

Group Management Statement

Results for the first quarter ended 30 September 2026



Message from the CE



Jean Michel Ng Tseung
Group Chief Executive

The Group started the financial year 2026/27 on a solid footing, with profit attributable to ordinary shareholders up 9.9% to Rs 5,422 million, reflecting the continued resilience of our businesses in an increasingly challenging and uncertain operating environment.

Operating income increased by 11.7%, driven by the growth in business activity across our Home Markets and Corporate and Investment Banking and Private Banking businesses, which supported the continued expansion of our balance sheet. Asset quality remained sound, with a gross non-performing loan ratio improving to 1.8% while the annualised cost of risk stood at 0.5%. The Group maintained comfortable capital buffers and a strong liquidity position, providing a solid foundation to support our clients, execute our strategic priorities and advance our Vision 2030 ambitions.

12th November 2026: MCB Group Limited today announced its unaudited financial results for the first quarter of FY 2026/27

Profit attributable to ordinary shareholders
Rs 5.4 bn
(Q1 FY26: Rs 4.9 bn)
▲ +9.9%

Operating income
Rs 12.7 bn
(Q1 FY26: Rs 11.4 bn)
▲ +11.7%

Cost-to-income
36.4%
(Q1 FY26: 35.9%)
▲ +56 bps

Return on equity
16.0%
(Q1 FY26: 16.5%)
▼ -52 bps

Net loans to deposits
63.8%
(Q1 FY26: 56.6%)
▲ +713 bps

Net customer loans
Rs 504 bn
(Q1 FY26: Rs 381 bn)
▲ +32.1%

Customer deposits
Rs 875 bn
(Q1 FY26: Rs 759 bn)
▲ + 15.3%

Capital adequacy ratio
19.6%
(Q1 FY26: 21.5%)
▼ -190 bps

Solid first-quarter performance

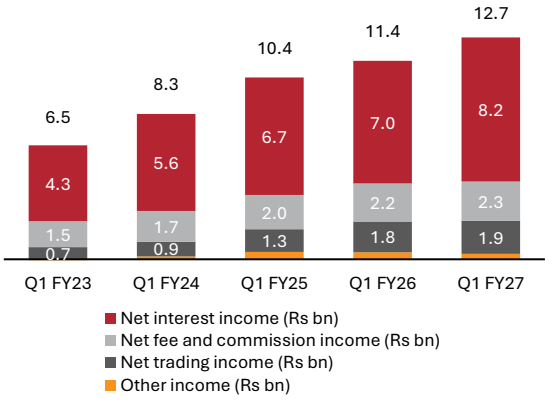
Operating income increased by 11.7%, mainly driven by the growth in our activities in both the "Home Markets" and in "Corporate and Investment Banking and Private Banking" (CIBPB), which recorded an operating income growth of 8.0% and 15.1%, respectively.

Net interest income grew by 17.4%, reflecting the growth of the Group's interest-earning assets portfolio despite a fall in the overall net interest margin.

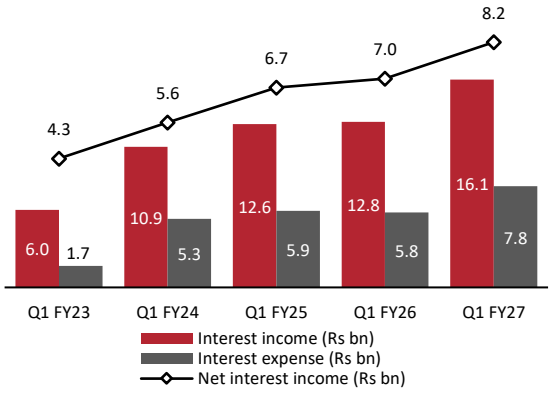
- Rupee-denominated net interest income increased, supported by continued growth in the retail and corporate lending portfolios, alongside the reinvestment of liquid assets at higher yields, which contributed to an improvement in the rupee margin.
- Foreign currency (FCY) net interest income increased, supported by growth in both loans and advances and liquid assets. However, the FCY net interest margin declined, reflecting competitive pressures, the fall in the USD benchmark rate and a higher proportion of term deposits and borrowings in the funding mix.

Net fee and commission income increased by 3.8% resulting from the growth in trade finance income and higher wealth management fees, partly offset by lower income from payment activities following non-recurring losses related to card activities.

Operating income



Note: Other income in the chart above includes net gain/loss from equity financial instruments carried at FVPL, dividend income and other operating income .



Solid first-quarter performance

Net trading income was up by 7.2% to Rs 1,877 million, on account of higher FX trading and fixed income transactions.

Other operating income declined by 10.1% to Rs 277 million, mainly reflecting non-recurring gains realised on the sale of financial instruments in the first quarter of the previous year.

Non-interest expenses increased by 13.5% driven by inflationary pressures, higher staff costs linked to increased headcount, as well as higher professional fees and technology-related expenditure related to the implementation of initiatives to support the progress of Vision 2030. Consequently, the Group's cost-to-income ratio increased to 36.4%, compared to 35.9% last year.

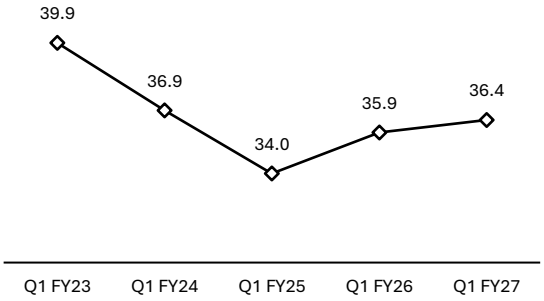
Impairment charges increased by 33.7% to Rs 809 million, mainly reflecting higher expected credit losses associated with the significant growth in loans and advances. This resulted in an annualised cost of risk of 50 basis points.

The share of profit of associates declined by 3.4% to Rs 170 million, mainly due to lower contributions from BFCOI and Promotion and Development Group.

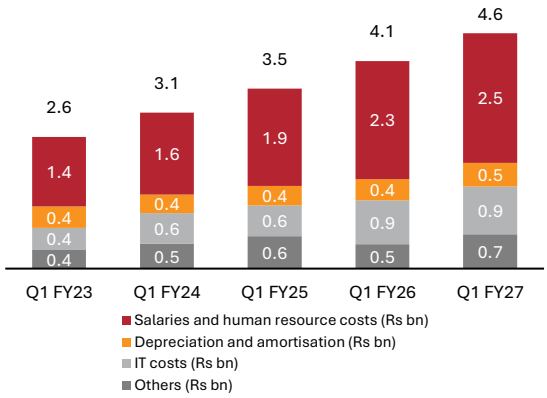
The Group's tax charge increased by 4.6% to Rs 1,967 million, corresponding to an effective tax rate of 26.5%.

Profit attributable to ordinary shareholders increased by 9.9% to Rs 5,422 million, equivalent to a return on equity of 16.0%, compared to 16.5% a year earlier. The Group's results were supported by the performance within the banking cluster with income in Mauritius from foreign activities as well as foreign subsidiaries and associates accounting for an aggregate 69% of Group profits.

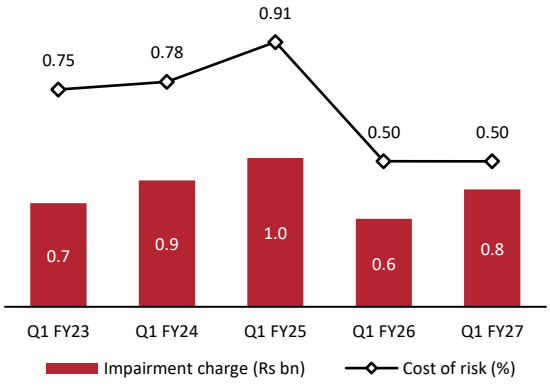
Cost-to-income (%)



Non-interest expense



Impairment charge

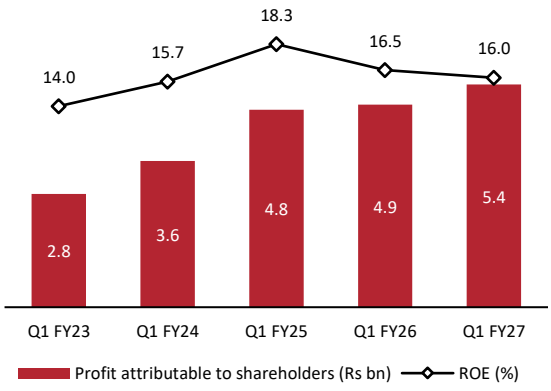


Continued balance growth with solid fundamentals

Gross loans and advances to customers (including corporate notes) grew by 28.1% year on year to Rs 580.8 billion as at September 2026, reflecting strong growth across both strategic pillars. The "Home Markets" loan book recorded a year-on-year growth of 14.3%, while our international loan portfolio under the "CIBPB" Strategic pillar rose by 41.2% year on year.

- The growth in our domestic loan portfolio was mainly driven by the higher disbursement across both the retail and corporate segments, while the overseas banking subsidiaries also contributed positively to the expansion of the "Home Markets" loan book.

Profit attributable to ordinary shareholders



Continued balance growth with solid fundamentals

- Loan growth in "CIBPB" was driven by the expansion of our lending activities in corporate banking where double-digit growth was recorded across the Natural Resources Finance, Global and International Corporates, and the Power and Infrastructure segments. In addition, funded exposures within our Commodity Trade Finance portfolio increased notably, driven by higher business volumes and the impact of higher global oil prices on financing requirements.

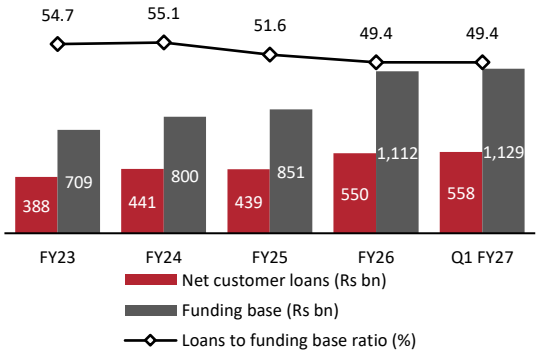
Asset quality improved further, with the gross non-performing loan ratio declining to 1.8% as at September 2026, from 3.0% one year earlier.

Total deposits rose by 18.2% year on year, with growth in both rupee and foreign currency (FCY) deposits across banking entities. FCY deposits increased by 28.0%, consistent with the Group's strategy to mobilise foreign currency funding, while rupee-denominated deposits grew by 6.5%. To support asset growth and diversify the funding base, other borrowed funds increased by 85.3% to Rs 166.2 billion, driven by the successful closure of a USD 450 million syndicated loan facility and the recent USD 100 million climate line from a consortium of DFIs and higher use of repos. Debt securities increased by Rs 19.2 billion following the issuance of USD 400 million in nominal value of Senior Unsecured Notes on the London Stock Exchange. As a result, the Group's ratios of net customer loans and advances to customer deposits and to the funding base stood at 63.8% and 49.4% respectively, as at September 2026.

The Group's balance sheet remains liquid with liquid assets accounting for 47.0% of total assets.

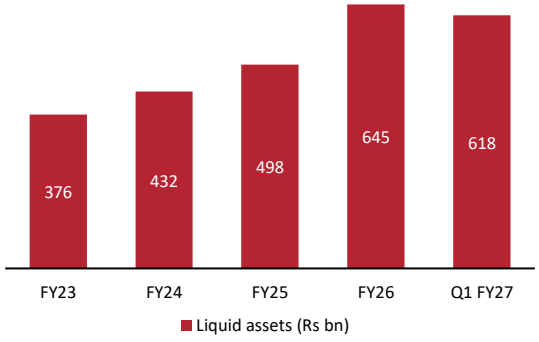
Shareholders' equity increased by 13.3% to Rs 139.5 billion, reflecting the growth in retained earnings as well as new shares issued under the scrip dividend scheme and the conversion of preference shares. With a 25.2% increase in risk-weighted assets reflecting the year-on-year growth in lending, the Group's Tier 1 and capital adequacy ratios declined to 17.4% and 19.6%, respectively.

Loans and funding base

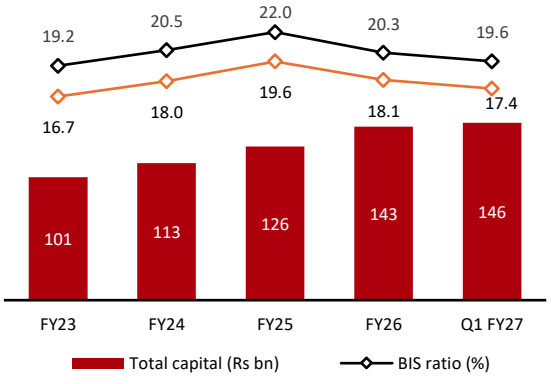


Note: Net customer loans include net corporate notes and funding base includes bank deposits.

Liquid assets



Total capital and capital adequacy ratios



Outlook

The global economy has stayed resilient despite the geopolitical tension in the Middle East. However, energy and freight disruptions have kept commodity prices and inflationary pressures elevated, prompting major central banks to adopt a more restrictive monetary policy stance. Growth in sub-Saharan Africa is holding up, but elevated financing costs and potential El Niño disruptions weigh on prospects.

Across our home markets, Mauritius has remained relatively resilient, supported by growth in tourism and a solid performance from the financial services sector. Maldives and Seychelles have been the most affected by disruptions to air travel. Madagascar is expected to see growth pick up, supported by post-cyclone reconstruction and stronger agricultural exports.

Looking ahead, the Group will remain focused on supporting its clients as they navigate an uncertain environment while maintaining prudent risk and capital management and pursuing sustainable growth and long-term value creation. The Group's strong start in the first quarter reinforces the Board's confidence in the outlook for the full financial year.



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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 position 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 Limited 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) 202-5764** or **investor.relations@mcbgroup.com**