GROUP MANAGEMENT STATEMENT

MCB Group results for the nine months ended 31 March 2025

14th May 2025: MCB Group Limited today announced its unaudited results for the nine months of FY 2024/25.

HIGHLIGHTS

- Net interest income up by 13.1%;
- Increase of 13.9% in non-interest income;
- Rise of 13.0% in operating expenses;
- Drop of 11.0% in impairment charges; Gross NPL ratio stable at 3.1%;
- Decline of Rs 148 million in share of profit of associates;
- Year-on-year growth of 6.2% in gross loans and advances and 11.7% in total deposits

PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	OPERATING INCOME
Rs 14.4 bn	**Rs 31.5 bn**
▲ **16.2%**	▲ **13.4%**

RETURN ON EQUITY	TOTAL ASSETS
17.4%	**Rs 986.7 bn**
▲ **20 bps**	▲ **10.3%**

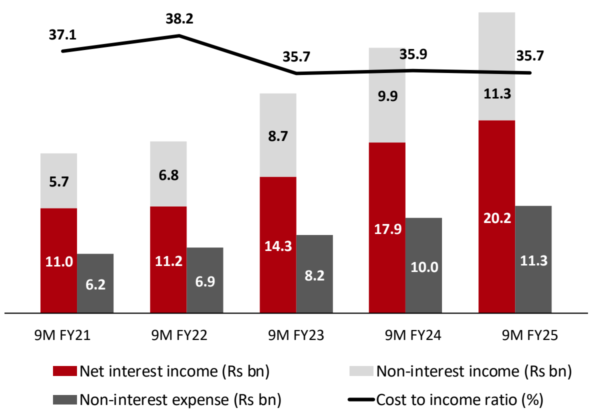
Commenting on the results, Jean Michel NG TSEUNG (Chief Executive - MCB Group Ltd) said:

"We reported another quarter of good results with profits attributable to ordinary shareholders increasing by 16.2% to Rs 14.4 billion for the nine months ended March 2025, corresponding to a ROE of 17.4%. Our performance reflects our ongoing business growth both locally and in markets where we operate. Our risk metrics remain sound with a stable NPL ratio, declining cost of risk and high capital buffers. The Group's solid fundamentals as well as the strong set of results for the period have allowed us to declare an interim dividend of Rs 10.50 per share (Rs 9.50 in 2024)."

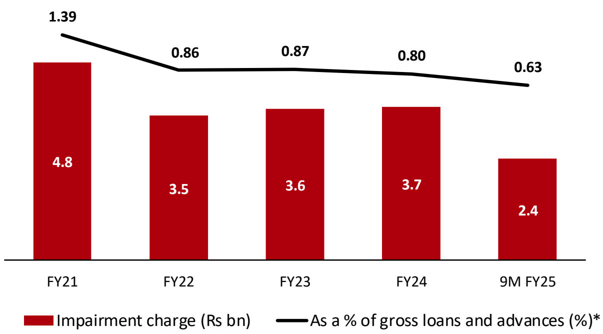
Financial Performance

- Operating income grew by 13.4%, driven by the growth of domestic and foreign banking activities.
- Net interest income increased by 13.1%, driven primarily by a year-on-year growth in interest earning assets. In Mauritius, the deployment of excess liquidity at higher yields as well as higher loan volumes contributed to the increase in rupee denominated net interest income. Foreign currency net interest income increased mainly on account of the growth in loans and liquid assets, but margins were lower as a result of lower yields on cash balances and a higher proportion of term deposits in the Group's funding mix.
- Net fee and commission income rose by 17.1% resulting from higher arrangement fees and increased revenue from payments, trade finance and wealth management activities.
- 'Other income' grew by 10.2%, reflecting higher volume of foreign currency transactions. A drop in fair value gains on equity financial instruments was recorded for the period compared to last year. Fair value gains on Visa and Mastercard shares are now being recognised in Other Comprehensive Income, following the acquisition of these shares, previously held by MCB Ltd, by MCB Group Ltd in November 2024.
- Non-interest expense went up by 13.0% in line with the continued investment in human capital linked to the growth of the Group's business activities, salary increases and investment in technology.
- The Group's impairment charge declined by 11.0%, corresponding to an annualised cost of risk of 63 basis points. This was achieved through a drop in specific provisions and successful recoveries made during the first nine months of the financial year.

Income and expenditure evolution



Impairment charge



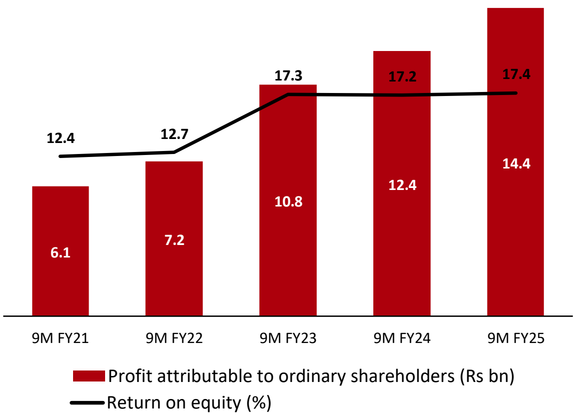
**Relates to loans & advances (including corporate notes and bonds)*
Note: Impairment charge for 9M FY25 relates to the nine months ended Mar 25 and the ratio has been annualised.

- Share of profit of associates declined by 37.1% to Rs 251 million, reflecting lower contributions from BFCOI and Promotion and Development Group.

- The tax charge for the period increased by 19.4% in line with the growth in profits and the impact of the Corporate Climate Responsibility Levy in Mauritius.

- Profit attributable to ordinary shareholders increased by 16.2% to Rs 14,350 million compared to the corresponding period last year, with the contribution from foreign-sourced activities of MCB Ltd standing at 63%.

Profit attributable to ordinary shareholders

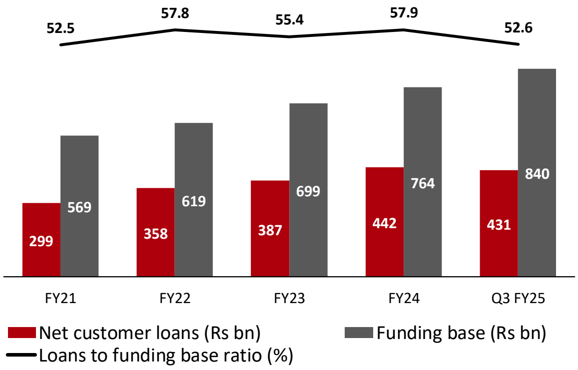


Financial position

- Gross loans and advances increased to Rs 410.1 billion as at March 2025, representing a growth of 6.2% compared to the corresponding period last year. This performance was supported by a broad-based year-on-year growth in loans across the banking cluster. As regards asset quality, the gross NPL stood at 3.1% as at the end of March 2025, supported by strong coverage ratios.
- Total deposits increased by 11.7% on a year-on-year basis to Rs 746.0 billion as at 31 March 2025, reflecting a rise in both rupee deposits and foreign currency deposits, in line with the efforts to mobilise foreign currency funding. 'Other borrowed funds' remained relatively stable at Rs 68.9 billion. As a result, the Group's net customer loan-to-deposit and net customer loan-to-funding base ratios stood at 59.6% and 52.7% respectively.

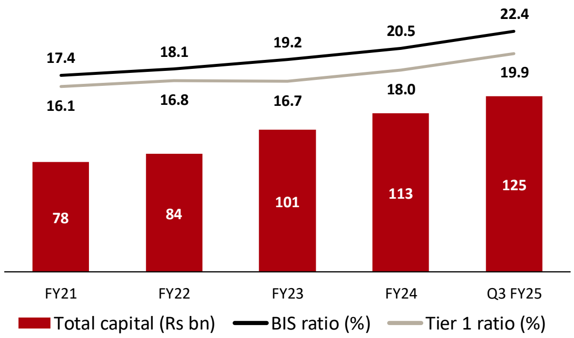
- The Group Shareholder's funds grew by 15.3% to Rs 117.0 billion resulting from the increase in retained earnings and the issuance of scrip shares under the Group's scrip dividend scheme. Overall, the BIS and Tier 1 ratios remained above regulatory limits at 22.4% and 19.9%.

Loans and funding base



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

Total capital and capital adequacy



Note: Capital adequacy ratios are based on Basel III

Outlook

The current global trade tensions, policy uncertainties and geopolitical developments are poised to significantly affect the global economy, potentially weighing on growth prospects across Africa. In Mauritius, economic activity is projected to moderate with inflation projected to remain within the central bank's target range. Global rating agencies Moody's and S&P have maintained their individual ratings for Mauritius - with negative and stable outlooks respectively - as they assess the trajectory of government policy and the response of the economy. The Key Rate has been kept unchanged at 4.5% at the last meeting of the Monetary Policy Committee.

Despite these headwinds, the Group anticipates to deliver positive results for the financial year 2024/25 and remains confident about its long-term prospects.