Trusted Since 1921

Modernizing for the Future

Banking on Growth

TMB Tamilnad Mercantile Bank Ltd

Be a step ahead in life

Investor Presentation

Q1 FY2026-27

Disclaimer

This presentation has been prepared by Tamilnad Mercantile Bank Ltd., ("the Bank") solely by the Bank for information purposes only. This presentation is not a complete description of the Bank, and the information contained herein is only current as of its date and has not been verified by anyone else. All financial numbers are based on the Audited Financials or the Reviewed Financial results or based on Management estimates. Figures for the previous period(s) have been regrouped wherever necessary; totals in columns / rows may not agree due to rounding off. The accuracy of this presentation is not guaranteed, it may be incomplete or condensed, and it may not contain all material information concerning the Bank.

This presentation does not constitute an offer or invitation, directly or indirectly, to purchase or subscribe for any securities of the Bank by any person / entity based in India or in any other country. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities.

This presentation may contain statements that constitute forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated. Factors that could cause actual results to differ materially include, inter-alia, changes or developments in the Bank's business, political, economic, legal and social conditions. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. Except as otherwise stated, all the information contained herein is indicative and is based on management information, current plans and estimates / projections. Any opinion, estimate or projection in the presentation constitutes a judgment as of the date of this presentation and there can be no assurance that future results or events will be consistent with any such opinion, estimate or projection.

No representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Further, past performance is not necessarily indicative of future results. Anyone placing reliance on the information contained in this presentation or any other communication by the Bank does so at his / her / their own risk. Neither the Bank nor anyone else shall be liable for any loss or damage caused pursuant to any act or omission based on or in reliance upon the information contained in the presentation.

The Bank may, at its sole discretion, alter, modify or otherwise change in any manner the contents of this presentation, without obligation to notify anyone of such change(s). This presentation is not to be distributed, redistributed, copied or disseminated in any manner whatsoever, either directly or indirectly.

Forward-looking statements speak only as of the date they are made, and the Bank undertakes no obligation to update any forward-looking statement to reflect the impact of circumstances or events that arise after the date the forward-looking statement was made.

Table of Contents

Performance **Highlights**

Q1 FY2026-27

Tamilnad Mercantile Bank Ltd

Be a step ahead in life

Q1FY27 – Adding Value Through Purposeful Growth...

TMB Tamilnad Mercantile Bank Ltd
Be a step ahead in life

Growth at Scale

Total Business Growth %

- 8.82% 10 year CAGR to 23%
- Highest in last 14 years
- 7%+ over industry growth

Improved Earnings

- Driven by Strong Net Interest Income
- Net Profit highest ever
- Credit Cost under control

Strengthening Balance Sheet

- Stressed NFB fully provided
- Gross & Net NPA % continue to decline
- Capital Adequacy @ 32.33%

Enhanced Shareholders Value

- ROE @15.93%
- Quarterly EPS @ ₹25.99
- Market Cap up by ~20% since last results

Value Driven Growth…

Tamilnad Mercantile Bank Ltd
Be a step ahead in life

Total Business	₹1,21,715 Cr	23.04% (YoY)
Deposits	₹64,409 Cr	19.71% (YoY)
CASA	₹16,852 Cr	16.94% (YoY)
Advances	₹57,306 Cr	27.01% (YoY)
RAM Advances	₹54,083 Cr	28.47% (YoY)
Net Interest Income	₹765 Cr	32.01% (YoY)
Operating Profit	₹611 Cr	48.22% (YoY)
Net Profit	₹412 Cr	34.97% (YoY)
ROA	@2.14%	32 Bps (Q1FY26: 1.82%)
ROE	@15.93%	263 Bps (Q1FY26: 13.30%)

Boosting Earnings

Q1FY2027

Growth Carefully Engineered…

Tamilnad Mercantile Bank Ltd
Be a step ahead in life

Q1FY2027

Disciplined Performance

CASA Share	@ 26.16 %	↓ (62 Bps YoY)
RAM Advances	@ 94.38 %	↑ (107 Bps YoY)
Unsecured Exposure	@ 0.10 %	↓ (18 Bps YoY)
NIM	@ 4.29 %	↑ (45 Bps YoY)
Cost to Income Ratio	@ 39.10 %	↓ (1005 Bps YoY)
Credit Cost	@ 0.09 %	↑ (3 Bps YoY)
GNPA	@ 0.69 %	↓ (53 Bps YoY)
NNPA	@ 0.17 %	↓ (16 Bps YoY)
SMA (0,1&2)	@ 2.21%	↓ (84 Bps YoY)
PCR*	@ 96.04 %	↑ (172 Bps YoY)

Additionally, stressed NFB fully provided

*on book PCR @ 75.36%

Business Financial Performance

Q1 FY2026-27

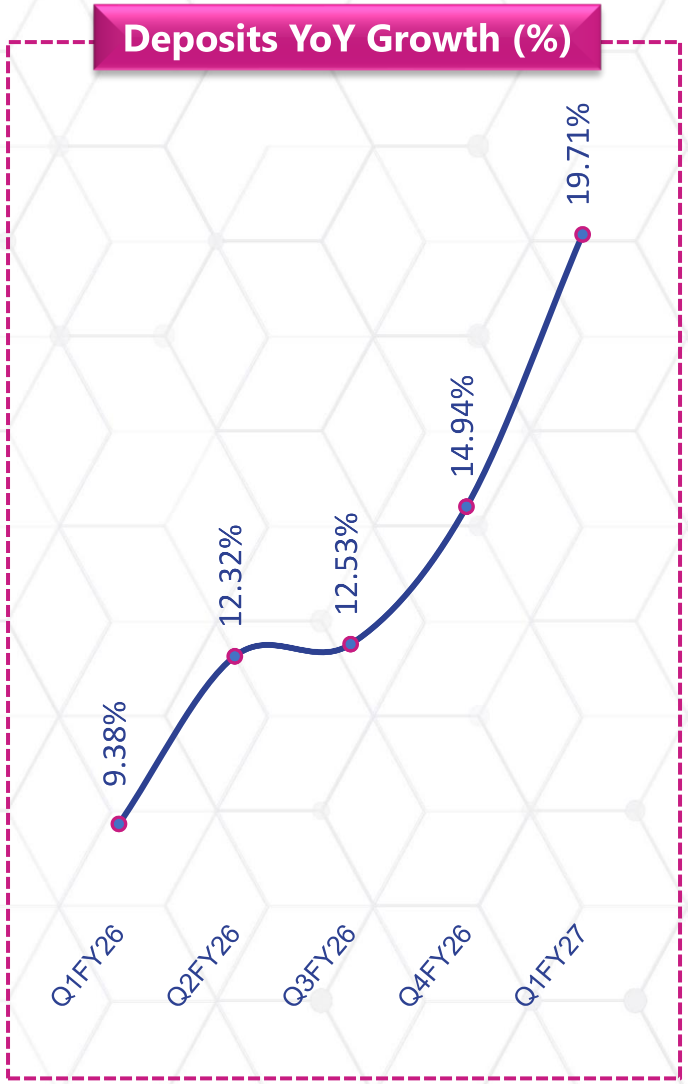
TMB Tamilnad Mercantile Bank Ltd

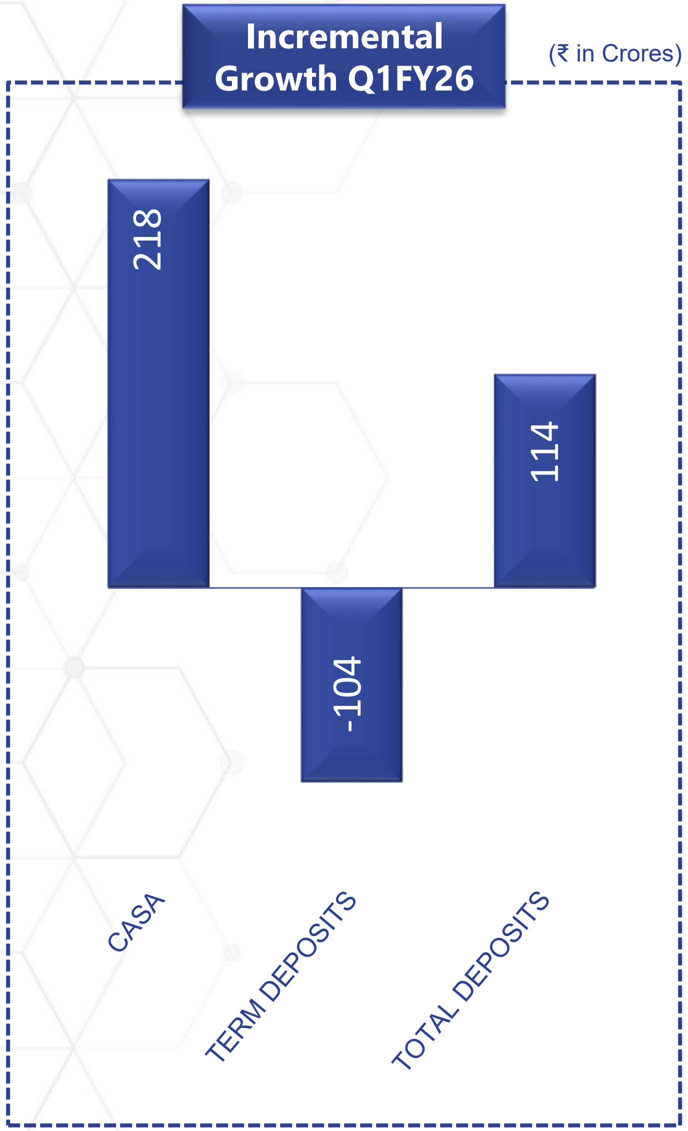
Be a step ahead in life

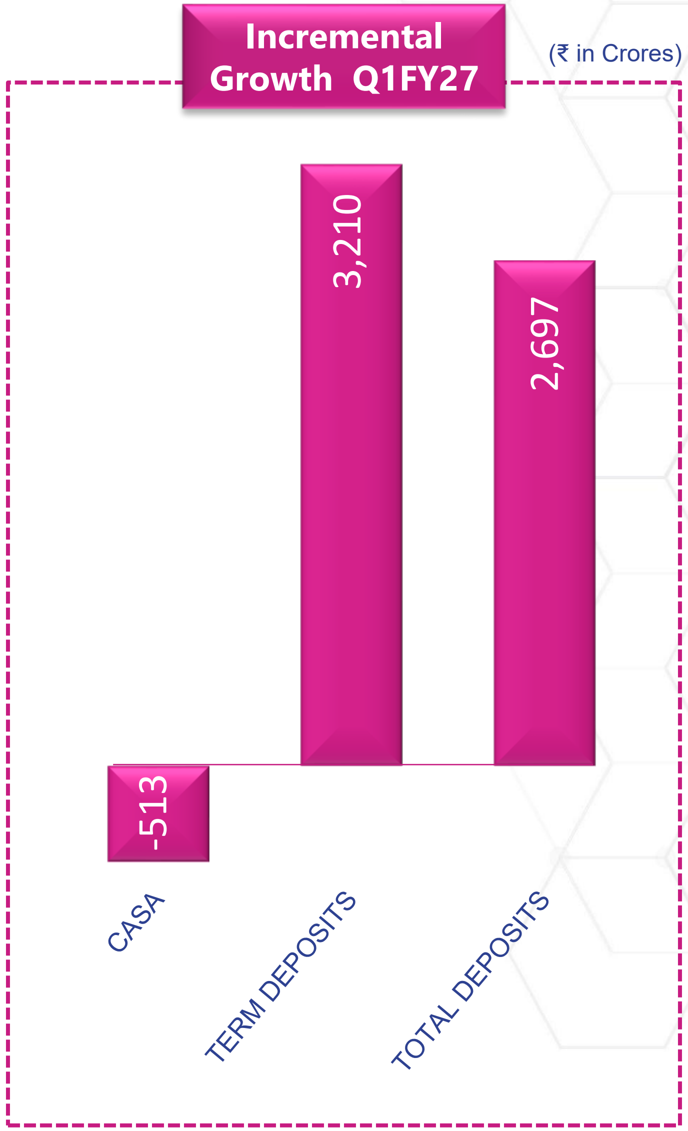
Business Performance - Deposits

(₹ in Crores)

Business Parameters	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q-o-Q Growth % (Q1FY27 Over Q4FY26)	Y-o-Y Growth % (Q1FY27 over Q1FY26)
Current Account	3,989	4,334	4,442	5,084	4,639	-8.75%	16.28%
Savings Bank Account	10,422	10,829	11,405	12,281	12,213	-0.56%	17.18%
CASA	**14,411**	**15,163**	**15,847**	**17,365**	**16,852**	**-2.95%**	**16.94%**
Term Deposits	**39,392**	**40,258**	**40,860**	**44,347**	**47,557**	**7.24%**	**20.73%**
Total Deposits	**53,803**	**55,421**	**56,707**	**61,712**	**64,409**	**4.37%**	**19.71%**







Non –Callable Deposits:

- Up by 18.44% Q.o.Q
- 80.39% of deposits are one year & above tenure

FCNR (B) Deposits:

- ₹825 crore, up by 11.03% Q.o.Q
- USD 10 million raised so far under the Special Forex Swap Facility of RBI

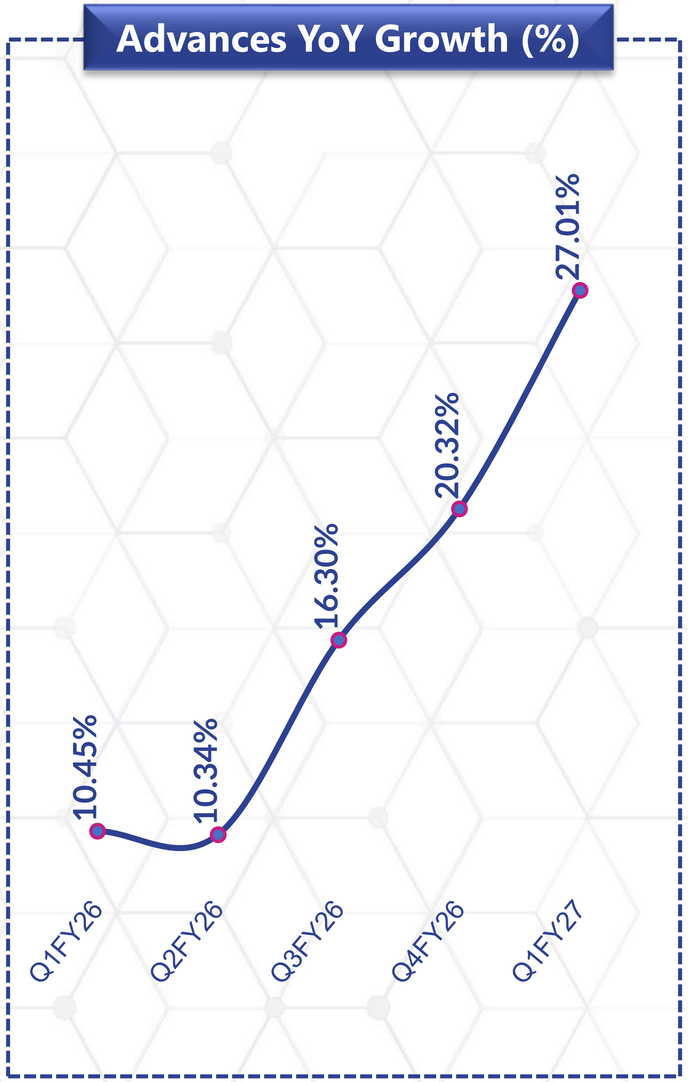
Business Performance - Advances

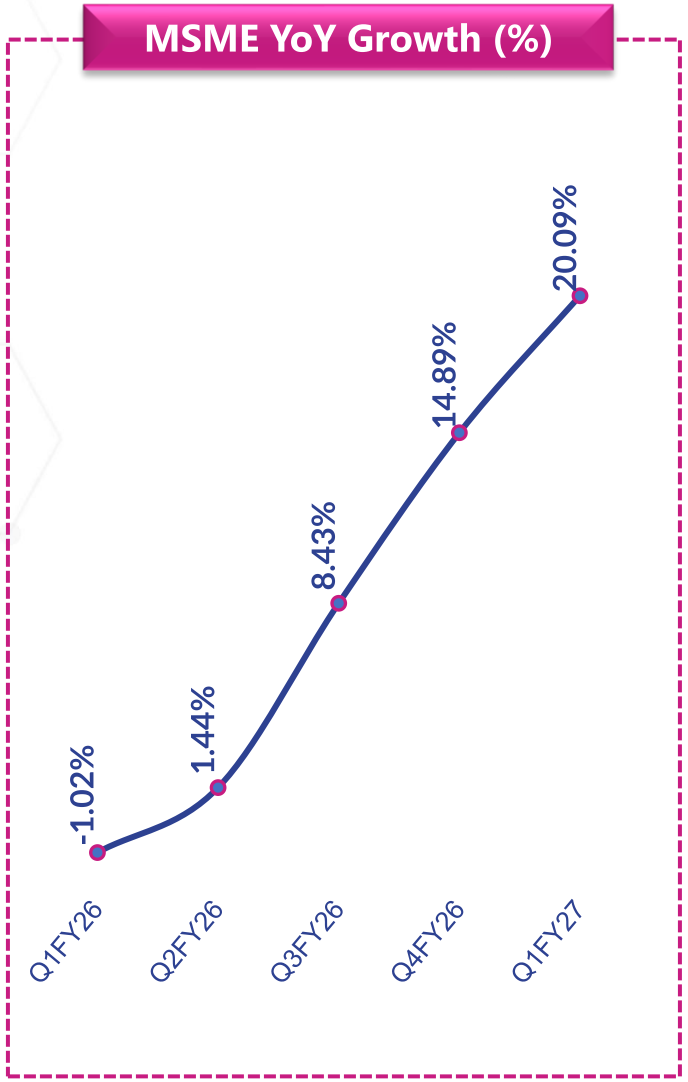
Tamilnad Mercantile Bank Ltd
Be a step ahead in life

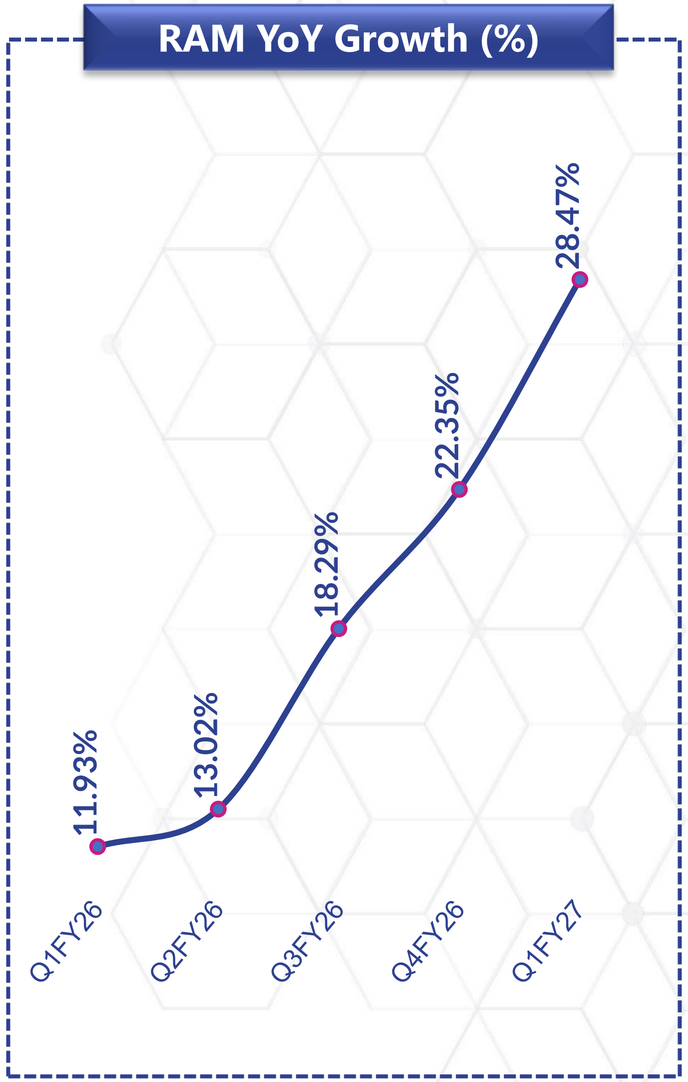
(₹ in Crores)

Business Parameters	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q-o-Q Growth % (Q1FY27 Over Q4FY26)	Y-o-Y Growth % (Q1FY27 over Q1FY26)
Retail	10,660	11,878	14,411	14,912	14,529	-2.56%	36.28%
Agriculture	17,987	18,546	18,385	20,084	23,399	16.51%	30.09%
MSME	13,452	13,968	14,910	15,532	16,155	4.01%	20.09%
Total of RAM	**42,099**	**44,392**	**47,706**	**50,528**	**54,083**	**7.04%**	**28.47%**
RAM % to Gross Advances	**93.31%**	**94.59%**	**93.98%**	**94.66%**	**94.38%**	**-28 Bps**	**107 Bps**
Others	3,021	2,538	3,057	2,851	3,223	13.01%	6.69%
Gross Advances	**45,120**	**46,930**	**50,763**	**53,379**	**57,306**	**7.36%**	**27.01%**
CD Ratio %	**83.86%**	**84.68%**	**89.52%**	**86.50%**	**88.97%**	**247 Bps**	**511 Bps**

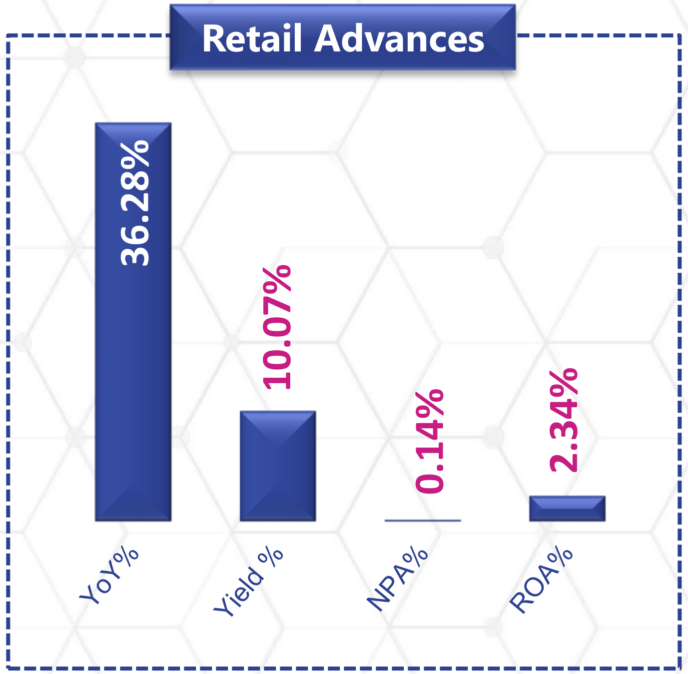
Advances - The Growth Momentum Sustained….

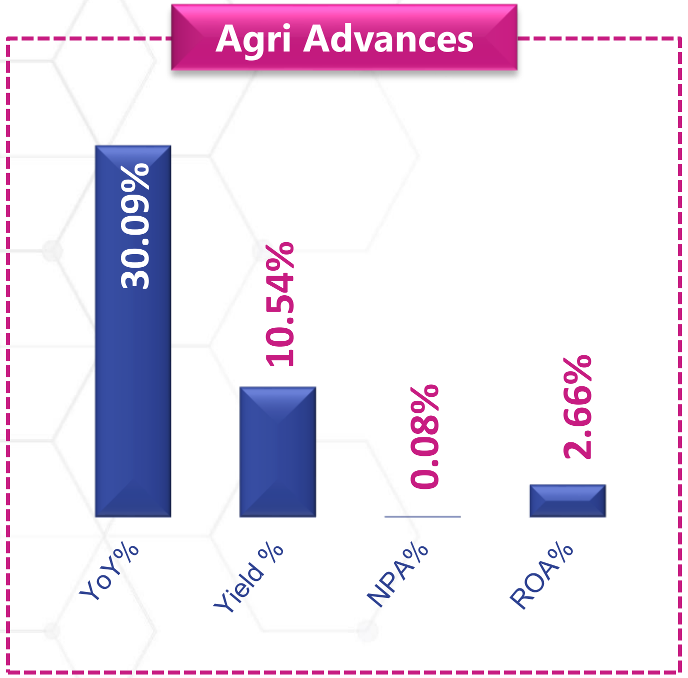


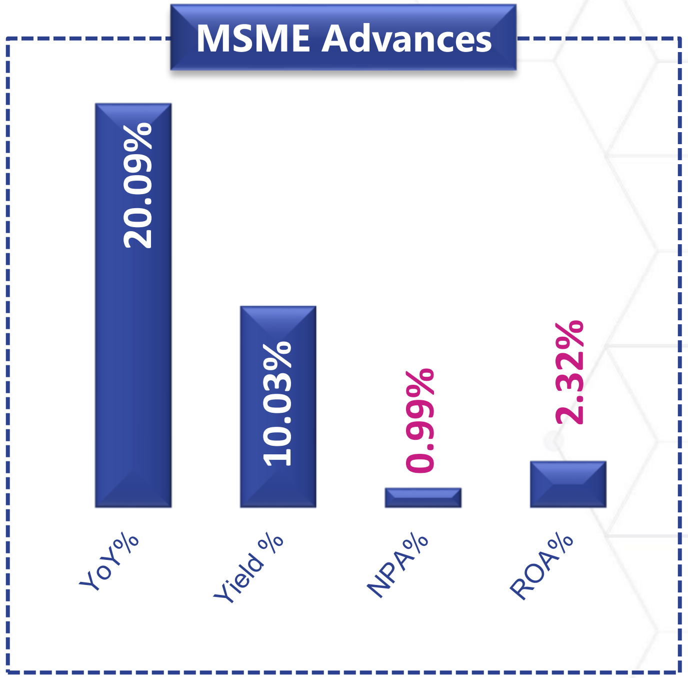


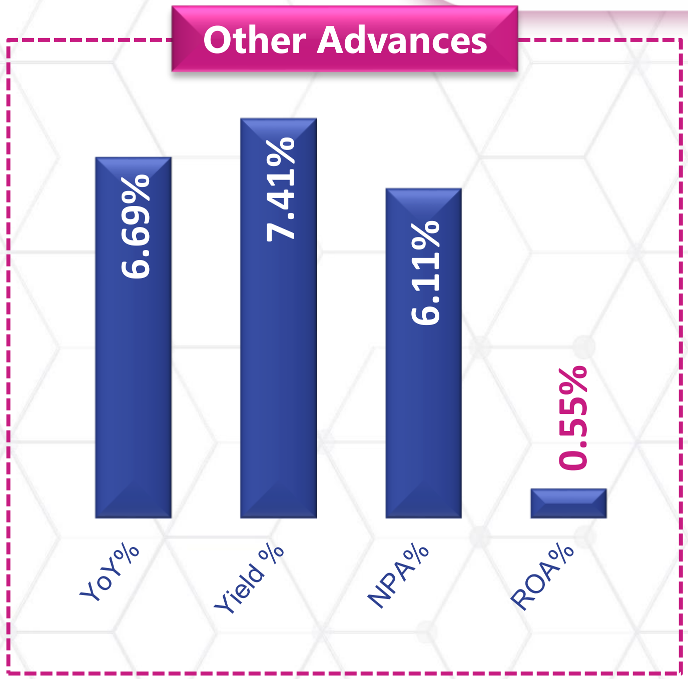


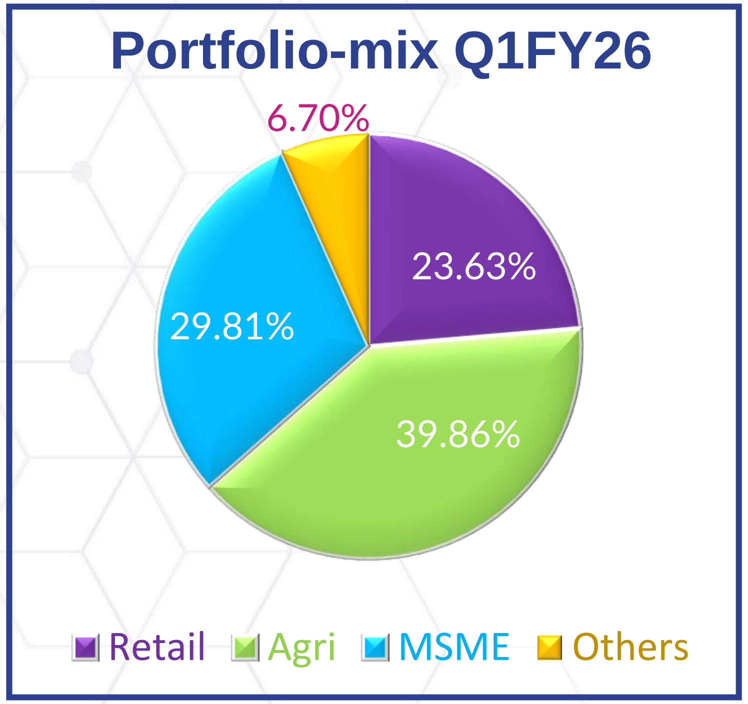
Advances- Profitability at the core

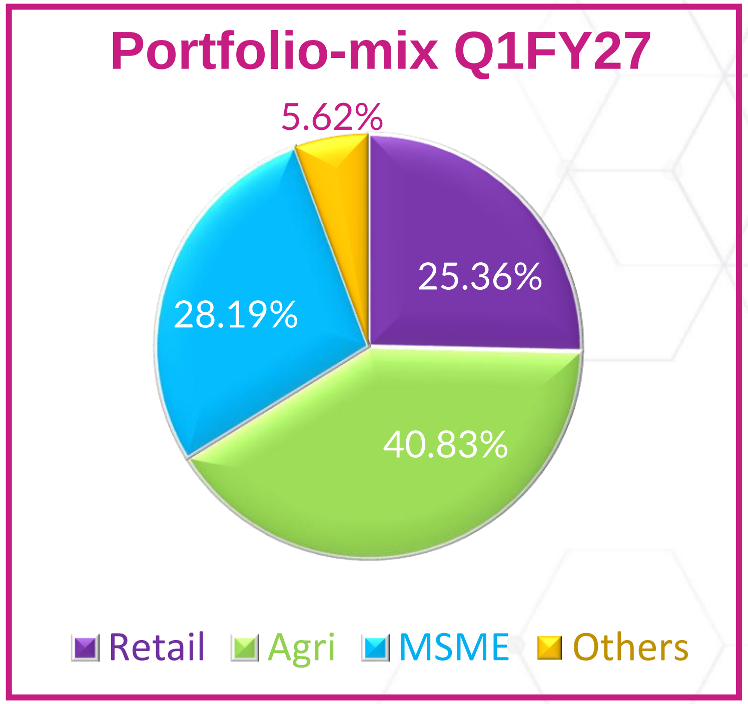








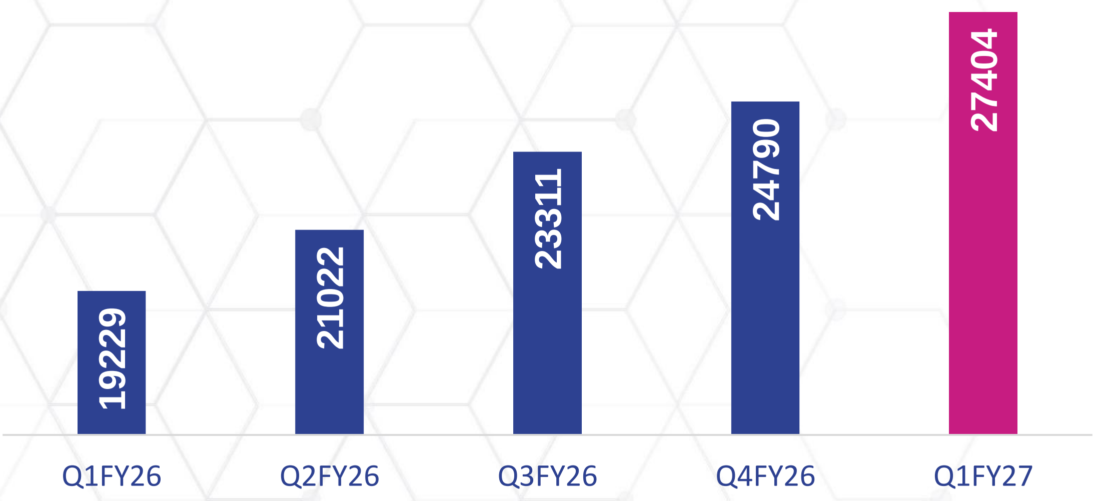




Gold Loan Portfolio - Gilt Edged…

Tamilnad Mercantile Bank Ltd
Be a step ahead in life

Gold Loan Growth



(₹ in crores)

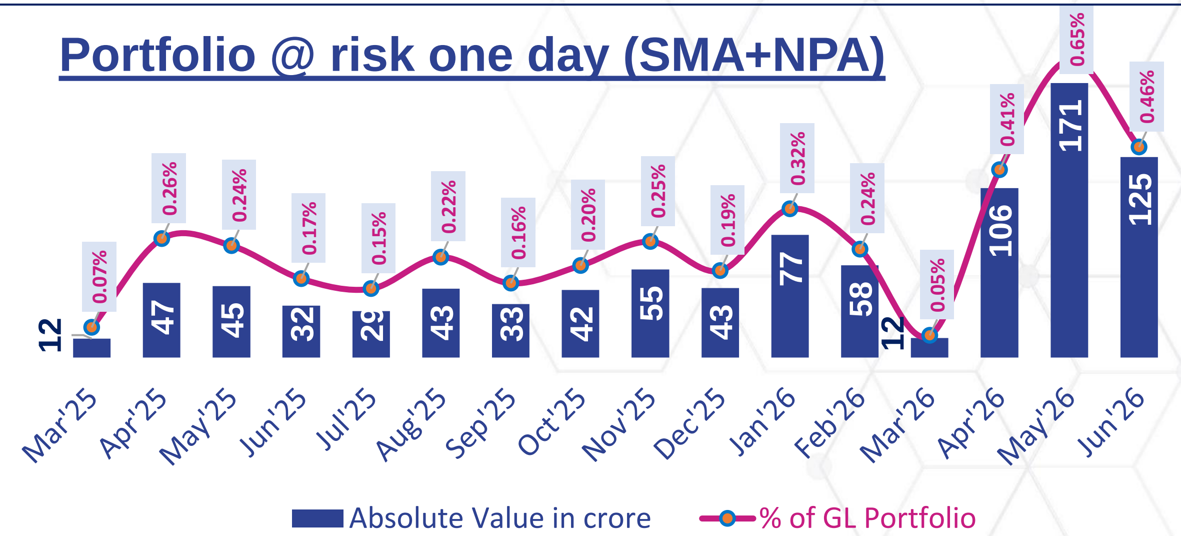
Sensitivity: LTV vs Gold Price (as of 23.07.2026)

Gold Price (Drop %)	Portfolio LTV % (on net weight)	%of Gold loan above market price
@ current Price	61.32%	NIL
10%	68.13%	NIL
20%	76.65%	0.80%
25%	81.76%	7.83%
30%	87.60%	28.01%

Gold Loan Portfolio as of 30.06.2026

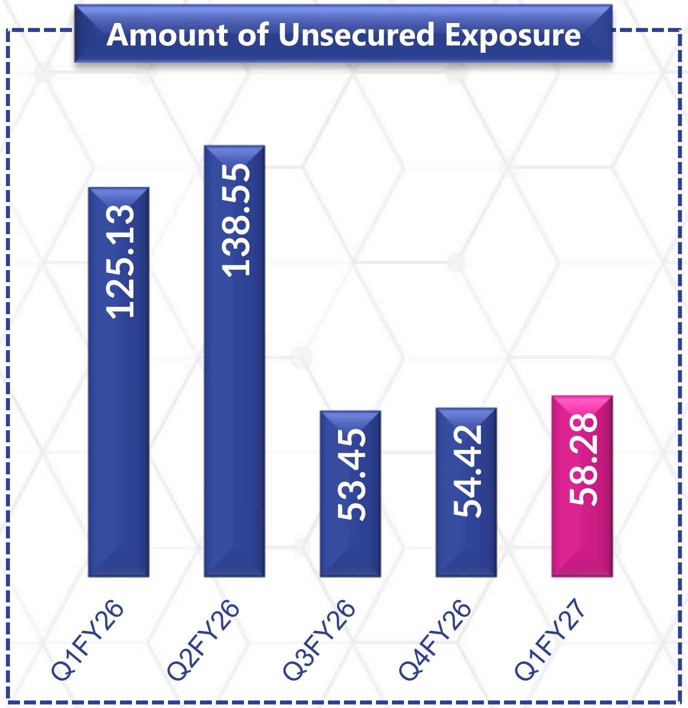
Gross Weight	37.41 Ton
Net Weight	34.33 Ton
Portfolio LTV%	61.67%
Portfolio Yield%	10.58%
Gold Loan ROA%	2.92%
Portfolio Share%	47.82%

Portfolio @ risk one day (SMA+NPA)

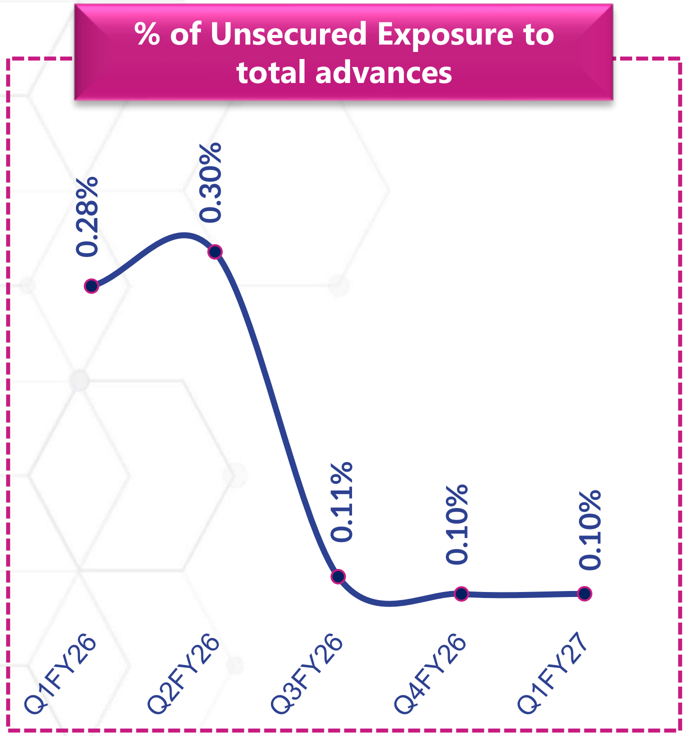


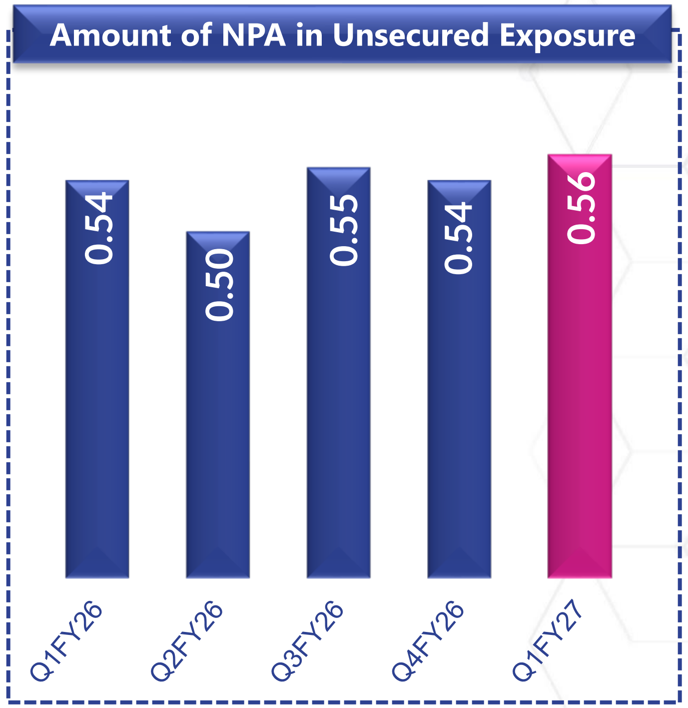
- Portfolio Gross weight to Net weight is 108.97%
- Asset resolution teams set up to manage portfolio LTV/Margin calls & Auctions.

Unsecured Exposure – Strategically Contained

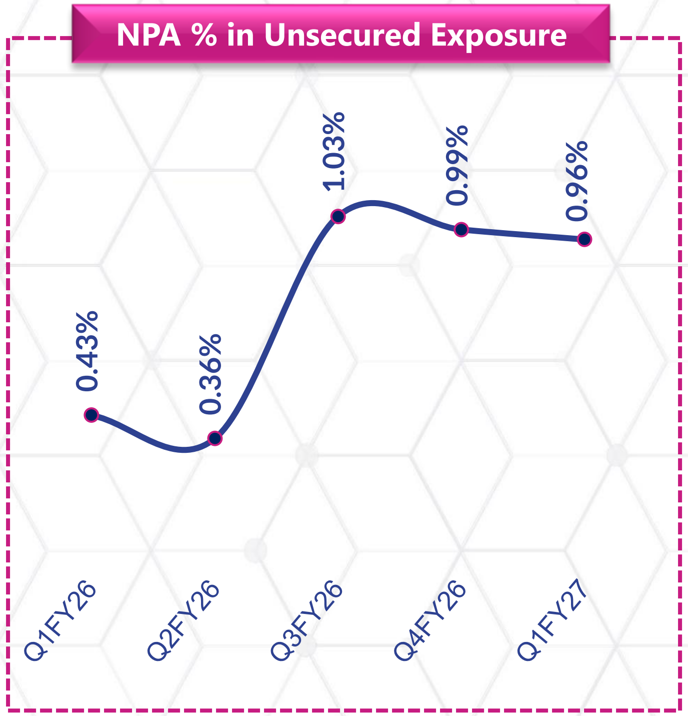


(₹ in Crores)





(₹ in Crores)



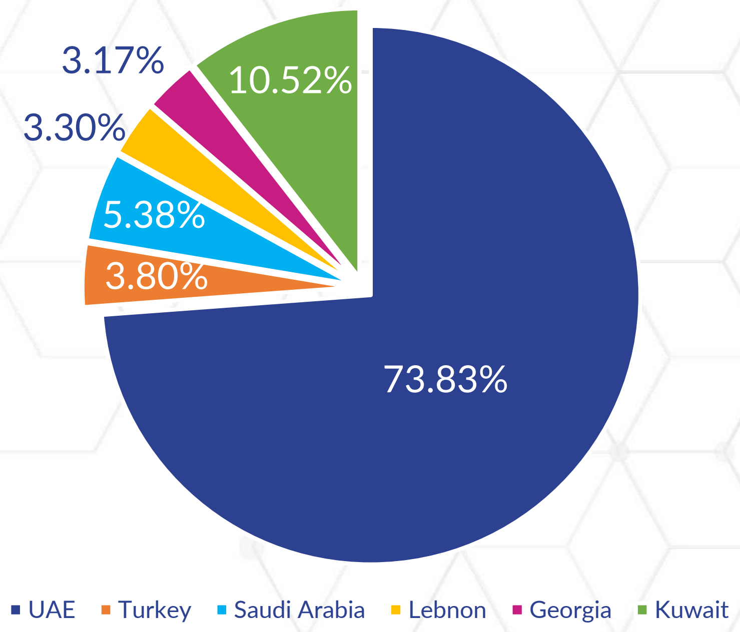
Sector-Wise Exposure and Export Credit

(₹ in Crores)

Sectors	Sectoral Exposure as on 30.06.2026		Sectoral % to MSME & Corporate Exposure	
	Total	Of which Export Credit	Total %	Of which Export Credit %
Wholesale Traders	3,717.09	52.45	19.18	7.66
Textiles	2,254.33	126.50	11.63	18.48
Food Processing	1,495.27	195.93	7.72	28.62
Chemicals	397.16	44.92	2.05	6.56
Basic Metal and Metal Products	408.14	2.36	2.11	0.34
Infrastructure	416.93	-	2.15	-
Rubber Plastic	291.74	4.99	1.51	0.73
Paper & Products	283.08	3.68	1.46	0.54
Engineering	289.75	5.61	1.49	0.82
Wood & Products	227.12	-	1.17	-
Mining & Quarry	154.09	-	0.80	-
Glass ware	115.90	-	0.60	-
Other Industries	522.12	87.02	2.69	12.71
Other Services	8,805.25	161.09	45.44	23.53
Total	**19,377.97**	**684.55**	**100.00**	**100.00**

Export Credit

Country-wise contribution of West Asia bound export credit (%)



- **Export credit is 3.53% of total MSME and Corporates**
- **West Asian countries exposure is ₹32.14 crore which is 0.06% of total advances.**

P&L & Balance Sheet

Q1 FY2026-27

Tamilnad Mercantile Bank Ltd
Be a step ahead in life

Robust Financial Performance

(₹ in Crores)

Financial Parameters	FY2026 (12M)	Q1FY26 (3M)	Q4FY26 (3M)	Q1FY27 (3M)	Q-o-Q Growth (Q1FY27 over Q4FY26)	Y-o-Y Growth (Q1FY27 over Q1FY26)
Interest Income	5819.42	1386.24	1550.38	1662.43	7.23%	19.92%
Non-Interest Income	877.07	231.23	241.78	238.36	-1.41%	3.08%
Total Income	**6696.49**	**1617.47**	**1792.16**	**1900.79**	**6.06%**	**17.52%**
Interest Expenses	3292.15	806.69	845.93	897.35	6.08%	11.24%
Operating Expenses	1549.11	398.52	423.92	392.37	-7.44%	-1.54%
Of which						
Employee Cost	794.49	222.83	220.68	209.24	-5.18%	-6.10%
Other Operating Exp.	754.62	175.69	203.24	183.13	-9.89%	4.23%
Total Expenditure	**4841.26**	**1205.21**	**1269.85**	**1289.72**	**1.56%**	**7.01%**
Net Interest Income	2527.27	579.55	704.45	765.08	8.61%	32.01%
Operating Profit	**1855.23**	**412.26**	**522.31**	**611.07**	**16.99%**	**48.22%**
Provision other than tax	48.63	8.34	18.79	53.93	187.01%	546.64%
Taxes	469.05	99.03	129.87	145.63	12.14%	47.06%
Net Profit	**1337.55**	**304.89**	**373.65**	**411.51**	**10.13%**	**34.97%**

Balance Sheet

Liabilities

(₹ in Crores)

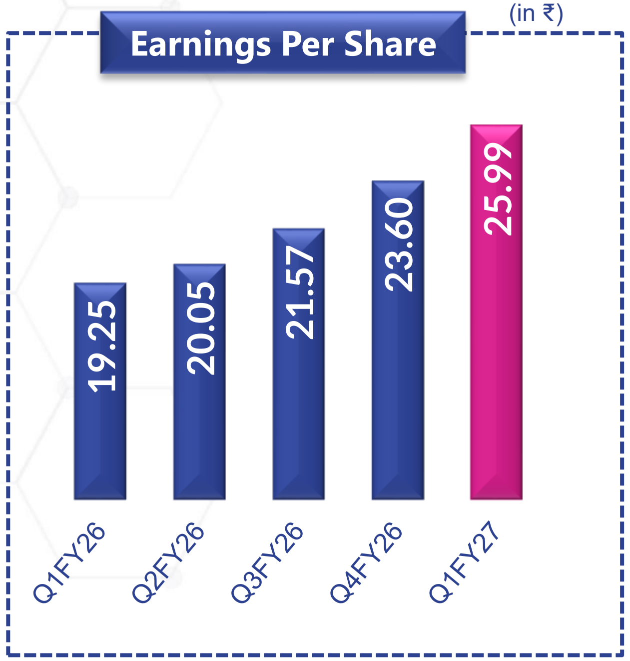
Particulars	As on 30.06.2025	As on 30.09.2025	As on 31.12.2025	As on 31.03.2026	As on 30.06.2026
Capital	158.35	158.35	158.35	158.35	158.35
Reserves and Surplus	9,169.92	9,285.35	9,615.48	9,951.81	10,403.67
Deposits	53,803.20	55,420.76	56,706.77	61,712.35	64,408.69
Borrowings	535.38	1,283.72	1,064.18	700.00	1,540.21
Other Liabilities and Provisions	3,811.07	2,893.69	3,143.10	2,777.09	3,275.13
Total Liabilities	**67,477.92**	**69,041.87**	**70,687.88**	**75,299.60**	**79,786.05**

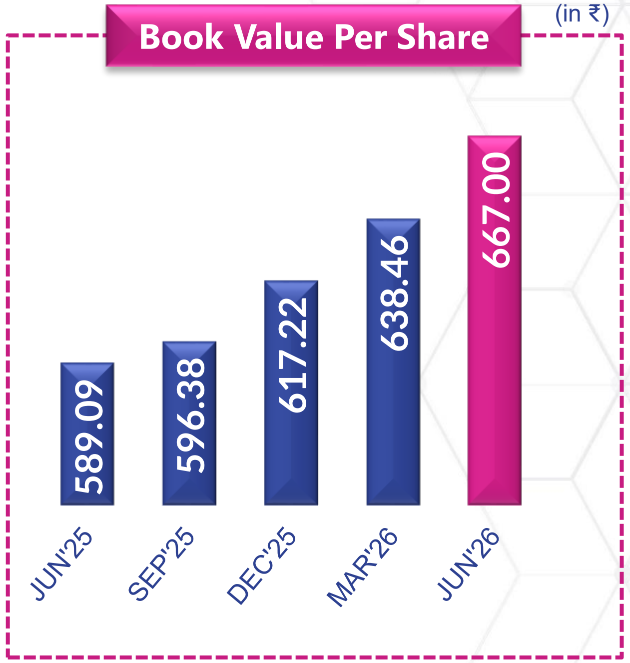
Assets

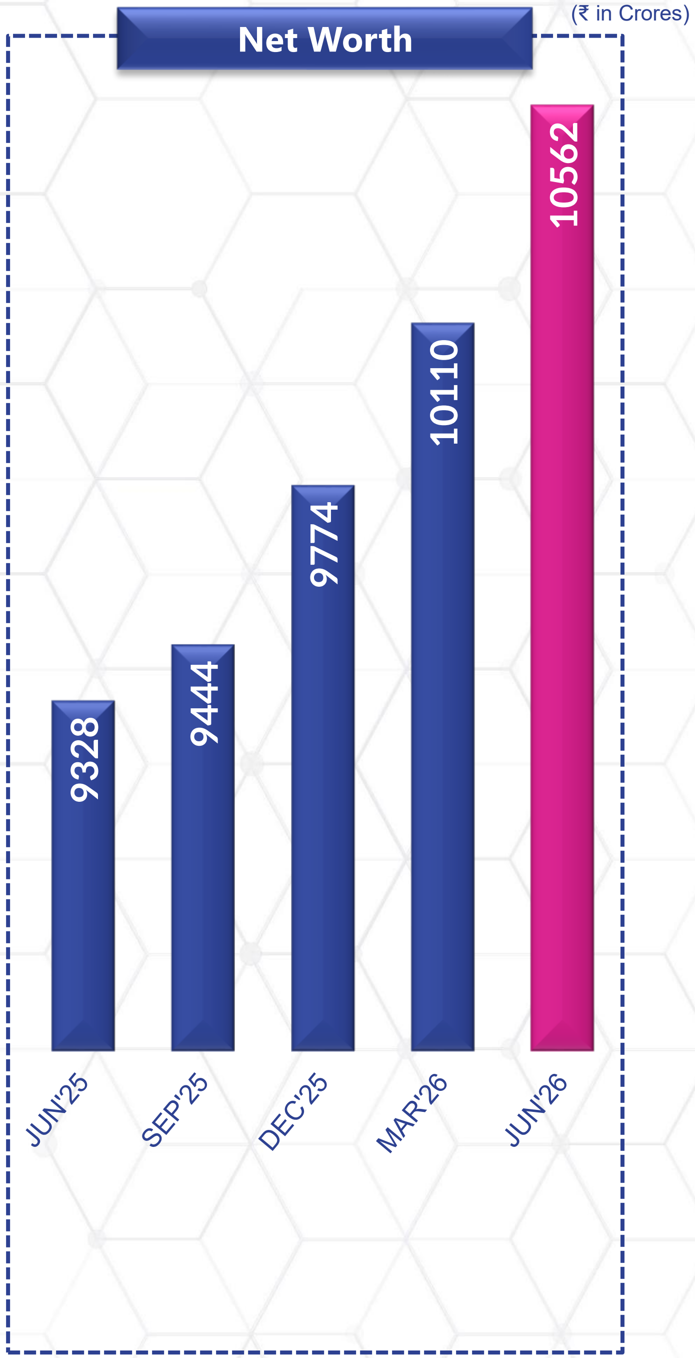
(₹ in Crores)

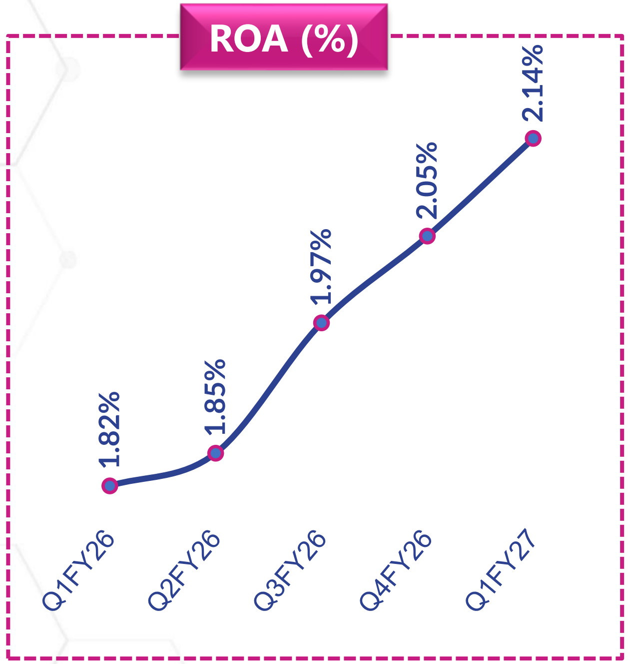
Particulars	As on 30.06.2025	As on 30.09.2025	As on 31.12.2025	As on 31.03.2026	As on 30.06.2026
Cash and Balance with RBI	2,819.49	2,780.46	2,298.00	2,520.61	2,704.05
Balance with Bank and Money at call and short notice	1,271.52	669.24	833.38	1,694.33	1368.74
Investments	15,312.68	16,540.08	14,519.09	15,692.68	16,202.27
Advances	44,732.56	46,589.82	50,435.47	53,122.66	57,040.50
Fixed Assets	274.73	274.08	286.23	310.56	312.09
Other Assets	3,066.94	2,188.19	2,315.71	1,958.76	2158.40
Total Assets	**67,477.92**	**69,041.87**	**70,687.88**	**75,299.60**	**79,786.05**

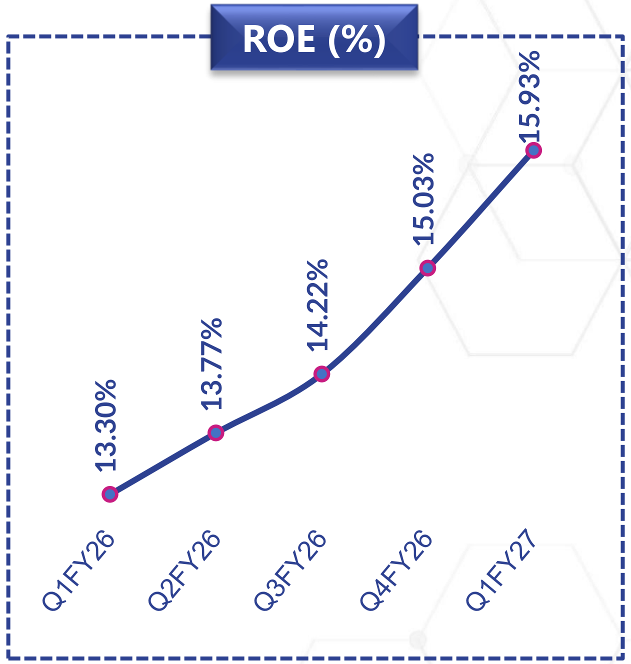
Enhanced Shareholder Value



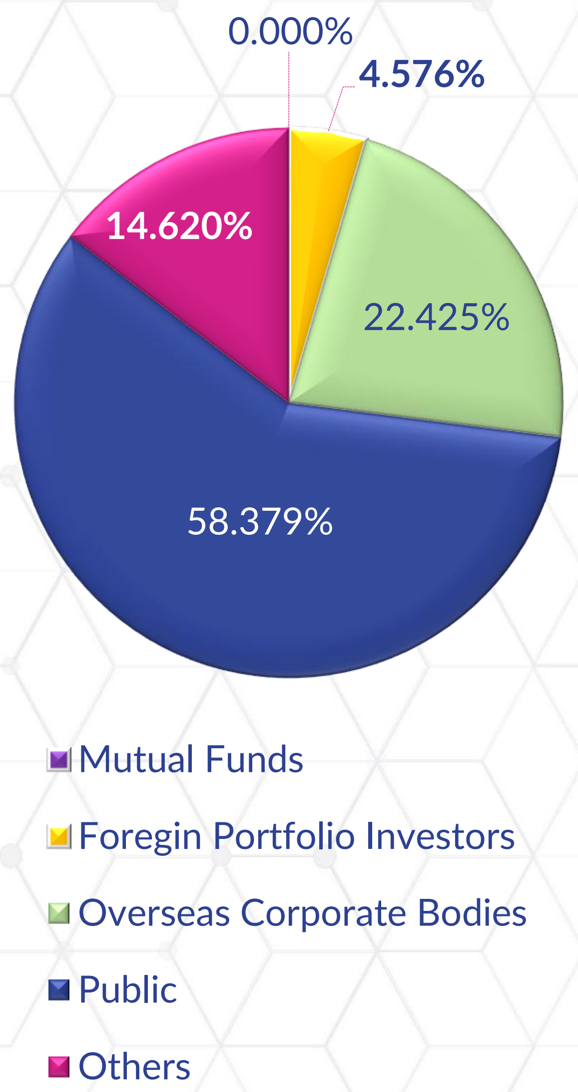




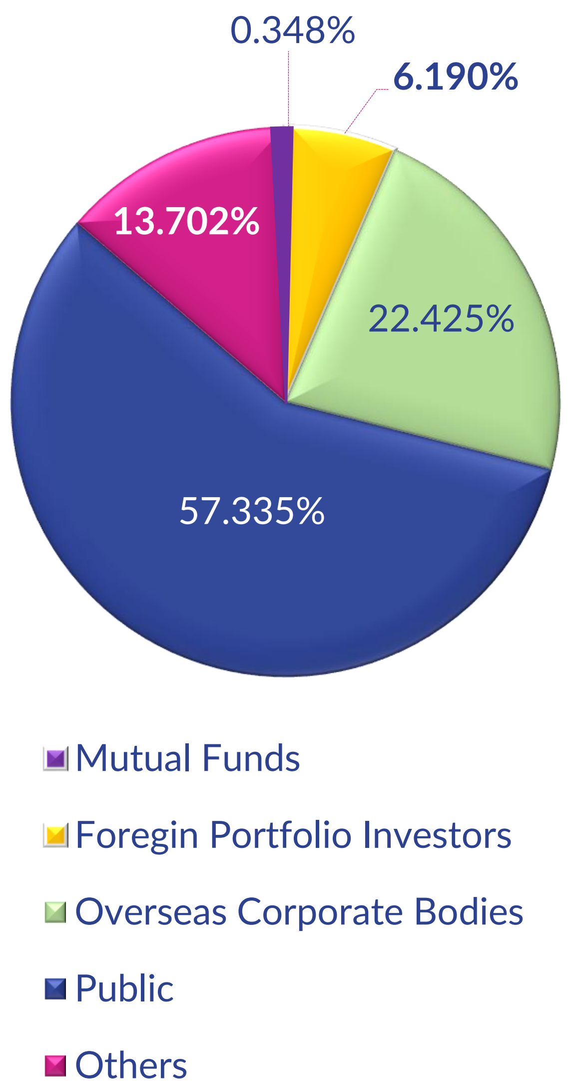




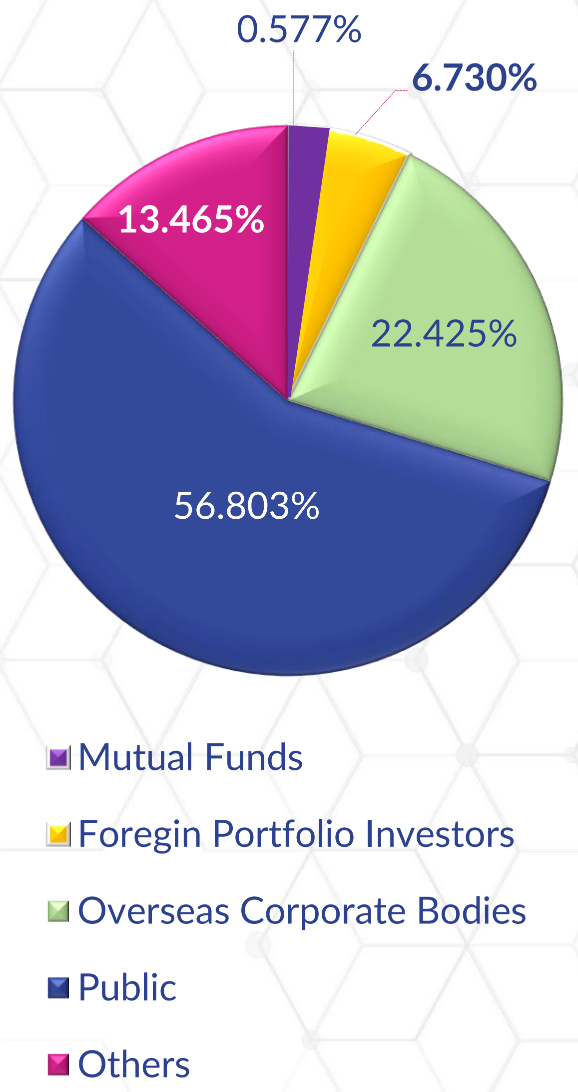
30.06.2025



31.03.2026



30.06.2026



Asset **Quality**

Q1 FY2026-27

Tamilnad Mercantile Bank Ltd

Be a step ahead in life

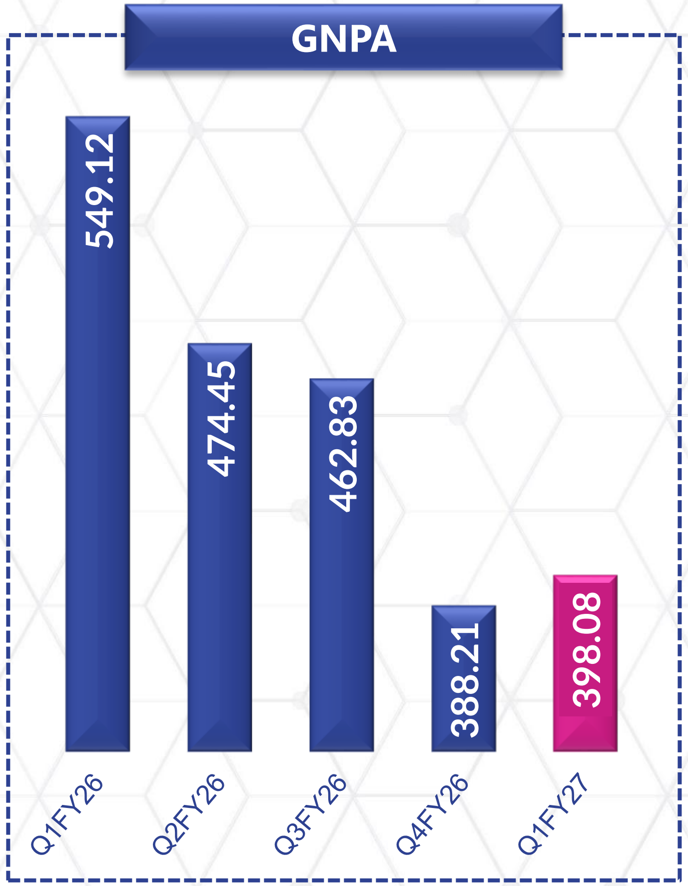
Movement of NPA

(₹ in crores)

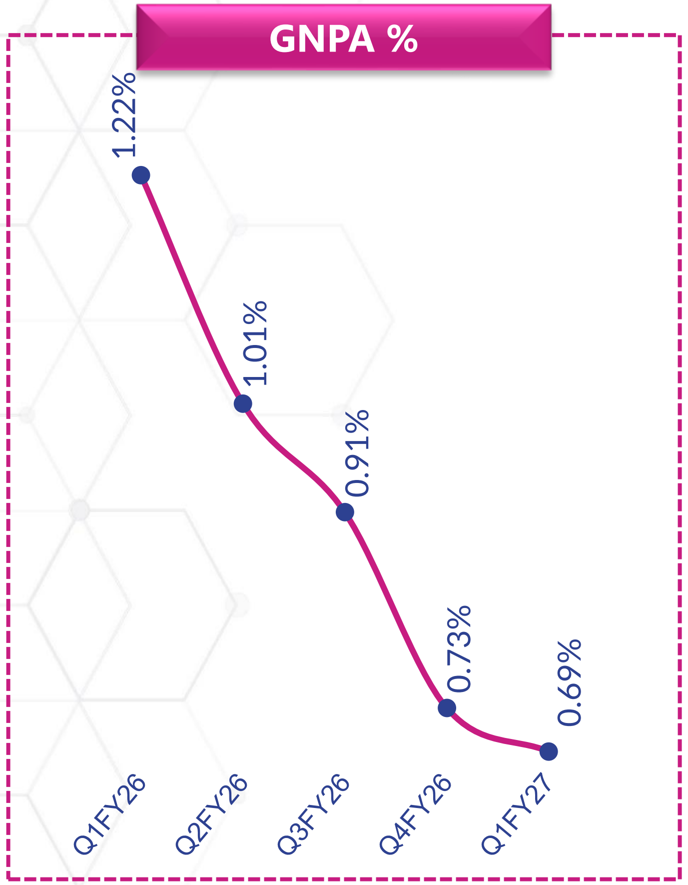
Particulars	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Opening Balance of Gross NPA	556.13	549.12	474.45	462.83	388.21
i)Cash Recovery	26.43	26.97	31.19	25.20	31.32
ii)Upgradation	2.62	4.34	2.31	2.61	1.37
iii)Write Off	0.00	66.02	0.00	83.67	0.00
Total Reduction* (i+ii+iii)	29.05	97.33	33.50	111.48	32.69
Fresh Addition*	22.04	22.66	21.88	36.86	42.56
Closing Balance of Gross NPA	**549.12**	**474.45**	**462.83**	**388.21**	**398.08**
GNPA %	1.22	1.01	0.91	0.73	0.69
NPA Provision	370.42	323.36	311.35	229.98	241.04
Net NPA	**147.37**	**121.52**	**100.08**	**97.41**	**98.00**
NNPA %	0.33	0.26	0.20	0.18	0.17
Provision Coverage Ratio % (with technical write-off)	94.32	95.30	96.08	96.14	96.04
Provision Coverage Ratio % (without technical write-off)	73.04	74.36	78.35	74.89	75.36

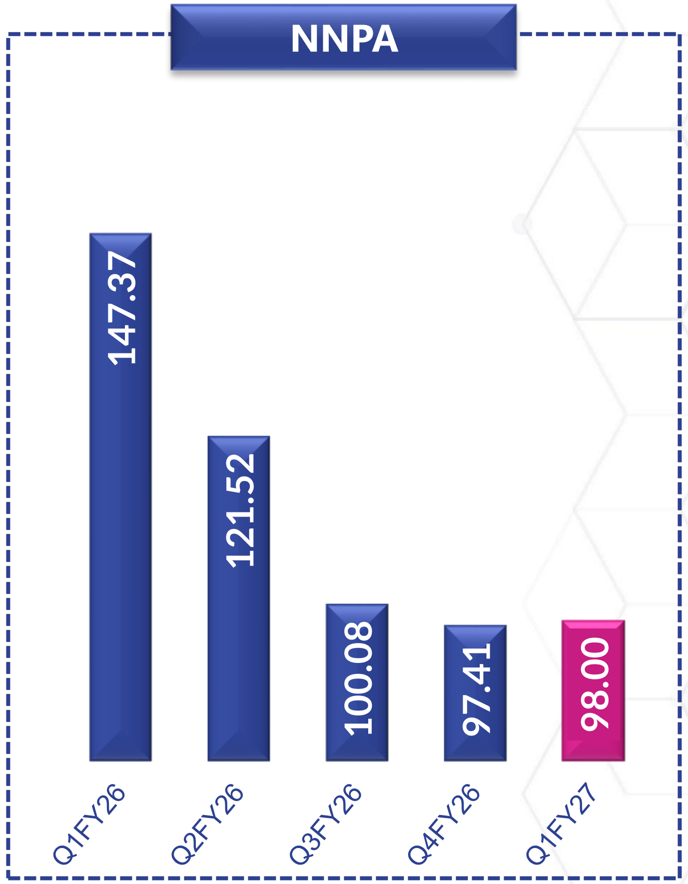
*Accounts classified as NPA and upgraded or recovered during the same period are not considered

Asset Quality

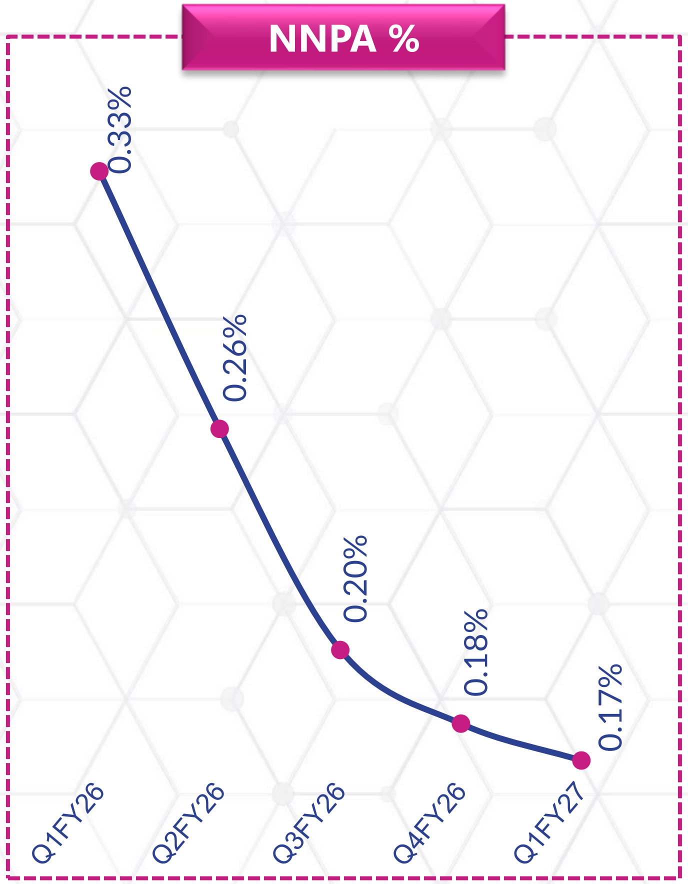


(₹ in Crores)





(₹ in Crores)



Segment-Wise NPA (Collateral Coverage Details as on 30.06.2026)

(₹ in Crores)

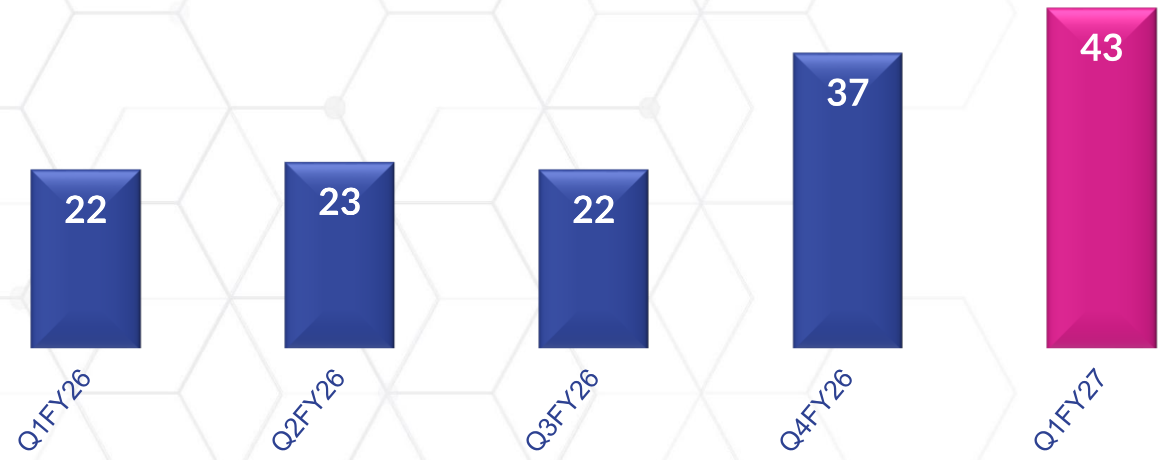
Parameter	Advances as of 30.06.2026	GNPA as of 30.06.2026	GNPA%	Provision	Collateral Coverage (NPA)
Retail	14,528.98	20.97	0.14%	9.26	162.92%
Agriculture	23,399.40	19.75	0.08%	7.55	253.02%
MSME	16,154.89	160.35	0.99%	72.48	199.16%
Others	3,223.07	197.01	6.11%	151.75	88.74%
Total	**57,306.34**	**398.08**	**0.69%**	**241.04**	**145.28%**

- *145.28% average collateral available for NPA.*
- *Portfolio loss is expected to be low.*
- *Potential for write back of most provision available.*
- *Provided 100% for stressed NFB facilities.*

Slippage – Stable

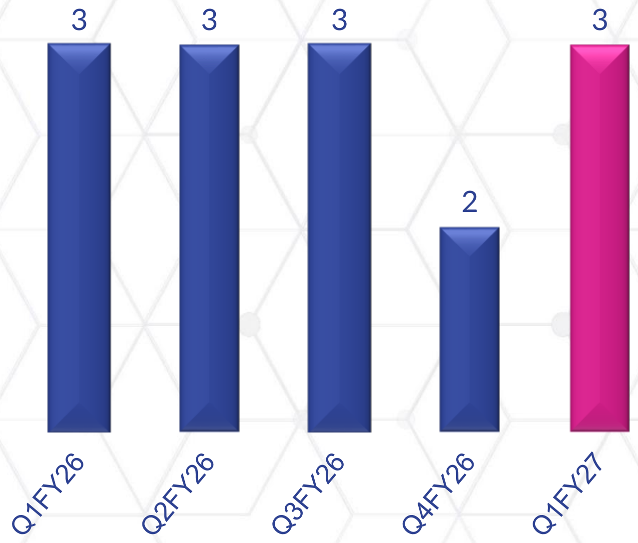
Fresh Slippage

(₹ in crores)



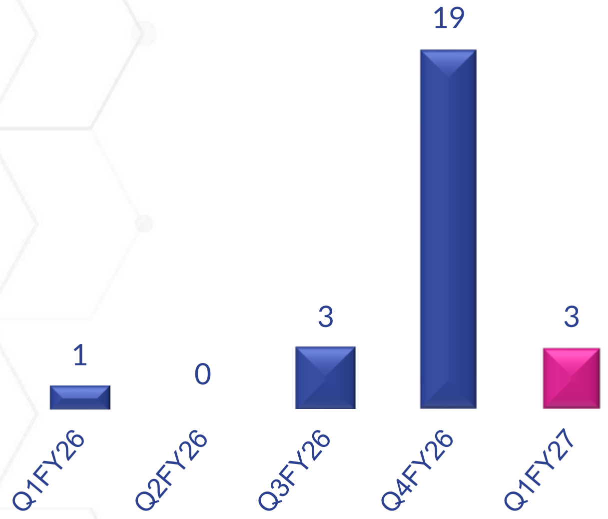
Slippage Ratio (%)

Slippage in Retail



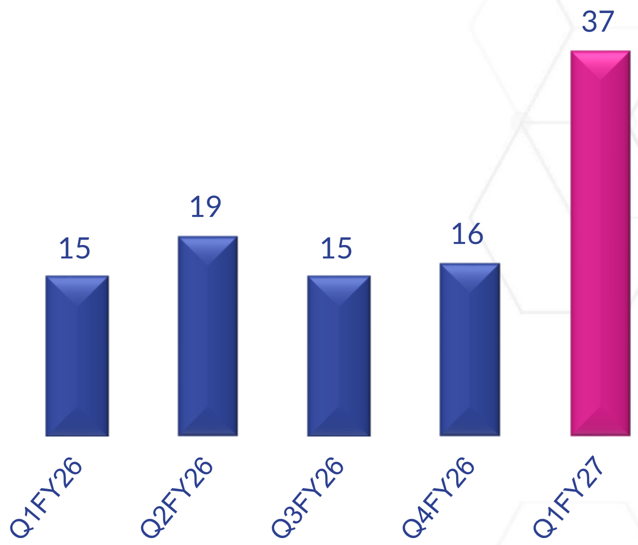
(₹ in crores)

Slippage in Agri



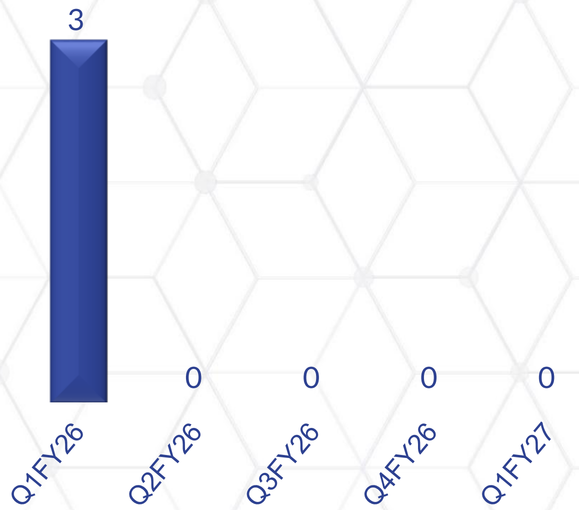
(₹ in crores)

Slippage in MSME



(₹ in crores)

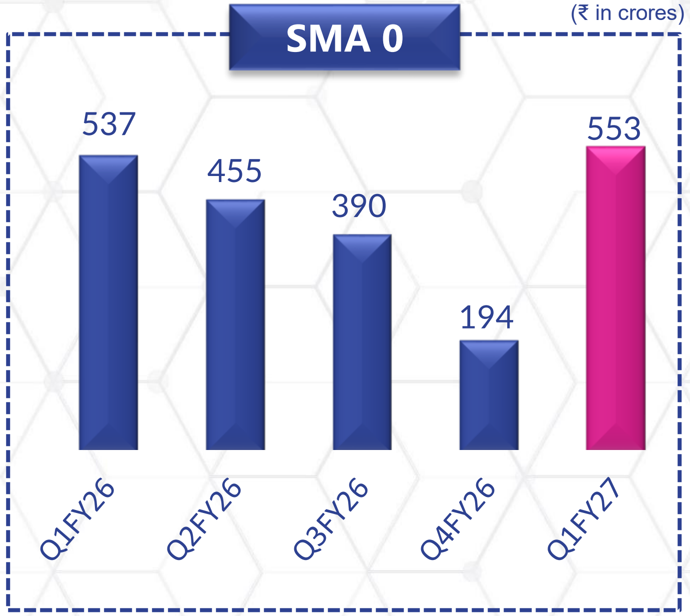
Slippage in Others

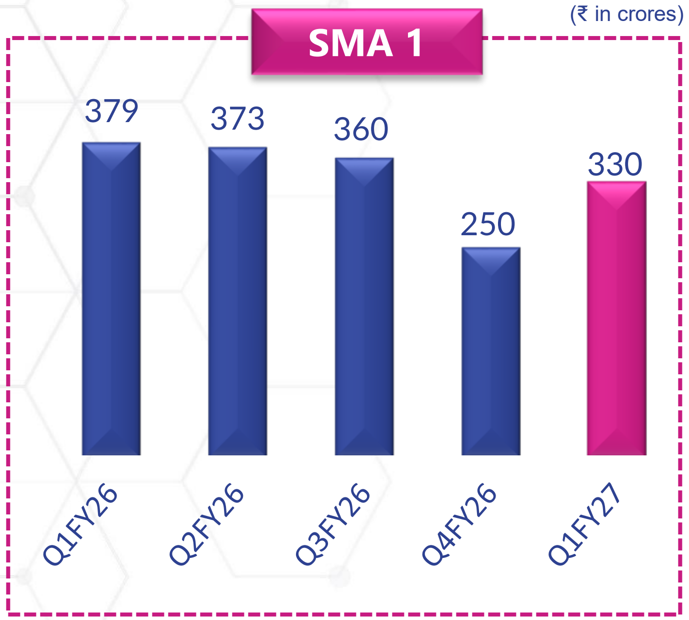


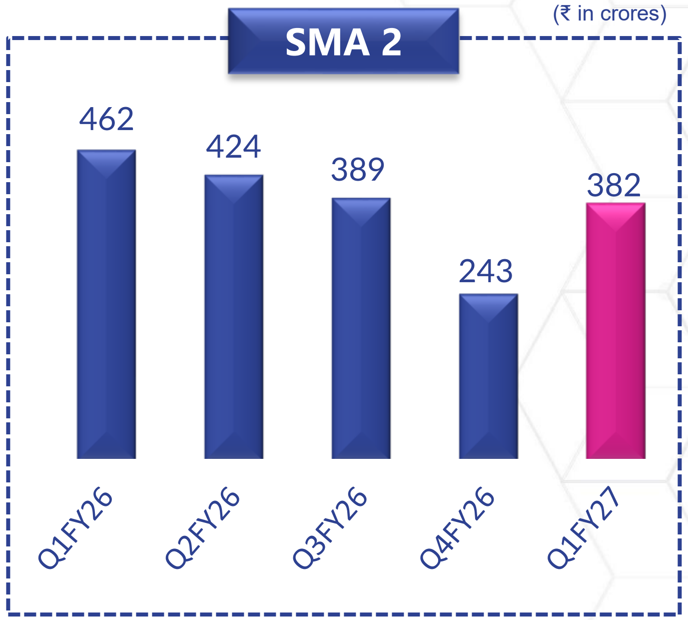
(₹ in crores)

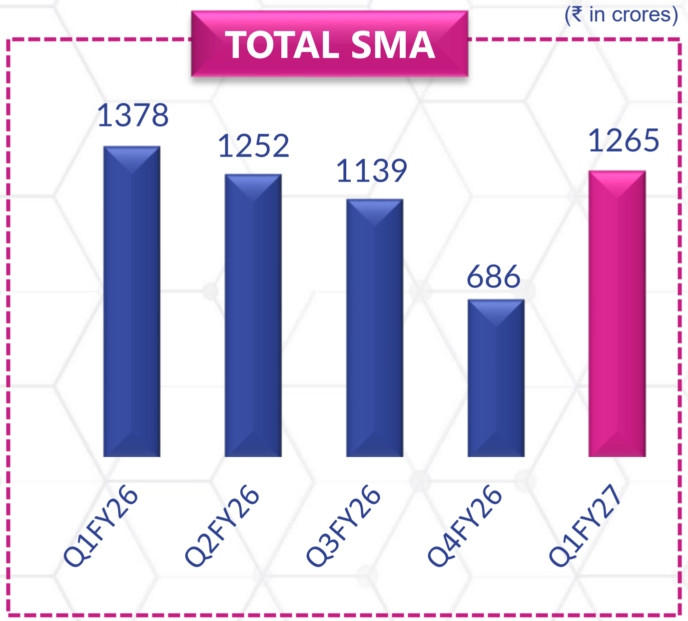
Figures are rounded off to the nearest whole number

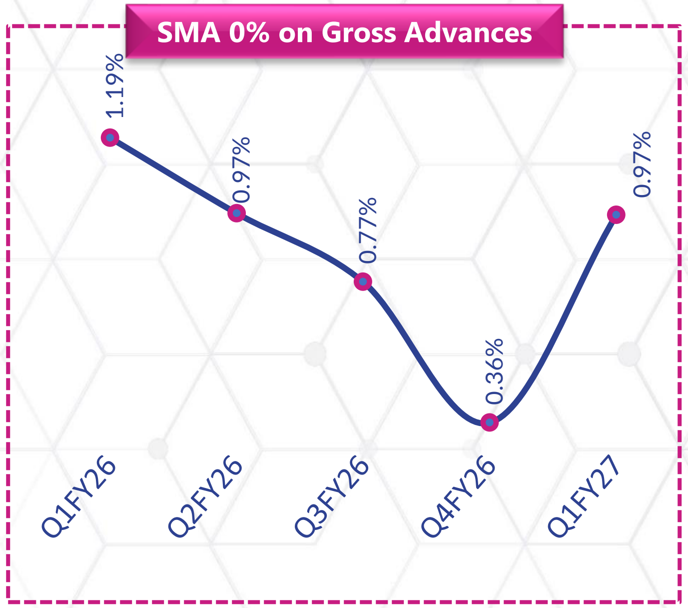
SMA – Under Control

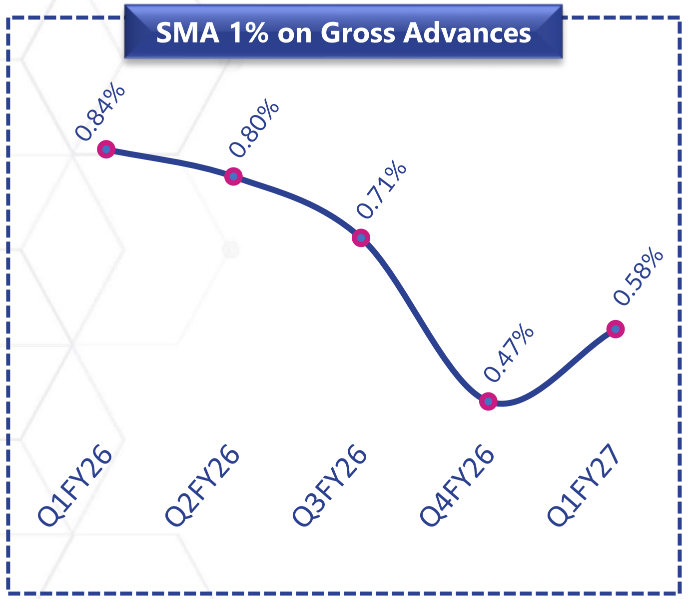


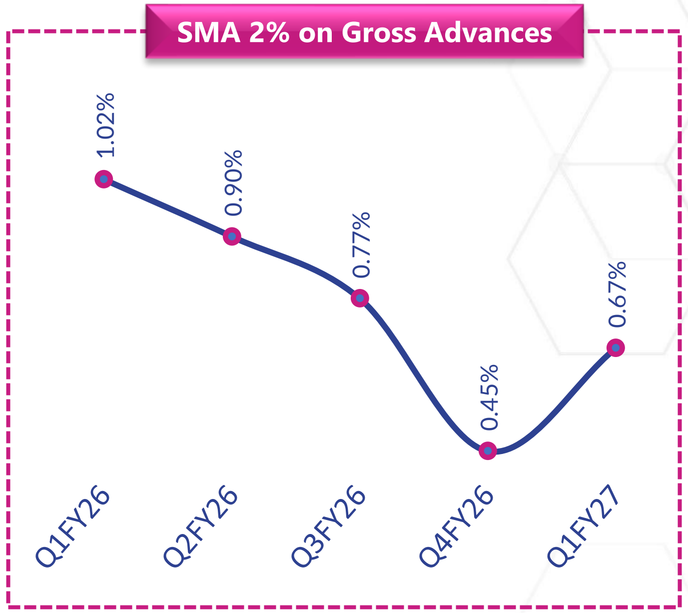


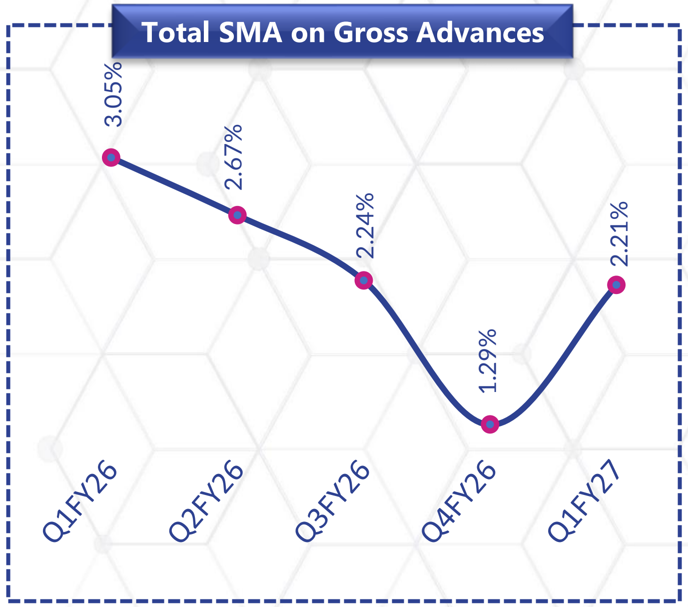






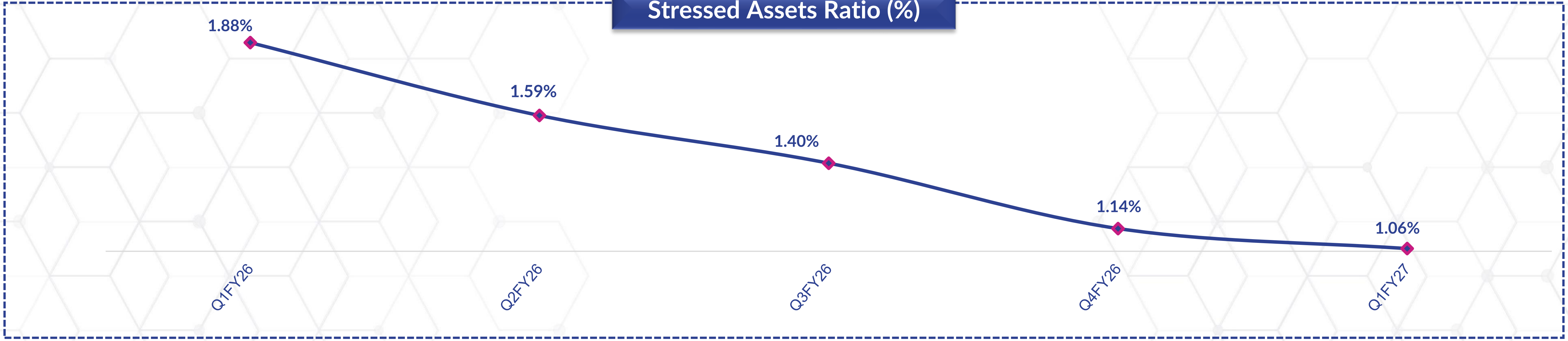






Figures are rounded off to the nearest whole number

Stressed Assets – On a Downward Trajectory…



(₹ in crores)

Particulars	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Standard Restructure advances	297.11	271.37	246.17	218.34	208.17
Gross NPA	549.12	474.45	462.83	388.21	398.08
Total Stressed Assets	846.23	745.82	709.00	606.55	606.25
Gross Advances	45,120.39	46,930.28	50,762.59	53,378.92	57,306.34
Stressed Assets Ratio (%)	**1.88**	**1.59**	**1.40**	**1.14%**	**1.06%**

Impact of Expected Credit Loss (ECL) – w.e.f.01.04.2027

As of 30.06.2026

Current IRAC norms	Standard Assets Bad & doubtful asset Non-performing Investment Floating Provision for Advances Other Provision Total	₹172 crore ₹242 crore ₹56 crore ₹24 crore ₹25 crore ₹519 crore
New ECL norms	Stage 1 assets Stage 2 assets Stage 3 assets Total	₹254 crore ₹179 crore ₹410 crore ₹843 crore
One time Impact	Additional Provision Required	₹324 crore

₹276 crore already available:

- ₹250 crore of covid contingency provision
- ₹26 crore of provision for stressed NFB (provided 100% in Q1FY27)

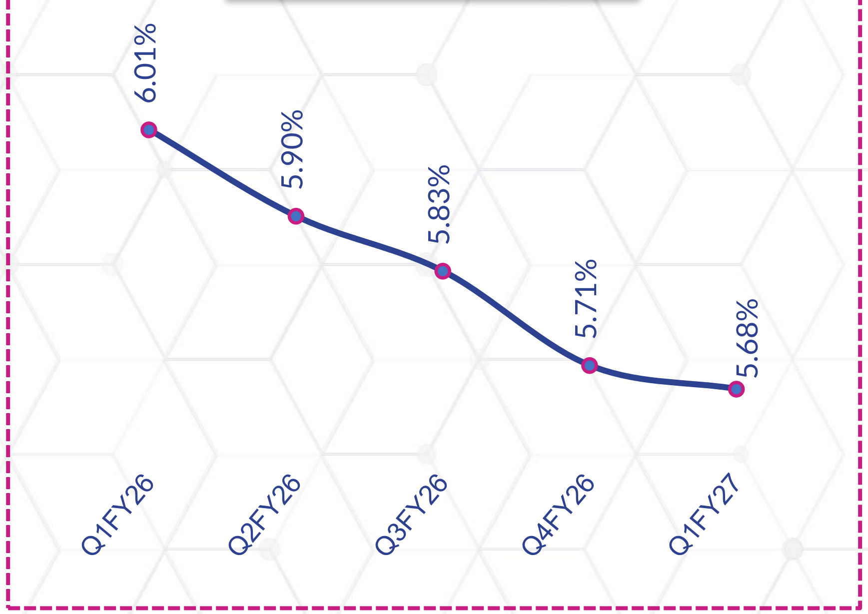
Key Ratios / Parameters

Q1 FY2026-27

Tamilnad Mercantile Bank Ltd
Be a step ahead in life

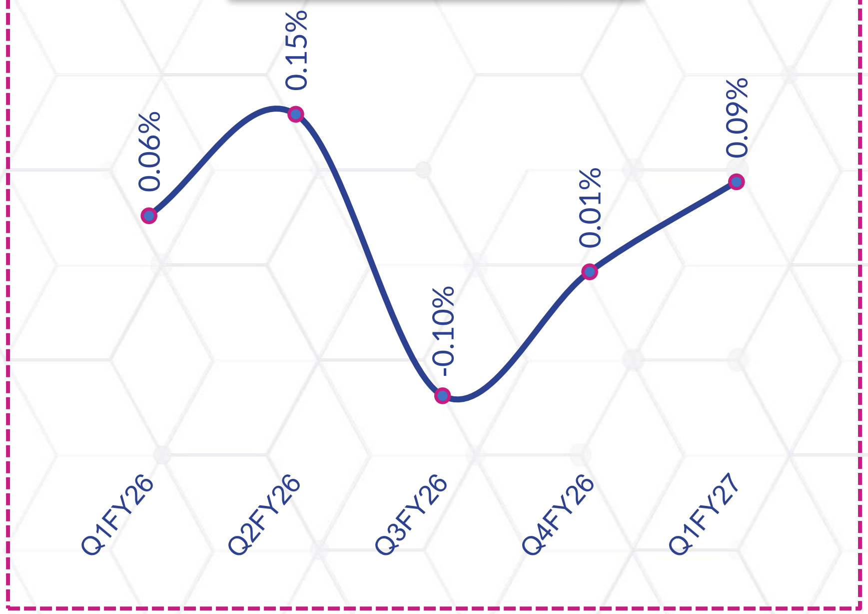
Key Ratios / Parameters (1/4)

Cost of Deposits (%)

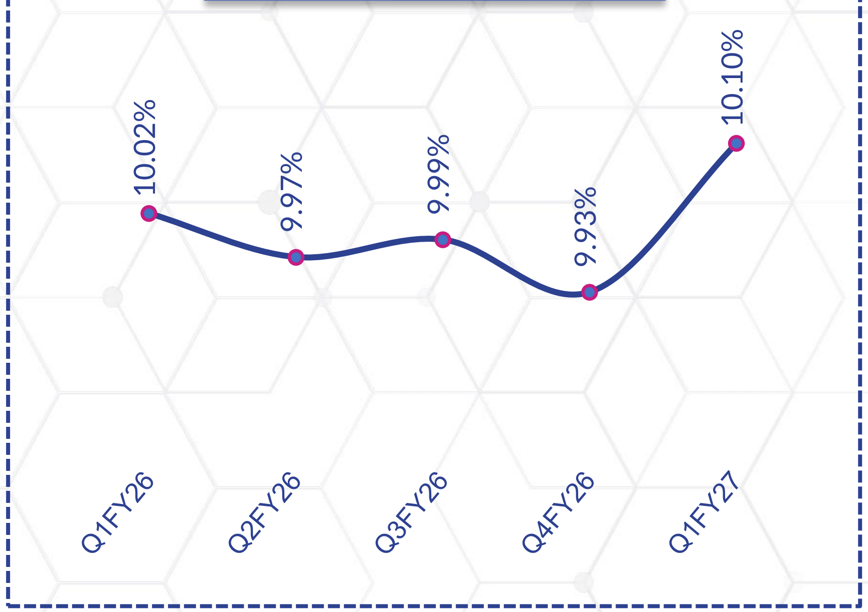


Cost of Funds (%)

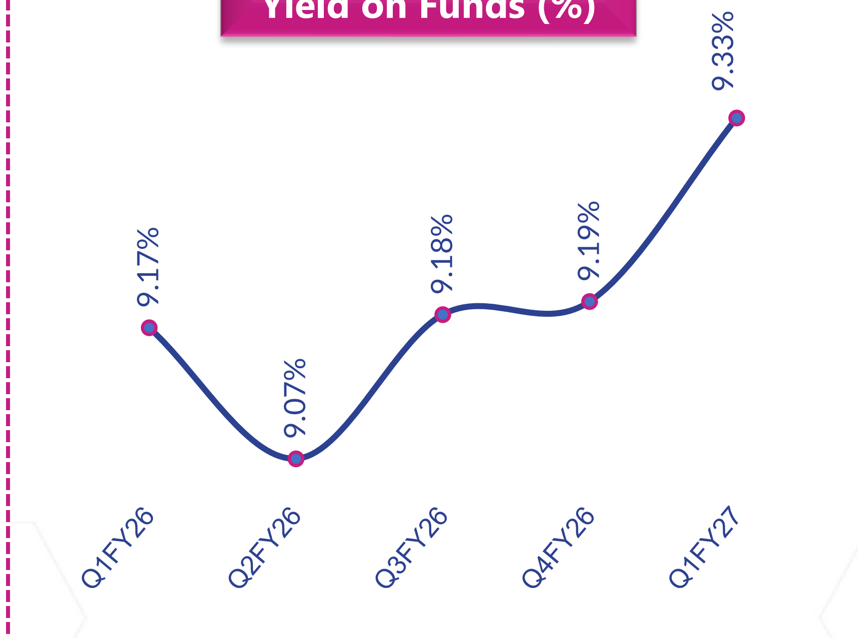
Credit Cost (%)



Yield on Advances (%)



Yield on Funds (%)



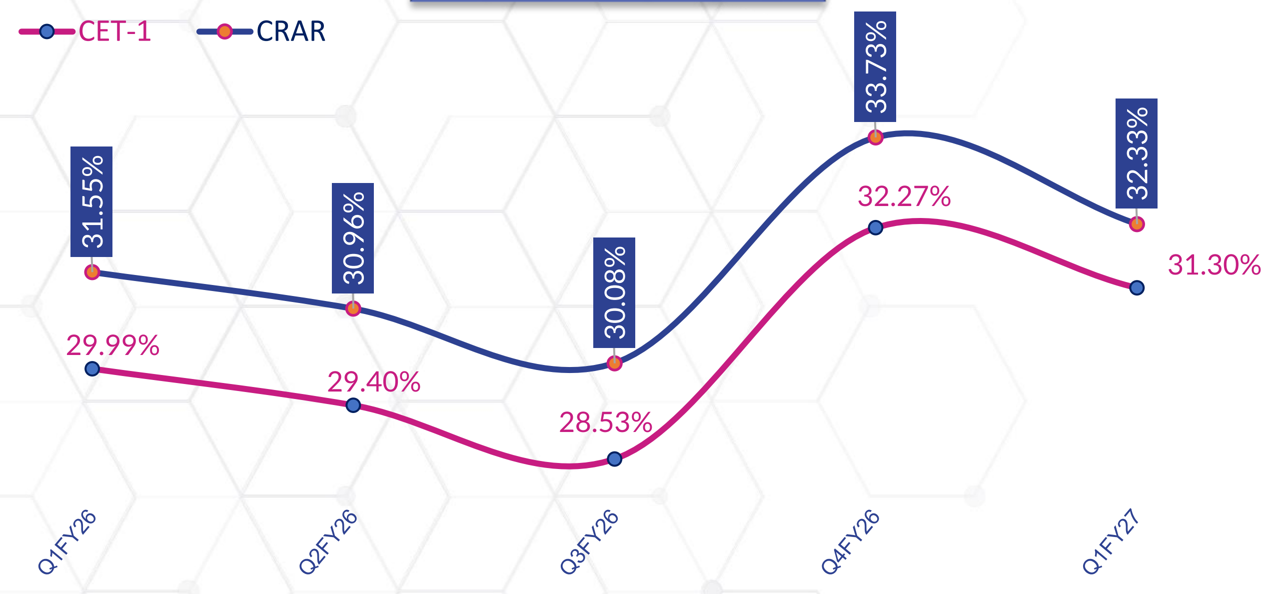
NIM (%)

NIM with HOT interest recovery

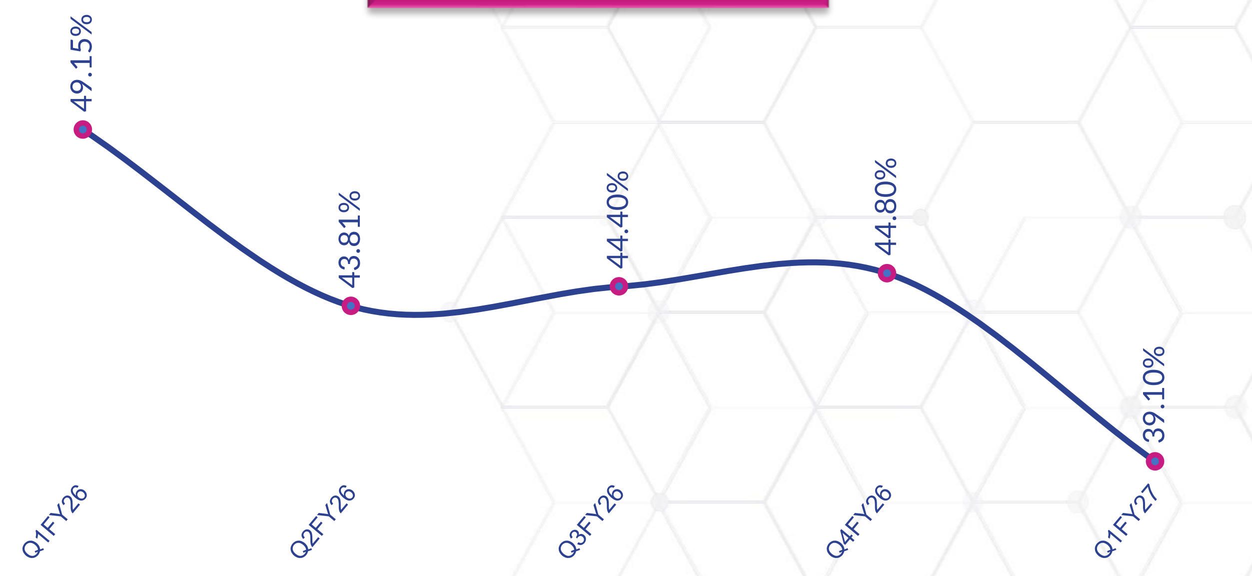
Key Ratios / Parameters (2/4)

Tamilnad Mercantile Bank Ltd
Be a step ahead in life

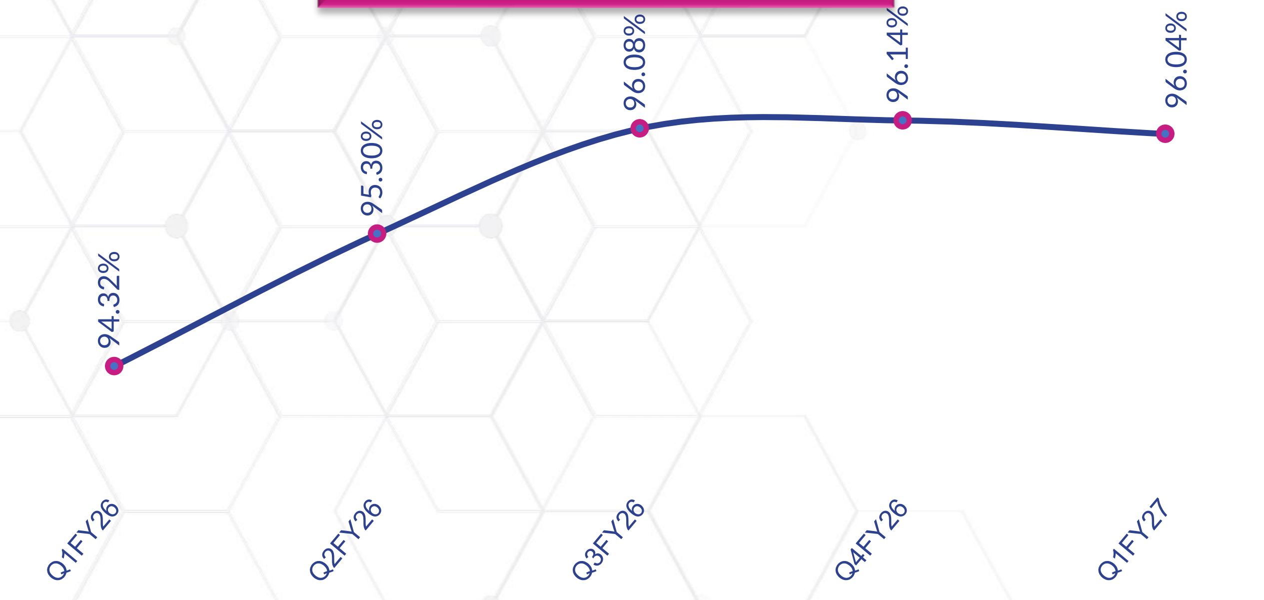
Capital Adequacy (%)



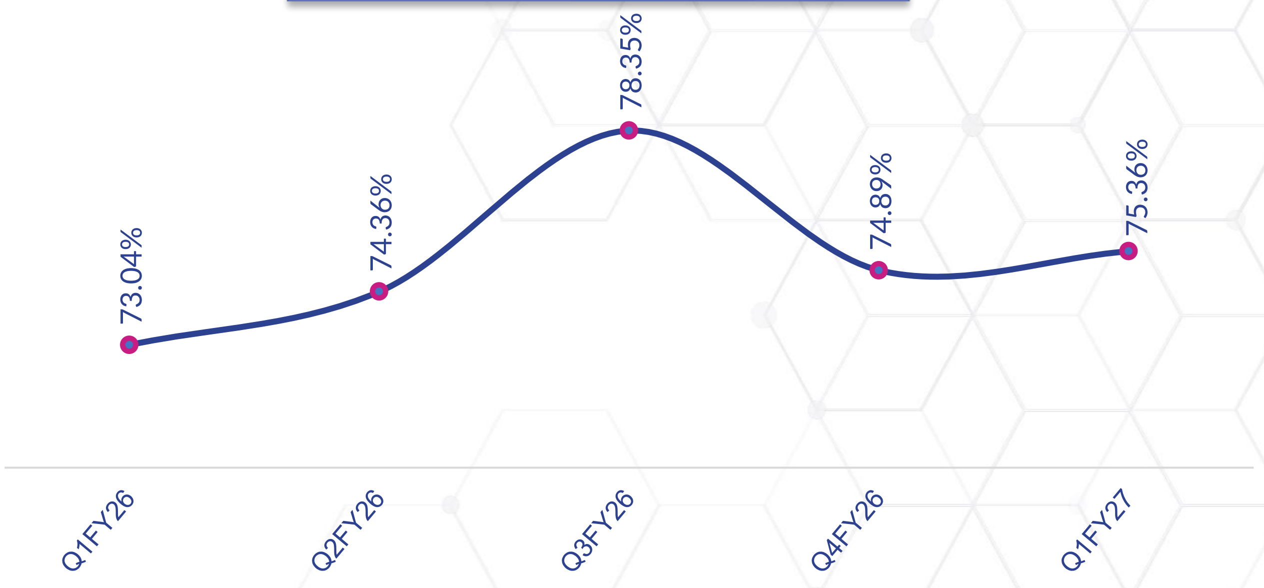
Cost to Income Ratio (%)



PCR% With technical write-off

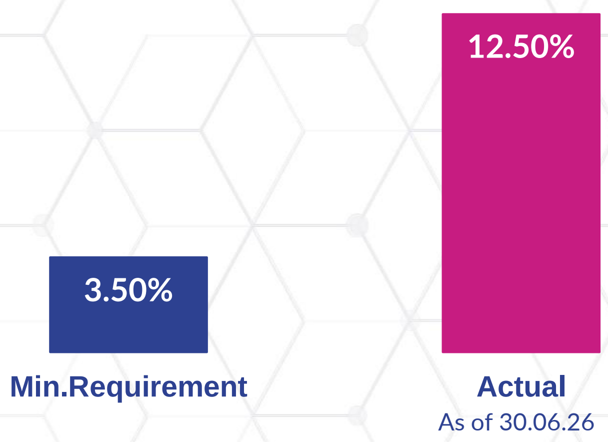


PCR% Without technical write-off

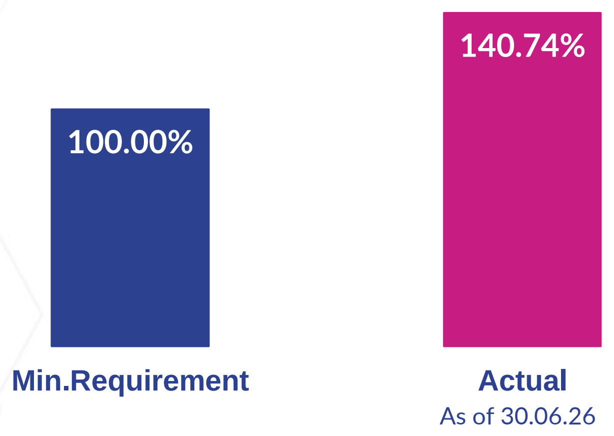


Key Ratios / Parameters (3/4)

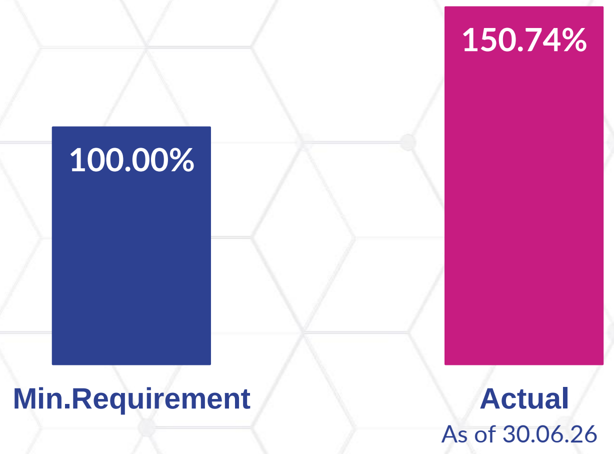
Leverage Ratio %



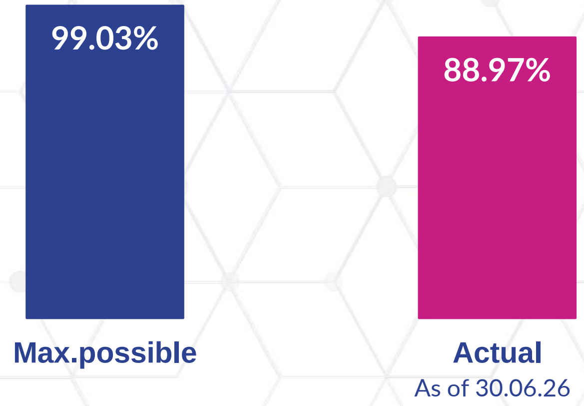
LCR %



NSFR %



CD Ratio %



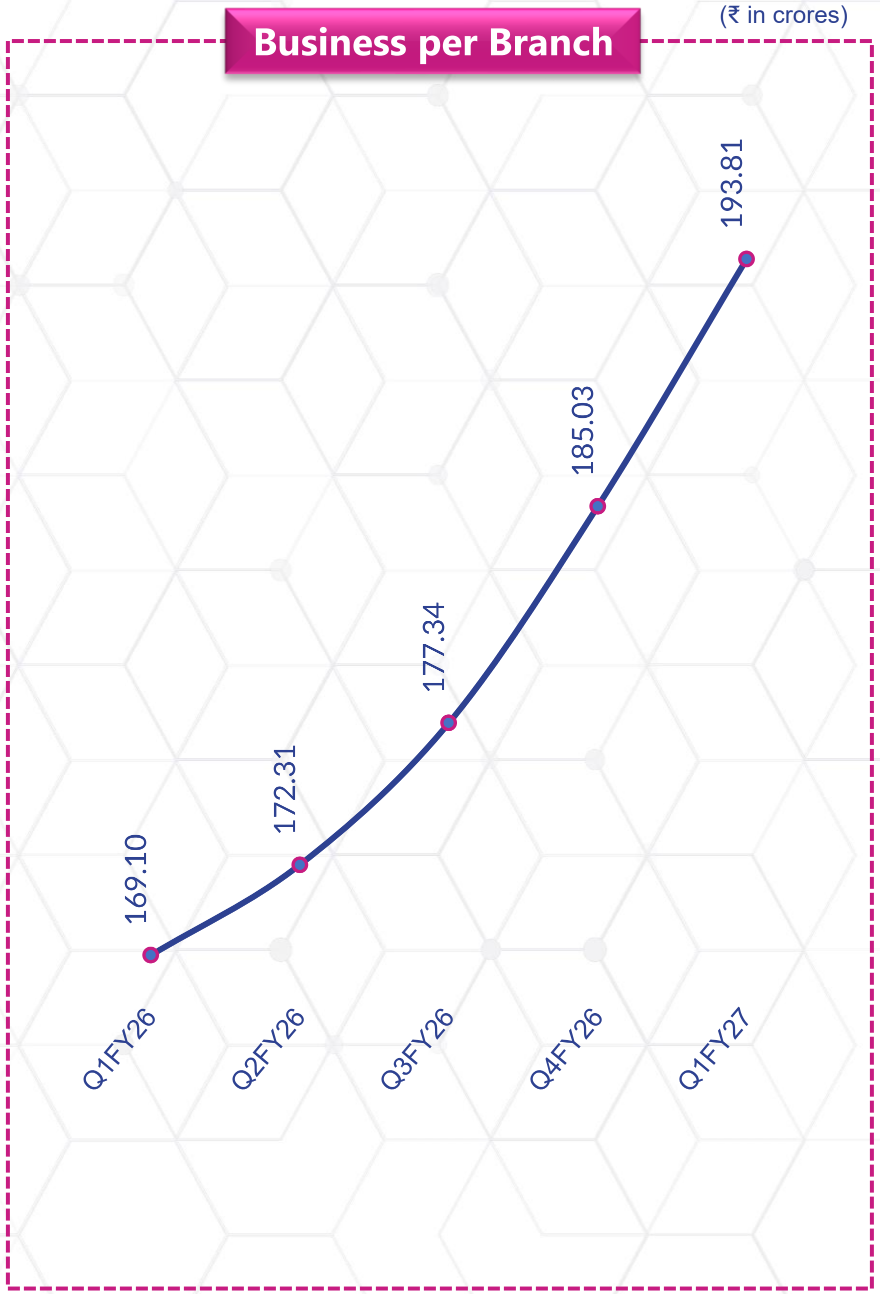
Max. possible CD Ratio (as of 30.06.26)

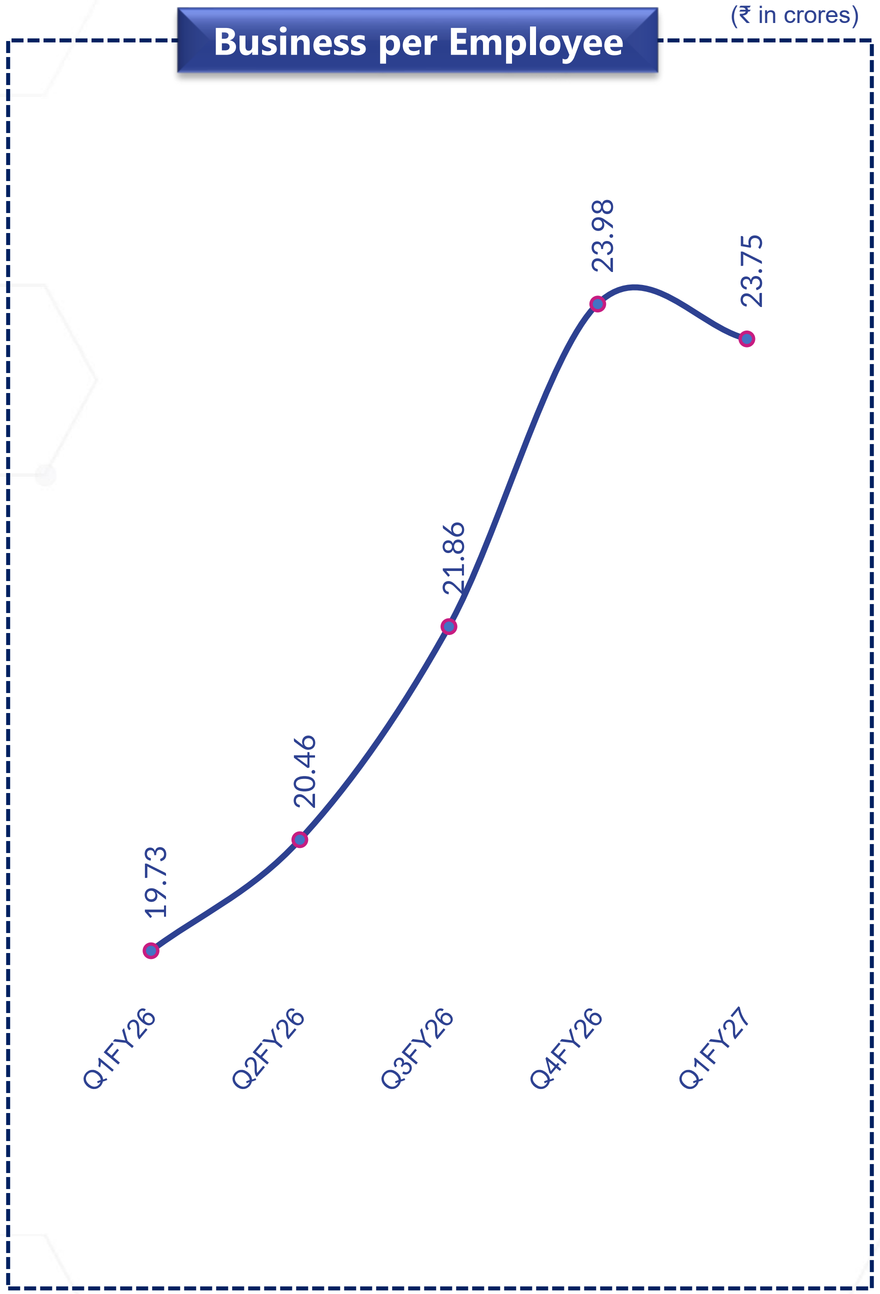
Liabilities	Actuals	Assets	Lending possible
Net-worth	13.24%	*CRR (80.73*3)	2.42%
Deposits (A)	80.73%	*SLR (80.73*18)	14.53%
Re-Finance	1.93%	Other Assets	3.10%
Other liability	4.10%	**Mandatory / Min.Required**	**20.05%**
		Lending Possible (B)	**79.95%**
Total	**100.00%**	**Total**	**100.00%**

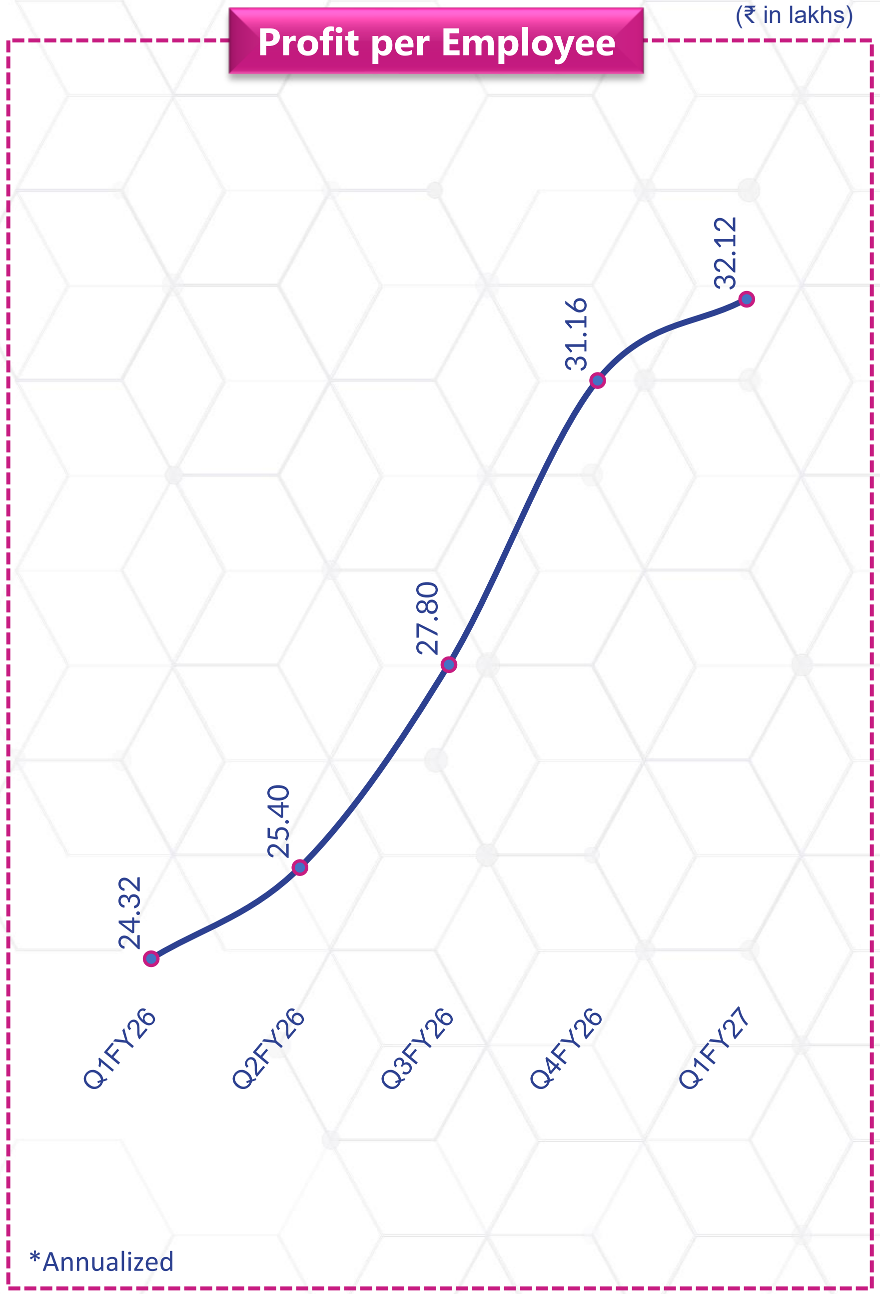
*as per regulation

Possible CD Ratio (B/A) = 99.03%

Key Ratios / Parameters (4/4)







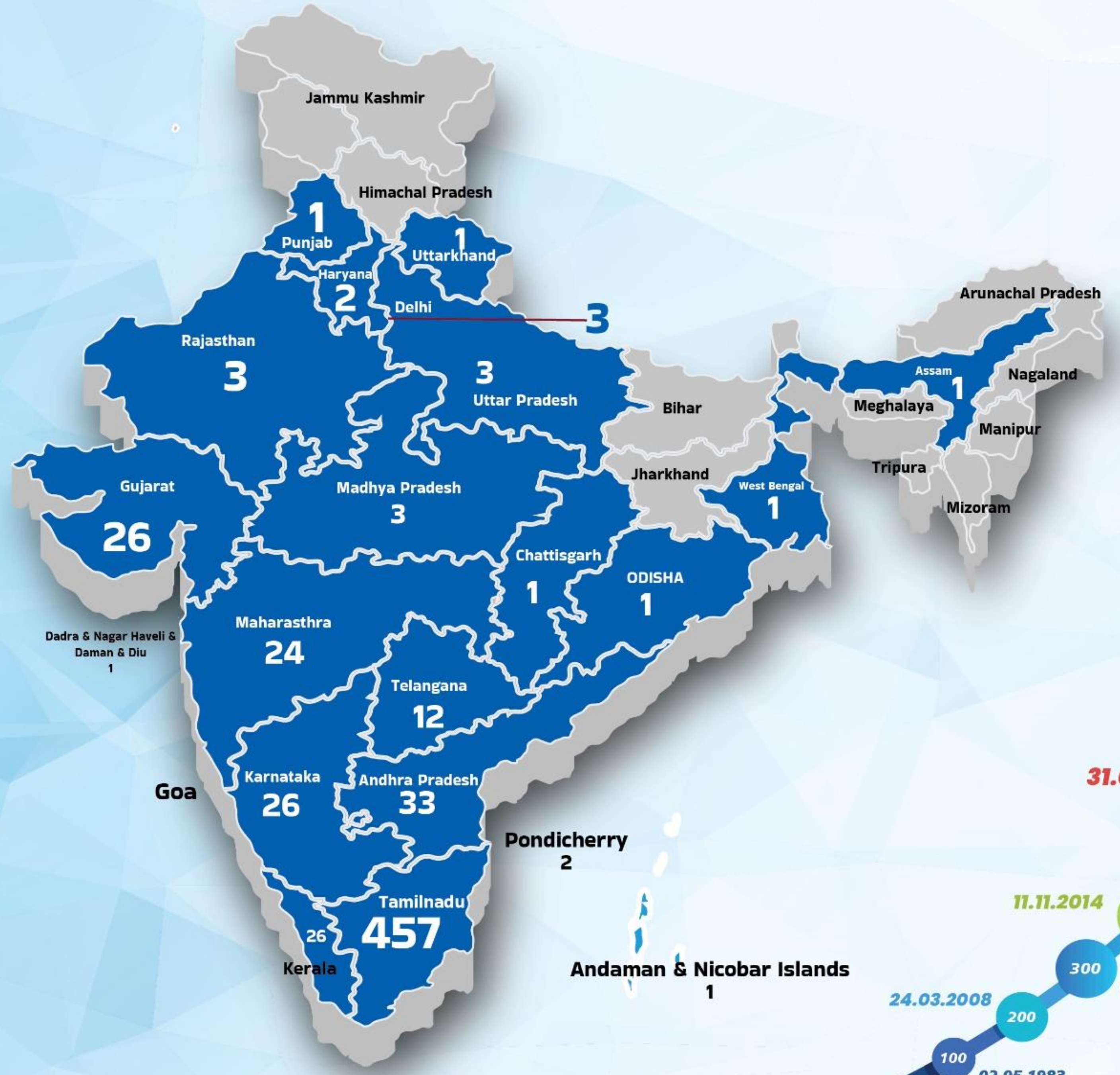
325 new employees recruited during Q1FY27

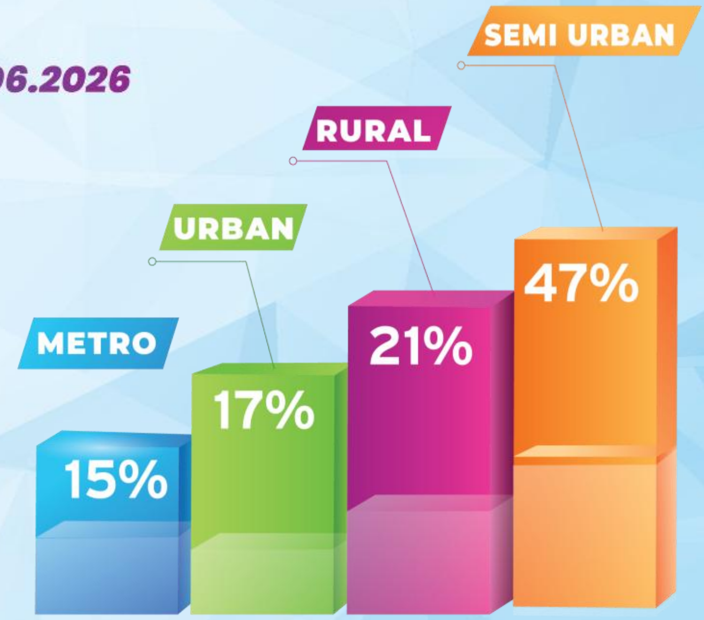
Phygital Expansion

Q1 FY2026-27

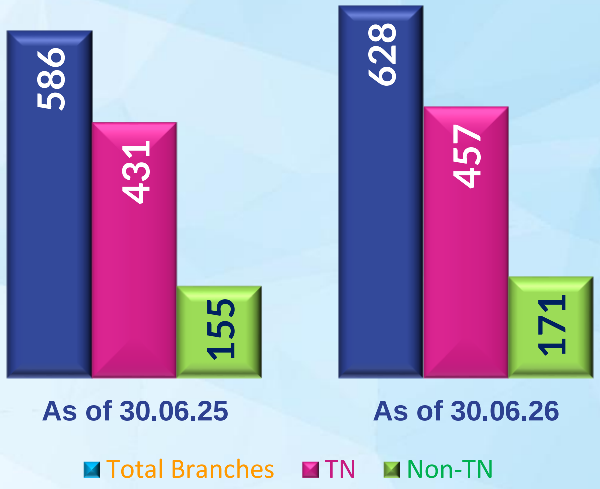
Broadening our Presence to Drive Growth…

Tamilnad Mercantile Bank Ltd
Be a step ahead in life

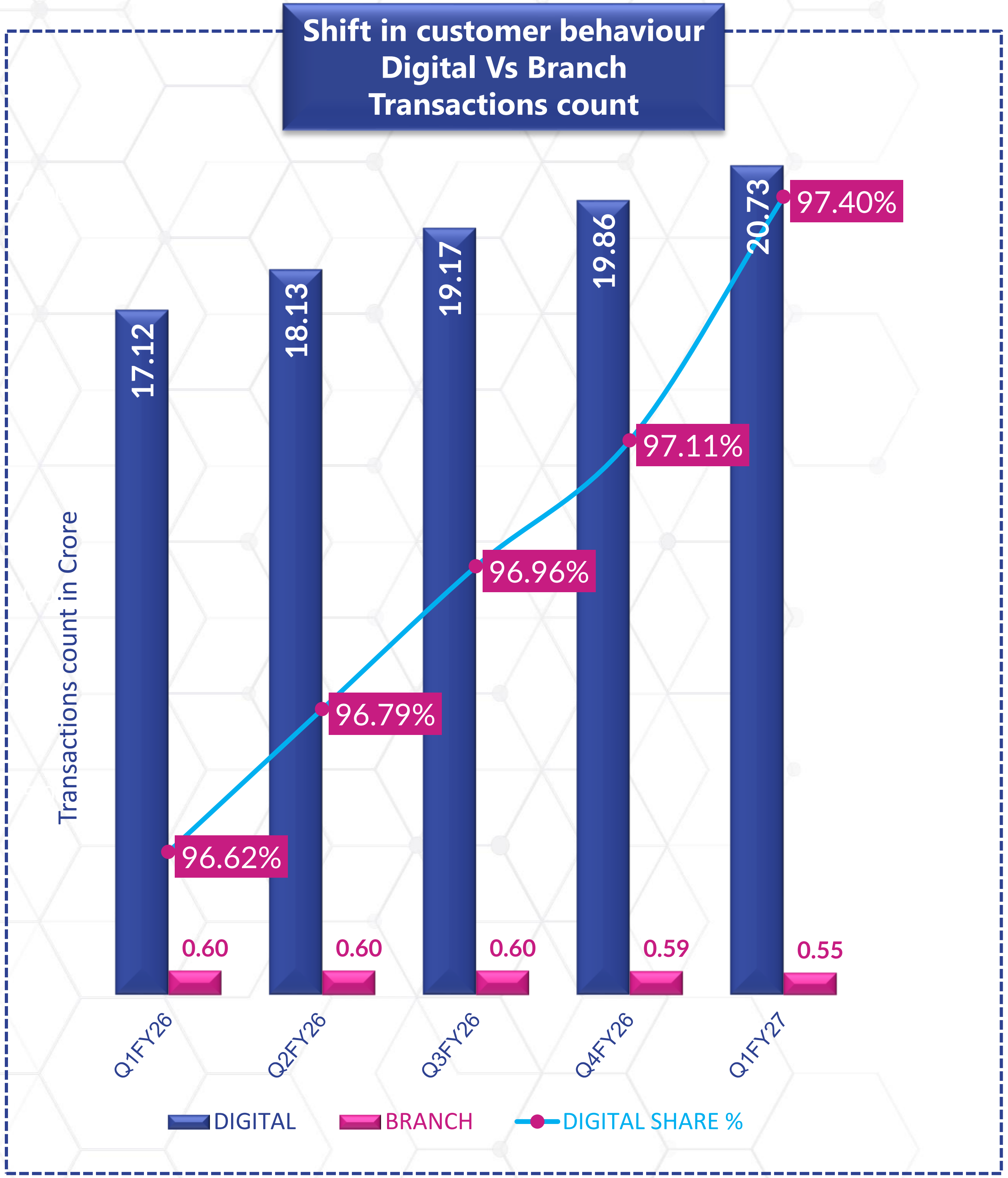


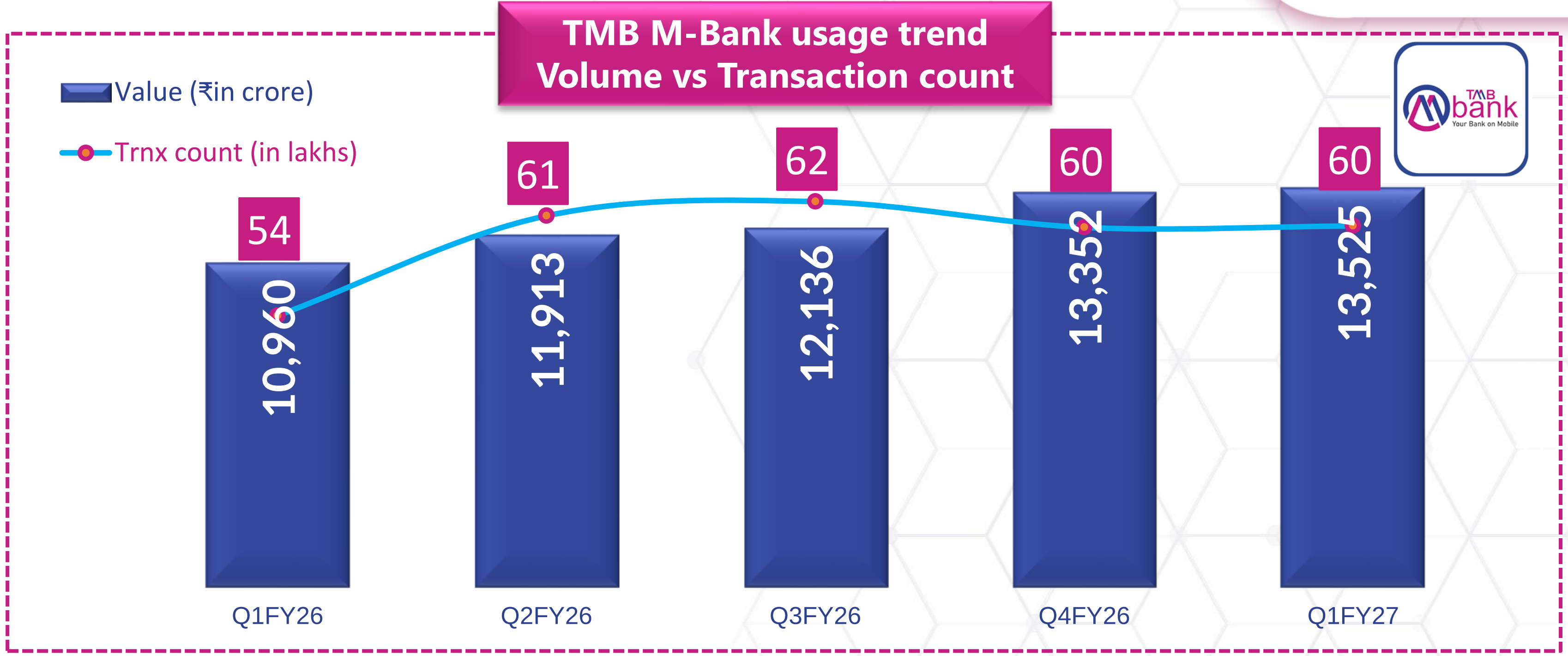


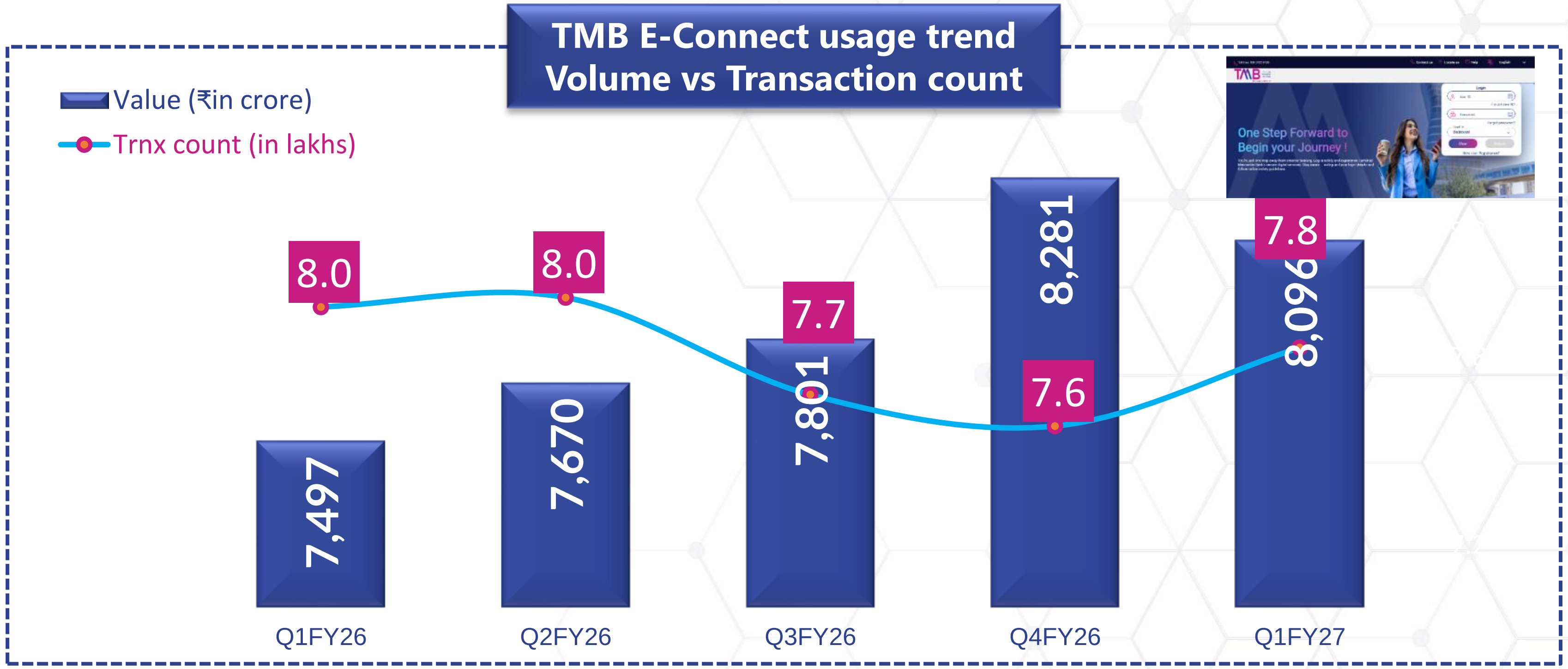
6 Branches opened in Q1FY27



Channel-Wise Digital Transaction Trends







Building Future Ready Bank….

Tamilnad Mercantile Bank Ltd
Be a step ahead in life

COMPLETED INITIATIVES
Digital Transformation

COMPLETED INITIATIVES – DIGITAL TRANSFORMATION

- Human Capital Management
- Customer Experience (CX)
- Vendor Management System
- New Anti Money Laundering Application
- Loan Origination System - Phase I
- Mobile Banking Enhancements
- DEH-Digital Engagement Hub (State of art Internet Banking)
- Visitor Management System
- AI enhanced Call Center
- SAAS enabled Email Solution
- Business Process Management (IAS, EFT, FT, CMS, PPP)

TRANSFORMATION PROJECTS IN-PIPELINE

- Automated Reconciliation
- Treasury Software Upgrade
- Loan Origination System – phase II
- Loan Management System
- CBDC Implementation
- Co-Lending platform
- B2B Invoicing & Payments Banking
- Mobile UI/UX Enhancement
- Project Management Tool
- Multi-Functional Kiosk
- New Revamped Website
- UPI on Credit Card
- UPI Lite & Auto Top-up
- Multi Lingual ATMs (in 9 languages)

Building Today for a Stronger Tomorrow

FUTURE READY TECHNOLOGY INITIATIVES

- AI/ML Based Analytics
- Process Automation
- Cyber Security
- UPI TAPnPAY
- UPI Help 2.0
- Cloud Adoption

CSR & ESG

Tamilnad Mercantile Bank Ltd
Be a step ahead in life

Skill Development

Successfully concluded the BFSI Phase II Programme at MS University, Tirunelveli.

Education Support

Sponsored a 26 seater school bus to Shine School, Kannikulam Village, Madurai.

Skill Training

Conducted a skill training prgramme for women on dry fish production using solar dryers at the All Research and Training Centre, Poompuhar.

Health Care Support

Sponsored an Ambulance and a High-Tech Dialysis machine for Karunya Hospital, Coimbatore.

AWARDS & ACCOLADES

Atal Pension Yojana
Annual awards FY2025-26

Recognized as the "Ultimate Achiever" under the APY annual awards FY2025-26.

Express BFSI
Technology awards 2026

Recognized as the Winner for excellence in banking Technology & Digital Innovation.

PLATINUM for FIN360
by Infosys

Received the Platinum Award under the Process Innovation category.

Awarded for
Agentic AI

Awarded for Excellence in Agentic AI by Banking Frontiers Magazine.

SHOW CAUSE NOTICE (SCN) BY DIRECTORATE OF ENFORCEMENT (ED)

ED ISSUED 2 SCNs:

SCN 1:
(17.12.2014)

- For alleged contraventions in transfer of shares.
- Adjudicated and a penalty of ₹17 crores imposed.
- Bank appealed.

SCN 2:
(09.11.2017)

- For alleged contraventions in issuance of bonus shares for ₹1037 Cr.
- Adjudication pending.

PRESENT POSITION:

SCN 1:

- Order on our appeal pronounced by the Appellate Tribunal on 09.07.26.
- Appeal partly allowed. Penalty reduced to ₹3.40 crore.
- Bank to receive the excess amount of ₹13.60 crore.
- ED's claim for confiscation of shares held by foreign investor dismissed.
- Further course of action under examination.

SCN 2:

- Adjudication pending.

Investor Relations Contacts

CFO Contact

Mr. Sanjoy Kumar Goel,
Chief Financial Officer,
Mobile : 63852 28111
Email : cfo@tmbank.in

Company Secretary

Mr. Swapnil Yelgaonkar,
Company Secretary & Compliance Officer,
Mobile : 96595 23378
Email : cs@tmbank.in

Adfactors (PR & IR Agency)

Adfactors Pvt Ltd.
Mr. T.E. Narasimhan
(te.narasimhan@adfactorspr.com)

Website

Visit www.tmb.bank.in for more information.

Thank You