

MCB Group results for the financial year ended 30 June 2025

26th September 2025: MCB Group Limited today announced its audited financial results for the year ended 30 June 2025

HIGHLIGHTS

- Net interest income up by 11.6%;
- Increase of 18.3% in non-interest income;
- Rise of 15.9% in operating expenses;
- Drop of 4.9% in impairment charges; Gross NPL ratio stable at 3.0%;
- Decline of 94.2% in share of profit of associates;
- Year-on-year decline of 0.8% in gross loans and advances;
- Growth of 4.5% in total deposits.

PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

Rs 18.1 bn

▲ **12.6%**

RETURN ON EQUITY

16.4%

▼ **27 bps**

OPERATING INCOME

Rs 42.2 bn

▲ **13.9%**

TOTAL ASSETS

Rs 1,007.0 bn

▲ **7.3%**

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

"The successful execution of our strategy has contributed to a resilient financial performance. Profit attributable to ordinary shareholders increased by 12.6% to Rs 18.1 billion, translating into a return on equity of 16.4%. Our risk profile remains sound, underpinned by improving asset quality as well as robust capital and strong liquidity metrics. Our solid results and capital buffers have enabled us to increase the dividend payout for the financial year 2024/25 to Rs 25.50 compared to Rs 23.00 last year, thereby reinforcing our commitment to delivering consistent returns to shareholders."

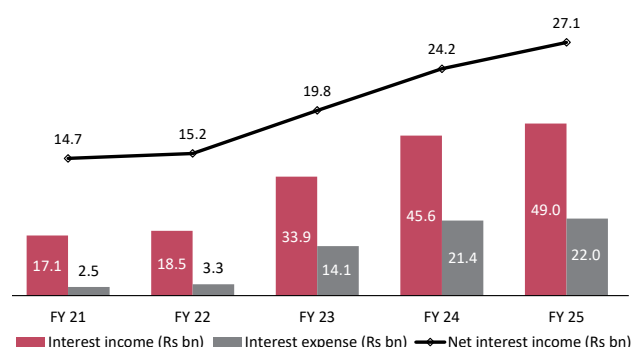
Looking ahead, we will focus on the execution of our strategic pillars, aligning our efforts and uniting our teams around the shared objectives defined in Vision 2030. Despite multiple challenges and headwinds that will affect our bottom line in FY 2025/26, I remain confident that our refreshed strategy, dedicated and talented workforce and values embodied in our 'Shared Ways of Working' will enable the Group to continue creating sustainable long-term value for all our stakeholders."

Financial Performance

- Operating income rose by 13.9% to Rs 42,160 million, supported by the growth in both net interest income and non-interest income.
- Net interest income increased by 11.6% compared to the prior year, on account of an increase in interest-earning assets in the banking cluster, whilst overall net interest margins remained relatively flat. In Mauritius, the effective deployment of the excess liquidity at higher yields and the expansion of the loans and advances portfolio contributed to the growth in the rupee-denominated net interest income. Conversely, margins on rupee customer loans and advances declined slightly in line with heightened competition. Foreign currency net interest income also increased as the decline in margins, linked to the fall in the USD benchmark rate, was more than offset by the increase in average interest-earning assets.
- Non-interest income grew by 18.3% to Rs 15,108 million for the year under review. Having reported a non-recurring loss in FY 2023/24 arising from the disposal of the stake in Société Générale Moçambique, the growth is explained by:
 - a 11.8% increase in net fee income driven by payment, trade finance and wealth management activities in the banking cluster as well as higher fee income from MCB Capital Markets;
 - a 19.9% increase in net trading income reflecting higher volume of foreign currency transactions;
 - an increase of Rs 135 million in fair value gains on equity financial instruments. Of note, the fair value gains on the Visa and Mastercard shares are now recognised in Other Comprehensive Income, following the acquisition of these shares by MCB Group Ltd from MCB Ltd in November 2024.
- Non-interest expenses increased by 15.9% to Rs 15,747, reflecting continued investment to support business expansion across operating clusters. Year-on-year increase in non-interest expense is explained by:
 - a rise in staff costs by 17.4% resulting from the increase headcount linked to business growth and adjustments in salaries;
 - an increase of 33.0% in IT costs associated with the continued investment in technology and higher system costs in line with our cloudification strategy, cyber-security initiatives and inflation-linked adjustments;
 - a contribution of Rs 256 million to the Deposit Insurance Scheme in Mauritius.

As a result, the cost-to-income ratio increased by 64 basis points to 37.4%.

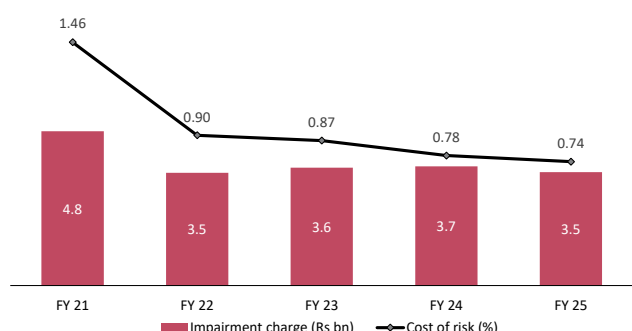
Net interest income



Non-interest expense



Impairment charge

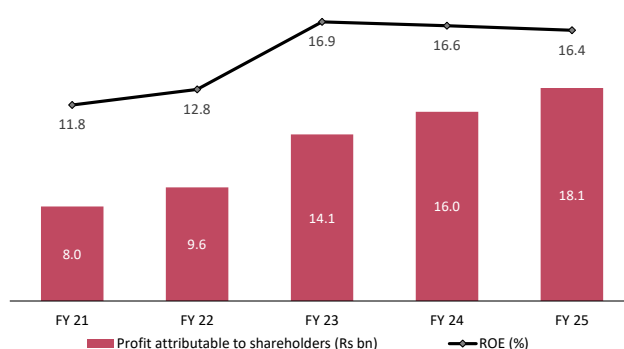


- The impairment charge decreased by 4.9% reflecting higher recoveries made during the year and lower charge for specific provisions at MCB Ltd. The cost of risk decreased to 0.74% from 0.78% in FY 2023/24. The Group's specific coverage ratio stood at 87.6% as at 30 June 2025.
- The share of profit of associates dropped by Rs 548 million to Rs 34 million mainly due to the loss incurred by Promotion and Development Limited, as a result of the write-down of the property value at Caudan in view of repairs required to the quay following the damages caused by a cyclone in 2024.
- The tax charge for the year increased by 19.5% in line with the growth in profits before tax and the non-recurrence of a tax credit which was booked last year in line with changes in tax laws in Mauritius.
- Profit attributable to shareholders increased by 12.6% to Rs 18,065 million in FY 2024/25, with the share of MCB Ltd's foreign-sourced income standing at approximately 64% thereof.

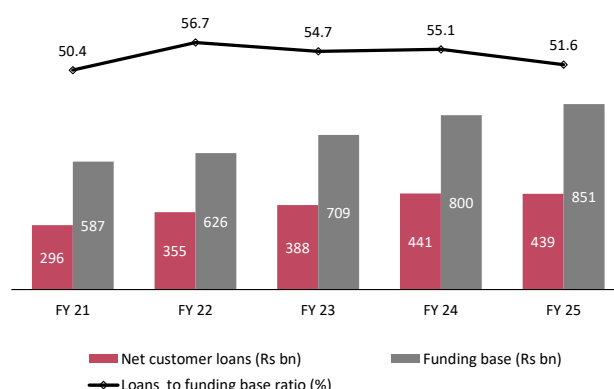
Financial position

- Gross loans (excluding corporate notes) decreased by 0.8% to Rs 424.4 billion on an end-of-period basis. This is mainly explained by the drop in funded exposures in MCB Ltd's Commodity Trade Finance Business (CTF) business linked to evolving market dynamics in Nigeria with the scaling up of oil refining activities. The domestic lending business of MCB Ltd performed well with a 18.9% increase in loans and advances supported by higher disbursements in both the corporate and individual segments. The lending portfolio also grew across the overseas banking subsidiaries of the Group.
- Total deposits increased by 4.5% to Rs 740.4 billion as at June 2025, supported by a rise across most entities within the banking cluster. At MCB Ltd, total deposits increased by 3.5% to Rs 699.2 billion, reflecting the rise in rupee-denominated deposits of 12.1% while foreign currency deposits decreased slightly year-on-year. Other borrowed funds' increased by 30.3% to Rs 86.8 billion, following the successful closure of a USD 350 million syndicated term loan facility raised by the Bank to diversify its funding base to support its international business activities. Overall, the Group's net customer loans and advances to customer deposit and net customer loans and advances to funding base ratios stood at 60.6% and 51.6% respectively as at June 2025.
- Shareholders' funds increased by 14.0% to Rs 117.7 billion resulting from an increase of Rs 10.9 billion in retained earnings, after accounting for dividends of Rs 6.2 billion during the financial year. Total eligible and Tier 1 capital increased by 12.1% to Rs 126.3 billion and 14.0% to Rs 112.4 billion respectively. Combined with a 4.6% increase in risk weighted assets, overall capital adequacy ratio and Tier 1 ratios improved further to 22.0% and 19.6% respectively.

Profit attributable to ordinary shareholders

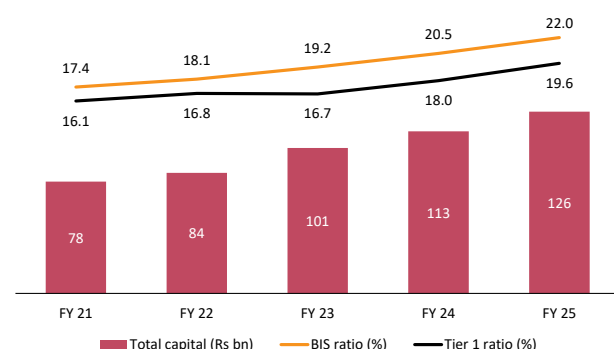


Loans and funding base



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

Total capital and capital adequacy



Outlook

The global economic landscape remains uncertain, with the spillover effects of ongoing geopolitical and trade tensions expected to weigh on activity across our home markets and the African region. In the year ahead, the Group is likely to be impacted by a decline in US dollar rate and the higher tax burden imposed on banks in Mauritius as from this fiscal year. Despite these headwinds, we will remain firmly focused on our vision 2030 and will continue to advance this agenda through well-defined priorities and disciplined execution.



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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