

MCB Group results for the first quarter ended 30 September 2025

12th November 2025: MCB Group Limited today announced its unaudited financial results for the first quarter of FY 2025/26.

HIGHLIGHTS

- Net interest income up by 4.6%;
- Increase of 17.8% in non-interest income;
- Rise of 15.2% in operating expenses;
- Drop of 41.0% in impairment charges; Gross NPL ratio stable at 3.0%;
- Increase of 18.9% in share of profit of associates;
- Year-on-year increase of 6.2% in gross loans and advances;
- Growth of 11.6% in total deposits.

PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

Rs 4.9 bn

▲ **2.6%**

RETURN ON EQUITY

16.5%

▼ **178 bps**

OPERATING INCOME

Rs 11.4 bn

▲ **9.2%**

TOTAL ASSETS

Rs 1,054.3 bn

▲ **13.1%**

Commenting on the results, Jean Michel NG TSEUNG (Chief Executive - MCB Group Ltd) said:

"Despite the improvement in our operating results with a solid increase in profit before tax of 14.6%, bottom-line performance has been impacted by the new fiscal measures announced in the last national budget. Profit attributable to ordinary shareholders increased by 2.6%, lower than what we had reported in previous quarters.

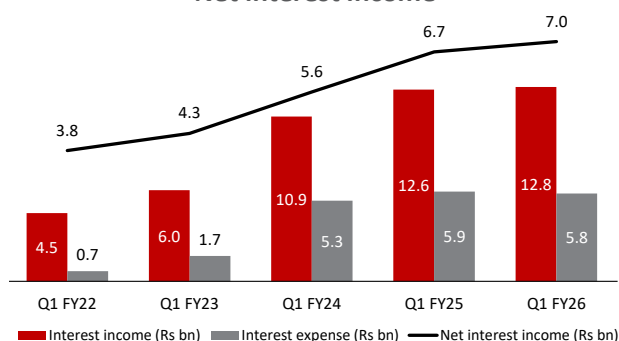
Our balance sheet grew by 13.1% compared to the corresponding period of last year, reflecting sustained business growth. The Group's risk profile remains robust with stable asset quality and a lower cost of risk whilst our strong capital buffers provide us with ample headroom for future growth.

Despite the prevailing headwinds, the Group remains resilient and committed to the execution of the strategic initiatives that will enable us to deliver on Vision 2030. "

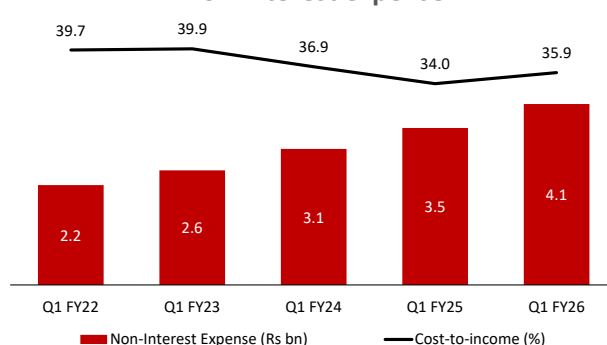
Financial Performance

- The Group's operating income increased by 9.2% with an improvement in core earnings across all the operating clusters.
- Net interest income rose by 4.6% driven by the growth in interest-earning assets whilst margins contracted as a result of lower margins derived on the foreign currency loan book despite improved yields on rupee liquid assets.
- Net fee and commission income grew by 11.3% supported by higher revenues from payments and wealth management activities as well as increased loan arrangement fees.
- Net trading income increased by 33.8% mainly reflecting higher income from dealing in foreign exchange and fixed income securities.
- Non-interest expenses increased by 15.2% resulting from higher staff costs linked to an increase in headcount to support the Group's business activities. The continued investment in technology and higher contribution to the deposit insurance scheme in Mauritius also contributed to the increase in operational expenses. The cost-to-income ratio increased to 35.9% from 34.0% for the first quarter of the last financial year, in line with our investment plans.
- Impairment charges decreased by 41.0% reflecting mainly the impact of successful recoveries made during the quarter. The annualised cost of risk dropped to 0.5% as a result, ending 41 basis points lower than last year. The Gross NPL stood at 3.0%.
- The share of profit of associates increased by 18.9% to Rs 176 million on account of the improved performance of Promotion and Development Ltd.
- In line with the rise in profit before tax and the new fiscal measures announced in Mauritius, tax charges increased by 65.2% to Rs 1,880 million resulting in an overall effective tax rate of 27.4%.

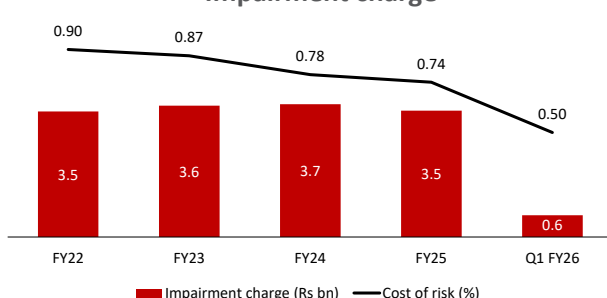
Net interest income



Non-interest expense



Impairment charge



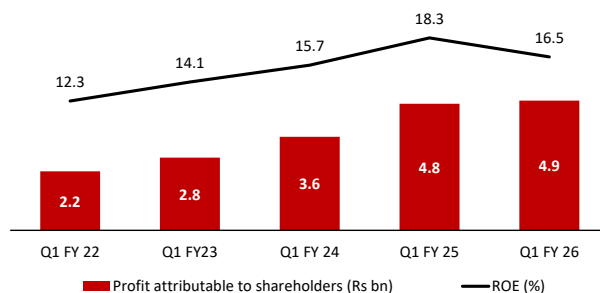
Note: Impairment charge for Q1 FY26 relates to the three months ended Sep 25 and the ratio has been annualised.

- Profit attributable to ordinary shareholders increased slightly by 2.6% to Rs 4,935 million with the foreign banking activities of MCB Ltd accounting for 64% of Group profits.

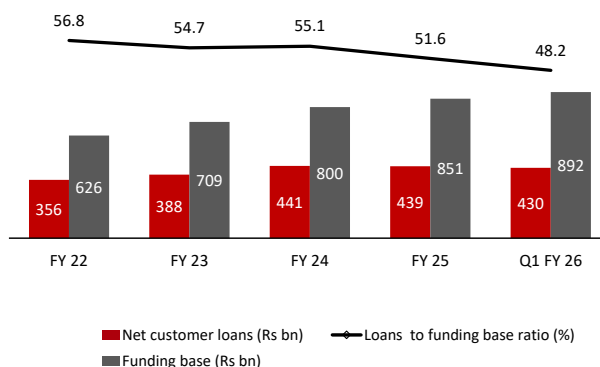
Financial position

- Gross loans and advances (including corporate notes) increased by 6.2% year-on-year to Rs 481.9 billion as at 30 September 2025. The growth in loans in Mauritius was supported by higher disbursements to both retail and corporate customers. On the other hand, the international loan book remained relatively flat with the increase in lending to global and international corporates and increased project financing in Africa being offset by a year-on-year decline in funded exposures in the 'Commodity Trade Finance' business, considering the impact of the market dynamics in Nigeria linked to oil refining activities.
- Total deposits increased by 11.6% year-on-year to Rs 777.2 billion, reflecting a rise in both rupee deposits and foreign currency deposits. Other 'borrowed funds' increased by 38.8%, driven by the successful raising of a USD 350 million syndicated loan facility by MCB Ltd to diversify its funding base to support its international business activities. As a result, the Group's net customer loan-to-deposit and net customer loan-to-funding stood at 56.6% and 48.2% as at September 2025.
- Shareholders' funds grew by 13.4% to Rs 119.8 billion resulting from an increase in retained earnings as well as the issuance of new ordinary shares from the conversion of preference shares and the Group's scrip dividend scheme. Overall, the BIS and tier 1 ratios stood at 21.5% and 19.1%, well above the regulatory limits.

Profit attributable to ordinary shareholders



Loans and funding base

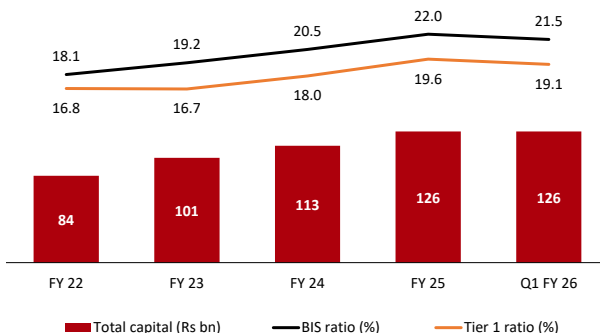


Note: Net customer loans include net corporate notes and funding base includes bank deposits.

Outlook

The global economy remains resilient amidst reduced tariff volatility. However, the overall environment continues to be uncertain, with prolonged geopolitical tensions and fiscal vulnerabilities weighing on activity levels. The Group is expected to feel the impact of further anticipated cuts in US interest rates and will continue to face the higher tax burden on banks in Mauritius. Against this backdrop, the Group remains focused on its objectives and on a disciplined execution of its strategy. We will continue to strive to deliver superior returns to our shareholders and create lasting value to our clients, employees and the communities we serve.

Total capital and capital adequacy





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Cautionary statement regarding forward-looking statements

This release has been prepared to assist the shareholders to assess the Board's strategies and their potential for success. The statements contained herein may include declarations of future expectations and other forward-looking statements that are based on management's current views and assumptions. These involve risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

Readers are advised not to place undue reliance on the forward-looking statements relating to the Group's business strategy, plans, objectives and financial positions as these statements rely on assumptions and hypotheses which inherently represent an accuracy risk. Actual results, performance and events may differ from those in such statements due to general evolution of economic, political and industry conditions, interest rate levels, currency exchange rates as well as changes in laws and regulations and the extent of competition and technological factors. In addition, MCB Group Ltd. does not undertake to update any forward-looking statement that may be made from time to time by the organisation or on its behalf.

For more information, please contact the Investor Relations Unit on (230) 202-5134 / (230) 202-5558 or investor.relations@mcbgroup.com