Group Management Statement

Full year results ended 30 June 2026

Message from the CE

Jean Michel Ng Tseung
Group Chief Executive

Leveraging the strength of our diversified and resilient business model, together with increasing synergies across the Group, we delivered a solid performance in a more demanding operating environment. This was supported by stronger contributions from our Home Markets as well as our African Corporate and Investment Banking and Private Banking businesses.

Profit attributable to ordinary shareholders increased by 11.3% to Rs 20.1 billion despite the increase in the Group's tax charge following the introduction of new fiscal measures in Mauritius. Our improved risk profile, underpinned by a declining NPL ratio, strong capital buffers and ample liquidity, provides a solid foundation for the continued growth of our business lines while sustaining attractive returns for shareholders. For FY26, the dividend per share increased to Rs 27.50, including a final dividend of Rs 16.50 per share declared on 28 September, compared with Rs 25.50 in FY25.

As we advance the ambitions set out in Vision 2030, we continue to invest strategically in technology, customer experience and talent to enhance our capabilities, while maintaining strong safeguards and a disciplined approach to risk management. Despite a challenging and evolving external environment, we remain confident in our prospects, supported by a clear strategic direction, strengthening capabilities and a resilient business model. We are firmly focused on delivering sustainable value for our stakeholders while contributing meaningfully to the economic development of the markets in which we operate.

28th September 2026: MCB Group Limited today announced its audited financial results for the year ended 30 June 2026.

Profit attributable to ordinary shareholders	Operating income	Cost-to-income	Return on equity
Rs 20.1 bn	**Rs 47.1 bn**	**38.1%**	**16.0%**
(FY25: Rs 18.1 bn)	*(FY25: Rs 42.2 bn)*	*(FY25: 37.4%)*	*(FY25: 16.4%)*
▲ **+11.3%**	▲ **+11.6%**	▲ **+75 bps**	▼ **-34 bps**

Net loans to deposits	Net customer loans	Customer deposits	Capital adequacy ratio
62.4%	**Rs 500 bn**	**Rs 881 bn**	**20.3%**
(FY25: 60.6%)	*(FY25: Rs 391 bn)*	*(FY25: Rs 726 bn)*	*(FY25: 22.0%)*
▲ **+182 bps**	▲ **+27.8%**	▲ **+ 21.4%**	▼ **-171 bps**

Resilient performance amidst an uncertain environment

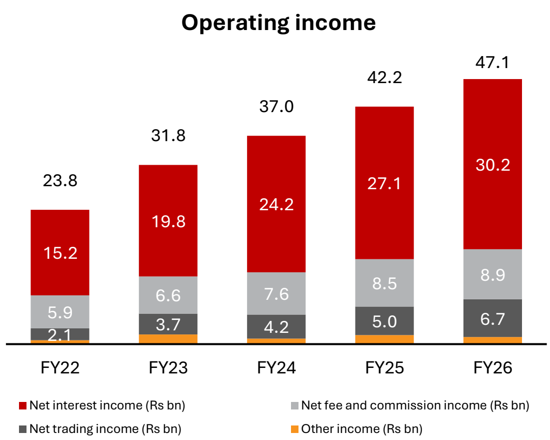
The Group reported an 11.6% increase in operating income to Rs 47,052 million. Operating income under the "Home Markets" strategic pillar increased by 15.8% to Rs 22,133 million, driven by the growth in individual and corporate segments. Under the "African CIBPB" strategic pillar, operating income increased by 10.8% to Rs 24,919 million, reflecting the continued development of the Group's structured finance franchise and its growing presence across key African markets.

Net interest income increased by 11.7% to Rs 30,229 million, as a result of the growth in interest-earning assets notwithstanding a fall in the overall net interest margin.

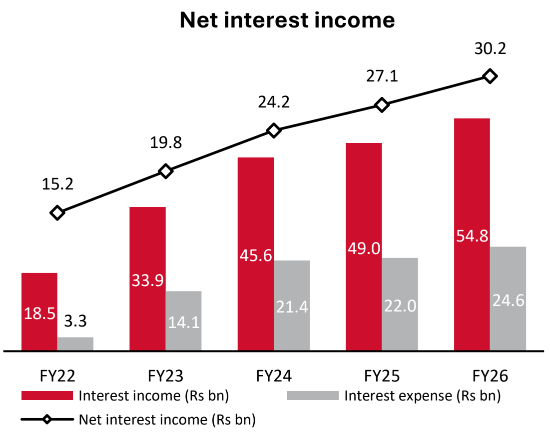
In Mauritius, the growth in the Group's loan book and the reinvestment of liquid assets at higher rates contributed to an increase in rupee-denominated net interest income. Conversely, margins on rupee customer loans and advances declined slightly amidst heightened competition and reflecting preferential rates offered on sustainable finance facilities. In the Group's overseas banking subsidiaries, net interest income increased in the Maldives and Madagascar but remained relatively flat in the Seychelles.

Foreign currency net interest income increased despite a decline in margins, with growth in customer loans and advances and liquid assets more than offsetting the impact of lower margins. The drop in net interest margins reflected the fall in the USD benchmark rate, heightened competition and a higher proportion of borrowings and foreign currency term deposits in the funding mix.

Non-interest income increased by 11.4% to Rs 16,823 million in FY26, underpinned by the Group's strategy to grow its non-funded 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 .



Resilient performance amidst an uncertain environment

The growth in non-interest income is explained by:

- a 4.8% rise in net fee and commission income supported by payments and wealth management activities;
- a 33.3% increase in trading income reflecting higher volumes of foreign exchange activity and fixed income transactions;
- other operating income increasing by Rs 403 million, benefitting from gains realised on the sale of financial instruments;

The growth was mitigated by fair value losses of Rs 306 million on equity financial instruments linked to investments in the MCB Equity Fund compared to gains of Rs 471 million in the previous year. Of note, most of the gains on financial instruments recorded in FY25 were related to Visa and Mastercard shares. Fair value changes on these shares are no longer recorded in the income statement since November 2024.

Non-interest expenses rose by 13.8% to Rs 17,927 million, in line with continued investment to support the Group's growth ambitions. The year-on-year increase in non-interest expenses is explained by:

- an increase of 13.1% in staff costs, driven by increased headcount in support of business expansion and adjustments in salaries;
- a rise of 19.2% in IT costs due to increased investment in technology as well as higher system costs associated with the Group's cloudification strategy, cybersecurity initiatives, the deployment of AI and inflation-linked adjustments;
- higher premiums for the Deposit Insurance Scheme in Mauritius of Rs 537 million;
- an increase of 25.6% in legal and professional fees as well as higher consultancy fees related to the implementation of initiatives to support the Group's strategic ambitions.

As a result, the cost-to-income ratio increased by 75 basis points to 38.1%.

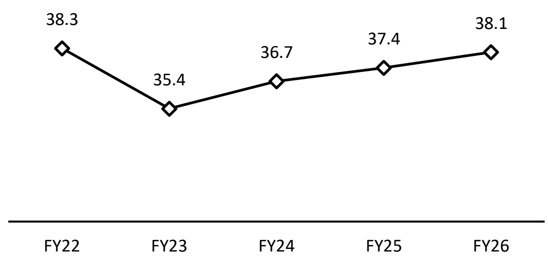
Impairment charges decreased by 33.5%, reflecting strong recoveries made during the first half of FY26. Consequently, the cost of risk for FY26 improved to 0.39% compared to 0.74% in FY25. The specific provision coverage ratio remained robust at 78.1% as at 30 June 2026 compared to 87.6% last year.

The share of profit of associates increased to Rs 798 million compared to Rs 34 million in FY25 driven by stronger performance of BFCOI, as well an improvement in the performance of Fincorp's associate, 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.

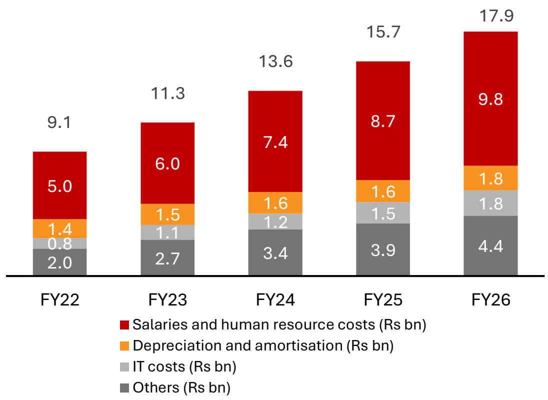
The tax charge increased by 47.6% to Rs 7,282 million in line with the growth in profit before tax and the introduction of new fiscal measures in Mauritius at the start of FY26. The effective tax rate increased from 21.5% last year to 26.4% for FY26.

Profit attributable to ordinary shareholders increased by 11.3% to Rs 20,114 million in FY26, with the share of MCB Ltd's foreign-sourced income standing at approximately 56% thereof.

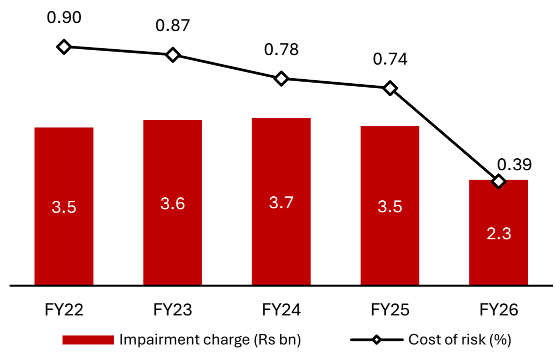
Cost-to-income (%)



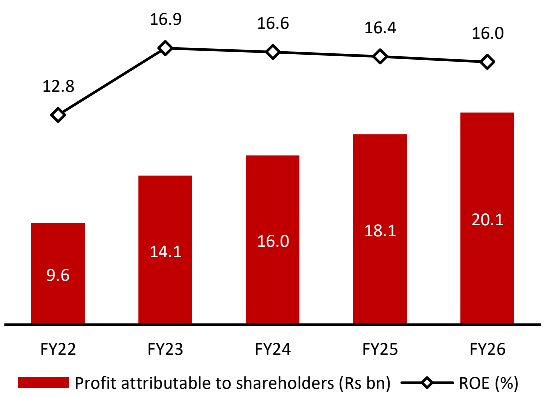
Non-interest expense



Impairment charge



Profit attributable to ordinary shareholders



Broad-based activity growth and robust financial position

The Group's balance sheet grew by 27.4%, mainly reflecting continued business growth across both strategic pillars. The loan book in the 'Home Markets' grew by 8.8%, while lending to the international segment under the African CIBPB strategic pillar rose by 37.4%, reflecting sustained business momentum across key markets.

- In Mauritius, loan growth was supported by higher disbursements to the individual segment, particularly for housing loans, as well as increased lending to corporates. In addition, loans and advances increased slightly in the Seychelles and declined, in local currency terms, in the Maldives and Madagascar
- Under the African CIBPB strategic pillar, foreign currency loan growth was supported by broad-based increases across the corporate banking franchise whereby 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 the Commodity Trade Finance portfolio increased significantly, reflecting both the continued expansion of business activity and the impact of higher oil prices.

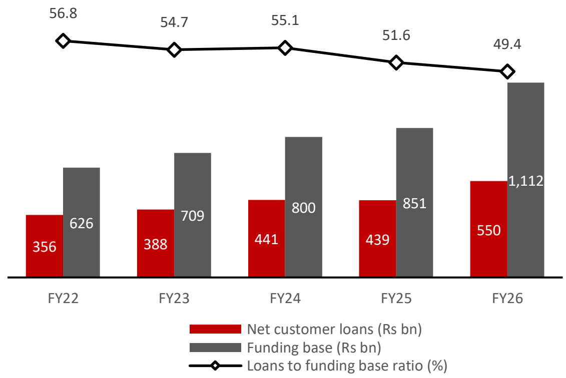
As regards asset quality, the gross NPL ratio improved to 2.0% as at June 2026, compared to 3.0% as at June 2025.

Total deposits increased by 24.5% to Rs 921.4 billion as at June 2026, underpinned by growth across all banking entities. Continued efforts to mobilise foreign currency funding contributed to a 35.8% increase in foreign currency deposits, while rupee-denominated deposits grew by 6.7%. In a bid to continue to diversify its funding base and increase the amount of stable funding, the Group has completed several funding initiatives during the year. As a result, other borrowed funds also rose by 68.5%, reflecting the higher use of repos and the successful closure of a USD 450 million syndicated loan facility. Debt securities increased to Rs 36.9 billion following the issuance of Senior Unsecured Notes on the London Stock Exchange for a nominal amount of USD 400 million as part of the Global Medium Term Note Programme. As a result, the Group's net customer loans and advances-to-customer deposits ratio and the net customer loans and advances-to-funding base ratio stood at 62.4% and 49.4% respectively, as at June 2026.

The Group's balance sheet remains liquid with liquid assets accounting for 50.2% of total assets.

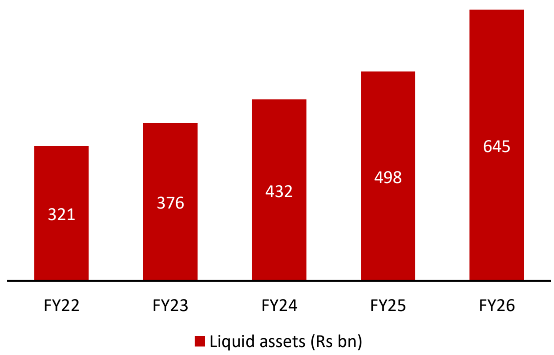
Shareholders' funds increased by 13.5% to Rs 133.6 billion reflecting the growth in retained earnings and the issuance of additional shares under the Group's scrip dividend scheme and the conversion of preference shares. The capital adequacy ratio and Tier 1 ratio declined to 20.3% and 18.1%, respectively. The decrease in capital ratios is explained by a significant increase in risk-weighted assets linked to the significant expansion of the Group's lending activities during the financial year.

Loans and funding base

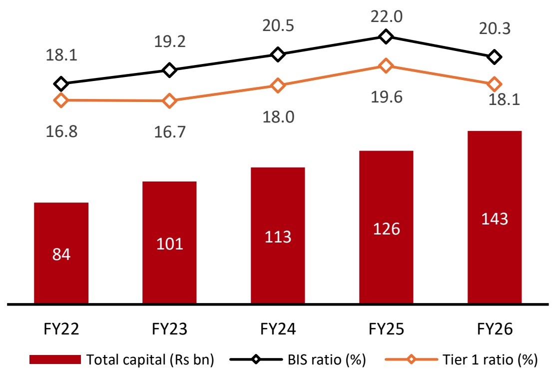


Note: Net customer loans include net corporate notes and funding base includes bank deposits.

Liquid assets



Total capital and capital adequacy ratios



Outlook

The global economic environment remains uncertain, with geopolitical tensions in the Middle East weighing on confidence, trade flows and investment activity. Higher commodity prices and freight costs continue to fuel inflationary pressures, keeping monetary conditions relatively tight. While growth in sub-Saharan Africa is holding up, prospects are likely to be constrained by a more demanding external context and elevated financing costs. Across our home markets, economic conditions are expected to remain mixed, as softer tourist arrivals and higher inflation weigh on activity, although Mauritius is expected to remain relatively resilient. In this environment, the Group will continue to build on the strength of its franchise, maintain prudent risk and capital management as it executes its strategy, supports its clients, and pursues opportunities that reinforce long-term growth and sustainable value creation.

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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**