



MCB Group

Full year results
FY 2025/26
Earnings call



Jean Michel Ng Tseung
Group Chief Executive



A shock-prone world has become the baseline

Global growth set to moderate amid a more challenging external environment

Growth	2025	2026	2026 Revision (Jul vs Apr)
Global economy	3.5	3.0	▼ 0.1ppt
United States	2.1	2.3	-
Euro Area	1.4	0.9	▼ 0.2ppt
Japan	1.1	0.6	▼ 0.1ppt
United Kingdom	1.4	1.0	▲ 0.2ppt
Sub-Saharan Africa	4.5	4.3	-

Source: IMF WEO April 2025, IMF WEO July 2026

Sub-Saharan Africa began 2026 building on the hard-won stabilisation gains achieved during a strong 2025.



Exchange rate recovery



Reform Momentum



Improvement in external position



Renewed access to international markets

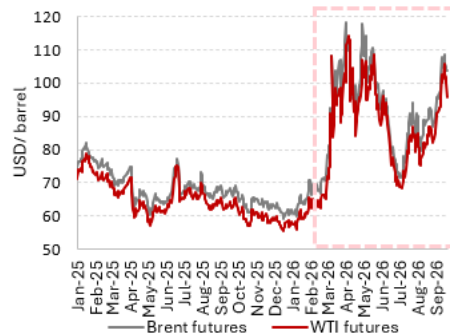


Easing inflation pressures

Sub-Saharan Africa's growth is expected to remain resilient at 4.3% in 2026, with performance increasingly diverging between oil exporters and importers.

Disruptions in commodity markets reignite inflationary pressures

The resurgence of tensions have pushed Brent prices towards the 100 USD mark per barrel, lately prompting renewed inflationary pressures



Fed resumes tightening in Sep-26

- Inflation above 2% target
- 25bps rate hike to 3.75%-4.00%
- First rate hike since 2023
- One more hike expected this year

Key markets continue to display resilience

Kenya



- Stronger external buffers alongside a stable shilling
- Reduced refinancing pressures
- Fiscal consolidation remaining a key vulnerability ahead of 2027 elections

Nigeria



- Improving macroeconomic conditions alongside declining inflation
- Dangote Refinery IPO, reinforcing Nigeria's investment appeal
- 2027 elections remaining the key watchpoint

South Africa



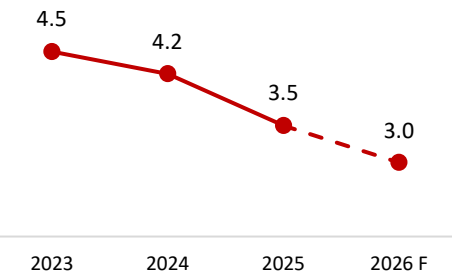
- Debt stabilisation
- Rating upgrades, reflecting growing confidence in the fiscal consolidation path
- Tangible progress from structural reforms in energy and logistics
- Government of National Unity cohesion remaining the key watchpoint



Mauritius: Optimism despite a challenging context

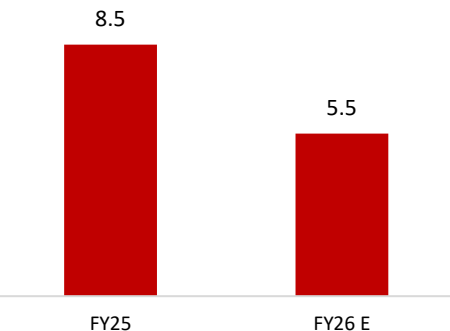
Real GDP growth (%)

Middle East conflict leads to a drop in growth forecast in 2026



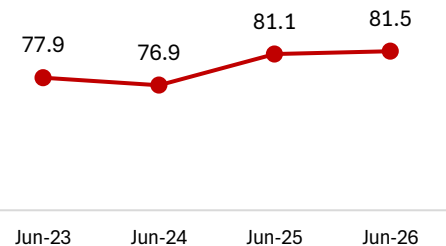
Fiscal Deficit (% of GDP)

Decline in deficit linked to fiscal consolidation measures



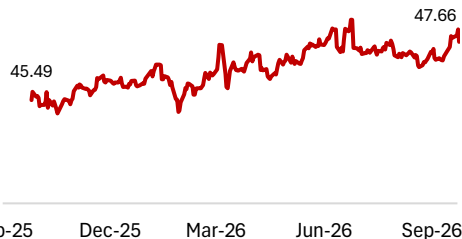
Debt-to-GDP Ratio (%)

Lower debt-to-GDP ratio following revised national account estimates



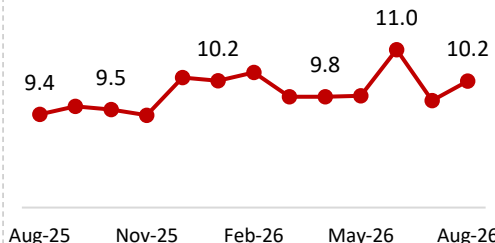
USD/MUR Spot Rate

Slight depreciation and Increase in rupee volatility amid high energy prices



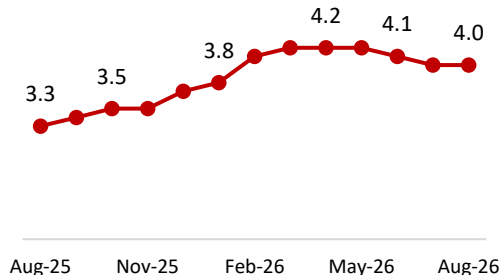
Gross International Reserves (USD billion)

Ample FX reserves continue to offer solid buffer against external shocks



Headline Inflation (%)

Inflation remains contained, but risks of renewed price pressures persist



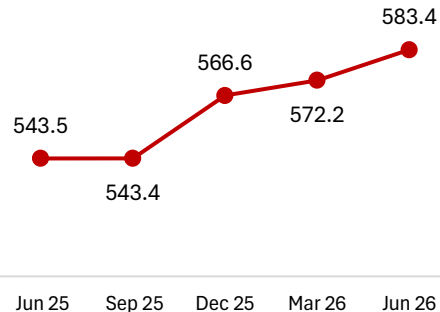
- Mauritian macros being affected by the conflict, but impact remains manageable, with tourism picking up and financial services remaining resilient
- Good progress made on fiscal consolidation and affirmation of sovereign rating
- Authorities remain committed to their fiscal consolidation agenda, with key reforms continuing to be implemented
- Progress made toward the adoption of renewable energy in Mauritius and the development of the port identified as strategic focus area
- Upside risks to inflation prevail due to increase in fuel prices
- Mauritius continues to be among the top African countries to do business



Mauritian Banking Sector: Stable and resilient

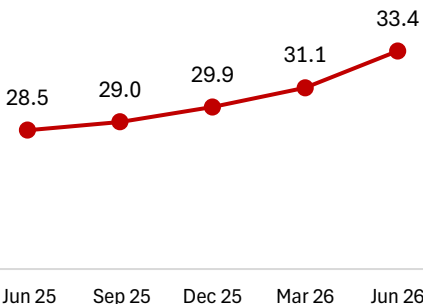
Domestic Credit (Rs bn)

Continued growth in local credit



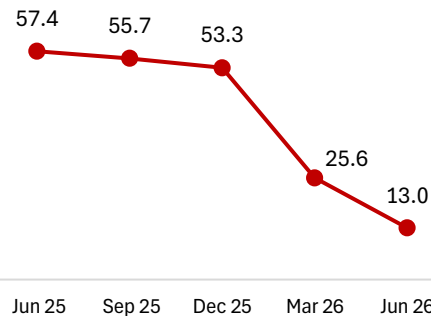
FCY Deposit Pool (USD bn)

Foreign deposit pool remains strong



Excess Liquidity (Rs bn)

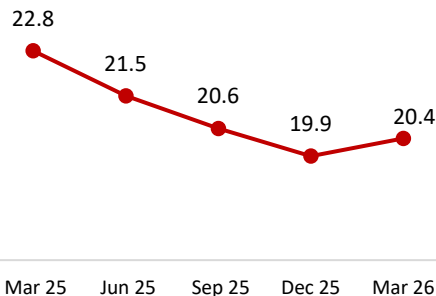
Excess liquidity on a declining trend following increase in issuances in early 2026



- Despite the volatile economic backdrop, Mauritian banking sector remains resilient and growing
- The FCY liquidity pool has been growing over the last quarters
- Excess liquidity remains persistent but has been on a decreasing trend compared to last year. Issuance of long tenor bonds expected to help in reducing liquidity build-up
- Banking sector remains sound with capital, liquidity and asset quality ratios being at comfortable levels

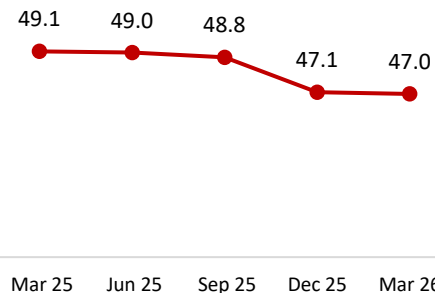
Capital Adequacy (%)

Banks in Mauritius maintain solid capital buffers



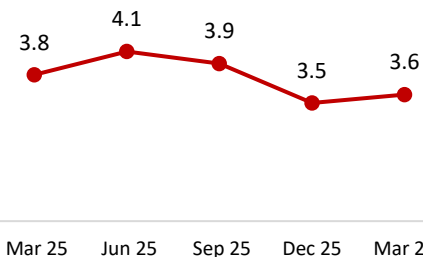
Liquid Assets (% of total assets)

Liquidity in the banking sector remains strong



Non-Performing Loans (%)

Low level of NPL reflect sound risk management





Lead in our home markets

- Enhanced value propositions for individuals, MSMEs and corporates as well as in the non-banking field
- Increased our sustainable finance credit line in Mauritius to Rs 25 billion
- Expanded digital payments and self-service through our mobile banking application
- Improved customer journeys, including lending, prepaid cards and trade finance
- Strengthened capabilities in our Home Markets through branch, platform and product enhancements in Madagascar, Seychelles and Maldives

Building a top-tier African Corporate and Investment Banking and Private Banking Institution

- Deepened expertise across energy, infrastructure, commodities, structured finance and private equity while growing our portfolio
- Completed several foreign currency funding initiatives including USD 400 million bond issuance and USD 450 million syndicated loan
- Launched USD 1 billion African trade finance credit line
- Expanded trading and market-making capabilities across G10 and African currencies, supported by the establishment of the Africa Trading Desk
- Built additional capacity in our hubs and exploring new jurisdictions

Win in the workplace

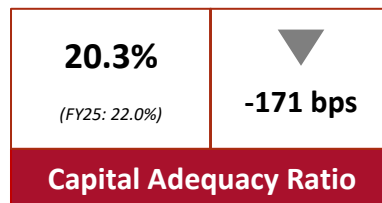
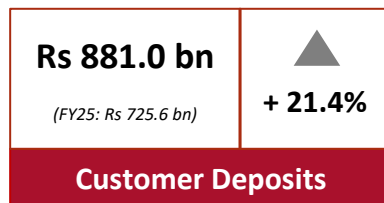
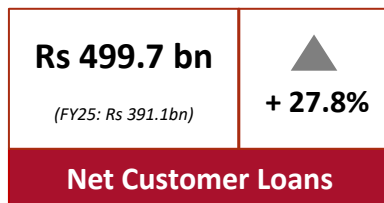
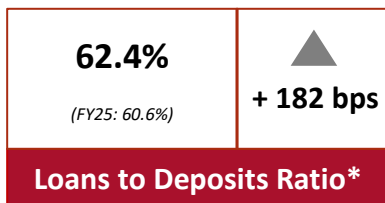
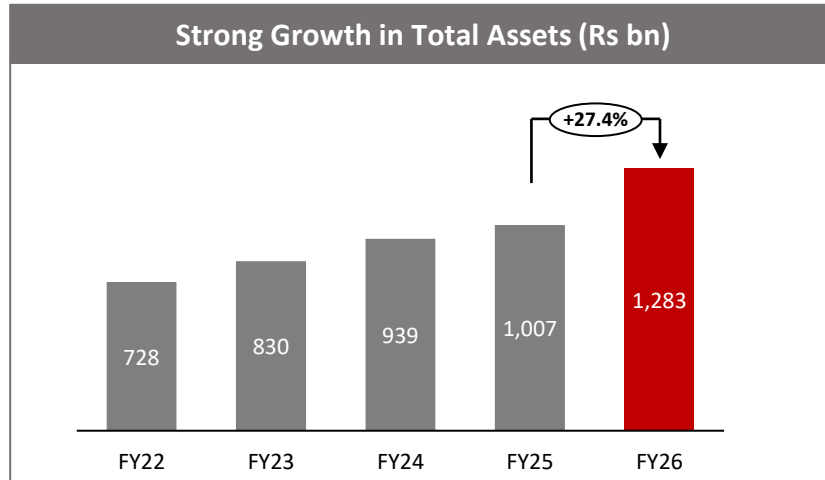
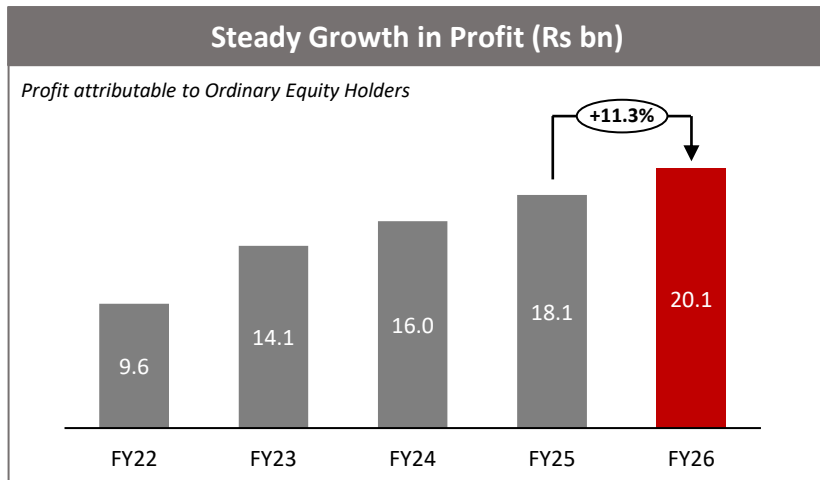
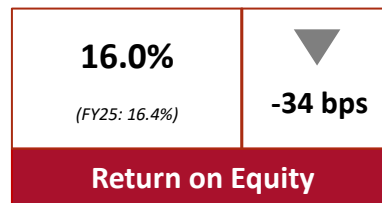
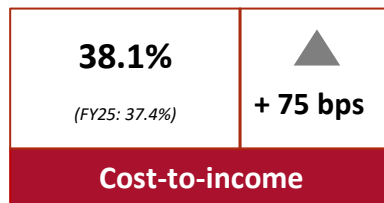
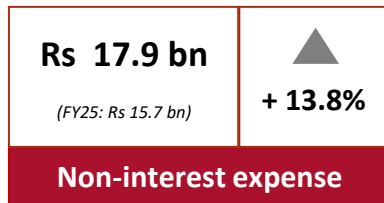
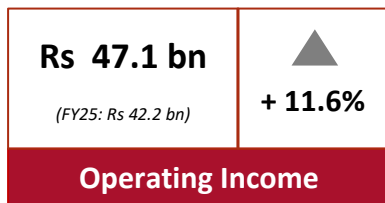
- Renewed Great Place to Work Certification, reflecting continued progress in employee engagement, trust and workplace culture
- Launched Beyond, the Group's employer brand focusing on meaningful impact and growth
- Expanded leadership development programmes and strengthened talent pipelines
- Formalised inclusion through the Group-wide DEI Charter and promote engagement through reinforced wellbeing initiatives



Dipak Chummun
Group Chief Finance Officer

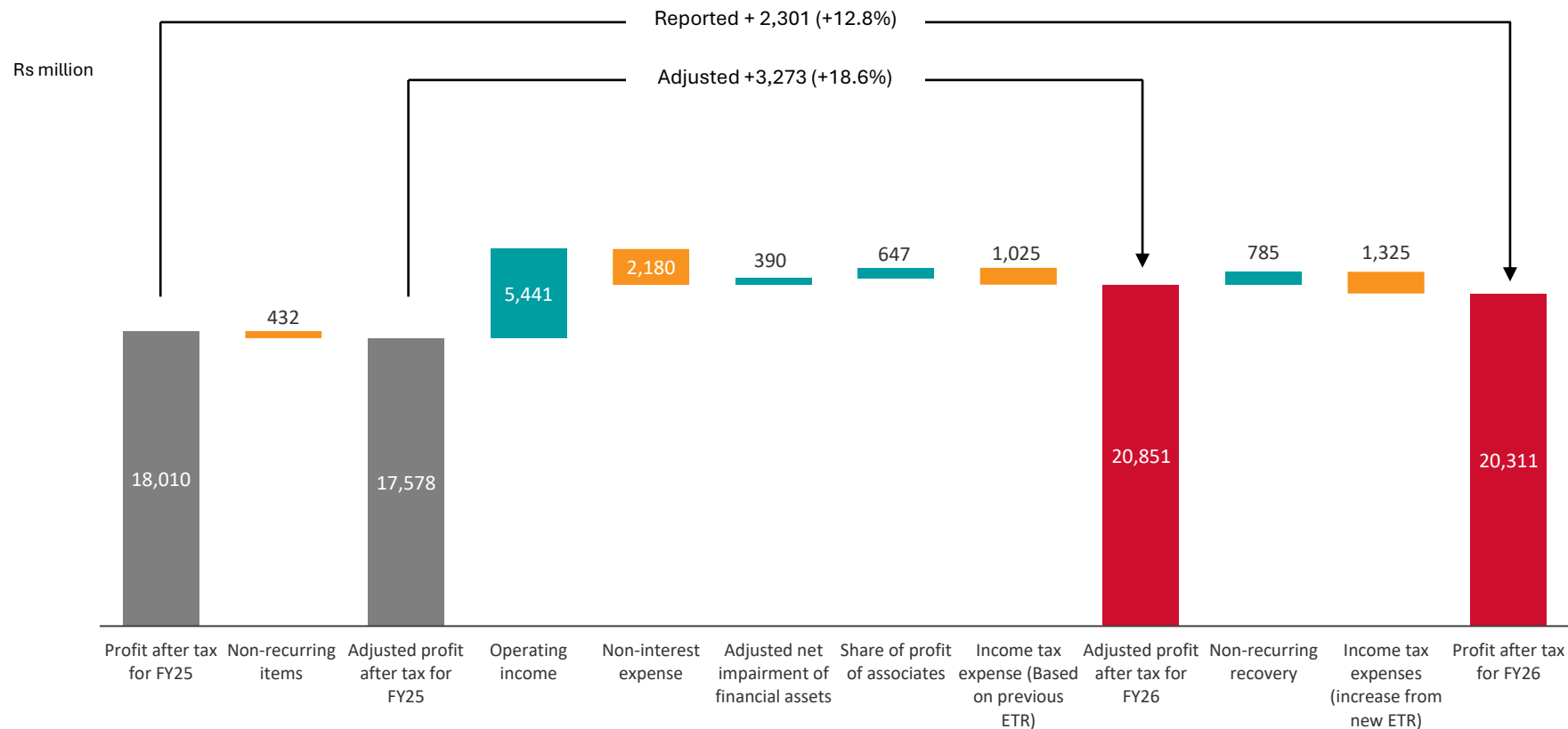


MCB GROUP - At a glance





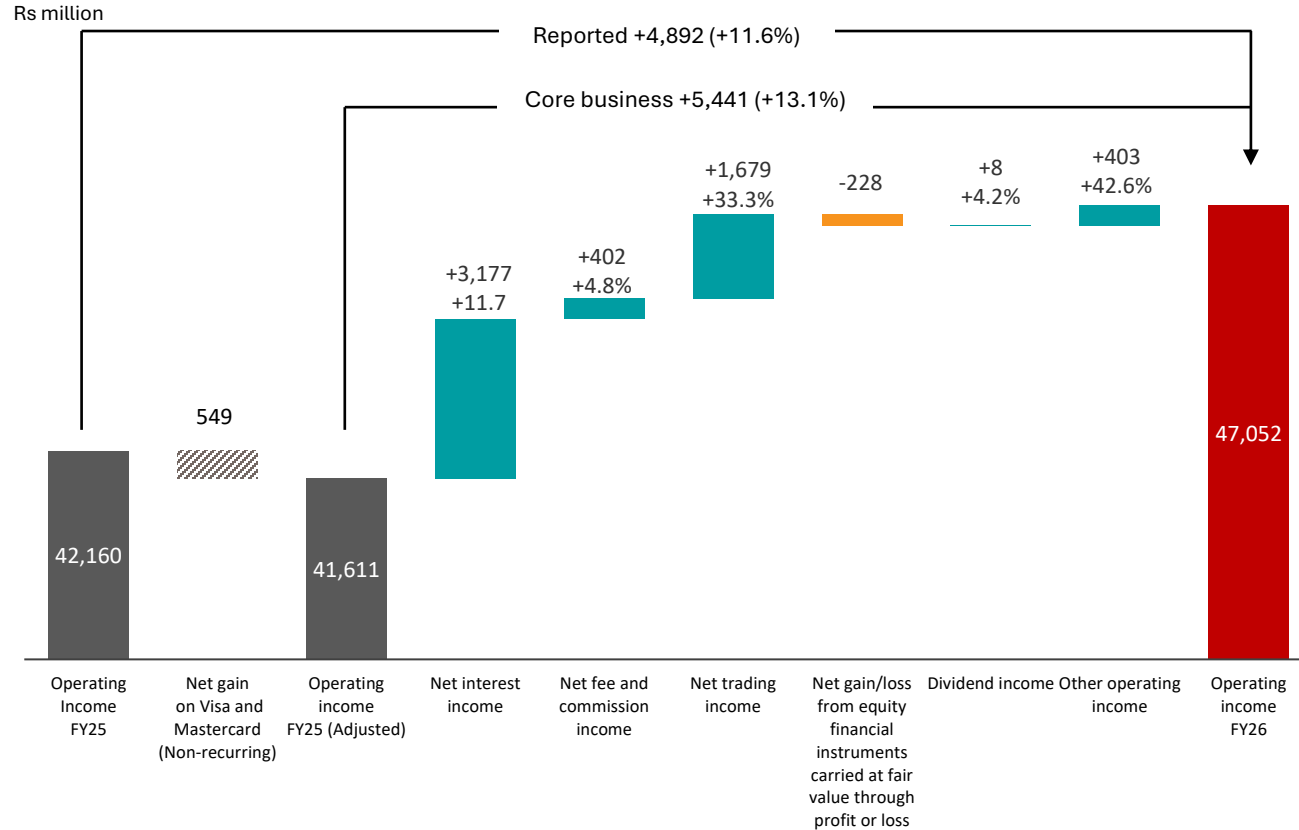
Adjusted for non-recurring items and changes in tax legislation, the Group delivered 18.6% increase in profit after tax (PAT)



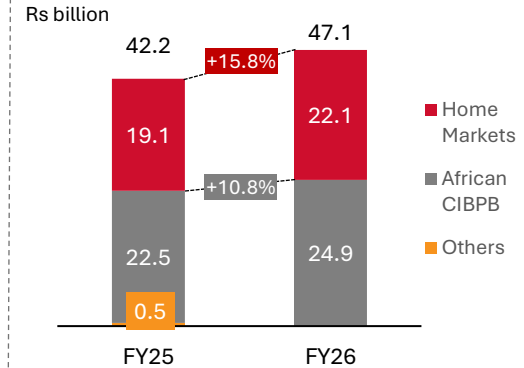
Note: Non-recurring adjustments include the non-recurring fair value gains on Visa and Mastercard shares of Rs 549m and the write down of assets held by one of PAD's associates (Caudan) of Rs 117m.



Whilst reported operating income showed a growth of 11.6%, core business revenue increased by 13.1%



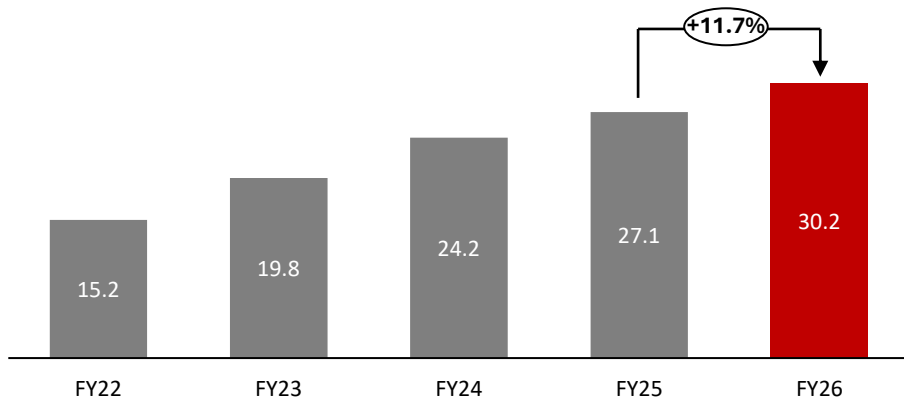
Operating income by strategic pillars



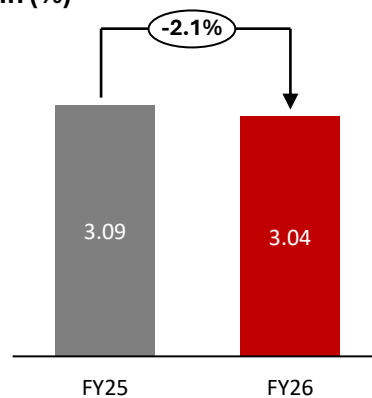


Net Interest Income (NII) – Y-o-Y growth supported by the rise in interest earnings assets

Net Interest Income (Rs bn)

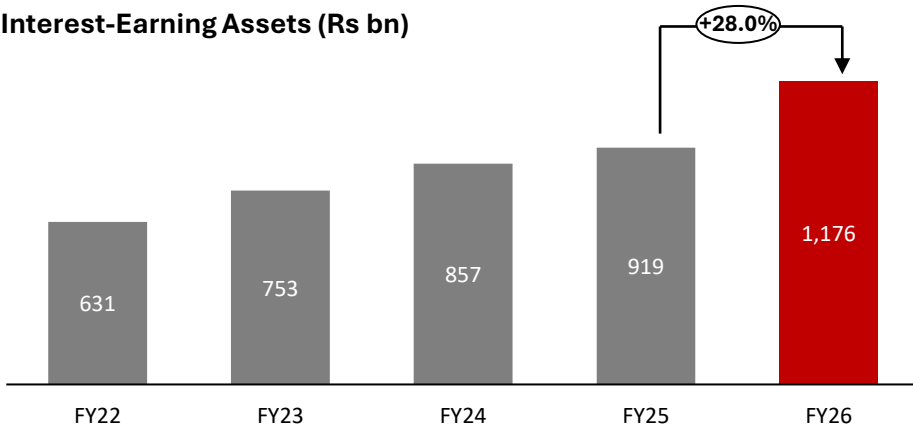


Net Interest Margin (%)

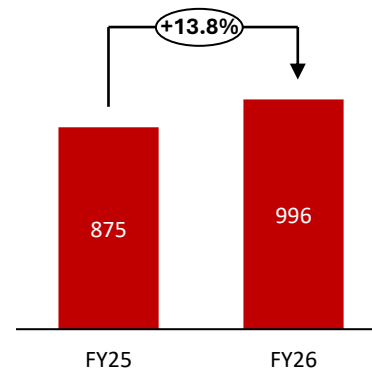


Net interest Margin: Net interest income as a % of average interest earning assets

Interest-Earning Assets (Rs bn)



Average Interest-Earning Assets (Rs bn)

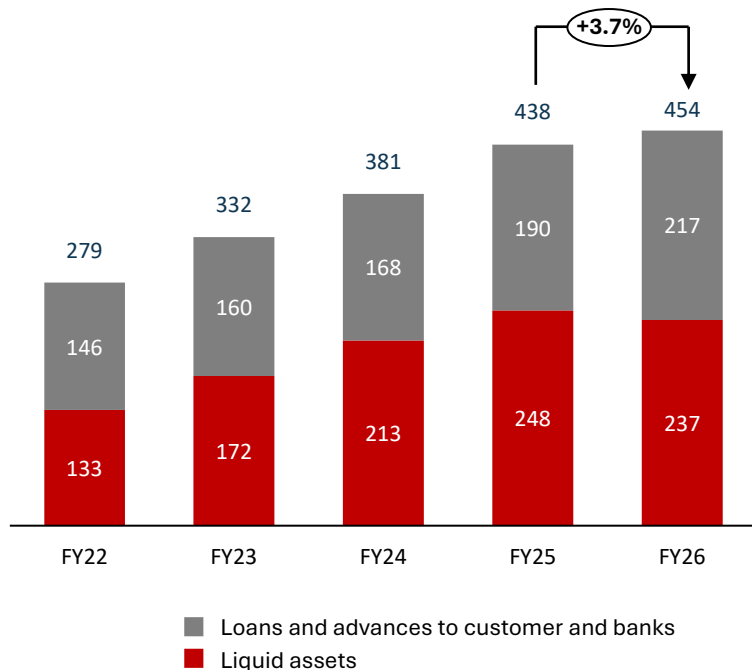


Note: Figures reported are end-of-period balances

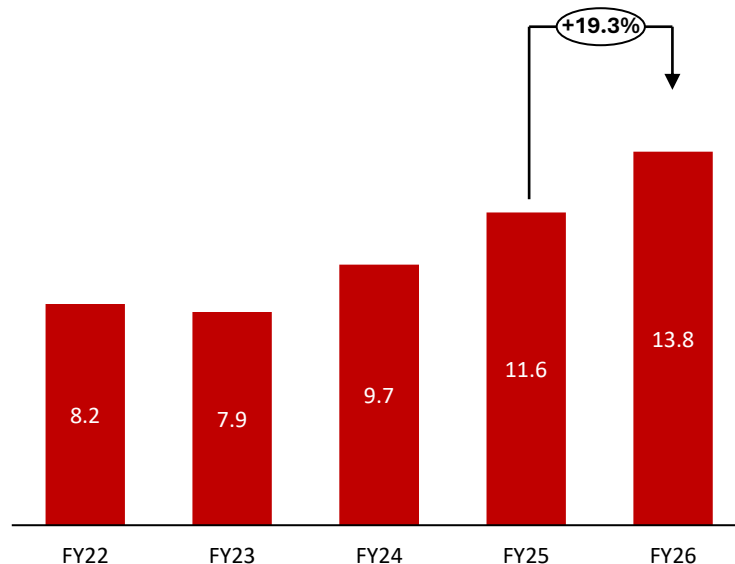


MUR NII – Increase driven by loan and liquid assets growth and reinvestment in govies at higher rates

MUR interest-earning assets(Rs bn)



MUR net Interest Income (Rs bn)

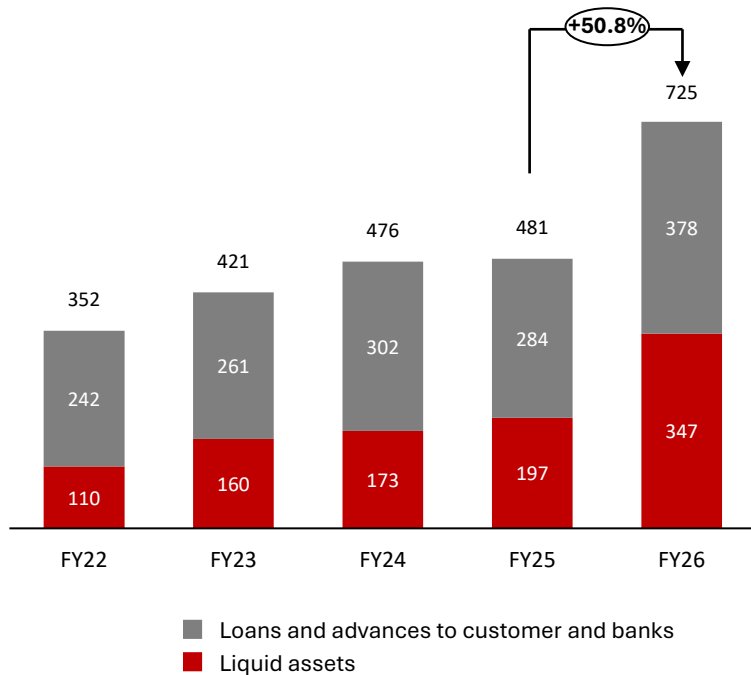


Note: Figures reported are end of period balances. Average balance of interest-earning assets increased by 10.9% year on year.

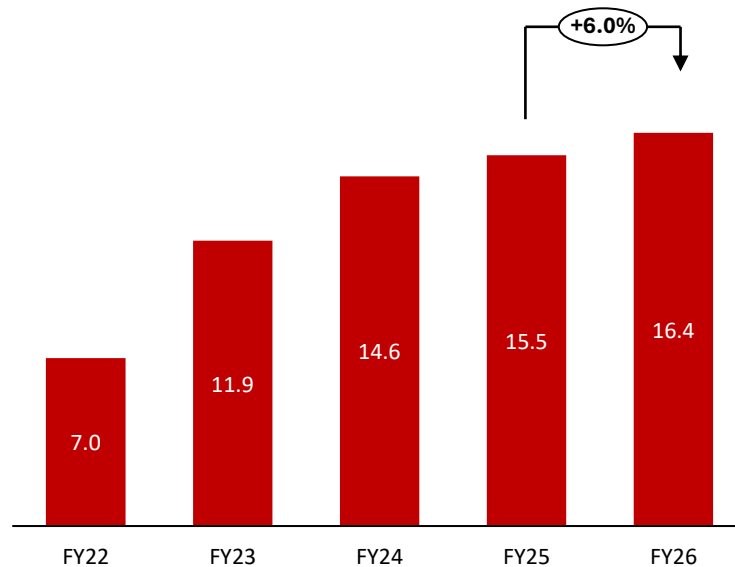


FCY NII – Increase driven in interest-earning assets growth

FCY interest-earning assets(Rs bn)



FCY net Interest Income (Rs bn)



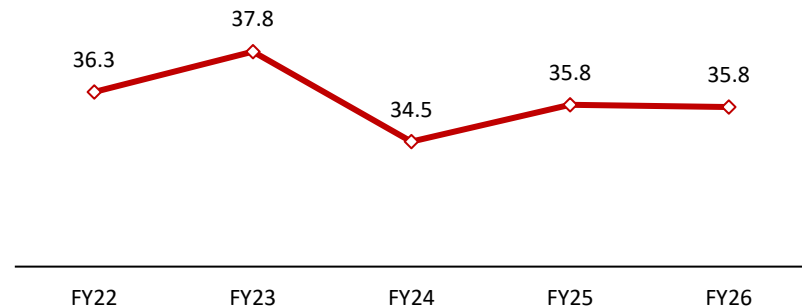
Note: Figures reported are end of period balances. Average balance of interest-earning assets increased by 17.5% year on year.



Non-interest income - Growth driven by higher trading income and net fees and commissions

Non-Interest Income (Figures in Rs bn)	FY25	FY26	%Δ Y-o-Y
Net Fee and Commission Income	8.5	8.9	4.8%
Net trading income	5.0	6.7	33.3%
Other Income	1.6	1.2	-22.8%
Total Non-Interest Income	15.1	16.8	11.4%

Non-interest income to operating income ratio (%)



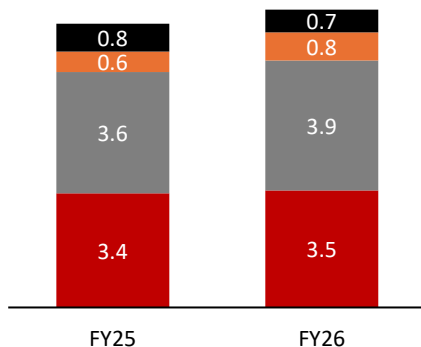
Net fee and commission income (Rs bn)

Others

Wealth management services

Trade finance & credit facilities

Payments services



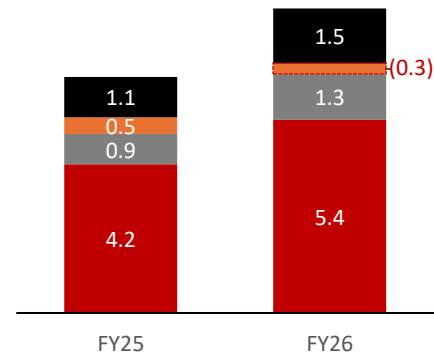
Net trading and other income (Rs bn)

Others*

Gain from Equity Financial Instruments

Trading income - other

Trading income – FX



Note: Figures may not add up due to rounding

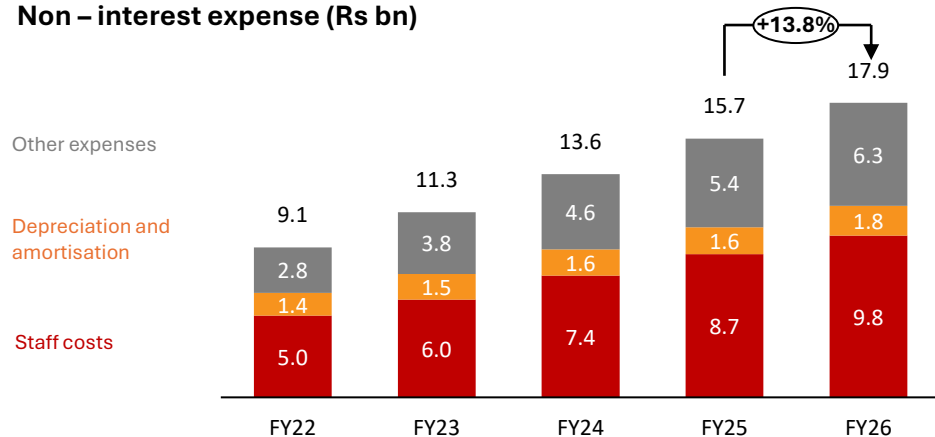
--- Pertains to FV losses on MCB Equity Fund

* Includes dividend income and other operating income

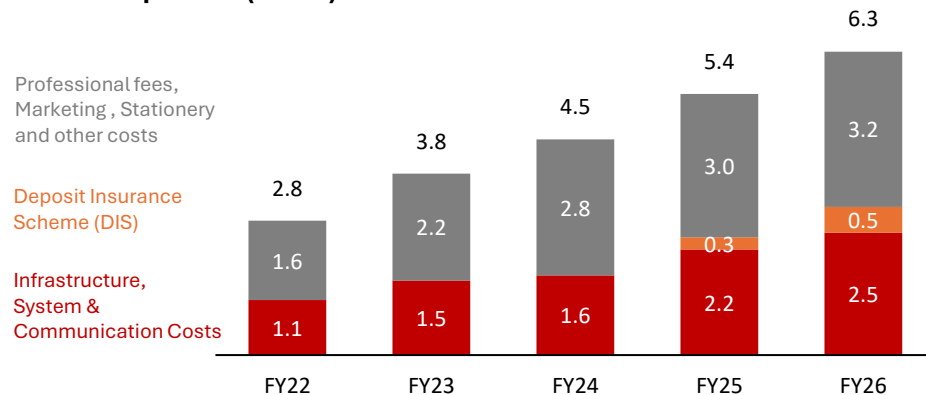


Non-interest expense – Ongoing investment in people, technology and organisational capabilities

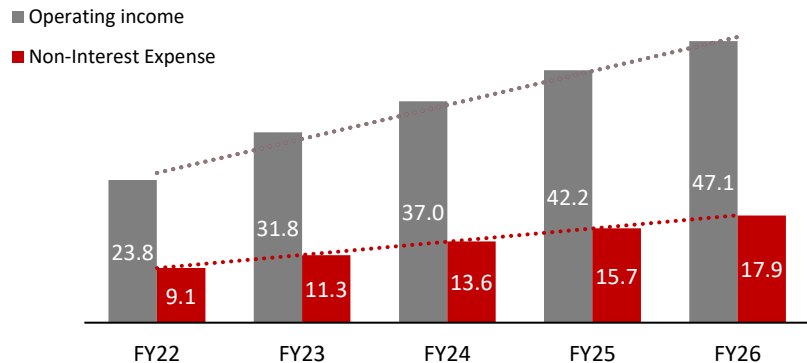
Non – interest expense (Rs bn)



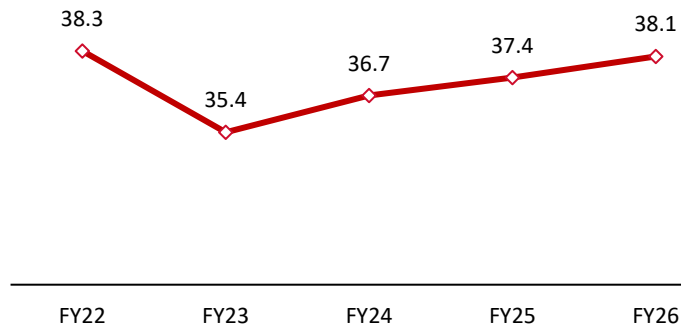
Other expenses (Rs bn)



Evolution of income and expenses (Rs bn)



Cost-to-Income Ratio (%)

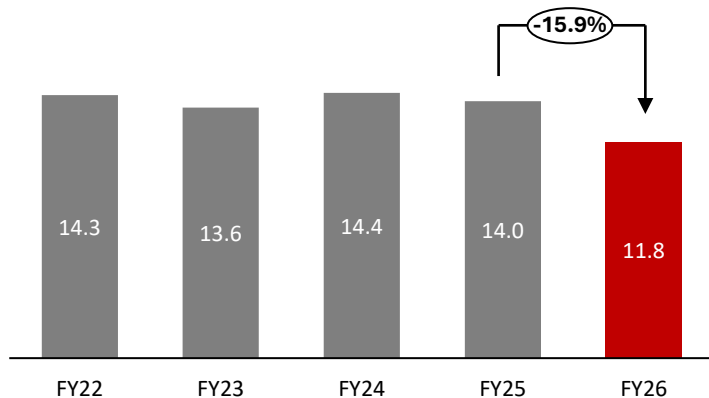


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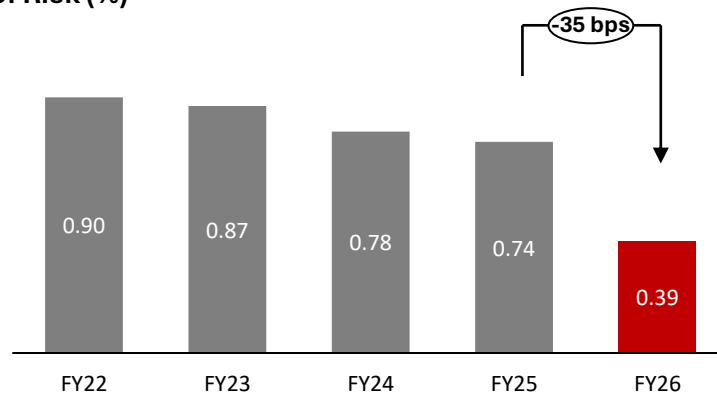


Asset quality – Improvement in Gross NPL and cost of risk

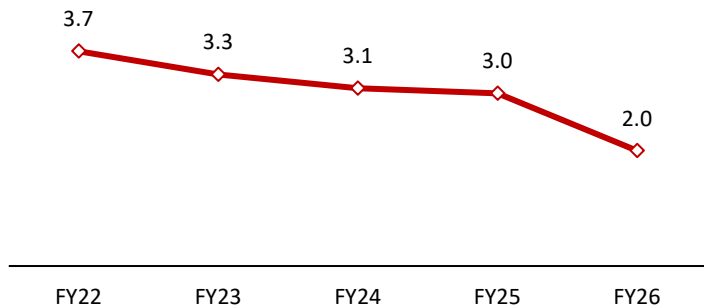
Non-performing loans and advances (Rs bn)



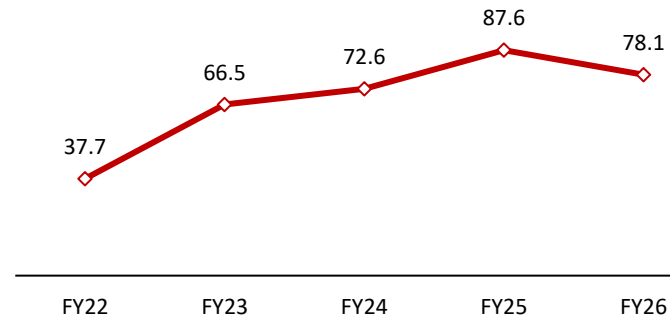
Cost of Risk (%)



Gross NPL ratio

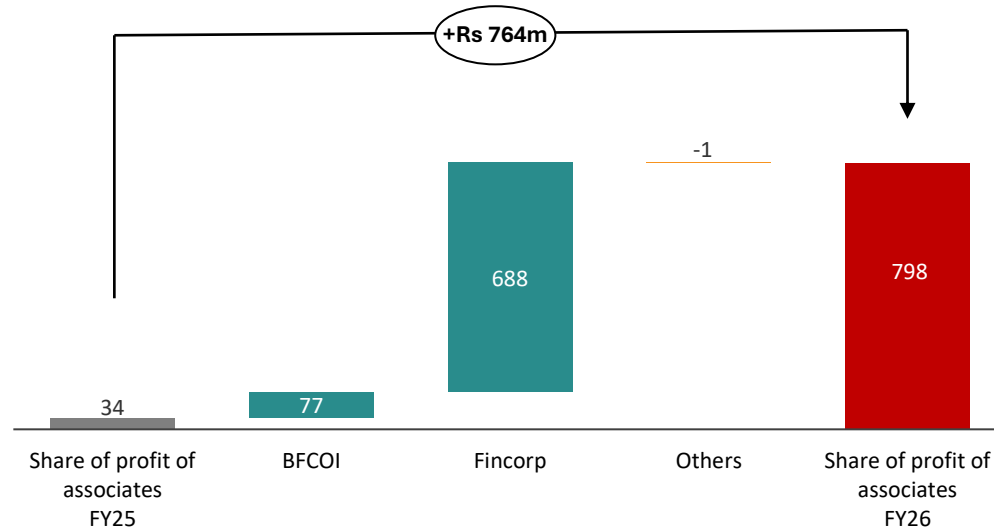


Specific provision coverage ratio (%)





Associates – Increase explained by improved performance of PAD and BFCOI



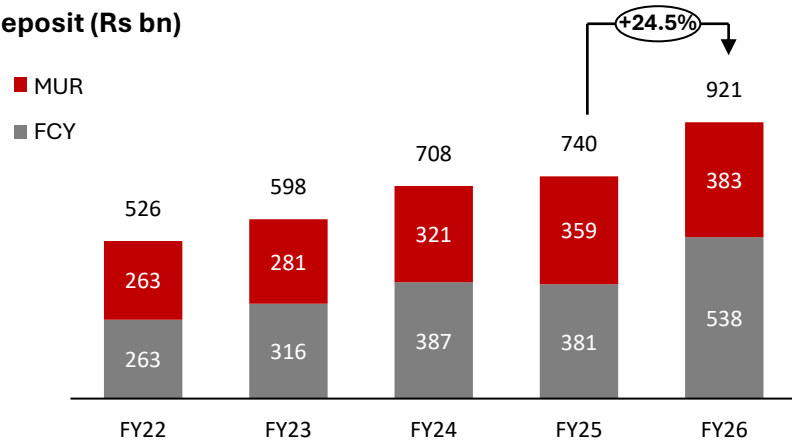
Share of profit of associates increased to Rs 798 million compared to Rs 34 million in FY25 due to:

- I. lower impairment charge at BFCOI
- II. Improvement in the performance of Fincorp's associates, namely Promotion and Development Ltd (PAD). Of note, the Group recorded a share of loss from PAD last year due to the one-off write-down of property value linked to damage caused by a cyclone in 2024.

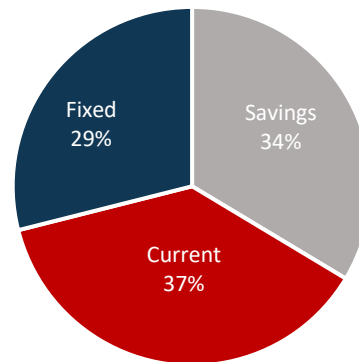


Funding and liquidity – Growth in funding base driven by higher deposits and additional borrowings

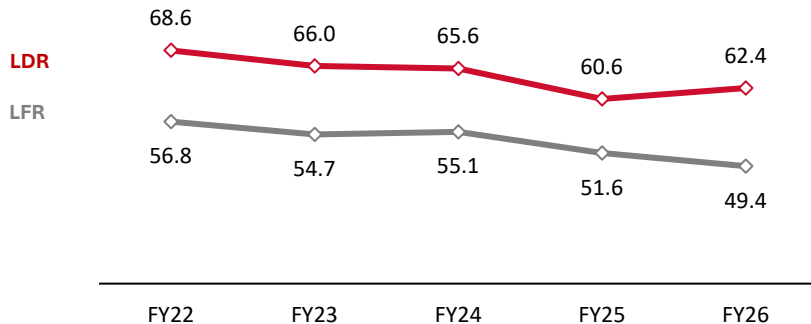
Deposit (Rs bn)



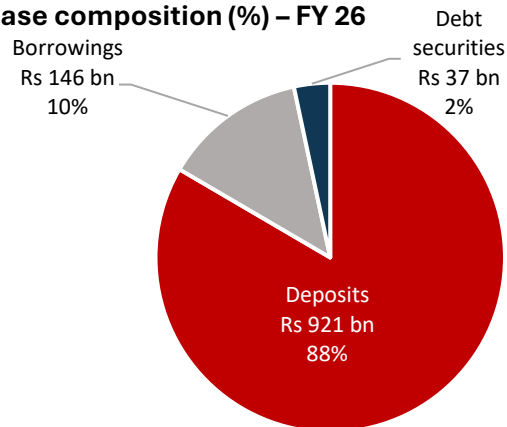
Deposit mix (%) – FY 26



Liquidity ratios (%)



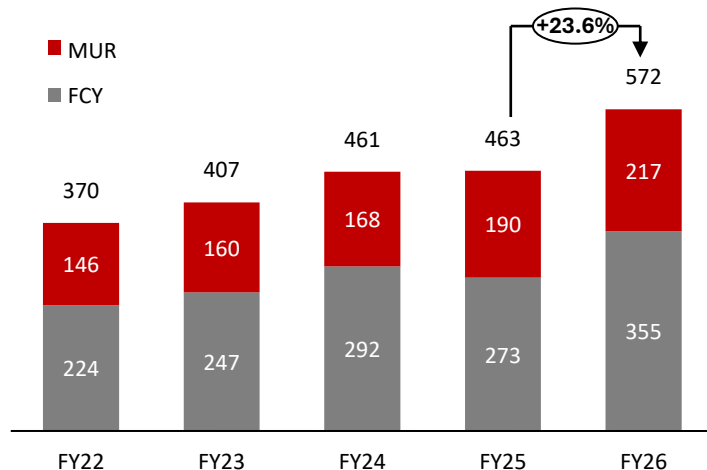
Funding base composition (%) – FY 26





Gross loans and advances – Growth recorded across the Group’s strategic pillar

Gross customer loans and advances (Rs bn)

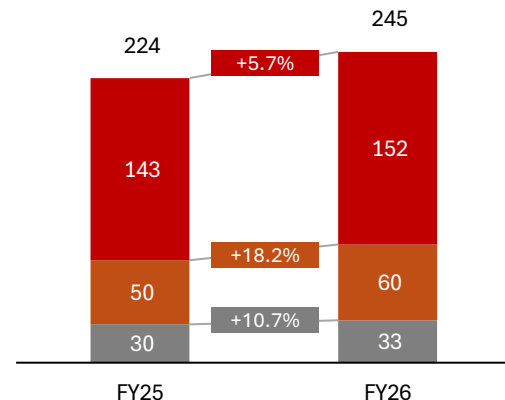


Home Markets (Rs bn)

Mauritian & Regional Corporates

Retail & Business Banking

Overseas Banking Subsidiaries



African CIBPB (Rs bn)

Commodity Trade Finance

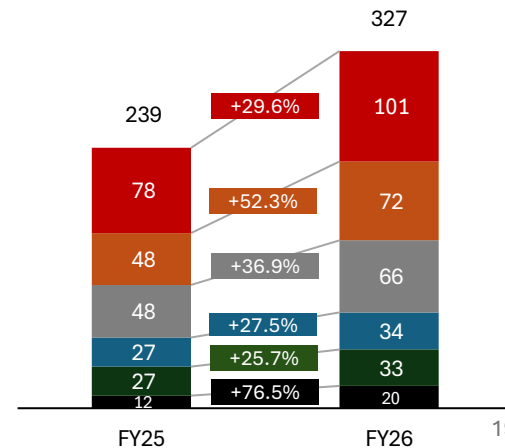
Natural Resource Financing

Global & International Corporates

Power & Infrastructure

Private Wealth Management

FI and Capital Markets



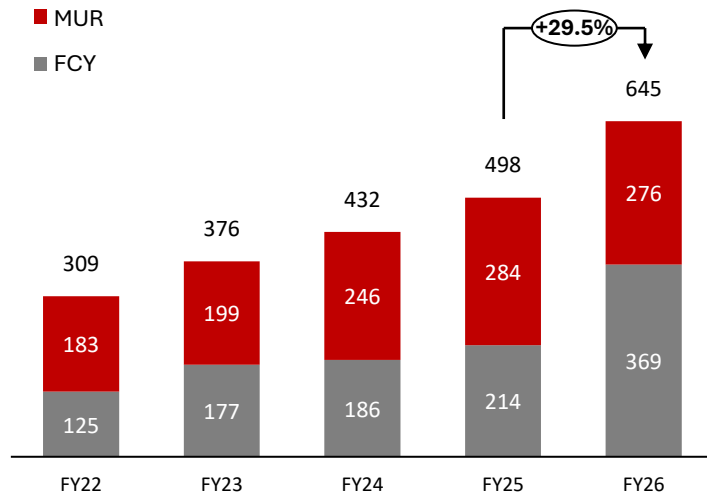
Note: Gross customer loans and advances includes corporate notes

Note: Figures may not add up due to rounding

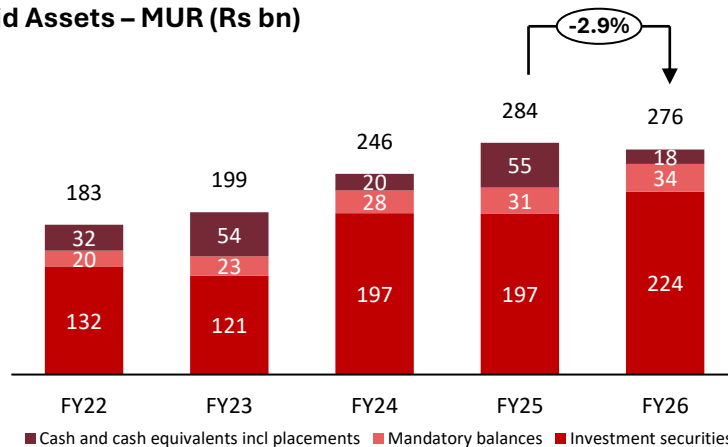


Liquid assets – Excess liquidity deployed in short-term treasury bills and balances with banks

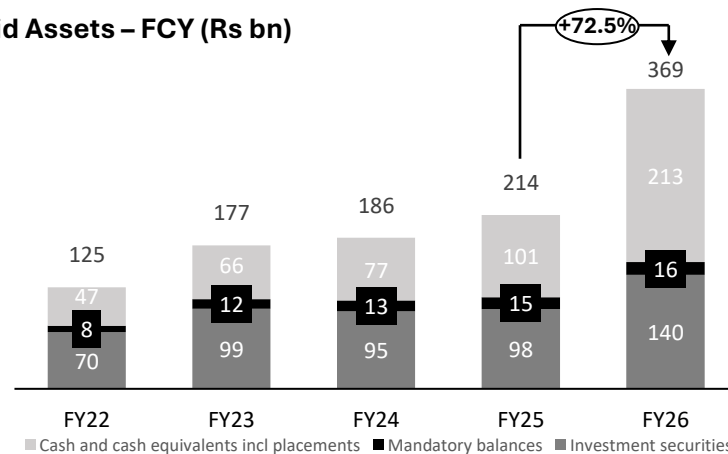
Total liquid assets (Rs bn)



Liquid Assets – MUR (Rs bn)



Liquid Assets – FCY (Rs bn)

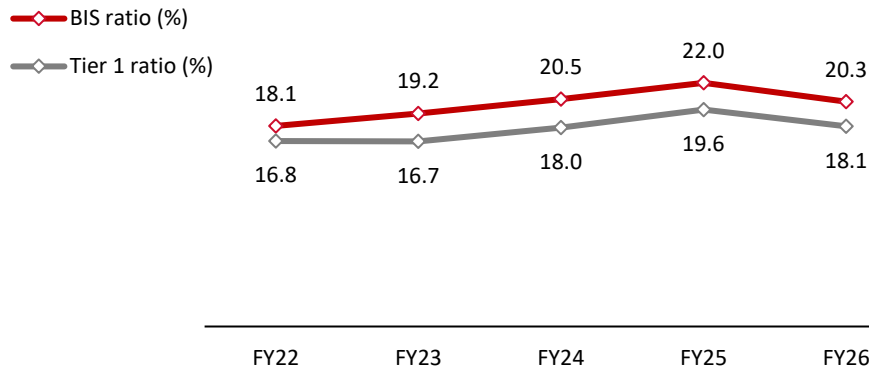


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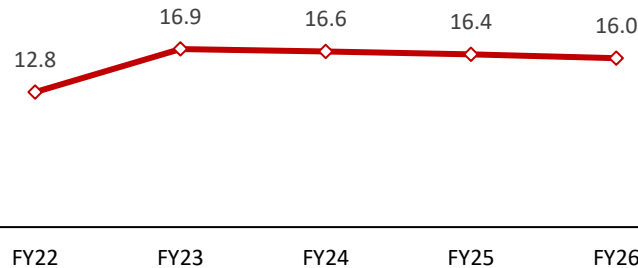


Capital adequacy and ROE – Drop in CAR due to significant loan expansion and ROE impacted by the higher tax charges

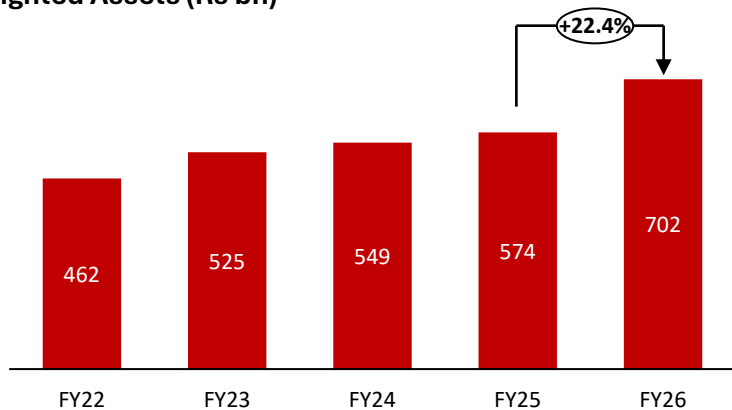
Capital Adequacy Ratio (%)



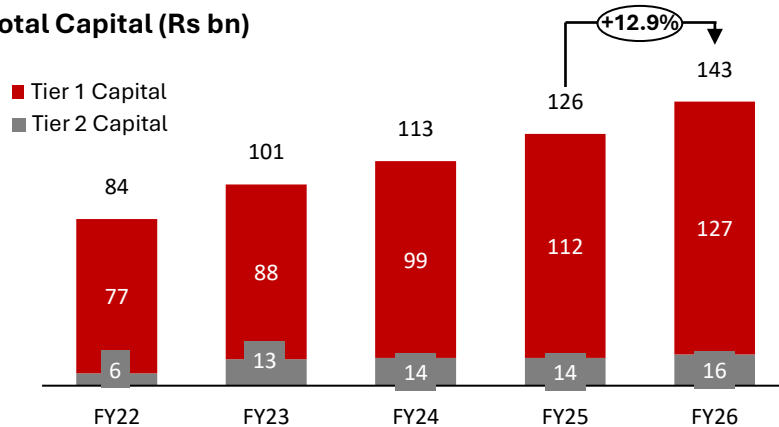
Return on Equity (%)



Risk-Weighted Assets (Rs bn)

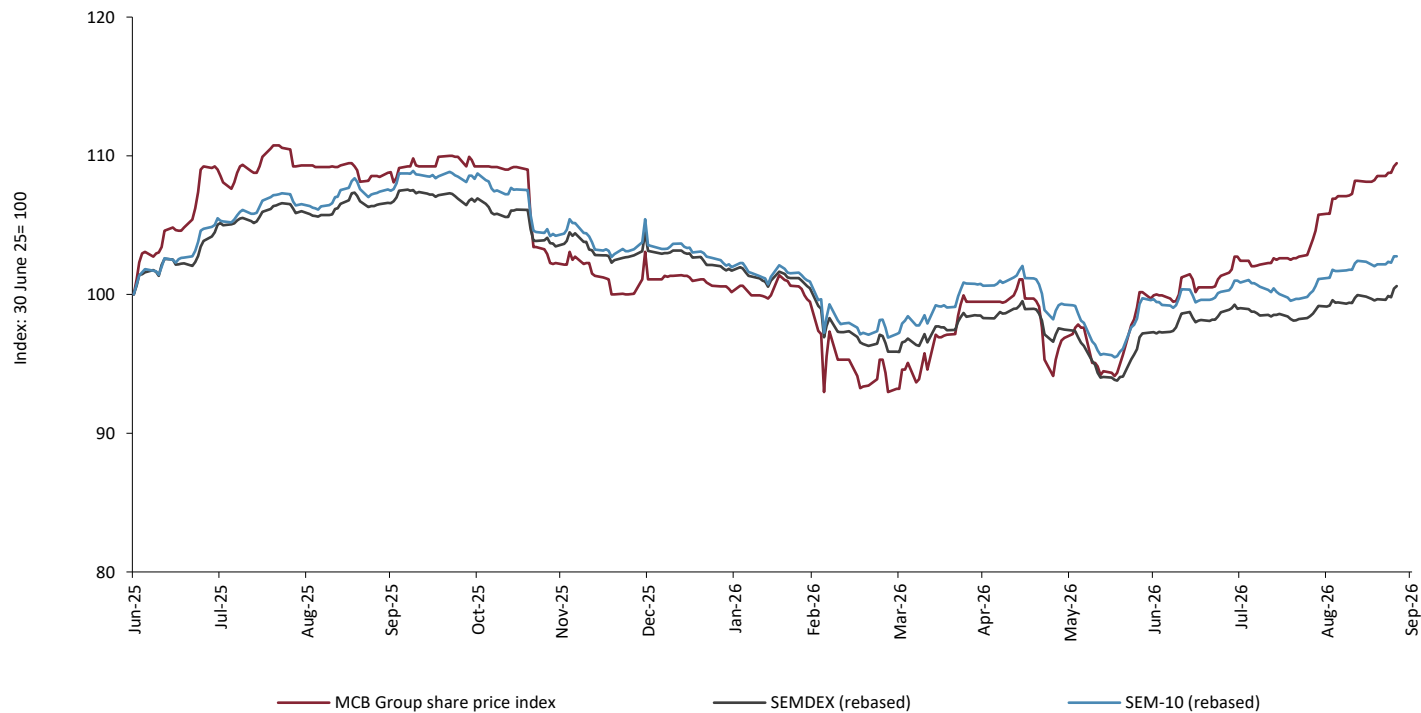


Total Capital (Rs bn)





MCB Group share price evolution





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