



**Meezan Bank**  
The Premier Islamic Bank



July 1, 2021

CS/PSX-16/125/2021

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

**Disclosure of Material Information – Meezan Bank Limited**

Dear Sir,

السلام عليكم

In accordance with Sections 96 and 131 of the Securities Act, 2015 and Clause 5.6.1 of the Rule Book of the Pakistan Stock Exchange Limited (PSX), we attached herewith disclosure form of material information as **Annexure – A**.

The press release of VIS Credit Rating Company Limited (Formerly JCR-VIS Credit Rating Company) is also enclosed herewith for information of TRE certificates holders of the PSX.

You may inform the TRE Certificates Holders of the Exchange accordingly.

Yours truly,

**Muhammad Sohail Khan**  
Company Secretary

Cc:

**Director/HOD**  
Surveillance, Supervision and Enforcement Department  
Securities and Exchange Commission of Pakistan  
NIC Building, 63 Jinnah Avenue, Blue Area,  
Islamabad

**Meezan Bank Ltd.**

Head Office: Meezan House, C-25, Estate Avenue, SITE, Karachi - Pakistan.  
PABX: (92-21) 38103500 UAN: 111-331-331 & 111-331-332 [www.meezanbank.com](http://www.meezanbank.com)



**Annexure - A**

**DISCLOSURE FORM  
IN TERMS OF SECTIONS 96 AND 131 OF THE SECURITIES ACT, 2015**

July 1, 2021

Name & Address of Company: Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE  
Karachi.

Date of Report: July 1, 2021

Contact Information: Muhammad Sohail Khan  
Company Secretary

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE  
Karachi

Tel Number: 0092-21-38103500 Ext: 3638 and 36406026

Fax Number: 0092-21-36406056

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**Disclosure of material information by Meezan Bank Limited.**

In accordance with Rule 5.6.1 of the Pakistan Stock Exchange Rule Book, we are pleased to inform you that by the Grace of Allah, the VIS Credit Rating Company Limited (Formerly JCR-VIS Credit Rating Company) has upgraded Bank's long-term rating from AA+ to AAA, and maintained its short-term rating as A1+.

**SIGNATURES**

In case of company pursuant to the requirements of the Securities Exchange Ordinance of 1969 (XVII of 1969) and the Securities Act, 2015, the company has duly caused this form / statement to be signed on its behalf by the undersigned hereunto duly authorized.

**Muhammad Sohail Khan**  
Company Secretary

DATED: July 1, 2021



# VIS Credit Rating Company Limited

International Affiliates: Islamic International Rating Agency - Bahrain, Credit Rating Information & Services Ltd. - Bangladesh, Borhan Credit Rating Company Ltd. - Iran

## Press Release

### VIS Upgrades Entity Ratings of Meezan Bank Limited to AAA/A-1+

Karachi, June 30, 2021: VIS Credit Rating Company Limited has upgraded the entity ratings of Meezan Bank Limited ('MEBL' or 'the Bank') to 'AAA/A-1+' (Triple A/ A-One Plus) from 'AA+/A-1+' (Double A Plus/ A-One Plus). The medium to long-term rating of 'AAA' denotes highest credit quality, with negligible risk factors, being only slightly more than for risk-free debt of Government of Pakistan (GoP). The short-term rating of 'A-1+' denotes highest certainty of timely payment, liquidity factors are outstanding and safety is just below risk-free short-term obligations of GoP. VIS has also upgraded ratings of the outstanding Basel 3 Compliant Tier 1 and Tier 2 Sukuk of MEBL at 'AA' (Double A) and 'AA+' (Double A Plus) respectively. Outlook on the assigned ratings is 'Stable'. The previous rating action on the entity was announced on June 30, 2020.

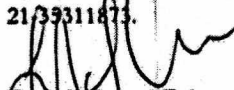
The upgrade in MEBL's credit rating to the highest credit quality is underpinned by MEBL's market positioning in the Islamic Banking segment, as the largest bank holding 37% of segment deposits as of Dec'20, and in the banking sector at large, being 4<sup>th</sup> largest, in terms of domestic deposits and financings. Given the aforementioned market positioning in the sector and the Islamic banking segment, VIS considers MEBL to be a dominant player in the domestic banking sector, right behind the top-3 banks designated by the State Bank of Pakistan (SBP) as Domestic-Systemically Important Banks (D-SIBs). At present, SBP classifies MEBL as a Sample D-SIBs, and in accordance with SBP guidelines, MEBL has successfully complied with SBP's enhanced supervisory requirements since 2018.

MEBL has achieved its market positioning on the back of consistently stronger growth in deposit growth vis-à-vis industry. In 2020, MEBL's deposit growth was roughly double the industry growth. The Bank has consistently grown its branch network, which stood 825 strong as of Mar'21 and several initiatives on the digitization front, translate in a strong franchise value for MEBL. In terms of profitability, the Banks' RoAE, RoAA & efficiency ratios compare favorably to peers. MEBL's liquidity profile is considered strong, as reflected by the Bank's ability to post strong growth in deposits along with an improvement in deposit composition whilst maintaining the lowest cost of funding amongst peers. At present, MEBL's deposit market share stands relatively lower than D-SIBs, albeit given the strong growth in Islamic Banking deposits and MEBL's own historical growth, VIS expects this gap to reduce over time.

MEBL's capitalization metrics have continued to depict improvement on the back of strong profitability, adequate profit retention, and deployment of excess liquidity in low risk weight assets. As of Mar'21, the Bank was maintaining a comfortable cushion over the minimum CAR requirement, set by SBP for D-SIBs.

The assigned rating remains dependent on maintenance of asset quality and capital adequacy, while continuation of strong growth trend and improvement in market positioning has also been factored in the assigned rating.

For further information on this rating announcement, please contact Mr. Arsal Ayub, CFA (Ext: 216) at 92-21-35311861 or fax to 92-21-35311871.

  
Faryal Ahmad Faheem  
Deputy CEO

Applicable rating criterion: Commercial Banks Methodology - June 2020

<https://s3-us-west-2.amazonaws.com/backupsqjvis/docs/Method-CommercialBanks202006.pdf>

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