- Financial assets at amortised cost

Financial Liabilities

Under IFRS 9, the accounting for financial liabilities remains largely the same as before adoption of IFRS 9 and thus financial liabilities are being carried at amortised cost except for derivatives which are being measured at FVTPL.

6.2.2 Business model assessment

The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Bank's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- The objectives for the portfolio, in particular, whether the management's strategy focuses on earning contractual revenue, maintaining a particular yield profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Bank's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed; and
- The expected frequency, value and timing of sale are also important aspects of the Bank's assessment. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

Eventually, the financial assets fall under either of the following three business models:

- i) Hold to Collect (HTC) business model: Holding assets in order to collect contractual cash flows
- ii) Hold to Collect and Sell (HTC&S) business model: Collecting contractual cash flows and selling financial assets
- iii) Other business models: Resulting in classification of financial assets as FVTPL

6.2.3 Assessments whether contractual cash flows are solely payments of principal and profit (SPPI)

As a second step of its classification process, the Bank assesses the contractual terms of financial assets to identify whether they meet the SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium / discount). The most significant elements of profit within a financing arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Bank applies judgment and considers relevant factors such as, but not limited to, the currency in which the financial asset is denominated, and the period for which the profit rate is set. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with basic lending arrangement, the related financial asset is classified and measured at FVTPL.

6.2.4 Application to the Bank's financial assets
Debt based financial assets

Debt based financial assets held by the Bank include: advances, lending to financial institutions, investment in federal government securities, corporate bonds and other private sukuks, cash and balances with treasury banks, balances with other banks, and other financial assets.

- a) These are measured at amortised cost if they meet both of the following conditions and are not designated as FVTPL:
- the assets are held within a business model whose objective is to hold assets to collect contractual cash flows; and
 - the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest / profit on the principal amount outstanding.

The Bank's business model for these financial assets can still be HTC even when sales of these financial assets occur. However, if more than an infrequent number of sales of significant value are made, the Bank assesses whether and how the sales are consistent with the HTC objective.

- b) Debt based financial assets are measured at FVOCI only if these meet both of the following conditions and are not designated as FVTPL:
- the asset are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
 - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest / profit on the principal amount outstanding.

6.2.5 Initial recognition and subsequent measurement

Financial assets and financial liabilities are recognised when the entity becomes party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Bank purchases or sells the asset. Other financial assets and liabilities like advances, lending to financial institutions, deposits etc. are recognised when funds are transferred to the customers' account or financial institutions. However, for cases, where funds are transferred on deferred payment basis, recognition is done when underlying asset is purchased.

a) Amortised cost (AC)

Financial assets and financial liabilities under amortised cost category are initially recognised at fair value adjusted for directly attributable transaction cost. These are subsequently measured at amortised cost. An expected credit loss allowance (ECL) is recognised for financial assets in the condensed interim statement of profit and loss account. Interest income / profit / expense on these assets / liabilities are recognised in the condensed interim statement of profit and loss account. On derecognition of these financial assets and liabilities, capital gain / loss will be recognised in the condensed interim statement of profit and loss account.

b) Fair value through other comprehensive income (FVOCI)

Financial assets under FVOCI category are initially recognised at fair value adjusted for directly attributable transaction cost. These assets are subsequently measured at fair value with changes recorded in OCI. An expected credit loss allowance (ECL) is recognised for debt based financial assets in the condensed interim statement of profit and loss account. Interest / profit / dividend income on these assets are recognised in the condensed interim statement of profit and loss account. On derecognition of debt based financial assets, capital gain / loss will be recognised in the condensed interim statement of profit and loss account. For equity based financial assets classified as FVOCI, capital gain / loss is transferred from surplus / deficit to unappropriated profit.

c) Fair value through profit or loss (FVTPL)

Financial assets under FVTPL category are initially recognised at fair value. Transaction cost will be directly recorded in the condensed interim statement of profit and loss account. These assets are subsequently measured at fair value with changes recorded in the condensed interim statement of profit and loss account. Interest / dividend income on these assets are recognised in the condensed interim statement of profit and loss account. On derecognition of these financial assets, capital gain / loss will be recognised in the condensed interim statement of profit and loss account. An expected credit loss allowance (ECL) is not recognised for these financial assets.

6.2.6 Derecognition

Financial assets

The Bank derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire;
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Bank neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Bank enters into transactions whereby it transfers assets recognised in its condensed interim statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Bank derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Bank also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the condensed interim statement of profit and loss account.

6.2.7 Modification

The Bank sometimes renegotiates or otherwise modifies the contractual cash flows of financing to its customers. When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset in accordance with IFRS 9, the Bank recalculates the gross carrying amount of the financial asset to recognise a modification gain or loss in the condensed interim statement of profit and loss account. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective profit rate (or credit-adjusted effective profit rate for purchased or originated credit-impaired financial assets). Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

6.2.8 Expected Credit Loss (ECL)

The Bank assesses on a forward-looking basis the expected credit losses ('ECL') associated with all advances and other debt financial assets not held at FVTPL, together with letter of credit, guarantees and unutilised financing commitments hereinafter referred to as "Financial Instruments". The Bank recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECLs and 12mECLs are calculated at facility level.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Bank considers an exposure to have significantly increased in credit risk when there is considerable deterioration in the internal rating grade for subject customer. The Bank also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset, such as moving a customer / facility to the watch list, or the account becoming forborne. Regardless of the change in credit grades, generally, the Bank considers that there has been a significant increase in credit risk when contractual payments are more than 60 days past due. However, for certain portfolios, the Bank rebuts 60 DPD presumption based on behavioural analysis of its borrowers. When estimating ECLs on a collective basis for a group of similar assets, the Bank applies the similar principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Based on the above process, the Bank groups its financial instruments into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1:	When financial instruments are first recognised, the Bank recognises an allowance based on 12mECLs. Stage 1 financial instruments also include facilities where the credit risk has improved and these have been reclassified from Stage 2. The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Bank calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast Exposure At Default (EAD) and multiplied by the expected LGD and discounted by an approximation to the original Effective Interest Rate (EIR). This calculation is made for all the scenarios.
Stage 2:	When a financial instrument has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECLs. Stage 2 also includes facilities, where the credit risk has improved and the instrument has been reclassified from Stage 3. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs are applied over the lifetime of the instrument. The expected cash flows are discounted by an approximation to the original EIR.
Stage 3:	For financial instruments considered credit-impaired, the Bank recognises the LTECLs for these instruments. The Bank uses a PD of 100% and LGD as computed for each portfolio or as prescribed by the SBP.
POCI:	Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and profit / rental is subsequently recognised based on a credit-adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.
Undrawn financing commitments	When estimating LTECLs for undrawn financings commitments, the Bank estimates the expected portion of the financings commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected cash flows if the financings is drawn down, based on a probability-weighting of the three scenarios. For revolving facilities that include both a financings and an undrawn commitment, ECLs are calculated on undrawn portion of the facility and presented within other liabilities.
Guarantee and letters of credit contracts	The Bank estimates ECLs based on the BASEL driven and internally developed credit conversion factor (CCF) for guarantee and letter of credit contracts respectively. The calculation is made using a probability-weighting of the three scenarios. The ECLs related to guarantee and letter of credit contracts are recognised within other liabilities.

The calculation of ECLs

The Bank calculates ECLs based on a three probability-weighted scenarios to measure the expected cash flows, discounted at an approximation to the EIR.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

PD	The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. PD for corporate exposure is estimated based on Markov Chain Process. PDs for non corporate exposure are measured on the base of Roll Rate Estimation and are based on Days Past Due buckets.
EAD	The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and profit, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest / profit from missed payments. The maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Bank has a legal right to call it earlier. The Bank's product offering includes a variety of corporate and retail facilities, in which the Bank has the right to cancel and / or reduce the facilities with one day notice. However, in case of revolving facilities, the Bank does not limit its exposure to credit losses to the contractual notice period, but, instead calculates ECL over a period that reflects the Bank's expectations of the customer behaviour, its likelihood of default and the Bank's future risk mitigation procedures, which could include reducing or cancelling the facilities.

LGD The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The discount rate used to discount the ECLs is based on the effective interest rate that is expected to be charged over the expected period of exposure to the facilities. In the absence of computation of the effective interest rate (at reporting date), the Bank uses an approximation e.g. contractual rate (at reporting date).

Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liabilities to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

To mitigate its credit risks on financial assets, the Bank seeks to use collateral, where possible. The Bank considers only those collaterals as eligible collaterals in the EAD calculation which have the following characteristics:

- History of legal certainty and enforceability
- History of enforceability and recovery.

When estimating the ECLs, the Bank considers three scenarios (a base case, an upside, a downside). Each of these is associated with different PDs.

The Bank's management has only considered cash, liquid securities, and Government of Pakistan guarantees as eligible collaterals, while calculating EADs.

The credit exposure (in local currency) that have been guaranteed by the Government and Government Securities are exempted from the application of ECL calculation.

Forward looking information

In its ECL models, the Bank relies on range of the following forward looking information as economic inputs, such as:

- GDP growth
- Consumer price index
- Unemployment rate

Definition of default

The Bank defines a financial instrument as in default, which is fully aligned with the definition of credit impaired, when it meets one or more of the following criteria:

Further the following criteria has been determined for assessment of default:

- The Bank makes a charge-off or account-specific provision resulting from a perceived decline in credit quality subsequent to the Bank taking on the exposure,
- The Bank sells the credit obligation at a material credit-related economic loss,
- The Bank consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material forgiveness, or postponement, of principal, interest or (where relevant) fees,
- The Bank has filed for the obligor's bankruptcy or a similar order in respect of the obligor's credit obligation to the industry group, and
- The obligor has sought or has been placed in Bankruptcy or similar protection where this would avoid or delay repayment of the credit obligation to the industry group.

The concept of "impairment or "default" is critical to the implementation of IFRS 9 as it drives determination of risk parameters, i.e. PD, LGD and EAD.

As per BPRD Circular No. 03 of 2022 dated July 05, 2022 and BPRD Circular Letter No.16 of 2024 dated July 29, 2024, ECL of Stage 1 and Stage 2 is calculated as per IFRS 9, while ECL of Stage 3 has been calculated based on higher of either the Prudential Regulations or IFRS 9 at borrower / facility level for corporate / commercial / SME loan portfolios and at segment / product basis for retail portfolio.

This implies that if one facility of a counterparty becomes 90+ DPD in repaying its contractual dues or as defined in PRs; all other facilities would deem to be classified as stage 3.

Write-offs

The Bank's accounting policy under IFRS 9 remains the same as it was under SBP regulations / existing reporting framework.

6.2.9 Adoption impacts

The Bank has adopted IFRS 9 effective from January 01, 2024 with modified retrospective approach as permitted under IFRS 9. The cumulative impact of initial application of Rs. 581.974 million has been recorded as an adjustment to equity at the beginning of the current accounting period. The details of the impacts of initial application are tabulated below:

6.2.9.1 Reconciliation of statement of financial position balances from existing local regulations to IFRS 9

	Prudential Regulations December 31, 2023	Classification & Measurement	Expected Credit Losses	IFRS 9 January 01, 2024
-----Rupees in '000-----				
Cash and balances with treasury banks	19,529,055	-	(32,095)	19,496,960
Balances with other banks	2,803,425	-	(4,840)	2,798,585
Due from financial institutions	2,500,000	-	(117)	2,499,883
Investments	132,544,302	-	-	132,544,302
Islamic financing and related assets	89,347,415	-	(1,019,499)	88,327,916
Property and equipment	3,755,402	-	-	3,755,402
Right-of-use assets	2,027,791	-	-	2,027,791
Intangible assets	532,846	-	-	532,846
Deferred tax assets	-	-	562,522	562,522
Other assets	13,959,469	-	-	13,959,469
Total Assets	266,999,705	-	(494,029)	266,505,676
Bills payable	2,175,473	-	-	2,175,473
Due to financial institutions	25,813,546	-	-	25,813,546
Deposits and other accounts	204,460,158	-	-	204,460,158
Lease liabilities	2,636,096	-	-	2,636,096
Subordinated debt	-	-	-	-
Deferred tax liabilities	445,291	-	-	445,291
Other liabilities	9,432,889	-	84,574	9,517,463
Total Liabilities	244,963,453	-	84,574	245,048,027
Share capital	15,550,000	-	-	15,550,000
Reserves	1,428,486	-	-	1,428,486
Surplus on revaluation of assets - net of tax	934,644	-	3,371	938,015
Unappropriated profit	4,123,122	-	(581,974)	3,541,148
Total Equity	22,036,252	-	(578,603)	21,457,649
Total Equity and Liabilities	266,999,705	-	(494,029)	266,505,676

7 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the financial statements for the year ended December 31, 2023.

	(Unaudited) June 30, 2024	(Audited) December 31, 2023
8 CASH AND BALANCES WITH TREASURY BANKS		
Rupees in thousands		
In hand		
- local currency	4,317,660	3,482,849
- foreign currencies	724,605	619,773
	5,042,265	4,102,622
With the State Bank of Pakistan in		
- local currency current account	17,847,604	13,897,890
- foreign currency current accounts		
cash reserve account	8.2 401,090	401,933
special cash reserve account	8.3 484,314	479,163
USD clearing account	90,786	48,095
With National Bank of Pakistan in	976,190	929,191
- local currency current account	1,473,160	599,329
Prize bonds	8.4 23	23
Less: Credit loss allowance held against cash and balances with treasury banks	(33,718)	-
Cash and balances with treasury banks - net of credit loss allowance	25,305,524	19,529,055

8.1 CASH AND BALANCES WITH TREASURY BANKS- Particulars of credit loss allowance

		June 30, 2024		December 31, 2023	
		Cash and Balance with Treasury Banks	Credit loss allowance held	Cash and Balance with Treasury Banks	Provision held
Rupees in thousands					
Domestic					
Impact of adoption of IFRS 9		-	(32,095)	-	-
Performing Stage 1		-	-	-	-
Under performing Stage 2		976,190	(1,623)	929,191	-
Non-performing Stage 3					
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		<u>976,190</u>	<u>(33,718)</u>	<u>929,191</u>	<u>-</u>

8.2 As per BSD Circular No. 15 dated June 21, 2008, cash reserve of 5% is required to be maintained with the SBP on deposits held under the New Foreign Currency Accounts Scheme (FE-25 deposits). This account is non-remunerative in nature.

8.3 Special Cash Reserve of 6% is required to be maintained with the SBP on FE-25 deposits as specified in BSD Circular No. 15 dated June 21, 2008. This account is non-remunerative in nature.

8.4 These represent the national prize bonds received from customers for onward surrendering to SBP. The Bank, as a matter of Shari'ah principle, does not deal in prize bonds.

		(Unaudited) June 30, 2024	(Audited) December 31, 2023
		Rupees in thousands	
9 BALANCES WITH OTHER BANKS			
In Pakistan			
- deposit account		1,272	1,845
Outside Pakistan			
- current account		13,093,078	2,801,580
Less: Credit loss allowance held against balances with other banks		(1,211)	-
Balances with other banks - net of credit loss allowance		<u>13,093,139</u>	<u>2,803,425</u>

9.1 Balances with other banks- Particulars of credit loss allowance

		June 30, 2024		December 31, 2023	
		Balances with other banks	Credit loss allowance held	Balances with other banks	Provision held
Rupees in thousands					
Domestic					
Impact of adoption of IFRS 9		-	(4,840)	-	-
Performing Stage 1		13,094,350	3,629	2,803,425	-
Under performing Stage 2		-	-	-	-
Non-performing Stage 3					
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		<u>13,094,350</u>	<u>(1,211)</u>	<u>2,803,425</u>	<u>-</u>



MCB Islamic Bank Ltd.

بائریکتے بینکاری، ہمارے ذمہ داری

(Unaudited) (Audited)
June 30, December 31,
2024 2023
Rupees in thousands

10 DUE FROM FINANCIAL INSTITUTIONS

Musharaka arrangements	8,500,000	2,500,000
Less: Credit loss allowance held against due from financial institution	(86)	-
	<u>8,499,914</u>	<u>2,500,000</u>

10.1 Due from FIs- Particulars of credit loss allowance

	June 30, 2024		December 31, 2023	
	Due from FIs	Credit loss allowance held	Due from FIs	Provision held
Rupees in thousands				
Domestic				
Impact of adoption of IFRS 9	-	(117)	-	-
Performing Stage 1	8,500,000	31	2,500,000	-
Under performing Stage 2	-	-	-	-
Non-performing Stage 3				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
	<u>8,500,000</u>	<u>(86)</u>	<u>2,500,000</u>	<u>-</u>

c) Debt based financial assets if these are held for trading purposes are classified as measured at FVTPL.

In addition, on initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The application of these policies also resulted in classifications and consequent remeasurements of certain investments in Ijarah Sukuk held under available for sale portfolio as of December 31, 2023 to hold to collect based on the business model assessment. The following table reconciles their carrying amounts as reported on December 31, 2023 to the carrying amounts under IFRS 9 on transition to IFRS 9 on January 01, 2024:

Investment type and category	Balances as of December 31, 2023 (Audited)	IFRS 9 Classification	Balances as of December 31, 2023	Remeasurements	Balances as of January 01, 2024 - before ECL
	(Rupees in '000)				
Non Government Securities					
- Ijarah Sukuk - AFS	770,000	FVTPL	770,000	-	770,000
	<u>770,000</u>		<u>770,000</u>	<u>-</u>	<u>770,000</u>

Equity based financial assets

An equity instrument held by the Bank for trading purposes is classified as measured at FVTPL. On initial recognition of an equity investment that is not held for trading, the Bank may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. The Bank has decided to classify Rs NIL out of its available for sale equity investment (listed shares) portfolio as of December 31, 2023 as FVTPL.

IFRS 9 has eliminated impairment assessment requirements for investments in equity instruments. Accordingly, the Bank has reclassified impairment of Rs. NIL on listed equity investments and Rs. NIL for unlisted equity investment held as at December 31, 2023 to surplus / deficit on revaluation of investments through remeasurements.

The measurement category and carrying amount of financial assets in accordance with the accounting and reporting standards as applicable in Pakistan before and after adoption of IFRS 9 as at January 1, 2024 are compared as follows:

Financial assets	Before adoption of IFRS 9*		After adoption of IFRS 9	
	Measurement category	Carrying amount as at December 31, 2023	Measurement category	Carrying amount as at December 31, 2023
Rupees in '000				
Cash and balances with treasury banks	Loans and receivables	19,529,055	Amortised cost	19,496,960
Balances with other banks	Loans and receivables	2,803,425	Amortised cost	2,798,585
Due from financial institutions	Loans and receivables	2,500,000	Amortised cost	2,499,883
Investments - net	Held-for-trading	2,000,800	Fair value through profit or loss	2,000,800
	Available-for-sale	94,326,572	Fair value through profit or loss	763,390
			Fair value through other comprehensive income	93,563,182
			Amortised cost	
	Held-to-maturity	36,216,930	Amortised cost	36,216,930
Advances - net	Loans and receivables	89,347,415	Amortised cost	88,327,916
Other liabilities	Loans and receivables	9,432,889	FVTPL / amortised cost	9,517,463
		256,157,086		255,185,109

* The reconciliation between carrying amounts of financial assets before and after adoption of IFRS 9 has been disclosed in note 6.2.9

11 INVESTMENTS
11.1 Investments by type:
June 30, 2024 (Unaudited)

	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
Rupees in thousands				
FVTPL				
Federal Government securities	-	-	-	-
Non Government securities	770,000	-	(3,184)	766,816
	770,000	-	(3,184)	766,816
FVTOCI				
Federal Government securities	98,869,872	-	470,765	99,340,637
	98,869,872	-	470,765	99,340,637
Amortised cost				
Federal Government securities	28,215,175	-	-	28,215,175
	28,215,175	-	-	28,215,175
Total Investments	127,855,047	-	467,581	128,322,628

December 31, 2023 (Audited)

	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
Rupees in thousands				
FVTPL				
Federal Government securities	1,996,619	-	4,181	2,000,800
	1,996,619	-	4,181	2,000,800
FVTOCI				
Federal Government securities	92,638,747	-	924,435	93,563,182
Non Government securities	770,000	-	(6,610)	763,390
	93,408,747	-	917,825	94,326,572
Amortised cost				
Federal Government securities	36,216,930	-	-	36,216,930
	36,216,930	-	-	36,216,930
Total Investments	131,622,296	-	922,006	132,544,302

11.1.1 The market value of investments given as collateral as at June 30, 2024 amounted to NIL (December 31, 2023: Nil).

11.1.2 The market value of securities measured at amortized cost as at June 30, 2024 amounted to Rs. 28,524 million (December 31, 2023: Rs. 36,748 million).

12 ISLAMIC FINANCING AND RELATED ASSETS - NET

	Note	Performing		Non performing		Total	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
		June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
		Rupees in thousands					
Murabaha	12.1	20,591,791	12,202,918	46,456	46,550	20,638,247	12,249,468
Musawamah		117,119	-	-	-	117,119	-
Istisna	12.2	3,645,029	4,613,657	318,352	177,761	3,963,381	4,791,418
Salam		-	38,042	-	-	-	38,042
Ijarah	12.3	1,610,603	1,804,112	1,236	973	1,611,839	1,805,085
Running Musharaka	12.4	54,313,821	45,626,287	-	-	54,313,821	45,626,287
Diminishing Musharaka	12.5	20,456,960	22,491,209	1,855,191	1,732,524	22,312,151	24,223,733
Staff finance	12.6	2,157,442	1,901,583	-	-	2,157,442	1,901,583
Islamic financing and related assets - gross		102,892,765	88,677,808	2,221,235	1,957,808	105,114,000	90,635,616
Less: Credit loss allowance / provision against islamic financing and related assets							
- Stage 1		(653,098)	-	-	-	(653,098)	-
- Stage 2		(111,840)	-	-	-	(111,840)	-
- Stage 3		-	-	(1,546,429)	-	(1,546,429)	-
- General		-	(542,951)	-	-	-	(542,951)
- Specific		-	-	-	(745,250)	-	(745,250)
	12.9	(764,938)	(542,951)	(1,546,429)	(745,250)	(2,311,367)	(1,288,201)
Islamic financing and related assets - net of credit loss allowance / provisions		102,127,827	88,134,857	674,806	1,212,558	102,802,633	89,347,415

		(Unaudited)	(Audited)
		June 30, 2024	December 31, 2023
		Rupees in thousands	
12.1 Murabaha			
- Murabaha financing		7,794,298	5,567,599
- Murabaha inventory		12,348,239	6,534,969
- Advances against Murabaha financing		425,710	76,900
- Advances against Murabaha financing - Islamic Export Refinance Scheme (IERS)		70,000	70,000
- Murabaha financing - Islamic Export Refinance Scheme (IERS)		-	-
- Murabaha inventory - Islamic Refinancing Scheme for Payment of Wages and Salaries (IRSPWS)		-	-
		20,638,247	12,249,468
12.2 Istisna			
- Istisna financing		1,396,472	1,620,373
- Istisna inventory		380,044	545,663
- Advances against Istisna financing		2,114,930	2,474,159
- Istisna financing - Islamic Export Refinance Scheme (IERS)		18,735	39,284
- Advances against Istisna financing - Islamic Export Refinance Scheme (IERS)		53,200	111,939
		3,963,381	4,791,418
12.3 Ijarah financing and related assets			
- Net book value of assets in Ijarah under IFAS 2		1,578,968	1,744,035
- Advances against Ijarah		32,871	61,050
		1,611,839	1,805,085
12.4 Running Musharaka			
- Running Musharaka financing		51,128,090	42,210,287
- Running Musharaka financing - Islamic Export Refinance Scheme (IERS)		3,185,731	3,416,000
		54,313,821	45,626,287
12.5 Diminishing Musharaka			
- Diminishing Musharaka financing		21,895,114	23,754,790
- Diminishing Musharaka financing - Islamic Refinancing Scheme for Payment of Wages and Salaries (IRSPWS)		-	-
- Advances against Diminishing Musharaka financing		341,764	347,983
- Advances against Diminishing Musharaka - Islamic Long Term Financing Facility (ILTFF)		-	-
- Advances against Diminishing Musharaka under Islamic Temporary Economic Refinancing Facility (ITERF) for Plant and Machinery		75,273	120,960
		22,312,151	24,223,733

	(Unaudited) June 30, 2024	(Audited) December 31, 2023
	Rupees in thousands	
12.6 Staff finance		
- Staff vehicle finance under Diminishing Musharaka	549,420	474,493
- Staff housing finance under Diminishing Musharaka	1,608,022	1,427,090
12.7 Particulars of Islamic financing and related assets - gross	<u>2,157,442</u>	<u>1,901,583</u>
In local currency	105,114,000	90,635,616
In foreign currency	-	-
	<u>105,114,000</u>	<u>90,635,616</u>

12.8 Islamic financing and related assets include Rs. 2,221.235 million (December 31,2023: Rs. 1,957.808 million) which have been placed under non-performing / stage 3 status as detailed below:

Category of Classification - Stage 3 under IFRS 9	(Unaudited)		(Audited)	
	June 30, 2024	Credit loss allowance	December 31, 2023	Credit loss allowance
	Rupees in thousands			
Domestic				
Other Assets Especially Mentioned (OAEM)	7,832	-	-	-
Substandard	30,156	3,932	222,176	5,482
Doubtful	490,445	14,126	157,979	3,193
Loss	1,692,802	1,528,371	1,577,653	736,575
	<u>2,221,235</u>	<u>1,546,429</u>	<u>1,957,808</u>	<u>745,250</u>

12.9 Particulars of credit loss allowance against Islamic financing and related assets

	June 30, 2024 (Unaudited)				December 31, 2023 (Audited)		
	Stage 3	Stage 2	Stage 1	Total	Specific	General	Total
	Rupees in thousands						
Opening balance	745,250	542,951	-	1,288,201	175,194	409,909	585,103
Impact of adoption of IFRS-9	804,972	(461,044)	675,571	1,019,499	-	-	-
Charge for the period / year	7,658	30,741	79,536	117,935	577,686	149,396	727,082
Reversals	(11,451)	(808)	(102,009)	(114,268)	(6,651)	(16,354)	(23,005)
	(3,793)	29,933	(22,473)	3,667	571,035	133,042	704,077
Amounts written off	-	-	-	-	(979)	-	(979)
Closing balance	<u>1,546,429</u>	<u>111,840</u>	<u>653,098</u>	<u>2,311,367</u>	<u>745,250</u>	<u>542,951</u>	<u>1,288,201</u>

12.10 State Bank of Pakistan vide BSD Circular No. 02 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. 01 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 NPLs for five years from the date of classification. Had the benefit not been taken by the Bank, the specific provision against non-performing Islamic financing and related assets would have been higher by Rs. 551.968 million (December 31, 2023: Rs. 967.863 million). The additional benefit on the Bank's profit and loss account arising from availing the FSV benefit - net of tax amounts to Rs. 281.504 million (December 31, 2023: Rs. 493.610 million). However, the additional impact on profitability arising from availing the benefit of forced sales value is not available for payment of cash or stock dividends to shareholders.

12.11 Advances - Particlurs of credit loss allowance

	June 30, 2024 (Unaudited)				December 31, 2023 (Audited)		
	Stage 3	Stage 2	Stage 1	Total	Specific	General	Total
	Rupees in thousands						
Opening balance	745,250	542,951	-	1,288,201	175,194	409,909	585,103
Impact of adoption of IFRS-9	804,972	(461,044)	675,571	1,019,499	-	-	-
New advances	1,366	15,954	235,791	253,111	-	-	-
Derognised or repaid / reversal of provision	3,379	1,681	168,651	173,711	(6,651)	(16,354)	(23,005)
Transfer to Stage 1 / charge for the year	-	(7,694)	7,694	-	577,686	149,396	727,082
Transfer to Stage 2	-	46,624	(46,624)	-	-	-	-
Transfer to Stage 3	5,606	(2,879)	(2,727)	-	-	-	-
	10,351	53,686	362,785	426,822	571,035	133,042	704,077
Amounts written off	-	-	-	-	(979)	-	(979)
Changes in risk parameters	(14,144)	(23,753)	(385,258)	(423,155)	-	-	-
Closing balance	<u>1,546,429</u>	<u>111,840</u>	<u>653,098</u>	<u>2,311,367</u>	<u>745,250</u>	<u>542,951</u>	<u>1,288,201</u>

12.12 Islamic financing and related assets - Category of classification

	June 30, 2024		December 31, 2023	
	Gross amount	Credit loss allowance	Non-performing amount	Provision held
	Rupees in thousands			
Domestic				
Performing	100,200,199	653,098	-	-
Underperforming	2,692,566	111,840	-	-
Non-Performing				
OAEM	7,832	-	-	-
Substandard	30,156	3,932	222,176	5,482
Doubtful	490,445	14,126	157,979	3,193
Loss	1,692,802	1,528,371	1,577,653	736,575
	<u>2,221,235</u>	<u>1,546,429</u>	<u>1,957,808</u>	<u>745,250</u>
	<u>105,114,000</u>	<u>2,311,367</u>	<u>1,957,808</u>	<u>745,250</u>

	(Unaudited) June 30, 2024	(Audited) December 31, 2023
	Rupees in thousands	
13 PROPERTY AND EQUIPMENT		
Capital work-in-progress	1,066,886	514,632
Property and equipment	3,414,155	3,240,770
	<u>4,481,041</u>	<u>3,755,402</u>
13.1 Capital work-in-progress		
Civil works	231,368	13,028
Advance to suppliers and contractors	604,895	425,650
Electrical and computer equipment	230,623	75,954
	<u>1,066,886</u>	<u>514,632</u>
	(Unaudited) June 30, 2024	(Unaudited) June 30, 2023
	Rupees in thousands	
13.2 Additions to property and equipment		
The following additions have been made to property & equipments during the period:		
Capital work-in-progress	554,036	176,971
Property and equipment		
Freehold land	125	-
Building on freehold land	9,451	665
Leasehold improvements	67,989	27,902
Furniture and fixtures	51,920	19,835
Electrical, office and computer equipment	312,000	126,253
Vehicles	9,746	-
	<u>451,231</u>	<u>174,655</u>
	<u>1,005,267</u>	<u>351,626</u>
13.3 Disposal of property and equipment		
The net book value of property & equipments disposed off during the period is as follows:		
Furniture and fixtures	6	23
Electrical, office and computer equipment	207	140
Vehicles	-	482
	<u>213</u>	<u>645</u>
	(Unaudited) June 30, 2024	(Audited) December 31, 2023
	Rupees in thousands	
14 RIGHT-OF-USE ASSETS		
Cost at the start of period/ year	4,129,982	3,566,889
Accumulated Depreciation	(2,102,191)	(1,618,010)
Net carrying amount at the start of period/ year	<u>2,027,791</u>	<u>1,948,879</u>
Addition during the period	287,234	628,268
Deletion during the period	-	(22,057)
	<u>(289,711)</u>	<u>(527,299)</u>
Depreciation charge for the period	(289,711)	(527,299)
Net carrying amount at the end of the period / year	<u>2,025,314</u>	<u>2,027,791</u>
15 INTANGIBLE ASSETS		
Advance against purchase of software	676,072	95,510
Computer software	399,488	437,336
	<u>1,075,560</u>	<u>532,846</u>

(Unaudited) (Unaudited)
June 30, **June 30,**
2024 **2023**
Rupees in thousands

15.1 Additions to intangible assets

The following additions have been made to intangible assets during the period:

Capital work-in-progress	580,562	52,371
Directly purchased	62,703	22,211
	643,265	74,582
	643,265	74,582

16 DEFERRED TAX ASSETS / (LIABILITY) - NET

June 30, 2024 (Unaudited)

	At Jan 01, 2024	Recognised in P&L A/C	Recognised in OCI	At June 30, 2024
Rupees in thousands				
Deductible temporary difference				
Credit loss allowance against Islamic financing and related assets, balances with other banks, due from financial institutions and off balance sheet obligations	2,686	21,890	559,151	583,727
Workers Welfare Fund	154,378	43,854	-	198,232
	157,064	65,744	559,151	781,959
Taxable temporary difference				
Surplus on revaluation of property & equipments	(95,730)	1,067	-	(94,663)
Surplus on revaluation of investments	(449,734)	-	219,059	(230,675)
Accelerated tax depreciation	(56,891)	37,825	-	(19,066)
	(602,355)	38,892	219,059	(344,404)
	(445,291)	104,636	778,210	437,555

December 31, 2023 (Audited)

	At Jan 01, 2023	Recognised in P&L A/C	Recognised in OCI	At Dec 31, 2023
Rupees in thousands				
Deductible temporary difference				
Credit loss allowance against Islamic financing and related assets	63,466	(60,780)	-	2,686
Workers Welfare Fund	41,945	112,433	-	154,378
	105,411	51,653	-	157,064
Taxable temporary difference				
Surplus on revaluation of property & equipments	(85,881)	2,135	(11,984)	(95,730)
Surplus on revaluation of investments	60,297	-	(510,031)	(449,734)
Accelerated tax depreciation	(67,300)	10,409	-	(56,891)
	(92,884)	12,544	(522,015)	(602,355)
	12,527	64,197	(522,015)	(445,291)

		(Unaudited) June 30, 2024	(Audited) December 31, 2023
		Rupees in thousands	
17 OTHER ASSETS	Note		
Profit / return accrued in local currency		10,941,359	9,550,867
Advances, deposits, advance rent and other prepayments		446,619	492,007
Advance taxation (payments less provisions)		547,138	-
Branch adjustment account		56,619	156,568
Receivable against ATM transactions		1,087,985	1,499,978
Receivable under home remittances		17,191	12,874
Un-realized mark to market gain on forward foreign exchange contracts		3,846	247,841
Acceptances	23	1,084,073	1,584,439
Others		548,981	414,895
		<u>14,733,811</u>	<u>13,959,469</u>
18 CONTINGENT ASSETS			
There were no contingent assets of the Bank as at June 30, 2024 (December 31, 2023: Nil).			
		(Unaudited) June 30, 2024	(Audited) December 31, 2023
		Rupees in thousands	
19 BILLS PAYABLE			
In Pakistan		1,791,788	2,175,473
Outside Pakistan		-	-
		<u>1,791,788</u>	<u>2,175,473</u>
20 DUE TO FINANCIAL INSTITUTIONS			
Details of due to financial institutions - Secured / Unsecured			
Secured			
Musharaka with the State Bank of Pakistan -			
Islamic Export Refinance Scheme (IERS)		3,035,619	3,633,293
Investment under - Islamic Long Term Financing Facility (ILTFF)		1,857,921	1,929,943
Investment under - Islamic			
Temporary Economic Refinancing Facility (ITERF) for Plant and Machinery		3,854,642	4,166,204
Investment under - Islamic			
Financing Facility for Renewable Energy (IFRE)		287,509	319,453
Unsecured			
Musharaka arrangements with financial institutions		2,610,217	15,562,500
Musharaka arrangements with other institution		184,200	202,153
Overdrawn nostro accounts		-	-
		<u>11,830,108</u>	<u>25,813,546</u>

21 DEPOSITS AND OTHER ACCOUNTS

	June 30, 2024 (Unaudited)			December 31, 2023 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
Rupees in thousands						
Customers						
Current deposits - non-remunerative	57,622,599	3,710,649	61,333,248	53,016,118	3,273,892	56,290,010
Savings deposits	81,656,813	1,602,296	83,259,109	68,322,860	1,473,784	69,796,644
Term deposits	52,561,541	2,081,643	54,643,184	48,983,635	1,859,723	50,843,358
Others	13,334,721	-	13,334,721	6,893,851	-	6,893,851
	205,175,674	7,394,588	212,570,262	177,216,464	6,607,399	183,823,863
Financial Institutions						
Current deposits - non-remunerative	1,172,344	-	1,172,344	193,668	203	193,871
Savings deposits	35,711,038	-	35,711,038	18,265,424	-	18,265,424
Term deposits	2,572,000	-	2,572,000	2,177,000	-	2,177,000
	39,455,382	-	39,455,382	20,636,092	203	20,636,295
	244,631,056	7,394,588	252,025,644	197,852,556	6,607,602	204,460,158

	(Unaudited) At June 30, 2024	(Audited) December 31, 2023
	Rupees in thousands	
22 LEASE LIABILITIES		
Outstanding amount at the start of the period	2,636,096	2,488,775
Addition during the period	287,234	628,268
Disposed off during the period	-	(28,376)
Payment of lease liability against right of use asset	(439,274)	(761,903)
Unwinding of lease liability against right of use asset	172,412	309,332
Outstanding amount at the end of the period	<u>2,656,468</u>	<u>2,636,096</u>
22.1 Liabilities Outstanding		
Not later than one year	516,061	495,967
Later than one year and upto five years	1,684,231	1,625,009
Over five years	456,176	515,120
Total at the year end	<u>2,656,468</u>	<u>2,636,096</u>



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	Note	(Unaudited)	(Audited)
		June 30, 2024	December 31, 2023
Rupees in thousands			
23 OTHER LIABILITIES			
Profit / return payable in local currency	23.1	4,752,791	3,114,456
Profit / return payable in foreign currencies		20,532	16,600
Accrued expenses		1,242,004	1,213,379
Current taxation (provision less payments)		-	943,847
Unearned income		96,655	94,572
Acceptances	17	1,084,073	1,584,439
Advance receipt against Islamic financing and related assets		38,474	45,040
Charity fund balance		9,640	23,238
Credit loss allowance against off-balance sheet obligations	23.2	128,639	-
Security deposits against Ijarah financing		813,542	906,994
Retention money payable		(4,503)	-
Withholding tax, Federal Excise Duty and other payable		79,828	72,423
Un-realized mark to market loss on forward foreign exchange contracts		-	205,318
Others		812,097	1,212,583
		<u>9,073,772</u>	<u>9,432,889</u>

23.1 It includes Rs. 160.823 million (December 31,2023: Rs. 167.819 million) in respect of profit / return accrued on Musharaka with SBP under Islamic Export Refinance Scheme and Rs 66.909 million (December 31,2023: Rs 42.131 million) in respect of return accrued on acceptances from the SBP under various Islamic Refinance Schemes.

23.2 Credit loss allowance against off-balance sheet obligations

	(Unaudited)	(Unaudited)
	June 30, 2024	June 30, 2023
Rupees in thousands		
Opening balance	-	-
Charge for the period / year	44,065	-
Impact of adoption of IFRS 9	84,574	-
Reversals	-	-
	128,639	-
Amount written off	-	-
Closing balance	<u>128,639</u>	<u>-</u>

24 SHARE CAPITAL

Authorised capital

(Unaudited)	(Audited)		(Unaudited)	(Audited)
June 30, 2024	December 31, 2023	Number of shares	June 30, 2024	December 31, 2023
Rupees in thousands				
<u>2,000,000,000</u>	<u>2,000,000,000</u>	Ordinary shares of Rs. 10/- each	<u>20,000,000</u>	<u>20,000,000</u>

24.1 Issued, subscribed and paid up capital

(Unaudited)	(Audited)		(Unaudited)	(Audited)
June 30, 2024	December 31, 2023	Number of shares	June 30, 2024	December 31, 2023
		Fully paid in cash		
1,555,000,000	1,555,000,000	Balance at beginning of the period / year	15,550,000	15,550,000
-	-	Issued during the period / year	-	-
<u>1,555,000,000</u>	<u>1,555,000,000</u>	Balance at end of the period / year	<u>15,550,000</u>	<u>15,550,000</u>

24.2 The Bank's shares are 100 % (December 31,2023: 100%) held by MCB Bank Limited (MCB) - the parent company and its nominee Directors.

		(Unaudited)	(Audited)
		June 30,	December 31,
		2024	2023
		Rupees in thousands	
25	RESERVES		
	Statutory reserves	<u>1,863,098</u>	<u>1,428,486</u>
25.1	Statutory reserve represents amount set aside as per the requirements of section 21 of the Banking Companies Ordinance, 1962.		
		(Unaudited)	(Audited)
		June 30,	December 31,
		2024	2023
		Rupees in thousands	
26	SURPLUS ON REVALUATION OF ASSETS		
	- NET OF TAX		
	Surplus arising on revaluation of:		
	- Property and equipment	560,104	562,283
	- Securities measured at FVOCI-Debt	470,765	917,825
		1,030,869	1,480,108
	Deferred tax on surplus on revaluation of:		
	- Property and equipment	(94,662)	(95,730)
	- Securities measured at FVOCI-Debt	(230,675)	(449,734)
		(325,337)	(545,464)
		<u>705,532</u>	<u>934,644</u>
27	CONTINGENCIES AND COMMITMENTS		
	Guarantees	22,409,570	16,337,475
	Commitments	37,062,469	34,480,690
	Other contingent liabilities	1,118,637	1,090,328
		<u>60,590,676</u>	<u>51,908,493</u>
27.1	Guarantees		
	Performance guarantees	9,780,810	6,930,799
	Other guarantees	12,628,760	9,406,676
		<u>22,409,570</u>	<u>16,337,475</u>
27.2	Commitments		
	Documentary credits and short-term trade-related transactions		
	Letters of credit	14,153,303	14,814,708
	Commitments in respect of:		
	Forward foreign exchange contracts	21,241,758	17,780,265
	Commitments for acquisition of:		
	Intangible assets	275,657	390,605
	property & equipments	325,116	366,865
	Other commitments	1,066,635	1,128,247
		<u>37,062,469</u>	<u>34,480,690</u>
27.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	7,246,830	10,514,065
	Sale	13,994,928	7,266,200
		<u>21,241,758</u>	<u>17,780,265</u>



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		(Unaudited) June 30, 2024	(Audited) December 31, 2023
		Rupees in thousands	
27.2.2	Other commitments		
	Commitments to extend financing	27.2.2.1 1,066,635	1,128,247
27.2.2.1	These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense.		
27.2.2.2	Other than those stated above, the Bank makes commitment(s) to extend credit in the normal course of business including related parties but these being revocable commitments do not attract any penalty or expense if the facility is unilaterally withdrawn.		
		(Unaudited) June 30, 2024	(Audited) December 31, 2023
		Rupees in thousands	
27.3	Other contingent liabilities		
	Claims against the Bank not acknowledged as debt	1,118,637	1,090,328
		(Unaudited) June 30, 2024	(Unaudited) June 30, 2023
		Rupees in thousands	
28	PROFIT / RETURN EARNED		
	Financing	9,913,050	7,785,832
	Investments in securities	13,669,668	6,838,193
	Musharaka arrangements	47,869	251,498
	Deposits with financial institutions	412	12,035
		<u>23,630,999</u>	<u>14,887,558</u>
28.1	Profit / return earned recorded on financial assets measured at:		
	Financial assets measured at amortised cost	13,848,021	9,665,272
	Financial assets measured at fair value through OCI.	9,781,818	5,222,286
	Financial assets measured at fair value through P&L	1,160	-
		<u>23,630,999</u>	<u>14,887,558</u>
29	PROFIT / RETURN EXPENSED		
	Deposits and other accounts	12,273,235	6,864,286
	Musharaka and other arrangements with the State Bank of Pakistan	1,291,615	296,560
	Musharaka arrangements with other financial institutions	1,555,138	571,749
	Musharaka arrangements with other institutions	-	25,566
	Unwinding of lease liability against right-of-use asset	172,412	148,750
	Deferred Bonus	1,757	-
		<u>15,294,157</u>	<u>7,906,911</u>
30	FEE AND COMMISSION INCOME		
	Branch banking customer fees	12,217	10,754
	Consumer finance related fees	9,895	6,924
	Card related fees	176,269	115,435
	Credit related fees	21,996	12,162
	Digital banking fees	42,672	25,182
	Commission on trade	97,070	89,516
	Commission on guarantees	36,732	38,480
	Commission on cash management	11,947	28,385
	Commission on remittances including home remittances	20,124	16,425
	Commission on banca takaful	21,549	14,638
	Locker rent	11,041	9,998
	Others	501	295
		<u>462,013</u>	<u>368,194</u>

		(Unaudited) June 30, 2024	(Unaudited) June 30, 2023
31	LOSS ON SECURITIES		
	Realised	1,881	(46)
	Unrealised - Reclassification due to business model and SPPI assessment	(3,184)	-
	Unrealised - Measured at FVPL	(4,181)	-
		<u>(5,484)</u>	<u>(46)</u>
31.1	Realised Gains - net on:		
	Federal Government Securities - Sukuk certificates	1,881	(46)
	Shares	-	-
		<u>1,881</u>	<u>(46)</u>
32	OTHER INCOME		
	Rental income	-	-
	Gain on sale of property & equipments	1,308	250
	Fees and charges recovered	9,407	5,513
	Commission on arrangement with financial institutions	86,439	92,765
	Gain on termination of lease liability against right of use assets	-	6,319
	Gain on conversion of Ijarah agreements	5,841	8,809
		<u>102,995</u>	<u>113,656</u>
33	OPERATING EXPENSES		
	Total compensation expense	2,215,895	1,645,314
	Property expense		
	Rent and taxes	39,093	21,043
	Takaful expenses	22,415	19,162
	Utilities cost	161,465	95,106
	Security (including guards)	236,646	173,826
	Repairs and maintenance (including janitorial charges)	113,048	89,237
	Depreciation on right-of-use assets	289,711	256,241
	Depreciation	194,779	151,581
		1,057,157	806,196
	Information technology expenses		
	Software maintenance	208,899	152,370
	Hardware maintenance	22,779	33,748
	Takaful expenses	1,343	1,242
	Depreciation	70,136	61,419
	Amortization	100,550	93,159
	Network charges	100,704	54,221
		504,411	396,159
	Other operating expenses		
	Directors' fees and allowances	9,700	3,276
	Fees and allowances to Shari'ah Board	8,696	7,064
	Legal and professional charges	40,357	21,778
	Takaful expenses	98,818	71,650
	Fee and subscription	1,939	1,226
	Outsourced services costs	94,191	80,733
	Travelling and conveyance	99,291	69,401
	Repairs and maintenance of vehicles	3,023	3,706
	NIFT clearing charges	17,688	15,986
	Brokerage, commission and bank charges	22,741	27,242
	Depreciation	12,718	9,969
	Training and development	8,031	4,526
	Postage and courier charges	26,289	20,554
	Communication	70,854	23,771
	Stationery and printing	83,511	54,205
	Marketing, advertisement and publicity	48,588	15,281
	Auditors' remuneration	10,965	6,739
	Entertainment	44,843	31,965
	Others	76,289	43,944
		<u>778,532</u>	<u>513,016</u>
		<u>4,555,995</u>	<u>3,360,685</u>



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		(Unaudited) June 30, 2024	(Unaudited) June 30, 2023
	Note	Rupees in thousands	
34 OTHER CHARGES			
Penalties imposed by the State Bank of Pakistan		222	1,326
		<u>222</u>	<u>1,326</u>
35 CREDIT LOSS ALLOWANCE & WRITE OFFS - NET			
Credit loss allowance against cash and balances with treasury banks		1,623	
Credit loss allowance against balances with other banks		(3,629)	
Credit loss allowance against due from financial institutions	10.1	(31)	-
Credit loss allowance for diminution in value of investments		-	-
Credit loss allowance / Provision against Islamic financing and related assets	12.9	3,667	318,135
Other credit loss allowance / (write offs)		44,065	-
Bad debts written off directly		-	-
Recovery of write offs / bad debts		-	-
		<u>45,695</u>	<u>318,135</u>
36 TAXATION			
Current		2,192,695	2,206,456
Deferred		(104,636)	(159,360)
		<u>2,088,059</u>	<u>2,047,096</u>
37 BASIC AND DILUTED EARNINGS PER SHARE			
Profit after taxation		<u>2,173,062</u>	<u>1,965,598</u>
		Number of shares - in thousands	
Weighted average number of ordinary shares		<u>1,555,000</u>	<u>1,555,000</u>
		Rupees	
Basic and diluted earnings per share		<u>1.397</u>	<u>1.264</u>
		(Unaudited)	(Unaudited)
		June 30,	June 30,
		2024	2023
		Rupees in thousands	
38 CASH AND CASH EQUIVALENTS			
Cash and balances with treasury banks	8	25,305,524	16,220,768
Balances with other banks	9	13,093,139	8,208,721
Overdrawn nostro accounts		-	(1,143)
		<u>38,398,663</u>	<u>24,428,346</u>

39 FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as held to collect model, is based on quoted market price. Quoted securities classified under held to collect model are carried at amortised cost.

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 assets and liabilities are either short-term in nature or re-priced over short term.

39.1 Fair value of financial / non-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.

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).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. For financial assets, the Bank essentially carries its investments in Sukuk and equity securities at fair values. Valuation of investments is carried out as per guidelines specified by the SBP. In case of non-financial assets, the Bank has adopted revaluation model (as per IAS 16) in respect of land and building.

June 30, 2024 (Unaudited)					
Carrying value	Level 1	Level 2	Level 3	Total	
Rupees in thousands					
On-balance sheet financial instruments					
Financial assets measured at fair value					
Investments					
Federal Government Securities	-	99,340,637	-	99,340,637	
Shares	-	-	-	-	
Non-Government Securities	-	766,816	-	766,816	
100,107,453	-	100,107,453	-	100,107,453	
Financial assets - disclosed but not measured at fair value					
Investments		28,215,175		28,215,175	
Fair value of non-financial assets					
Operating property & equipments (land and building)	-	1,387,591	-	1,387,591	
Off-balance sheet financial instruments					
Foreign exchange contracts purchase	-	6,575,075	-	6,575,075	
Foreign exchange contracts sale	-	13,736,802	-	13,736,802	
December 31, 2023 (Audited)					
Carrying value	Level 1	Level 2	Level 3	Total	
Rupees in thousands					
On-balance sheet financial instruments					
Financial assets measured at fair value					
Investments					
Federal Government Securities					
Pakistan Energy Sukkuks	-	-	-	-	
GOP Ijarah Sukkuks	95,563,982	-	95,563,982	-	95,563,982
Shares	-	-	-	-	
Non-Government Securities	-	763,390	-	763,390	
96,327,372	-	96,327,372	-	96,327,372	
Financial assets - disclosed but not measured at fair value					
Investments		36,216,930		36,216,930	
Fair value of non-financial assets					
Operating property & equipments (land and building)	-	1,384,421	-	1,384,421	
Off-balance sheet financial instruments					
Foreign exchange contracts purchase	-	10,407,558	-	10,407,558	
Foreign exchange contracts sale	-	7,116,787	-	7,116,787	

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 to occur. There were no transfers between levels 1 and 2 during the period.

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in listed ordinary shares.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Sukuks and Forward Exchange Contracts.

(c) Financial instruments in level 3

Currently, no financial instrument is classified in level 3.

Valuation techniques and inputs used in determination of fair values

Item	Valuation techniques and input used
Fully paid-up ordinary shares	Fair values of investments in listed equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.
Ijarah Sukuks (GOP Ijarah Sukuks and other Ijarah Sukuks)	Fair values of GoP Ijarah Sukuks and other Ijarah Sukuks are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters. These rates denote an average of quotes received from eight different pre-defined / approved dealers / brokers.
Foreign exchange contracts	The valuation has been determined by interpolating the mid rates announced by the State Bank of Pakistan.
Operating property & equipments (land and building)	Land and buildings are revalued every three years using professional valuers on the panel of Pakistan Banker's Association. The valuation is based on their assessment of market value of the properties.

40 SEGMENT INFORMATION
40.1 Segment details with respect to business activities

June 30, 2024 (Unaudited)

	Retail	Corporate	Consumer	Micro Finance	Treasury	Head Office	Sub-total	Elimination	Total
Rupees in thousands									
Profit and Loss									
Net Profit / return	(9,144,526)	6,722,070	815,255	36,207	10,029,618	(121,782)	8,336,842	-	8,336,842
Inter segment revenue - net	14,799,648	(6,737,222)	(707,014)	(33,752)	(8,168,234)	846,574	-	-	-
Other income	385,505	146,752	8,827	5,927	67,454	1,224	615,689	-	615,689
Total Income	6,040,627	131,600	117,068	8,382	1,928,838	726,016	8,952,531	-	8,952,531
Segment direct expenses	(2,542,217)	(108,833)	(130,970)	(1,040)	(19,396)	(1,843,260)	(4,645,715)	-	(4,645,715)
Inter segment expense allocation	(545,515)	(5,937)	(11,965)	(325)	(874)	564,617	-	-	-
Total expenses	(3,087,732)	(114,770)	(142,935)	(1,365)	(20,270)	(1,278,643)	(4,645,715)	-	(4,645,715)
Credit loss allowance / reversals	(28,394)	21,313	(19,163)	(19,805)	2,037	(1,683)	(45,695)	-	(45,695)
Profit / (loss) before tax	2,924,501	38,143	(45,030)	(12,788)	1,910,605	(554,310)	4,261,121	-	4,261,121
Balance Sheet									
Cash and bank balances	6,515,096	-	-	30	31,883,216	321	38,398,663	-	38,398,663
Investments	-	-	-	-	128,322,628	-	128,322,628	-	128,322,628
Net inter segment lending	191,994,615	-	-	-	-	8,735,549	200,730,164	(200,730,164)	-
Due from financial institutions	-	-	-	-	8,499,914	-	8,499,914	-	8,499,914
Islamic Financing - performing	11,501,130	80,537,206	7,207,833	712,541	-	2,169,117	102,127,827	-	102,127,827
- non-performing	57,637	553,652	52,353	-	-	11,164	674,806	-	674,806
Others	2,842,635	2,520,368	493,561	16,660	5,841,204	11,038,853	22,753,281	-	22,753,281
Total Assets	212,911,113	83,611,226	7,753,747	729,231	174,546,962	21,955,004	501,507,283	(200,730,164)	300,777,119
Bills payable	1,791,788	-	-	-	-	-	1,791,788	-	1,791,788
Due to financial institutions	444,097	9,035,691	500,000	-	1,850,320	-	11,830,108	-	11,830,108
Deposits & other accounts	201,649,253	18,201,146	418,185	-	31,756,520	540	252,025,644	-	252,025,644
Net inter segment borrowing	-	55,365,399	6,132,556	741,077	138,491,132	-	200,730,164	(200,730,164)	-
Others	6,101,474	970,847	748,036	942	67,620	3,841,321	11,730,240	-	11,730,240
Total liabilities	209,986,612	83,573,083	7,798,777	742,019	172,165,592	3,841,861	478,107,944	(200,730,164)	277,377,780
Equity	2,924,501	38,143	(45,030)	(12,788)	2,381,370	18,113,143	23,399,339	-	23,399,339
Total Equity & liabilities	212,911,113	83,611,226	7,753,747	729,231	174,546,962	21,955,004	501,507,283	-	300,777,119



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Contingencies & Commitments	18,848,264	19,887,801	12,080	-	21,241,758	600,773	60,590,676	-	60,590,676
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June 30, 2023 (Unaudited)

	Retail	Corporate	Consumer	Micro Finance	Treasury	Head Office	Sub-total	Elimination	Total
Rupees in thousands									
Profit & Loss									
Net Profit / return	(5,919,731)	5,230,351	929,115	16,962	6,830,946	(106,996)	6,980,647	-	6,980,647
Inter segment revenue - net	12,230,832	(4,533,466)	(722,177)	(14,511)	(7,471,370)	510,692	-	-	-
Other income	313,684	95,300	11,282	2,299	366,575	13,112	802,252	-	802,252
Total Income	6,624,785	792,185	218,220	4,750	(273,849)	416,808	7,782,899	-	7,782,899
Segment direct expenses	(1,672,603)	(93,510)	(123,688)	(863)	(13,159)	(1,548,247)	(3,452,070)	-	(3,452,070)
Inter segment expense allocation	(618,015)	(5,189)	(16,283)	(375)	(1,034)	640,896	-	-	-
Total expenses	(2,290,618)	(98,699)	(139,971)	(1,238)	(14,193)	(907,351)	(3,452,070)	-	(3,452,070)
Provisions / (reversal) write off	25	(321,422)	5,035	(2,469)	-	696	(318,135)	-	(318,135)
Profit / (loss) before tax	4,334,192	372,064	83,284	1,043	(288,042)	(489,847)	4,012,694	-	4,012,694

December 31, 2023 (Audited)

	Rupees in thousands								
Balance Sheet									
Cash & Bank balances	4,701,714	-	-	30	17,630,507	229	22,332,480	-	22,332,480
Investments	-	-	-	-	132,544,302	-	132,544,302	-	132,544,302
Net inter segment lending	179,618,749	-	-	-	-	8,274,321	187,893,070	(187,893,070)	-
Due from financial institutions	-	-	-	-	2,500,000	-	2,500,000	-	2,500,000
Islamic Financing - performing	11,605,428	66,413,865	7,847,678	366,300	-	1,901,586	88,134,857	-	88,134,857
- non-performing	351,756	805,017	54,280	-	-	1,505	1,212,558	-	1,212,558
Others	3,043,667	3,630,300	536,668	58,105	6,812,096	6,194,672	20,275,508	-	20,275,508
Total Assets	199,321,314	70,849,182	8,438,626	424,435	159,486,905	16,372,313	454,892,775	(187,893,070)	266,999,705
Bills payable	2,175,473	-	-	-	-	-	2,175,473	-	2,175,473
Due to financial institutions	202,166	10,048,880	562,500	-	15,000,000	-	25,813,546	-	25,813,546
Deposits & other accounts	183,135,643	20,818,642	503,837	-	-	2,036	204,460,158	-	204,460,158
Net inter segment borrowing	-	38,036,631	6,560,455	421,655	142,874,329	-	187,893,070	(187,893,070)	-
Others	3,312,028	1,311,940	720,544	667	242,694	6,926,403	12,514,276	-	12,514,276
Total liabilities	188,825,310	70,216,093	8,347,336	422,322	158,117,023	6,928,439	432,856,523	(187,893,070)	244,963,453
Equity	10,496,004	633,089	91,290	2,113	1,369,882	9,443,874	22,036,252	-	22,036,252
Total Equity & liabilities	199,321,314	70,849,182	8,438,626	424,435	159,486,905	16,372,313	454,892,775	-	266,999,705
Contingencies & Commitments	15,422,534	17,942,082	6,141	-	17,780,265	757,471	51,908,493	-	51,908,493

40.2 Segment details with respect to geographical locations

The Bank operates in Pakistan only.

41 RELATED PARTY TRANSACTIONS

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

The Bank 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 staff retirement benefit plan are made in accordance with the terms of the contribution plan. Remuneration to the executives / officers including financing provided to them is determined in accordance with the terms of their appointment.

The Chief Executive and three key management personnel have been provided with Bank's maintained cars.

41.1 The details of transactions with related parties and balances with them are given below:

	June 30, 2024 (Unaudited)				December 31, 2023 (Audited)			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	Rupees in thousands				Rupees in thousands			
Balances with other banks								
In current accounts	129,783	-	-	-	130,085	-	-	-
	129,783	-	-	-	130,085	-	-	-
Credit loss allowance held against balance with other banks	265	-	-	-	-	-	-	-
Islamic financing and related assets								
Opening balance	-	15,000	102,049	1,877,558	-	-	97,953	1,829,326
Addition during the period / year	-	-	22,949	2,031,769	-	15,000	42,950	2,782,798
Repaid during the period / year	-	(4,939)	(22,562)	(2,049,997)	-	-	(29,280)	(2,734,566)
Transfer in / (out) - net	-	-	-	-	-	-	(9,574)	-
Closing balance	-	10,061	102,436	1,859,330	-	15,000	102,049	1,877,558
Credit loss allowance held against Islamic financing	-	-	8	11,762	-	-	-	-
Property & equipments - Capital work in progress								
Advance paid against purchase of property	20,000	-	-	-	20,000	-	-	-
Right-of-use asset	226,033	-	-	-	131,992	-	-	-
	246,033	-	-	-	151,992	-	-	-
Other assets								
Profit receivable	-	-	5,892	70,204	-	-	4,686	89,597
Prepaid expenses	-	-	2,383	52,024	-	-	6,554	48,136
Receivable under scheme of merger	11,282	-	-	-	11,282	-	-	-
Receivable under home remittance	17,192	-	-	-	12,875	-	-	-
Other Receivable	-	-	-	-	-	-	-	-
	28,474	-	8,275	122,228	24,157	-	11,240	137,735
Due to financial institutions								
Opening balance	9,000,000	-	-	-	-	-	-	-
Addition during the period / year	61,600,000	-	-	-	78,200,000	-	-	-
Repaid during the period / year	(69,989,783)	-	-	-	(69,200,000)	-	-	-
Closing balance	610,217	-	-	-	9,000,000	-	-	-
Deposits and other accounts								
Opening balance	-	120,633	76,726	4,504,246	-	100,227	66,085	995,552
Received during the period / year	-	2,477,334	172,589	29,036,702	-	10,104,304	417,279	43,412,703
Withdrawn during the period / year	-	(2,310,381)	(162,640)	(29,705,433)	-	(10,083,981)	(406,627)	(39,903,801)
Transfer in / (out) - net	-	-	(23)	-	-	83	(11)	(208)
Closing balance	-	287,586	86,652	3,835,515	-	120,633	76,726	4,504,246
Other liabilities								
Profit payable	57,991	5,845	51	15,157	14,155	1,482	30	29,716
Accrued expenses	-	-	-	14,933	3	-	-	32,316
Acceptances	-	-	-	-	18,214	-	-	-
Unearned Income	-	-	-	286	-	-	-	1,304
Unrealized mark to market loss on forward foreign exchange contracts	-	-	-	-	-	-	-	-
Lease liability against right-of-use asset	241,567	-	-	-	149,137	-	-	-
Meeting fee payable	6,904	194	-	-	-	194	-	-
Other liabilities	-	-	-	-	-	-	-	-
	306,462	6,039	51	30,376	181,509	1,676	30	63,336
Contingencies and Commitments								
Letter of Credit	-	-	-	300,142	-	-	-	594,170
Letter of Guarantee	163,960	-	-	1,743,399	174,196	-	-	1,059,660
Forward exchange contract								
Purchase	-	-	-	-	-	-	-	-
Sale	-	-	-	-	-	-	-	-

	June 30, 2024 (Unaudited)				June 30, 2023 (Unaudited)			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	Rupees in thousands				Rupees in thousands			
Transactions during the period								
Income								
Profit / return earned	-	313	2,636	163,313	-	-	2,244	110,687
Commission income	-	-	-	26,319	-	-	-	13,977
Rental income	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	17	-
	-	313	2,636	189,632	-	-	2,261	124,664
Expense								
Profit / return expensed	375,239	22,404	316	178,011	238,757	5,644	4,577	38,614
Depreciation on right-of-use assets	28,847	-	-	-	22,866	-	-	-
Takaful expense	-	-	-	178,182	-	-	-	66,915
Security expense	-	-	-	-	-	-	-	2,660
Meeting fee to Directors	-	9,700	-	-	-	3,276	-	-
Unwinding of lease liability against right-of-use asset	13,373	-	-	-	5,373	-	-	-
Other expense	1,212	-	-	2,191	3,518	-	-	131
	418,671	32,104	316	358,384	270,514	8,920	4,577	108,320
Other transactions during the period								
Fee paid	-	9,700	-	-	-	-	-	-
Managerial remuneration paid	-	55,452	148,310	-	-	38,143	125,545	-
Contribution paid to provident fund	-	-	-	97,718	-	-	-	74,536
Re-imbursment under home remittance payments	2,205,160	-	-	-	2,968,591	-	-	-
Proceeds from issue of share capital	-	-	-	-	-	-	-	-
Proceeds from sale of property & equipments	-	-	-	-	-	-	17	-
Purchase of property & equipments	-	-	-	-	-	-	-	-
Disbursement made against advance salary	-	-	-	-	-	-	-	-
Repayment made against advance salary	-	-	-	-	-	-	-	-
Payment made against expenses (including lease liabilities)	43,178	-	-	95,092	31,816	-	-	60,282
Foreign currency purchase	824,596	-	-	-	17,796,638	-	-	-
Foreign currency sale	1,519,596	-	-	-	21,024,787	-	-	-
Letter of Credit issued	-	-	-	304,290	-	-	-	2,126,325
Letter of Guarantee issued	1,639	-	-	708,239	9,542	-	-	1,983



MCB Islamic Bank Ltd.

بائپرکتے بیبنکارکے، ہمارے ذمہ دارکے

(Unaudited) (Audited)
June 30, December 31,
2024 2023
Rupees in thousands

42 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Minimum Capital Requirement (MCR):

Paid - up capital (net of losses)	20,830,709	19,673,122
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Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital	21,618,247	20,568,762
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	21,618,247	20,568,762
Eligible Tier 2 Capital	1,634,124	1,477,595
Total Eligible Capital (Tier 1 + Tier 2)	23,252,371	22,046,357

Risk Weighted Assets (RWAs):

Credit Risk	76,511,155	67,578,085
Market Risk	4,447,837	4,124,665
Operational Risk	20,957,292	20,957,292
Total	101,916,284	92,660,042

Common Equity Tier 1 Capital Adequacy ratio	21.21%	22.20%
Tier 1 Capital Adequacy Ratio	21.21%	22.20%
Total Capital Adequacy Ratio	22.82%	23.79%

Leverage Ratio (LR):

Eligible Tier-1 Capital	21,618,247	20,568,762
Total Exposures	324,300,748	283,260,917
Leverage Ratio	6.67%	7.26%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	99,890,703	84,205,536
Total Net Cash Outflow	82,249,501	50,600,287
Liquidity Coverage Ratio	121.45%	166.41%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	193,291,294	175,630,548
Total Required Stable Funding	134,467,736	121,097,477
Net Stable Funding Ratio	143.75%	145.03%

43 GENERAL

43.1 Comparative information has been reclassified, rearranged or additionally incorporated in these condensed interim financial statements for the purposes of better presentation.

The effect of reclassification, rearrangement, restatement in the comparative information presented in these financial statements due to adoption of new forms for the preparation of condensed interim financial statements as explained in note 6.1 is as follows:

Description of item	Nature	From	To	Rs in '000'
Right-of-use assets	Asset	Property and equipment	Right-of-use assets	2,027,791
Lease liabilities	Liability	Other liabilities	Lease liabilities	2,636,096

43.2 The following corresponding figure has been re-arranged for the purpose of comparison.

Description	Dec 31,2023 Rupees in thousands	From	To
Balance with MCB for OTC Transactions	55,146	Other Assets	Balance with other banks

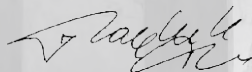
43.3 Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

44 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on August 05, 2024 by the Board of Directors of the Bank.



Syed Iftikhar Hussain Rizvi
Chief Financial Officer



Zargham Khan Durrani
President / Chief Executive



Hammad Khalid
Director



Omair Safdar
Director



Jawaid Iqbal
Director

BRANCH NETWORK

Sr. #	Branch Name	Branch Address	City	Contact No.
1	Shahrah-e-Faisal Branch	MCB Islamic Bank, Ground Floor, Nice Trade Orbit, Nursery stop, Main Shahrah-e-Faisal, Karachi	Karachi	021-34960499
2	Liberty Market Branch, Gulberg	MCB Islamic Bank, 9-C, Commercial Liberty Market, Gulberg Lahore	Lahore	042-35789831-34
3	Shah Rukn-e-Alam Colony Branch	MCB Islamic Bank, 17-F Chowk Shah Rukn e Alam Colony, Multan	Multan	061-6560451-57
4	Thandi Sarak Branch	MCB Islamic Bank, Ground Floor, Shop No.6 & 7, River View Apartments, Thandi Sarak, Hyderabad	Hyderabad	022-2785632 022-2101172
5	Peoples Colony Branch	MCB Islamic Bank, 668-1, Block A, Peoples Colony No. 1, Faisalabad	Faisalabad	041-8556601-02 041-8544394
6	Jinnah Avenue, Blue Area Branch	MCB Islamic Bank, 52 East, Dodhy Plaza, Jinnah Avenue Islamabad	Islamabad	051-2875091 051-2604677
7	Rashid Minhas Road Branch	MCB Islamic Bank, Plot# LM-10, Block-10-A, Near Pizza Hut, main Rashid Minhas Road, Karachi	Karachi	021-34817623
8	DHA Phase III, Z Block Branch	MCB Islamic Bank, 339-Z (Commercial) Ground Floor, Phase III, Defence Housing Authority, Lahore	Lahore	042-35692901 042-35746675
9	Bank Road, Saddar Branch	MCB Islamic Bank, Shahbaz Plaza, Bank Road, Saddar, Rawalpindi	Rawalpindi	051-5525434 051-5700105
10	Tasneem Plaza, Saddar Road Branch	MCB Islamic Bank, Tasneem Plaza, 6 Saddar Road, Peshawar Cantt	Peshawar	091-5272180-83
11	M.A Jinnah Road Branch	MCB Islamic Bank, M.A. Jinnah Road, Quetta, Balochistan	Quetta	081-2824977 081-2822705-06
12	Shahalam Market Branch	MCB Islamic Bank, 12-13-6 Block-A, Shah Alam Market, Lahore	Lahore	042-37667813-14
13	New Challi Branch	MCB Islamic Bank, Shop No G-2, Muhammadi Trade tower, Altaf Hussani road, New Challi, Karachi	Karachi	021-32371195
14	S.I.T.E Branch	MCB Islamic Bank, C 18-A, East Avenue, S.I.T.E, Karachi	Karachi	021-32552192 021-32552193
15	G.T. Road Branch, Sharifpura Chowk	MCB Islamic Bank, Sharifpura Chowk G.T Road Gujranwala	Gujranwala	055-3251916-17
16	Rahim Yar Khan Branch	MCB Islamic Bank, 29-Model Town, City Centre, City Park Chowk, Rahim Yar Khan	Rahim Yar Khan	068-5876049 068-5876059
17	Club Road Branch	MCB Islamic Bank, 73, Club Road, Civil Line, Sargodha	Sargodha	048-3786834 048-3786838 048-3786833
18	F-10 Markaz Branch	MCB Islamic Bank, Plot # 7-Q, F-10 Markaz, Islamabad	Islamabad	051-2114301-4
19	Allama Iqbal Town Branch	MCB Islamic Bank, 132 Jahanzaib Block, Main Boulevard, Allama Iqbal Town, Lahore	Lahore	042-37813680 042-37813682-3-4-7
20	Bunder Road Branch	MCB Islamic Bank, Shop/ Plot/ Khasra/ Khatooni/ Khawat # Plot # B-1623, Bunder Road, Sukkur	Sukkur	071-5620756 071-5620752
21	Khalid-Bin-Waleed Road Branch	MCB Islamic Bank, Al-Haram Corner, Plot No. 167-A, PECHS Block-3, Khalid Bin Waleed Road, Karachi	Karachi	021-34323052
22	Maulana Shaukat Ali Road Branch, Johar Town	MCB Islamic Bank, 87-E, Madina Heights, Maulana Shaukat Ali Road, Johar Town, Lahore	Lahore	042-3522674-77
23	Hyderabad Road Branch	MCB Islamic Bank, Plot No.1, Survey No. 272-1 Deh Taluka Hyderabad Road, Tando Allah Yar	Tando Allahyar	022-3891600 022-3891567
24	Farid Town Branch	MCB Islamic Bank, Plot # 23, Khawat # 7854, Khatooni # 7907, Khasra No. 776-23-J, Farid Town, Sahiwal, Tehsil & District Sahiwal	Sahiwal	040-4270713-15
25	Bhimber Road Branch	MCB Islamic Bank, Khawat # 143, Khatooni # 341, Bhimber Road, Gujrat, Tehsil & District Gujrat	Gujrat	053-3601781-82
26	Korangi Industrial Area Sector 23 Branch	MCB Islamic Bank, Plot # 1-A, Sector 23, Korangi Industrial Area, Karachi	Karachi	021-35122312
27	Block H North Nazimabad Branch	MCB Islamic Bank, Shop # 1 & 2 Jasmine Heights Plot # SC-21-A Block H North Nazimabad, Karachi	Karachi	021-36641762
28	Main Saddar Bazaar Branch	MCB Islamic Bank, Qasr-e-Fatima 90-1-2, Main Saddar Bazaar, Hyderabad	Hyderabad	022-27315646-48
29	Main Boulevard Branch, Gulberg	MCB Islamic Bank, 58 Main Boulevard Gulberg Lahore	Lahore	042-35760954-58 042-3577477
30	F.B. Industrial Area Branch	MCB Islamic Bank, Sector no 22, KDA Scheme 16, FB Industrial Area Karachi	Karachi	021-36834441
31	Taj Road Branch	MCB Islamic Bank, Taj Road Chaman, Balochistan	Chaman	082-6615429-30
32	Tehsil Road Branch, Loralai	MCB Islamic Bank, Shop # 372, House # 425, Tehsil Road Loralai, Balochistan	Loralai	082-4660400-01
33	Timergara Branch	MCB Islamic Bank, Zeb plaza main balambat Road Timergara District Lower Dir	Timargara	0945-825571-73
34	Mingora Branch	MCB Islamic Bank, Opposite Bank Square Main Bazar Mingora Swat	Mingora	0946-725372-74
35	Shamsi Road Branch	MCB Islamic Bank, RS Plaza Shamsi Road, Tehsil and District Mardan	Mardan	0937-870751 0937-870753
36	New Garden Town Branch	MCB Islamic Bank, Shop No 12, 13, 14, Shan Arcade, Civic Centre, Garden Town, Lahore	Lahore	042-35941840-41 042-35941790-81
37	Cavalry Ground Branch	MCB Islamic Bank, Plot No 7, Cavalry Ground Commercial Area, Walton Lahore Cantt	Lahore	042-36672180 042-36672183
38	Matta Branch	MCB Islamic Bank, Khatooni No. 28-50, Khasra No.2309, Mehran Khan Plaza, Main Matta Khareri, Matta Swat	Matta	0946-790612-15
39	Mall Godam Road Branch	MCB Islamic Bank, Plot No. 359, Mall Godam Road, Toba Tek Singh	Toba Tek Singh	046-2517327
40	Hazara Town Branch	MCB Islamic Bank, Lilak Shopping Centre, Barma Road, Allabad, Hazara Town, Quetta, Balochistan	Quetta	081-2853124 081-2853127
41	Main Airport Road Branch	MCB Islamic Bank, Main Airport Road, Gwadar, Balochistan	Gawadar	086-4210290 086-4210294
42	Dream Gardens Branch	MCB Islamic Bank, Shop No.08 & 09, Block C, Dream Garden Housing Society, 1.5 KM Defence Road, Off Raiwind Road, Lahore	Lahore	042-35489652 042-35489696
43	Kabal Branch	MCB Islamic Bank, Khasra No. 2262, Khata No. 901, Khatooni No. 1176, Hassan Plaza, Kabal Chowk, Kabal, District Swat	Kabal	0946-755592-95
44	Sirki Road Branch	MCB Islamic Bank, MCB Islamic Bank, Plot No. 136-14-32, Akram Plaza, Sirki Road, Quetta, Balochistan	Quetta	081-2452931-32
45	Pak Haider Market Branch	MCB Islamic Bank, Shop No 1 to 6, Pak Haider Market, Near Zafar Park, next to Malakand CNG, GT Road, Bathkela District Malakand	Bathkela	0932-410670-73
46	G-11 Markaz Branch	MCB Islamic Bank, Shop No. 7,8,25,26, Plot No. 33, G-11 Markaz, Islamabad	Islamabad	051-2360067 051-2361302

BRANCH NETWORK

Sr. #	Branch Name	Branch Address	City	Contact No.
47	Chaklala Scheme III Branch	MCB Islamic Bank, Plot No. 16, Commercial Area, Chaklala Scheme III, Rawalpindi Cantt.	Rawalpindi	051-5766233 051-5766235-36
48	Nawan Shehar Branch	MCB Islamic Bank, Plot No. 741-F, Ward No.9, Muslim Mouza Ismail, Chowk Nawan Shehar, Multan	Multan	061-4573032 061-4573035
49	Gulshan-e-Iqbal Branch	MCB Islamic Bank, Shop No. 1&2, Al- Sammad Tower 13- Gulshan-e-Iqbal, Main University Road, Karachi	Karachi	021-34971513
50	Latifabad Branch	MCB Islamic Bank, Shop No. 1, 2 & 3, United Plaza, Opposite American Hospital, Main Road, Unit # 7, Taluka Latifabad, District Hyderabad	Hyderabad	022-3821861 022-3818439
51	Zainab Market, Saddar Branch	MCB Islamic Bank, PB No. 272-1, Ground Floor State Life Building No.11, Abdullah Haroon Road, Saddar Karachi	Karachi	021-35681852
52	Main Road Branch, Turbat	MCB Islamic Bank, Main Road Turbat, Balochistan	Turbat	085-2411150 085-2413001
53	G-1 Market, Johar Town Branch	MCB Islamic Bank, 435 G-1 Market, Johar Town, Lahore	Lahore	042-35468415-17 042-35468495
54	PIA Housing Society Branch	MCB Islamic Bank, Plot No. 8, Block D, Phase I, PIA Housing Scheme, Wapda Town, Lahore	Lahore	042-35463994-98
55	Manshera Road Branch	MCB Islamic Bank, GM Tower, near Sethi Masjid, Mansehra Road, Abbottabad	Abbottabad	0992-408301-04
56	Main Boulevard Branch, Faisal Town	MCB Islamic Bank, 35-A, Main Boulevard, Faisal Town, Lahore.	Lahore	042-35202200 042-35202202-04
57	Atalq Bazar, Bypass Road Branch	MCB Islamic Bank, Atalq Bazar Bypass Road Near Bus Adda, Chitral	Chitral	0943-414389 0943-414316
58	Tehsil Bazar Branch, Sadiqabad	MCB Islamic Bank, 19/20-D, Tehsil Bazar, Sadiqabad	Sadiqabad	068-5802242-44
59	JK Sugar Mills Branch	MCB Islamic Bank, JK Sugar Mills, Chak No. 84/15L Mian Channu	Mian Channu	042-34501000 Ext. 1972
60	Muhammad Ali Society Branch	MCB Islamic Bank, 12-C/B Muhammad Ali Society, Karachi	Karachi	021-34320831
61	Kachehri Road, DG Khan Branch	MCB Islamic Bank, Ashraf Palaza, Block # 2, Kachehri Road, D. G. Khan	Dera Ghazi Khan	064-2460258 064-2460256
62	Bahria Town Phase IV Branch	MCB Islamic Bank, Shop No G-9-10, Bahria Heights II, Ext Bahria Town, Phase- IV, Islamabad	Islamabad	051-5146025 051-5146050 051-5146012
63	Model Colony Branch	MCB Islamic Bank, H.No. 4/95, Affandi House, Liaquat Ali Khan Road, Model Colony, Karachi	Karachi	021-34110334
64	DHA Rahbar Branch	MCB Islamic Bank, Defence Road, DHA Rahbar, Lahore	Lahore	042-35447910-11
65	Jutial Branch	MCB Islamic Bank, Shahrah-e-Quaid-e-Azam, Near NHA Office, Jutial Gilgit	Gilgit	05811-450751 05811-450754
66	Model Town Block A Branch	MCB Islamic Bank, 30 - Model Town-B, Block A Bahawalpur	Bahawalpur	062-2888768
67	DHA Phase II - Tulip Road Branch	MCB Islamic Bank, Plaza # 8, Street # A/62, Tulip Road, Sector A, DHA Phase-II, Islamabad	Islamabad	051-5147175 051-5147164 051-5147163
68	Madras Chowk Branch	MCB Islamic Bank, Shop # S-8, S-9 & S-10, Pioneer Tower Survey No. 22 & 24, Deh Songal Gujro, Sector 16-A, Scheme, Karachi	Karachi	021-34645754 021-34645755
69	Faizan-e-Madina Branch	MCB Islamic Bank, Shop No. 22, Alami Madani Markaz, Faizan-e-Madina, Mohalla Saudagran Old Sabzi Mandi Karachi	Karachi	021-34910376
70	Okara Branch	MCB Islamic Bank, M.A. Jinnah Road, Okara	Okara	044-2510124-25
71	Raza Garden Branch	MCB Islamic Bank, Main Sillanwali Road, Raza Garden Sargodha	Sargodha	048-3218620 048-3218622
72	Arabia Islamia Road Branch	MCB Islamic Bank, Plot No.98 Block-A, Arabia Islamia Road, Burewala	Burewala	067-3351281-85
73	Millat Chowk Branch	MCB Islamic Bank, 156-B, Millat Chowk, Gulistan Colony, Faisalabad	Faisalabad	041-8782965 041-8782968
74	Dalazak Road Branch	MCB Islamic Bank, Malik Sardar Plaza, Near Yousafabad Canal, Dalazak Road, Peshawar	Peshawar	091-2244041-42 091-2583838
75	Qasimabad Branch	MCB Islamic Bank, Shop No. 6 & 7, Raheel Heights, 2672, Deh Sari, Wadhu Wah Road, Qasimabad, Hyderabad	Hyderabad	022-2675334 022-2675337
76	Korangi Industrial Area Sector 7-A Branch	MCB Islamic Bank, Plot No. 251, Sector 7-A, Korangi Industrial Area, Karachi	Karachi	021-35151195
77	Sarwar Road Cantt. Branch	MCB Islamic Bank, Plot No. 05, Survey No.52/C-5, Sarwar Road Cantt. Lahore	Lahore	042-37177096 042-36682075-76-78
78	Malir Cantt Branch	MCB Islamic Bank, Shop No. 75, 4 Dots Shopping Complex C/O HQ 4 Air Defence Division, 31 Bostan Lines, Malir Cantonment, Karachi	Karachi	021-34901140
79	Muslim Bagh Branch	MCB Islamic Bank, Station Road, Muslim Bagh, Balochistan	Muslim bagh	0823-669214-5
80	Samanabad Branch	MCB Islamic Bank, Property 22-7-17/1 & 22-S-17/2, Main Samanabad, Lahore	Lahore	042-37590152-53
81	G.T Road Branch, PAC Chowk	MCB Islamic Bank, Shop No. 75, Mini Plaza, PAC Chowk, G.T Road, Kamra Cantt	Kamra	057-2642521 057-2551198 057-2551200
82	Burq Road Branch	MCB Islamic Bank, Shop # B-III/37, C-152, Dr. Ghulam Gillani Burq Road, Attock City	Attock	057-2700903 057-2700909
83	Talagang Road Branch, Chakwal	MCB Islamic Bank, B1-1/1634/1, B-1-1635, Talagang Road, Chakwal	Chakwal	0543-600684 0543-602050
84	Canal Road Branch	MCB Islamic Bank, 204 RB East, Canal Road Faisalabad	Faisalabad	041-2421890-91 041-2421889
85	Kotwali Road Branch	MCB Islamic Bank, P-64 Taj Plaza, Kotwali Road, Faisalabad	Faisalabad	041-2604940 041-2604935
86	G.T Road Branch, Ghakhar	MCB Islamic Bank, Khewat # 2414, Khatooni # 3600, Khasra # 3359, GT Road, Ghakhar	Ghakhar	055-3886660-1 055-3886665
87	Satellite Town Branch	MCB Islamic Bank, Satellite Town Branch, 529-C Satellite Town, Gujranwala	Gujranwala	055-3825781 055-3825786
88	G.T Road Branch, Kharian	MCB Islamic Bank, Bilal Plaza, G.T.Road, Kharian	Kharian	053-7601357 053-7601358
89	Ghalla Mandi Branch	MCB Islamic Bank, Plot # 7/211, Ward # 7, Ghalla Mandi, Mandi Bahauddin	Mandi Bahauddin	0546-509554 0546-509551-2
90	G.T Road Branch, Hussain Plaza	MCB Islamic Bank, Khasra No. 625, Hussain Plaza, Chowk GTS, G.T Road, Gujrat	Gujrat	053-3517542 053-3530287
91	F-7 Markaz, Post Mall Branch	MCB Islamic Bank, Plot # 3, F-7 Markaz, Post Office, Mall Building, Islamabad	Islamabad	051-2653583 051-2653428



BRANCH NETWORK

Sr. #	Branch Name	Branch Address	City	Contact No.
92	F-8 Markaz Branch	MCB Islamic Bank, Shop # 12 & 13, Al-Babar Center, F-8 Markaz, Islamabad	Islamabad	051-2852653 051-2852655 051-2818246
93	F-11 Markaz Branch	MCB Islamic Bank, Plot # 18, Trade Centre, Main Double Road, F-11 Markaz, Islamabad	Islamabad	051-2107862-4
94	E-1/3 Branch	MCB Islamic Bank, Commercial Plot No. 2, Sector E-11/3, Islamabad Garden, Islamabad	Islamabad	051-2375345-6
95	I-8 Markaz Branch	MCB Islamic Bank, MB City Mall, Plot No. 34, I-8 Markaz, Islamabad	Islamabad	051-4862287 051-4862289
96	Wah Cantt Branch	MCB Islamic Bank, Plot No. 10, Shahwali Colony, Moza Bhabra, Wah Cantt	Wah Cantt	051-4902311 051-4530260-61
97	Yousuf Shah Road Branch	MCB Islamic Bank, Khewat # 698, Khatoon.i # 203, Yousuf Shah Road, District Jhang (Opposite District Courts Jhang)	Jhang	047-7629590-1 047-7629594
98	G.T Road Branch, Sarai Alamgir	MCB Islamic Bank, Al Awan Plaza, near Military College, Main GT Road, Sarai Alamgir	Sarai Alamgir	0544-654929 0544-654927
99	G.T Road Branch, Gujar Khan	MCB Islamic Bank, Commercial Property # Bill 379 & Bill 377, G.T. Road (Near MCB), Gujar Khan	Gujar Khan	051-3510156 051-3510158
100	Shandar Chowk Branch	MCB Islamic Bank, Model Colony, Shandar Chowk, Jhelum	Jhelum	0544-627128 0544-628677 0544-627286
101	North Napier Road Branch	MCB Islamic Bank, Marium Manzil, Plot # 161, Survey Sheet # MR-1, Market Quarters, North Napier Road, Karachi	Karachi	021-32473166
102	I.I. Chundrigar Road Branch	MCB Islamic Bank, Gul Tower, Main I.I Chundrigar Road, Karachi	Karachi	021-324210471
103	Cloth Market Branch	MCB Islamic Bank, Plot # 21/1, Puri Building, Cloth Market, Karachi	Karachi	021-32471726
104	Jodia Bazar Branch	MCB Islamic Bank, MR 6/2, Market Quarters, Virjee Street, Jodia Bazar, Karachi	Karachi	021-32443758
105	Javed Arcade Branch	MCB Islamic Bank, Javed Arcade, Plot # SB-1, Block # 17, KDA Scheme # 36, Gulistan-e-Jauhar, Karachi	Karachi	021-34636747
106	Shershah Branch	MCB Islamic Bank, Plot # M-II-E-606, Shershah, Karachi	Karachi	021-32587583
107	Shaheed-e-Millat Road Branch	MCB Islamic Bank, Bismillah Blessings, Plot No. 7-A/228, SS No. 35-P/1, Block-3, DMCHS, Main Shaheed-e-Millat Road, Karachi	Karachi	021-24943888
108	Business Arcade Branch	MCB Islamic Bank, Plot # 27-A, Business Arcade, Block-6, P.E.C.H.S., Shahrah-e-Faisal, Karachi	Karachi	021-34374220
109	EOBI House Branch	MCB Islamic Bank, Plot No. ST-1/A-1, KDA Commercial Complex, Scheme 1, B, Ground Floor, EOBI House, Shahrah-e-Faisal, Karachi	Karachi	021-34330172
110	Allama Iqbal Road Branch	MCB Islamic Bank, Plot No.683-C Ground Floor & Mezzanine Floor, Block-2, PECHS, Allama Iqbal Road, Karachi	Karachi	021-34301815
111	DHA Phase V Ext., Saba Avenue Branch	MCB Islamic Bank, Saba Avenue, Plot # 8-C, Badar Commercial, Street # 6, Phase V Ext, DHA, Karachi	Karachi	021-35341673
112	DHA Phase V, Zamzama Lane Branch	MCB Islamic Bank, 17-E, 6th Commercial Lane, DHA Phase-V, Karachi	Karachi	021-35295210
113	Kulsoom Court Branch	MCB Islamic Bank, Kulsoom Court, Shop # 2, 3, 5A & 6, Plot DC-3, KDA Scheme # 5, Block-9, Clifton, Karachi	Karachi	021-35837018
114	DHA Phase IV 9th Commercial Branch	MCB Islamic Bank, Ground Floor, Plot # 99-E, 9th Commercial Street, Phase-IV, DHA, Karachi	Karachi	021-35885719
115	Paper Market Branch	MCB Islamic Bank, Plot # 11/2, Sheet SR-9, Seraj Quarters, Anjarwala Bakery Sharah-e-Liaquat Karachi	Karachi	021-322126368
116	Gulshan-e-Ravi Branch	MCB Islamic Bank, 159-A, Main Boulevard, Gulshan Ravi, Lahore	Lahore	042-37401870-74 042-37401890
117	Nila Gumbad Branch	MCB Islamic Bank, Plot # 12, McLagan Road, Nila Gumbad, Lahore	Lahore	042-37360129-32
118	Shahrah-e-Aiwan-e-Tijarat, China Chowk Branch	MCB Islamic Bank, 14-A (Ground Floor), Shahrah-e-Aiwan-e-Tijarat, Old Race Course Road, Lahore	Lahore	042-36282790-91-93-94-95
119	Davis Road Branch	MCB Islamic Bank, Aftab Centre, 30-Davis Road, Lahore	Lahore	042-36287027 042-36287029 042-36286965
120	C Block, Model Town Branch	MCB Islamic Bank, Shop No.10 and 11, Commercial Market, C-Block, Model Town, Lahore	Lahore	042-35915402-406-408
121	DHA Phase II, Commercial Area Branch	MCB Islamic Bank, Commercial Plot # 12, Block CCA, Phase II, DHA, Lahore	Lahore	042-35749481 042-35749485
122	Bahria Town Sector C Branch	MCB Islamic Bank, 65-A, Sector-C, Bahria Town, Lahore	Lahore	042-37861591-94
123	Thokar Niaz Baig Branch	MCB Islamic Bank, 171-A Ali Town, Main Raiwind Road, Lahore	Lahore	042-35297829-31
124	Ichra Branch	MCB Islamic Bank, Shop # 158, Mohalla Rasool Pura, Ichra, Main Ferozepura Road, Lahore.	Lahore	042-37426801-05
125	Muzaffarabad AJK Branch	MCB Islamic Bank, Plot No. 26-1, Ghari Phan Chowk, Domel Syedan, Muzaffarabad, Azad Kashmir	Muzaffarabad	05822-921137-38 05822-920455
126	Mirpur AJK Branch	MCB Islamic Bank, Bank Square, Allama Iqbal Road, Mirpur, Azad Kashmir	Mirpur A.K.	05827-442840 05827-447683 05827-442886 05827-442118
127	Hayatabad Branch	MCB Islamic Bank, B-1, Phase V, Hayatabad, Peshawar	Peshawar	091-5825305 091-5825278-79
128	Gulbahar Branch	MCB Islamic Bank, Malik Arcade, Anam Sanam Chowk, Gulbahar Road, Peshawar	Peshawar	091-2606113 091-2590422
129	Chohamal Road Branch	MCB Islamic Bank, Chohamal Road, Quetta, Balochistan	Quetta	081-2843640-650
130	Mannan Chowk Branch	MCB Islamic Bank, 2-11/6-303, Mannan Chowk, M.A. Jinnah Road, Quetta	Quetta	081-2836204-05
131	Murree Road Branch	MCB Islamic Bank, North Star Plaza, 20-B, Murree Road, Satellite Town, Rawalpindi	Rawalpindi	051-4426976 051-4572370
132	PWD Employees Society Branch	MCB Islamic Bank, 40-B, Block-B, Commercial Area (Extension), PWD Employees Housing Society, Lohi Bhai, Islamabad Highway, Islamabad	Islamabad	051-5194302 051-5957422
133	Mian Khan Road Branch	MCB Islamic Bank, 110 Mian Khan Road, Block 5, Sargodha	Sargodha	048-3768856, 048-3729623
134	Sargodha Road Branch	MCB Islamic Bank, Shop No. 1, Ground Floor, Al-Hamd Plaza, Batti Chowk, Sargodha Road , Sheikhpura	Sheikhpura	056-3545724 0563547707 0563547882
135	Kashmir Road Branch	MCB Islamic Bank, 155/A, BIII-12S, Sublime Chowk, Kashmir Road, Sialkot	Sialkot	052-3241490-1 052-3241292
136	Bank Road Deh Garaho Branch	MCB Islamic Bank, Plot No. 9, Block No. 263/4 Deh Garaho City, Bank Road, Kunri	Kunri	0238-558013-14
137	Shahdara Branch	MCB Islamic Bank, Shahdara, Main Sheikhpura Road, Jiya Musa, Lahore	Lahore	042-37919160 0423-7940888-891



BRANCH NETWORK

Sr. #	Branch Name	Branch Address	City	Contact No.
138	Baghbanpura Branch	MCB Islamic Bank, 266, G.T. Road, Baghbanpura, Lahore	Lahore	042-3684011-13 042-36844015
139	Ravi Road, Timber Market Branch	MCB Islamic Bank, NWIII.R.78/5/A, Timber Market, Lahore	Lahore	042-37709233
140	Babar Center, Circular Road Branch	MCB Islamic Bank, Babar Center, 51-Circular Road, Outside Akbari Gate, Lahore	Lahore	042-37641201-02 042-37379250
141	Badami Bagh Branch	MCB Islamic Bank, 93-Grain Market Badami Bagh, Lahore	Lahore	042-37706366 042-37706086 042-37720696 04237706086
142	Bahria Town Phase VII Branch	MCB Islamic Bank, Plot No.6, Mini River View Commercial Mall Extension - II, Bahria Town Phase VII, Rawalpindi	Rawalpindi	051-5400185 051-5400180-183
143	Tehsil Road Branch, Gojra	MCB Islamic Bank, Tehsil Office Road, Gojra	Gojra	046-3515426 046-3515427-28
144	Shahkas Branch	MCB Islamic Bank, Spinzer Market, Wazir Dhand, Main Jamrud Road, Shahkas Jamrud, District Khyber Agency	Jamrud	091-3021760-61
145	U.P. More Branch	MCB Islamic Bank, Shop no. 1&2, Ground Floor, Plot Bearing No. A976, Sector 11-B, U.P More, North Karachi	Karachi	021-36416681
146	Adda Khaliqabad Tulamba Branch	MCB Islamic Bank, Adda Khaliqabad Tulamba, District Khanewal	Khanewal	042-34501000 Ext. 2196
147	DHA Phase II Ext. Branch	MCB Islamic Bank, Plot No. 47-E, 21st Commercial Street, Phase II-Extension, D.H.A, Karachi	Karachi	021-35392202
148	SMCHS Branch	MCB Islamic Bank, Plot # 21-22, Sub Block D, Block A, Sindhi Muslim Cooperative Housing Society, Karachi	Karachi	021-34300712
149	DHA Phase VI Branch	MCB Islamic Bank, Plot No. 12, Main Boulevard Phase VI, DHA Lahore	Lahore	042-37180316-17-18
150	Jinnah Avenue, Bahria Town Branch	MCB Islamic Bank, Dominion Business-1, Plot No: B-34, Jinnah Avenue Commercial, Bahria Town, Karachi	Karachi	021-37189142
151	Railway Road Branch	MCB Islamic Bank, Plot# 376/A, Railway Road, Bannu City, Bannu	Bannu	0928-660404-6 0928-660414
152	Dera Ismail Khan Branch	MCB Islamic Bank, Plot # 3, Survey # 68, Circular Road, Dera Ismail Khan	Dera Ismail Khan	0966-719934-36
153	DHA EME Sector Branch	MCB Islamic Bank, Plot# 408, Block-J, Commercial Area, DHA, EME Sector, Multan Road, Lahore	Lahore	042-37512400-1-2
154	Chowk Halalpur Noon Branch	MCB Islamic Bank, Chowk Halalpur Noon, Tehsil Kot Momin, District Sargodha	Sargodha	048-6873029 048-6873027
155	Faisalabad Road Branch	MCB Islamic Bank, Shan Plaza, Opposite NADRA Office, Faisalabad Road, Chiniot	Chiniot	047-6335666 047-6335577
156	Kallar Sayedan Branch	MCB Islamic Bank, Mouza kallar Sagwal, Tehsil Kallar Syedan, District Rawalpindi	Rawalpindi	051-3570650-52
157	Bahria Town Phase VIII Branch	MCB Islamic Bank, Plot No. 43/C, Business Junction, Circulation Strip, Bahria Town, Phase VIII, Rawalpindi	Rawalpindi	042-34501000 Ext. 2208
158	Attari Ferozepur Road Branch	MCB Islamic Bank, Plot # S-86-R-800/C/Hall, Sobra Attari Ferozepur Road, Lahore	Lahore	042-35923686-88
159	G.T Road Branch, Kamoke	MCB Islamic Bank, G.T Road Kamoke	Kamoke	055-6816623 055-6816923
160	Shahabpura Road Branch	MCB Islamic Bank, BIII-85-322, Shahabpura Road, Sialkot	Sialkot	052-3550103-04
161	F.B Industrial Area, Water Pump Branch	MCB Islamic Bank, PMJ Square, Phase-1, Shop # 1 to 4, Block 14, Naseerabad, F.B Industrial Area, Karachi	Karachi	021-36377051
162	Sheikh Sultan Trust Branch	MCB Islamic Bank, Survey No. 25, Survey Sheet No. CL-10, Building No. 1, Sheikh Sultan Trust, Beaumont Road, Civil Lines, Karachi	Karachi	021-35210179
163	Jaranwala Branch	MCB Islamic Bank, Main Hassan Road, Jaranwala	Jaranwala	041-4310931-33
164	G.T Road Branch, Mian Channu	MCB Islamic Bank, Amin Trade Center, GT Road, Mian Channu	Mian Channu	065-2660166-67
165	Model Town Branch, Multan	MCB Islamic Bank, Plot # 1, 2 Block B, Model Town, Multan	Multan	061-6216391-94
166	Hajipura Branch	MCB Islamic Bank, Hajipura, adjacent Doctors Hospital, Wazirabad	Wazirabad	0555-6601611-12
167	Chobara Road Branch	MCB Islamic Bank, Near MCB Bank, Chobara Road, Layyah	Layyah	0606-410691-93
168	I-10 Markaz Branch	MCB Islamic Bank, I-10 Markaz Branch, Islamabad	Islamabad	051-462441-42
169	Faisal Hills Branch	MCB Islamic Bank, Plot No. 22, MB Square, MR-01, Executive Block, Faisal Hills, Main GT Road, Taxila	Taxila	051-4500037-39
170	Bannu Road Branch	MCB Islamic Bank, Shop # T-663, 664, Bezari, Chakkar Kot, Main Bazaar, Bannu Road, Kohat	Kohat	0922-866155-56
171	Highway Road Branch, Chishtian	MCB Islamic Bank, Highway Road, Chishtian	Chishtian	063-2507633-34
172	Top City 1 Branch	MCB Islamic Bank, Orion Business Square, Top City, Rawalpindi	Rawalpindi	042-34501000 Ext. 2223
173	Main Bazaar Kumber Branch	MCB Islamic Bank, Old Adda, Main Bazaar, Kumber, District Lower Dir	Lower Dir	0945-888007-009
174	Manshera Branch	MCB Islamic Bank, Main Bazaar, near Fouji Foundation, Manshera	Manshera	0997-391801-803
175	Muridke Branch	MCB Islamic Bank, Muhalla Bilal Park, GT Road, Muridke	Muridke	042-37166582
176	Hafizabad Branch	MCB Islamic Bank, Royal Guest House, Gujranwala Road, Hafizabad	Hafizabad	0547-583492 0547-583494
177	Adda Chamb Morr Branch, Lodhran Branch	MCB Islamic Bank, M97 Highway Road (M-5) Adda Chamb Morr, Lodhran	Lodhran	042-3450100 Ext. 2228
178	Lady Dufferin Hospital Branch	MCB Islamic Bank, Chand Bibi Road, Adhmal Oodharam Quarter, Opposite Civil Hospital, Karachi	Karachi	021-32373702
179	Samundri Branch	MCB Islamic Bank, Grain Market, Samundri	Samundri	041-3420214-17
180	Kasur Branch	MCB Islamic Bank, M.A. Jinnah Road, Kasur	Kasur	049-2771010-11
181	Al Kabir Town Phase II Branch	MCB Islamic Bank, Plot No. 16 Commercial Area, Block B Al Kabir Town, Phase II, Lahore	Lahore	042-3450100 Ext. 2232
182	Susan Road Branch	MCB Islamic Bank, Plot # 101, P-12, Main Susan Road, Faisalabad	Faisalabad	041-8502858-61
183	Sundar Industrial Estate Branch	MCB Islamic Bank, Mull Chowk, Opposite Sundar Industrial Estate Gate 1, Rawind Road, Lahore	Lahore	042-37860171-74
184	Model Town Khanpur Branch	MCB Islamic Bank, Main Bazaar, Model Town, Khanpur	Khanpur	068-5575116-19
185	Jalalpur Jattan Branch	MCB Islamic Bank, Main Bazaar, Jalalpur Jattan	Jalalpur Jattan	053-592774-75
186	Lalamusa Branch	MCB Islamic Bank, Sabri Mohallah G.T. Road, Lalamusa	Lalamusa	053-511811-15
187	Narowal Branch	MCB Islamic Bank, Circular Road, Narowal	Narowal	054-2410581 054-2410581
188	Battagram Branch	MCB Islamic Bank, Opposite Police Station, Karokaram Highway, Battagram	Battagram	0997-310470-74
189	Darra Adam Khel Branch	MCB Islamic Bank, Main Bazaar, Kohat Road, Darra Adam Khel	Darra Adam Khel	042-3450100 Ext. 2240



BRANCH NETWORK

Sr. #	Branch Name	Branch Address	City	Contact No.
190	Depalpur Branch	MCB Islamic Bank, Okara Road, Depalpur	Depalpur	044-454449 044-454492 044-4542121 044-4540717
191	Old Airport Road Branch	MCB Islamic Bank, Bismillah Tower, Faisal Colony Near Gulzar-e-Quaid, Old Airport Road, Rawalpindi	Rawalpindi	051-5707804-06
192	G-13/2 Branch	MCB Islamic Bank, Plot No. 4-A Bazaar No. 4, G-13/2, Islamabad	Islamabad	051-2789270-71
193	Talagang Branch	MCB Islamic Bank, Rawalpindi Road, Talagang	Talagang	0543-414200
194	Odigram Branch	MCB Islamic Bank, Main Bazaar Odigram, Lower Dir	Odigram	0945-890022-26
195	Airport Road Swat Branch	MCB Islamic Bank, Airport Road, Swat	Swat	0946-812063-64
196	Khawazakhela Branch	MCB Islamic Bank, Khawazakhela Bazaar, Swat	Khawaza Khela	0946-746700-01
197	Karak Branch	MCB Islamic Bank, Bannu Road, Karak	Karak	0927-210650-51
198	Chichawatni Branch	MCB Islamic Bank, Railway Road, Chichawatni	Chichawatni	040-5480401-02
199	33 Phatak Branch	MCB Islamic Bank, Khewat No. 69/66, Khatuni No. 185 to 206, Qitat 231, Chak No 33 Phatak, Sargodha	Sargodha	042-34501000 Ext. 2250
200	Gulberg Green Branch	MCB Islamic Bank, Block D, Markaz, Gulberg Green, Islamabad	Islamabad	051-5915350-51
201	Shorkot Branch	MCB Islamic Bank, Jhang Road, Shorkot	Shorkot	042-34501000 Ext. 2252
202	Gulshan-e-Iqbal Block 3 Branch	MCB Islamic Bank, Shop # C-3/III, C-3/III, C-4/III, Plot # Fl-2, Block 3, Gulshan-e-Iqbal, KDA Scheme # 24, Karachi	Karachi	021-34960499
203	Chak Beli Khan Branch	MCB Islamic Bank, Chak Beli Road, Bhumbl Stop, Rawalpindi	Rawalpindi	042-34501000 Ext. 2254
204	Bahria Enclave Branch	MCB Islamic Bank, Plot No. 11, Street No. BEA, Sector-C, Bahria Enclave Avenue, Bahria Enclave, Islamabad	Islamabad	042-34501000 Ext. 2255
205	Chakri Road Branch	MCB Islamic Bank, Charki Road, Near Al-Haram City, Rawalpindi	Rawalpindi	042-34501000 Ext. 2256
206	Fateh Jang Branch	MCB Islamic Bank, Fateh Jhang Rawalpindi Road, Opposite General Bus Stand, Fateh Jang	Fateh Jang	042-34501000 Ext. 2257
207	G.T Road Branch, Dina	MCB Islamic Bank, G.T Road, Dina	Dina	042-34501000 Ext. 2258
208	Mardan Road Branch	MCB Islamic Bank, Main Mardan Road, Charsadda	Charsadda	091-6515703-04 091-6515706 091-6515708
209	NASTP Branch	MCB Islamic Bank, NASTP Alpha Techno Square, Old Airport, Chaklala Cantt, Rawalpindi	Rawalpindi	042-34501000 Ext. 2260
210	Swari Bazar Branch	MCB Islamic Bank, Sawari Main Bazar, Mardan Road, Buner	Buner	0939-555125-26
211	Saidu Sharif Branch	MCB Islamic Bank, Marghuzar Road, Saidu Sharif, Swat	Saidu Sharif	0946-726642-43 0946-726671
212	Tariq Road Branch	MCB Islamic Bank, Shop # 3, 4 Plot # 3/19 Delhi Co-operative Housing Society, Amber Arcade, Tariq Road, Karachi	Karachi	021-34543488
213	Katchery Road Branch	MCB Islamic Bank, Property No. B-2442/T-2013, Muhalla Ali Murad, Katchery Road, Khairpur	Khairpur	0243-715000 0243-715500 0243-714550 0243-714155
214	Sanghar Branch	MCB Islamic Bank, Plot # Bearing City Survey No. 9501111, Ward A, Sanghar	Sangar	042-34501000 Ext. 2285
215	Umerkot Road Branch	MCB Islamic Bank, Plot City Survey Number 862/4, PM Colony, Mirpurkhas	Mirpurkhas	0233-873454-57
216	Bank Road Daska Branch	MCB Islamic Bank, Plot # 91, 92 & 95, Muslim Market, Bank Road, Daska	Daska	052-6618822-23
217	Ghalla Mandi Branch	MCB Islamic Bank, Ghalla Mandi, Nankana Sahib	Nankana Sahib	056-2876562-63
218	Electronics Market Branch	MCB Islamic Bank, Shop # S-1, G-1, Ground Floor, Plot # Pr-2/25, Sheet # 2, Kohinoor Electronics Centre, Preedy Quarter, Saddar, Karachi	Karachi	021-32762242
219	GT Road Haripur Branch	MCB Islamic Bank, Khata # 327, Khatooni # 388, Mouza Pandak 172, GT Road, Haripur	Haripur	099-5613353
220	Mughalpura Branch	MCB Islamic Bank, 165 Shalimar Link Road, Mughalpura, Lahore	Lahore	042-37130764-67
221	Soan Garden Branch	MCB Islamic Bank, Commercial Plot AC-3 & AC-5, Phase-1 Accounts Group Officers Co-Operative Housing Society, Soan Garden, Islamabad	Islamabad	042-34501000 Ext. 2272
222	Block F North Nazimabad, Hayderi Branch	MCB Islamic Bank, Shop # 1, Plot # D 2, LA Grande, Block F, Hayderi, North Nazimabad, Karachi	Karachi	042-34501000 Ext. 2273
223	DHA Phase IV Branch	MCB Islamic Bank, Plot # 224, Block CCA, Commercial Area, Phase IV, DHA, Lahore	Lahore	042-37192138-39
224	Ghalla Mandi Arifwala Branch	MCB Islamic Bank, Ghalla Mandi Road, Arifwala	Arifwala	042-34501000 Ext. 2275
225	Wapda Town Branch	MCB Islamic Bank, Plot # MM 33, Main Market B Block, Wapda Town Employees Housing Society, Gujranwala	Gujranwala	042-34501000 Ext. 2276
226	Bahawalnagar Branch	MCB Islamic Bank, Khewat # 2145, Khatooni # 2240, Mouza Town Bahawalnagar	Bahawalnagar	063-2277914-17
227	Ring Road Branch	MCB Islamic Bank, Khata # 23/22/1, Khasra # 507/2, Achini Payan Ring Road, Peshawar	Peshawar	042-34501000 Ext. 2278
228	Haroonabad Branch	MCB Islamic Bank, Plot # 193, Block C, Near Ghalla Mandi, Bangla Road, Haroonabad	Haroonabad	063-2251072-73 063-2251076-77
229	Shahkot Branch	MCB Islamic Bank, Khewat 332, Khatooni 917 to 948 Main Bazar, Shahkot	Shahkot	056-3711281-82
230	Miani Branch	MCB Islamic Bank, Khewat 319, Khatooni 634, Gondal Road, Miani	Miani	048-6796805-06
231	Bahria Orchard (Sub Branch Bahria Town Sector C)	MCB Islamic Bank, Plot No. 34, Low Cost Commercial Block-C, Category Boulevard, Bahria Orchard, Lahore	Lahore	042-3545199 042-35451509
232	Bahadurabad (Sub Branch Javed Arcade)	MCB Islamic Bank, Head Office Saylani Welfare Internatioanl Trust, Bahadurabad Chowrangi, Karachi	Karachi	021-34920171



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