



 **MCB GROUP**

**ANNUAL
REPORT 2023**

ONLINE INVESTOR CENTRE

Easy access to up-to-date information

- Access latest financial reports, presentations and other corporate announcements
- View our 'Investor Factsheet' for key information on the Group
- Check the 'Financial calendar' for important upcoming events
- Register for email alerts to receive updates on major corporate events and announcements instantly
- Track daily MCB Group share price performance
- Use 'shareholder calculator' to compute the value and change in holding over time
- Consult our 'Investor FAQ' for general enquiries

Post queries online in the 'Investor Enquiry' section

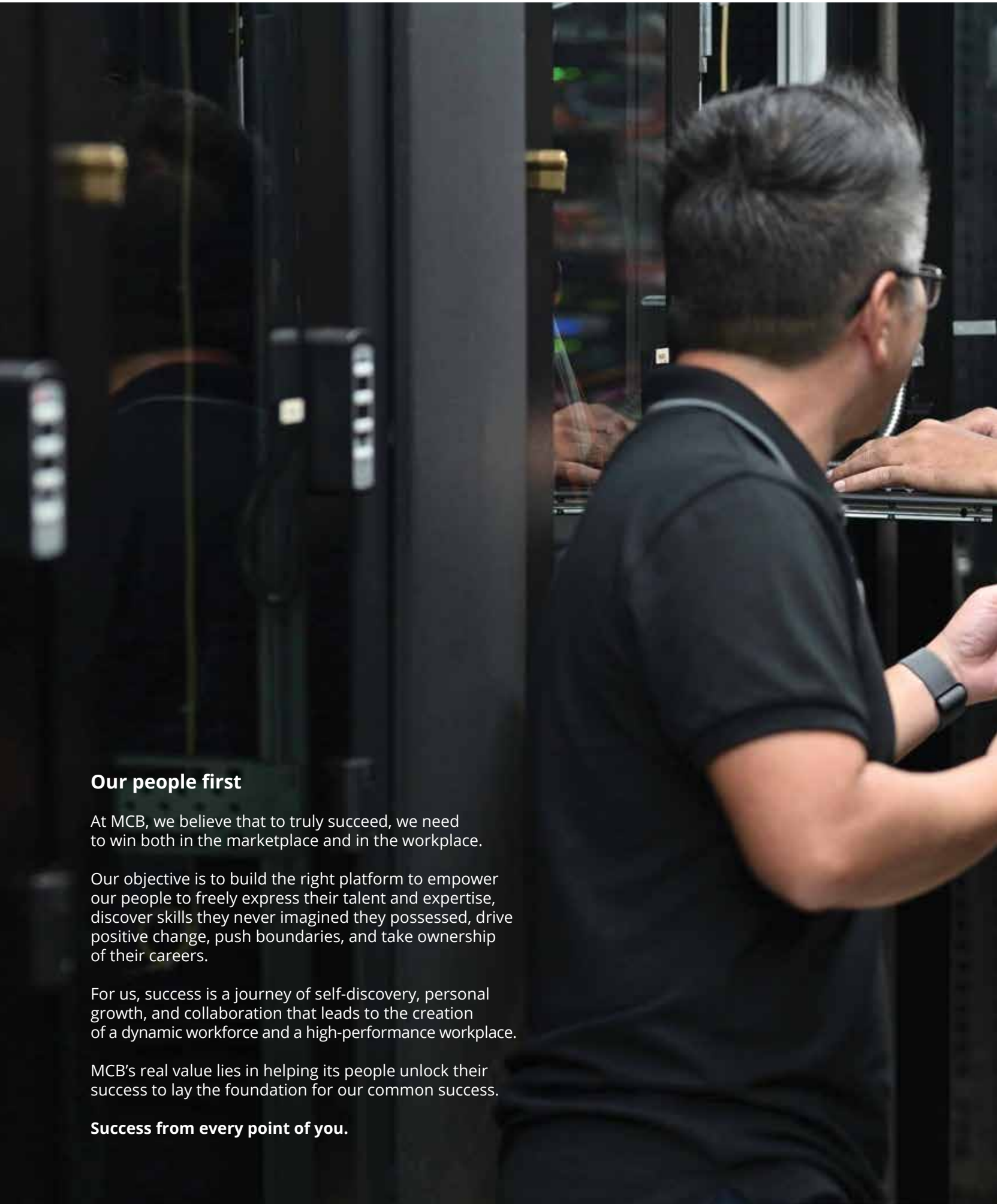


SCAN ME

This Annual Report is printed on chlorine free recycled paper produced from 100% recovered fibre.

This report has been prepared to assist relevant stakeholders in assessing the strategies of MCB Group Limited and their potential of success. The statements contained herein may include declarations of future expectations and other forward-looking statements that are based on our current views and assumptions.

Readers are advised not to place undue reliance on 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 described in such statements due to unexpected changes in the economic, political, sanitary, industry, interest rate and currency market conditions as well as developments in relation to applicable laws and regulations. The 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.



Our people first

At MCB, we believe that to truly succeed, we need to win both in the marketplace and in the workplace.

Our objective is to build the right platform to empower our people to freely express their talent and expertise, discover skills they never imagined they possessed, drive positive change, push boundaries, and take ownership of their careers.

For us, success is a journey of self-discovery, personal growth, and collaboration that leads to the creation of a dynamic workforce and a high-performance workplace.

MCB's real value lies in helping its people unlock their success to lay the foundation for our common success.

Success from every point of you.



MCB Group at a glance

Our identity

MCB Group Limited (referred to as 'MCB Group Ltd' or the 'Group') is the holding company of MCB Group, which consists of local and foreign subsidiaries and associates. Our main subsidiary, i.e. The Mauritius Commercial Bank Ltd (denoted as 'MCB Ltd', 'MCB' or the 'Bank'), is the leading bank in Mauritius. MCB Group is recognised as a prominent financial services player in the region.

Our purpose-driven approach

The Group's continuous advancement is founded on the trust of its customers, shareholders and the community at large. In line with our purpose, Success Beyond Numbers, we are committed to using our financial expertise and investing in our employees to act as a force for good to deliver a positive economic, societal and environmental contribution across countries where we operate, whilst adhering to the highest standards of governance and ethics.

We strive to offer adapted, convenient and innovative solutions to our clients, in a seamless manner through their channels of choice.

We set out to generate consistent shareholder returns by pursuing our diversification strategy and maintaining a robust business model. We continuously assess the operating environment and ensure that we adapt to challenges and tap into opportunities.

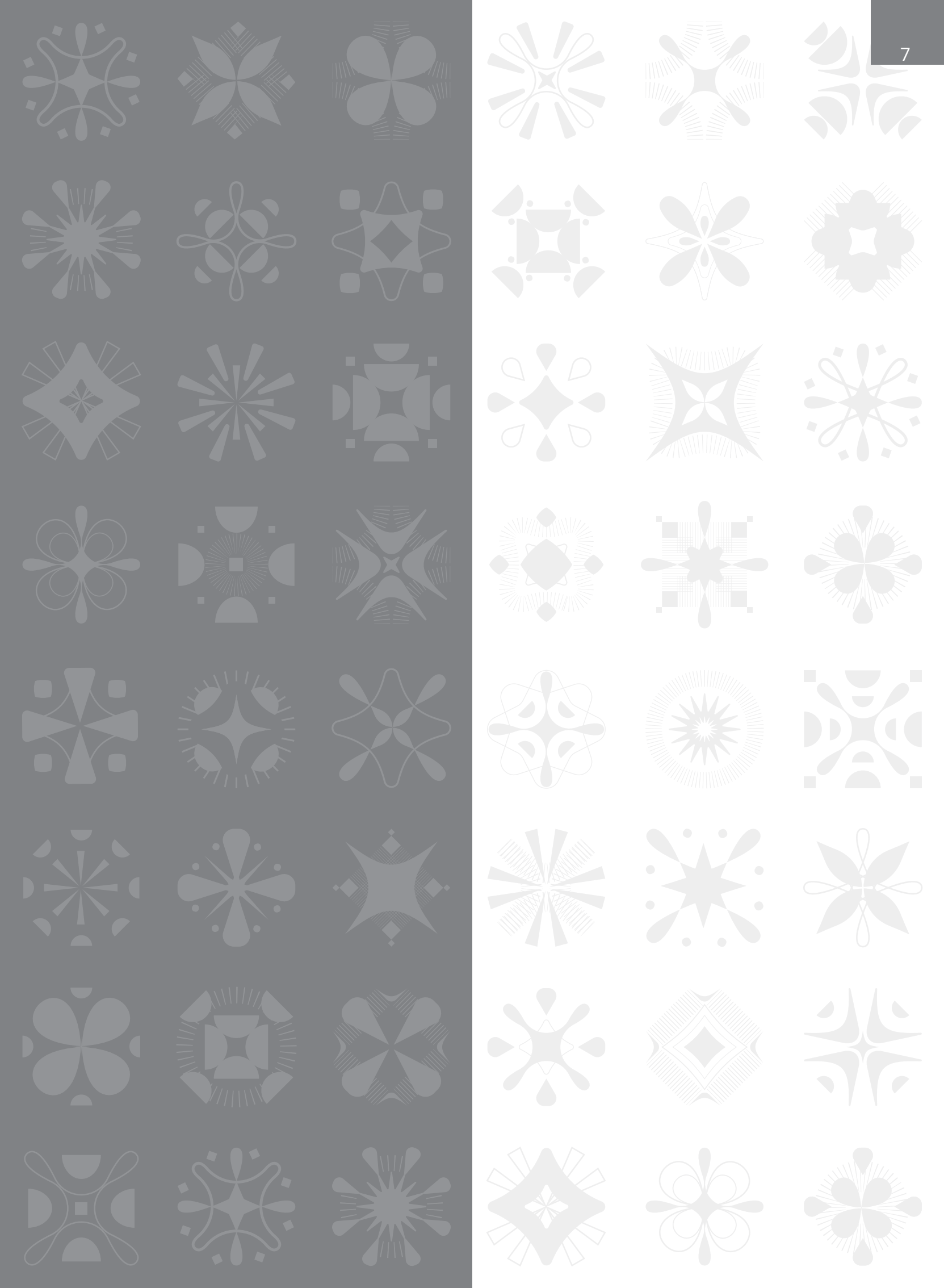
Our reporting suite

This **Annual Report** is our primary report to our stakeholders. These include shareholders and investors, customers, societies and communities, authorities and economic agents, and employees.

This Annual Report is complemented by our **Sustainability Report**, which highlights initiatives across our three sustainability pillars, namely: (i) development of vibrant and sustainable local and regional economies; (ii) contribution to our cultural and environmental heritage; and (iii) promotion of individual and collective well-being.

The reports can be accessed at mcbgroup.com. They are available in a format that is fully adapted to smartphones, tablets and computers. This allows for an enjoyable reading experience, while making it easy to navigate between sections and share key information from the report. The latter can, thus, be conveniently broadcast on social media platforms as well as on instant messaging services.

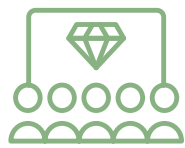
For a more comprehensive understanding of the Group's strategy, business, performance as well as approach to corporate governance and risk management, our **websites** provide a full suite of publications, which cater for the diverse needs of our stakeholders.



Financial highlights



Financial performance



Shareholder value



Market positioning



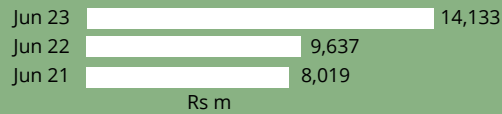
Efficiency & return ratios



Asset quality & capitalisation

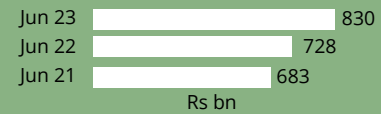
Net profit

Rs 14,133 m
+46.7%



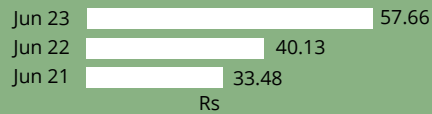
Total assets

Rs 830 bn
+14.0%



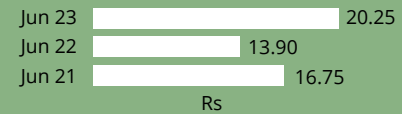
Earnings per share

Rs 57.66
+43.7%



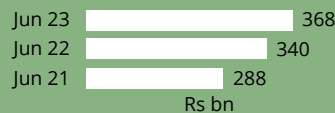
Dividend per share*

Rs 20.25
+45.7%



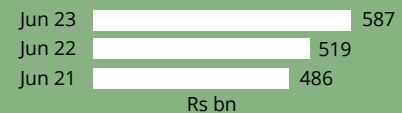
Customer loans

Rs 368 bn
+8.3%



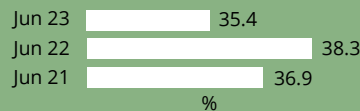
Customer deposits

Rs 587 bn
+13.3%



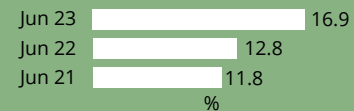
Cost to income

35.4%
-2.9 pp



Return on equity

16.9%
+4.1 pp



Gross NPL ratio

3.2%
-0.5 pp



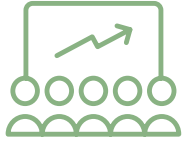
Capital adequacy ratio

19.2%
+1.1 pp



* Dividends declared for FY 2022/23 and FY 2021/2022 are not strictly comparable with those of FY 2020/21. No dividend payment was made in respect of 2020 amidst the uncertain context and the 2021 dividend was based on the results of both years, albeit at a reduced payout rate.

Non-financial highlights



Shareholders & investors

Rs 77.2 billion

Market capitalisation on Stock Exchange of Mauritius (SEM)
First on the local stock market

A

MCB Group MSCI ESG Rating

Baa3/P-3

Long-term / short-term deposit ratings – Moody's Investors Service*



Customers

~ 1,180,800

Total customers

~ 535,120

MCB Juice subscribers

40

Net Promoter Score for 2023*
Based on a brand study by Kantar; Compared to a world benchmark of 27



Societies & communities

Rs 73 million

Amount spent by MCB Forward Foundation

65%

of total procurement expenditure sourced from local suppliers*

**3,855 tonnes CO₂eq¹
10,969 iRECs²**

Climate contribution*
¹ Amount of carbon credits purchased equivalent to our Scope 1 and 3 emissions for 2021
² International Renewable Energy Certificates (iRECs) purchased which are equivalent to our grid consumption for 2021



Authorities & economic agents

~ 4.5%

of the total value added generated in Mauritius*

~ 8.5%

of total corporate tax paid in Mauritius*

40%

Cash to digital payments ratio*

Inclusive of levies on income



Employees

~ 4,100

Workforce

31%


Women at middle and senior management level*

~ 93%

Employee retention rate

* Relates to MCB Ltd

Note: Figures are as at 30 June 2023, unless otherwise stated

 Read more about our key stakeholders in the 'How we created value for our stakeholders' section on pages 47 to 62

 Read more in the Sustainability Report on our website



We have demonstrated resilience and proven to our stakeholders that we can support them in the midst of external disturbances..."



Reflections from the Chairperson

Foreword

I would like to start my message by acknowledging the intricate web of world events, trends and disruptions that continue to shape the evolution of the global and regional financial services sector. From the ripple effects of international trade agreements to the repercussions of geopolitical shifts, from the transformative impact of emerging technologies to the resilience demanded by global crises, our industry continues to be challenged and tested. External conditions have changed considerably since the pre-COVID period and the world today is more volatile and uncertain, especially in the emerging markets where the Group is active.

I am pleased with the way the Group has responded to the dynamic operating context. We have demonstrated resilience and proven to our stakeholders that we can support them in the midst of external disturbances linked to the geopolitical uncertainty and growing risk of geoeconomic fragmentation. I also believe that the impact of the cost of living crisis triggered by the heightened inflationary pressures and the expected slowdown in economic activity in the world's major markets will continue to require our full attention as the forthcoming year unfolds. Yet, I am confident that our people have the capability required to rise to these challenges. In fact, recent history has shown that market turbulences seem to bring out the best in MCB and in our people.

Indeed, despite the challenging environment, investors and key stakeholders will find many reasons to be pleased with the Group's financial performance for FY 2022/23. Our profit attributable to shareholders increased by 46.7% to reach Rs 14,133 million while return on equity improved to 16.9% compared with 12.8% for the previous financial year. It is equally pleasing to note that we further consolidated our standing as the region's premier financial services Group. We can be proud to have been ranked as the first banking institution in East Africa in terms of Tier 1 capital while we also improved our positioning globally to stand at the 597th spot as per the 'Top 1000 World Banks' of The Banker magazine for 2023. In addition to maintaining its investment grade status by Moody's Investors Service, MCB Ltd won various awards, including the 'Best Bank in Mauritius' by Euromoney Awards for Excellence for a 10th consecutive year as well as the Best Bank in Mauritius by The Banker Bank of the Year Awards 2022.

Defining success

These results and awards are particularly pleasing because at MCB we recognise the importance of placing our purpose, Success Beyond Numbers, at the heart of everything we do, while building the right culture to sustain our success. This success is defined in terms of our ability to win both in the marketplace and in the workplace. One, without the other, is suboptimal.

Winning in the marketplace

As I mentioned above, we delivered a strong set of results in FY 2022/23, on the back of our continuous endeavours to diversify our revenue base at the level of both banking and non-banking entities. Underlying our sustained improvement in net profit, net interest income rose by 30.3%, mainly reflecting the improved margins generated by our foreign currency earning assets amidst the successive hikes rise in interest rates in global markets as well as a further expansion in our interest-earning assets, in particular, linked to our cross-border activities. Non-interest income increased by 38.7%, reflecting higher transaction volumes across entities, notably in terms of trade finance and payment activities, and favourable movement in the value of equity financial instruments. As a key source of satisfaction, we preserved our financial soundness in support of our growth strategy. The Group remained well capitalised with our consolidated BIS and Tier 1 capital ratios standing at 19.2% and 16.7% respectively as at 30 June 2023. We also maintained healthy liquidity and funding positions while our asset quality metrics have improved

Amidst the unsteady landscape, Group entities have, during the course of the last financial year, pursued the execution of their business expansion strategy. Within the banking cluster, in spite of the highly competitive environment, MCB Ltd maintained its leadership position in Mauritius on the basis of its refined and more personalised value proposition and upgraded channel capabilities. It assisted domestic entrepreneurs and corporates to effectively deal with the challenges arising from the prevailing context. On the international front, we pursued our diversification agenda in market segments where we have built expertise. We forged partnerships with globally-recognised stakeholders to offer an enriched value proposition towards facilitating cross-border flows among various trade and investment corridors, while in the process, promoting the positioning of the Mauritian International Financial Centre. We continue to partner and support African economies through oil and gas financing alongside accompanying their transition to cleaner energy. That said, we are conscious of the fact that these countries are still highly dependent on traditional sources of energy for their development and that the transition to cleaner sources is likely to require time as well as huge investments. We have also been active on the infrastructure project financing front, with deep commitment towards making a difference in the African energy landscape, especially in the electric generation arena, with emphasis on recourse to renewable energy and gas. Further, we strengthened our involvement vis-à-vis overseas high net worth customers and external asset managers, backed by a wide range of tailor-made investment solutions and advisory services, as well as enhanced market visibility, namely through our Advisory Office in Dubai. Our foreign banking subsidiaries have pursued their balance sheet growth by leveraging a customer centric approach and various

Reflections from the Chairperson

value creating initiatives, alongside capitalising on enhanced synergies across the Group to accompany clients doing business in our presence countries. In the non-banking field, our entities have sustained efforts to pursue their market positioning, with MCB Capital Markets, in particular, making inroads in its business endeavours in the region.

“We realise that a key differentiator in the highly competitive market we operate in is the ability to provide outstanding client experiences.”

Winning in the workplace

For 185 years, we have followed trade and investment flows to support our customers as they pursue their goals. The latest technologies enable us to better meet the needs of customers and increase the speed at which we are able to develop and deploy new products. At the same time, we are conscious that extracting maximum benefit from our digital investments requires us to be agile and more innovative in the way that we work. As such, we are focused on attracting and developing talent capable of excelling in a digital and more sophisticated context so that the level of support we provide to our customers remains world-class and differentiated.

Yet, attracting new talent is only half of the equation. The Group must continue to ensure that we proactively and intentionally create an environment where talented employees can thrive and impact customer outcomes. Deploying the right corporate culture remains a high priority for the Board because it is the surest way to guarantee sustained performance in times of uncertainty and rapid change. We continue to work with the Management team to ensure that the ‘Shared Ways of Working’ are embedded across the Group and appropriately assessed and rewarded. Our efforts to further strengthen our succession pools also remains an absolutely foremost priority.

As I highlighted, digitalisation continues to reshape how our customers access the services provided by the Group. Given our strong market position in Mauritius and our ambition to expand our activities in our other presence countries and beyond, we are continuously investing in digital tools and channels that help to differentiate us from our competitors and enable us to scale the right ideas at pace. In this respect, I am happy to note that MCB Juice, our mobile banking application for individual customers, has recently been endowed with additional functionalities, and that we are continuously increasing its usage not only in Mauritius, but also in Seychelles and Madagascar. We are also strengthening our presence in the entrepreneur and merchant communities through the introduction of new applications and are hence contributing to increase the transition to digital payments in Mauritius.

We realise that a key differentiator in the highly competitive market we operate in is the ability to provide outstanding client experiences. We continue, therefore, to tune our digital operations with a view to delivering differentiated client experiences. Alongside harnessing data and analytics, we are embedding the voice of the customer at the heart of our strategy through our Customer Lab that combines market data, co-creation research and design experimentation with the aim of re-imagining customer experiences. We are keen on doing more to create positive customer experiences, backed by a customer-centric approach. We are reinforcing our efforts to boost customer experience with the setting up of a dedicated strategic office to coordinate and monitor the execution of related initiatives.

Winning in the workplace also entails living our purpose by delivering a positive economic, societal and environmental contribution. In this respect, advancing our sustainability agenda continues to be of paramount importance as we execute our strategy. I am particularly pleased to note that we launched a new Sustainable Loan offer with an envelope of Rs 10 billion which is dedicated to assisting domestic companies in their low-carbon transition. On the regional front, we have also made inroads in accompanying the execution of clean energy projects. In addition, our focus on ESG extends to our own workplace, where we are nurturing an environment that prioritises the wellbeing of employees while we are also progressively advancing gender equality within the organisation.

The way forward

Whilst we will continue to navigate uncertain waters, I believe there are compelling reasons to be optimistic as the Group observes, assesses, and acts on the opportunities and challenges that lie ahead to implement our growth agenda and invest for the future. As such, we will continue to create and consolidate the necessary building blocks for achieving sound, diversified and sustained business development, with sustainability remaining at the core of our activities. Emphasis will also be on further scaling up our investments in technology, closely following and embracing the rapid and latest developments in new technologies to uphold our competitive edge and deliver exceptional client experiences. To effectively support this objective, we will strive to successfully embed a strong innovation culture across the organisation and further federate our people around this theme. On this front, I am pleased with our decision to create a Technology and Innovation Board sub-committee, reporting to the Group Strategy Committee, with a view to centralising decision-making regarding the roadmap to be implemented in the technology arena, going forward, and closely coordinating and monitoring the Group’s associated investments. In parallel, the Group will further strengthen its risk management and compliance frameworks to effectively identify and respond to core and emerging risks.

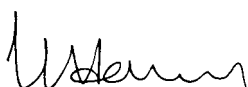
Concluding remarks

On behalf of the Board, I would like to express my sincere thanks to our customers and shareholders for their continued trust and confidence in the organisation and its leadership. I also extend my gratitude to the Management teams and staff across all Group entities who remain committed to living our purpose and for their resolve and determination. I also wish to thank my fellow Directors for their valuable counsel and continued support in guiding the organisation through the persistently volatile and uncertain operating environment. During the year, we had the pleasure of welcoming Cédric Jeannot and Jayananda Nirsimloo as Independent Non-Executive Directors of the Board. I look forward to both of them making significant contributions to the Board in the years ahead. Jean-Jacques Dupont De Rivalz De St Antoine retired from the Board in November last. On behalf of the Board, I would like to thank Jean-Jacques for his dedication and strong contribution over his years of service.

Deploying the right corporate culture remains a high priority for the Board because it is the surest way to guarantee sustained performance in times of uncertainty and rapid change.

On another note, with the retirement of Pierre Guy Noel, Jean Michel Ng Tseung who was appointed as Chief Executive Designate of MCB Group Ltd in September 2021 has been confirmed as Group Chief Executive, with effect from 1st March 2023. On behalf of the Board, I wish to congratulate Jean Michel on his appointment and wish him all the very best in his role at the helm of the Group. The Board also expresses its utmost gratitude to Pierre Guy Noel for his truly remarkable contribution and for his tireless efforts towards the transformation and development of the MCB Group over the years.

Looking ahead, I have no doubt that, thanks to our resilient business model and robust balance sheet, and especially the dedication of our employees as well as the relentless support of our shareholders and customers, we shall continue creating long-term value for all our stakeholders.



M G Didier HAREL
Chairperson

Board of Directors



Independent Non-Executive Directors

Didier HAREL (*Chairperson*)

Karuna BHOOJEDHUR-OBEEGADOO

Constantine CHIKOSI

Jean-Philippe COULIER

Stephen DAVIDSON

Jean-Jacques DUPONT DE RIVALZ DE ST ANTOINE (*until November 2022*)

Cédric JEANNOT (*as from June 2023*)

Georges Michael David LISING

Jayananda NIRSIMLOO (*as from November 2022*)

Alain REY

San T SINGARAVELLOO

Executive Directors

Pierre Guy NOEL (*until March 2023*)

Gilbert GNANY

Jean Michel NG TSEUNG

Secretary to the Board:

*MCB Group Corporate Services Ltd
(represented by Marivonne OXENHAM)*

Committees of the Board



Risk Monitoring Committee

Jean-Philippe COULIER (*Chairperson*)
 Constantine CHIKOSI (*as from January 2023*)
 Gilbert GNANY
 Didier HAREL
 Jean Michel NG TSEUNG (*Secretary until May 2023*)
 Pierre Guy NOEL (*until March 2023*)
 Alain REY (*until January 2023*)

Secretary:

Frederic PAPOCCHIA (*as from September 2023*)

Remuneration, Corporate Governance, Ethics and Sustainability Committee

Didier HAREL (*Chairperson*)
 Karuna BHOOJEDHUR-OBEEGADOO
 Stephen DAVIDSON
 Jean-Jacques DUPONT DE RIVALZ
 DE ST ANTOINE (*until November 2022*)
 Jean Michel NG TSEUNG (*as from March 2023*)
 Jayananda NIRSIMLOO (*as from January 2023*)
 Pierre Guy NOEL (*until March 2023*)

Secretary: MCB Group Corporate Services Ltd
 (*represented by Marivonne OXENHAM*)

Strategy Committee

Didier HAREL (*Chairperson*)
 Constantine CHIKOSI (*until January 2023*)
 Jean-Jacques DUPONT DE RIVALZ
 DE ST ANTOINE (*until November 2022*)
 Gilbert GNANY (*also acts as Secretary*)
 Cédric JEANNOT (*as from July 2023*)
 Georges Michael David LISING
 Jean Michel NG TSEUNG (*as from March 2023*)
 Jayananda NIRSIMLOO (*as from January 2023*)
 Pierre Guy NOEL (*until March 2023*)
 Alain REY (*as from January 2023*)

Audit Committee

San T SINGARAVELLOO (*Chairperson*)
 Karuna BHOOJEDHUR-OBEEGADOO
 Stephen DAVIDSON

Secretary: MCB Group Corporate Services Ltd
 (*represented by Marivonne OXENHAM*)

Supervisory and Monitoring Committee

Didier HAREL (*Chairperson*)
 Gilbert GNANY (*as from March 2023*)
 (*also acts as Secretary*)
 Jean Michel NG TSEUNG (*Secretary until March 2023*)
 Pierre Guy NOEL (*until March 2023*)

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|--|-----|
| About this report | 16 |
| Our corporate profile | 19 |
| Delivering on our strategic objectives | 29 |
| Group financial performance | 89 |
| Corporate governance report | 99 |
| Company Secretary's certificate | 153 |
| Risk and capital management report | 155 |
| Financial statements | 203 |
| Administrative information | 319 |

About this Report

Philosophy of the Annual Report

This Annual Report (the 'Report') provides a holistic and transparent assessment of how the MCB Group creates and protects value in the short, medium and long-term for its multiple stakeholders. We strive to adhere to the key principles and requirements set out in the reporting framework of the International Integrated Reporting Council.

Integrated reporting: Process, scope and boundary

| Compilation of the Report <i>in line with</i> | Ensuring integrity of the Report <i>using a Coordinated Assurance Model</i> | Approval of the Report <i>at Board level</i> |
|--|--|--|
| <ul style="list-style-type: none"> > Integrated Reporting Framework > Local and international regulations, codes & standards | <ul style="list-style-type: none"> > Oversight by independent external auditors > Review by Management as well as Chairperson of the Board and relevant committees | <ul style="list-style-type: none"> > Corporate Governance Report discussed at the Remuneration, Corporate Governance Ethics and Sustainability Committee > Financial statements approved by the Board of Directors |

Reporting period

The Report is published annually and covers the period spanning 1 July 2022 to 30 June 2023. Material events taking place after this date and until approval of the Report by the Board of Directors of MCB Group Ltd have also been communicated.

Financial and non-financial reporting

The Report extends beyond financial reporting and provides insights on the organisation's non-financial performance and positioning in relation to its key stakeholders, which have a significant influence on its ability to create value.

Specific areas of reporting

The Report contains information on the overall strategic and operational progress achieved by the organisation during the year in review. It provides insights on our operating environment, business model and strategy, business performance, support to stakeholders, management of risk and adherence to corporate governance principles.

Report content and materiality

We apply the concept of materiality in deciding about which information is to be included in this Report. We consider any theme as being material if it has the capacity to significantly impact revenue generation, value creation and the Group corporate culture.
















Operating business

The Report sheds light on activities undertaken across the Group's local and foreign subsidiaries and associates.

Capital types

This Report explains our dependence and impact on capital types, defined in the Integrated Reporting Framework, that are important to achieving the performance expectations related to our vision in the medium term.

Icons used in this report

| Stakeholders | Capital types | Sustainable Development Goals (SDGs) | Others |
|--|--|---|--|
|  Customers  Shareholders & investors  Societies & communities  Employees  Authorities & economic agents |  Financial capital  Social & relationship capital  Natural capital  Human capital  Intellectual capital  Manufactured capital | <p>The Group has identified and prioritised 11 of the 17 SDGs of the United Nations where we believe we can generate the most meaningful value through our operations.</p>  |  <i>Read more in this Annual Report</i>  <i>Read more in the Sustainability Report on our website</i>  <i>Find out more online (i.e. across MCB websites)</i> |

Our core values



Integrity

Honest and trustworthy
at all times



Customer care

Delivering unrivalled service



Teamwork

Working together towards
a common goal



Innovation

Proactively seeking out
new opportunities



Knowledge

Believing in lifelong learning



Excellence

Being the best we possibly can

Our purpose

Success Beyond Numbers

Everyday we will help people succeed by providing financing and banking solutions responsibly, championing innovation and using our expertise to make a positive difference to the **Economy, People, Community and Environment**





Who we are

MCB Group is an integrated regional banking and financial services provider, with a diversified but synergistic portfolio of businesses.

Credit ratings

Moody's
Investors Service
Deposit ratings
Baa3/P-3 (Stable)

Relates to MCB Ltd

Care Ratings (Africa)
Private Limited
Issuer rating
AAA (Stable)

Pertains to the servicing of financial obligations in Mauritius

Sustainability highlights

Constituent of **SEM Sustainability Index** and awarded an **'A'** MSCI ESG rating

Presence in **11 countries** outside Mauritius

Wide network of correspondent Banks o/w **~ 100 in Africa**



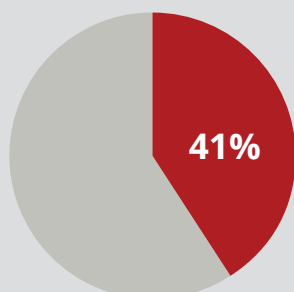
MCB Group

While being headquartered in Mauritius, the Group has a notable presence in the Indian Ocean and sub-Saharan African regions

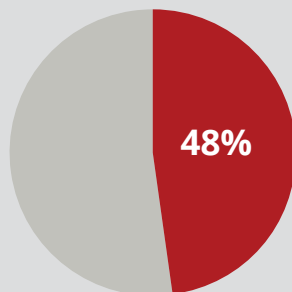
- Banking subsidiaries of the Group
- Group associate (Banque Française Commerciale Océan Indien)
- Representative/Advisory Offices of the Bank
- Group associate (Société Générale Moçambique)

Domestic market shares of our main subsidiary, MCB Ltd

Domestic credit to the economy



Local currency deposits



Notes:
Figures are as at 30 June 2023
¹ excludes foreign currency denominated, GBC1 and international companies
² excludes one-off transactions

Stock profile

Market capitalisation
Rs 77.2 billion
31% of SEMDEX¹

One of the most traded stocks in Mauritius in FY 2022/23
Rs 4.7 billion value traded
45% of market turnover²

Accolades

World

597th in the world
based on Tier 1 capital

The Banker Top 1000 World Banks, July 2023

Africa

1st in East Africa based on Tier 1 capital

16th in Africa based on Tier 1 capital

The Banker Top 1000 World Banks, July 2023

67th in Africa in terms
of market capitalisation

African Business Top 250 companies, May 2023

32nd in Africa in terms of assets

Jeune Afrique, Top 200 Banks, The Africa Report, September 2022

Leading Regional Bank

in terms of operating income and profitability
L'Eco Austral, Top 500 Regional Edition 2022

Mauritius

Best Bank of the Year for Mauritius

The Banker Bank of the year Awards 2022

Best Bank in Mauritius
Best Corporate Bank in Mauritius
Best Bank for Digital Solutions in Mauritius

Euromoney Awards for Excellence 2023

Best Domestic Private Bank in Mauritius

Euromoney Global Private Banking Awards 2023

Best Trade Finance Bank in Mauritius

Global Finance Magazine 2023



Environmental Awards 2023

*Ministry of Environment, Solid Waste Management
and Climate Change*

Best Private Bank in Mauritius

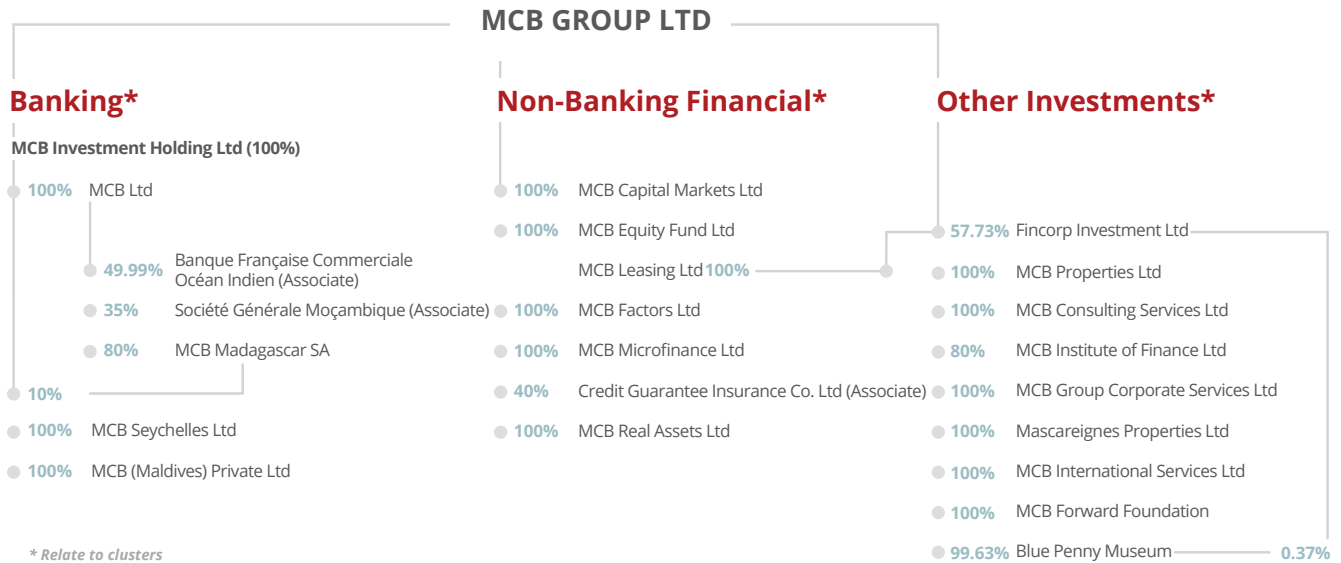
PWM/The Banker 2022

Brand Purpose
Sustainable Brand

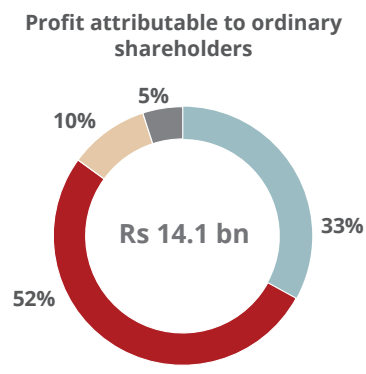
Brand Magic Survey 2023

How we operate

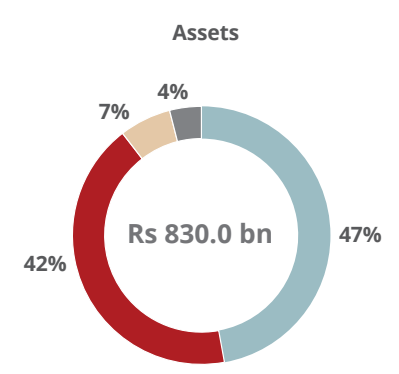
MCB Group Ltd, which is the ultimate holding company of the Group, has subsidiaries and associates in Mauritius and beyond. The Group operates under three clusters, i.e. 'Banking', 'Non-banking financial', and 'Other investments'. MCB Investment Holding Ltd, a wholly owned subsidiary of MCB Group Ltd, is the holding company of all the banking investments of the Group, namely MCB Ltd and the other overseas banking subsidiaries and associates.



Breakdown of Group performance for FY 2022/23



- MCB Ltd - Domestic
- MCB Ltd - Foreign-sourced
- Foreign banking subsidiaries & associates
- Non-banking financial & Other investments

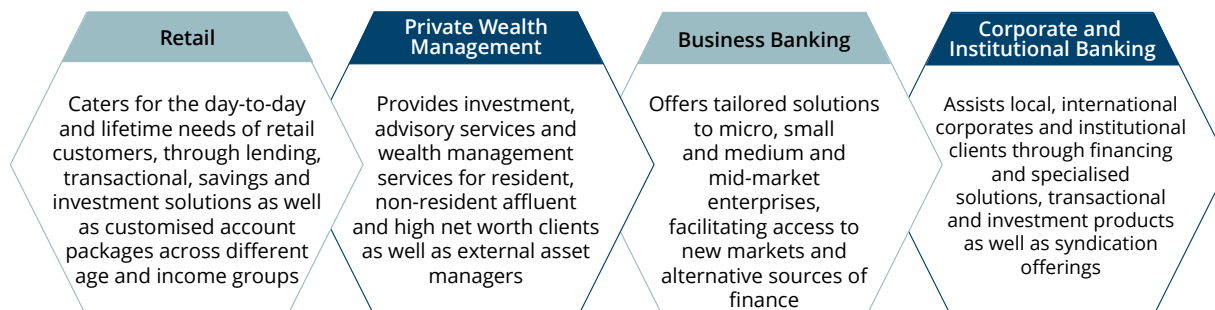


Our clusters and entities

Banking

MCB Ltd

MCB Ltd is the main subsidiary of the Group and is headquartered in Mauritius, where it progressively consolidated its position as the market leader in the Mauritian banking sector, while being actively involved in the region. It delivers a palette of financial products and services across its four customer-facing segments as follows:



Overseas entities

The Group's foreign banking subsidiaries in Madagascar, Maldives and Seychelles as well as its overseas associates, i.e. Banque Française Commerciale Océan Indien - operating in Réunion Island, Mayotte and Paris - and Société Générale Moçambique, provide clients with an array of banking services adapted to local market realities. Our foreign banking subsidiaries capitalise on Group synergies to position themselves as the preferred banking partner of corporate and individual clients. MCB Ltd also leverages its Representative Offices located in Johannesburg, Nairobi and Paris as well as its Advisory Office in Dubai. We secured a licence to operate a Representative Office in Nigeria in August 2023, a key milestone towards extending our footprint in West Africa.

Non-banking financial

The Group has entrenched its participation in the non-banking financial services field, with increasing prominence of key entities.

Key entities

MCB Capital Markets Ltd is the investment banking and asset management arm of MCB Group, providing a broad range of investor services including corporate finance advisory, asset management, stockbroking, private equity, structured products and registry services.

MCB Factors Ltd is a prominent operator in the field of factoring in Mauritius. It offers innovative advisory and counselling solutions, while customising its offer to accommodate the business growth and cash flow requirements of its clients.

MCB Leasing Ltd brings in a wealth of experience to position itself as a key market player. It offers a wide range of innovative finance and operating leasing solutions, including green leases, as well as attractive rates on fixed deposits.

MCB Microfinance Ltd facilitates access to credit by micro and small entrepreneurs, with a view to assisting them unleash their potential as well as implement their ideas and business plans.

Other investments

The Group is involved in other business areas and ancillary undertakings, with dedicated structures to promote Corporate Social Responsibility and philanthropic agenda.

Key entities

MCB Consulting Ltd provides advisory services – which range from strategic planning and execution to risk management – business process and organisational reviews, assistance in the selection, implementation and maintenance of Information Technology solutions, as well as the delivery of training services.

Fincorp Investment Ltd is an investment company listed on the local stock exchange with two strategic assets namely MCB Leasing Ltd and Promotion and Development (PAD) Ltd. PAD has an important asset portfolio with a significant property bias.

MCB Institute of Finance Ltd provides students and professionals alike with the financial know-how via carefully selected courses in partnership with high-calibre educational institutions. It aspires to become an African reference in the emergence and support of financial sector talents.

Our extensive and customised financial solutions

Through its banking and non-banking entities, the Group provides its clients in Mauritius, Africa and beyond, with customised and innovative financial solutions as well as dedicated advice to meet their ambitions. We work closely with customers to understand their imperatives, challenges and priorities, while assisting them to design solutions adapted to their needs.

Individuals



Everyday Banking

- Deposit accounts (current & savings)
- Multi-currency accounts
- Cross-currency transfer & remittances (Forex transactions)
- Overdrafts
- Debit, credit & pre-paid cards
- Distribution of general insurance cover



Banking Channels

- Branch network
- ATM
- Internet banking
- Mobile banking: MCB Juice
- SMS banking



Payment Services

- Local & international money transfers
- Mobile refill & payments
- Standing order instructions & direct debits
- Bank drafts
- Book transfers
- Bill payments



Financing Solutions

- Home loans
- Personal loans
- Education loans
- Car financing & green leases
- Green loans
- Microfinance
- Lombard facilities



Savings & Investment

- Education plan/Retirement plan
- Investment funds
- Custodian services
- Fixed deposits
- Distribution of life insurance plans, treasury bills & government bonds
- Mutual funds



Wealth Management Solutions

- Wealth planning
- Discretionary portfolio management
- Non-discretionary investment management
- Investment trade execution
- Access to private equity groups and deals
- Lombard financing

Intra-Group synergies are tapped into to provide clients with required solutions, e.g. provision of investment-related services and pursuance of the 'Bank of Banks' initiative. Through the latter, the Group seeks to provide adapted solutions linked to trade finance, payments, global markets and securities services as well as advisory and consulting services, amongst others, to support the growth of counterparts, mainly in Africa.

Entrepreneurs, Corporates and Institutions



Payments & Cash Management Solutions

- Electronic points of sale & cards acquiring services
- Business debit & deposit card
- Business & Corporate credit cards
- Fleetman Card
- E-commerce
- International transfers
- SWIFT services
- Transfers & remittances
- Cash management solutions, internet banking and SmartApprove application
- Mobile banking solutions
- SWIFT gpi
- Host to Host application



Financing Solutions

- Short & long-term loans
- Sustainable loan
- Green loans
- Syndicated loans
- Bridging loans
- Private equity
- Mezzanine financing
- Structured finance
- Factoring
- Microfinance
- Operating & finance lease
- Asset-based lending
- Lokal is Beautiful Scheme
- Lombard facilities
- Express overdraft, overdrafts & working capital
- Leasing



Transactional Banking

- Deposit accounts
- Multi-currency accounts
- Internet banking (IB)
- IB Pro and SmartApprove
- Bank drafts
- Cross currency transfer & remittances
- Overdrafts
- Mobile banking: MCB JuicePro



International Trade Finance

- Import & export
- Credit protection
- Bank guarantees
- Standard trade finance
- Structured commodity finance
- L/C re-issuance/confirmation
- Secondary asset trading
- Traditional trade finance solutions
- Trade receivables & payable financing
- Supply chain financing
- Sustainable supply chain financing



Business Services

- Checking facilities
- Payroll services
- Secretarial services
- Online business account opening
- Bulk payment



Financial Markets Solutions

- Foreign Exchange Solutions
- Money Markets & Fixed Income
- Hedging Solutions (Foreign Exchange, Interest Rates, Commodities)
- Yield Enhancement Solutions
- Insights and Research



Investment Related Services

- Investment trade execution
- Structured products
- Structured credit
- Investment advisory services
 - Real assets
 - Private equity
- Securities & custodian services
- Brokerage services
- Investment management
- Dual currency deposits



Outsourcing & Advisory Services

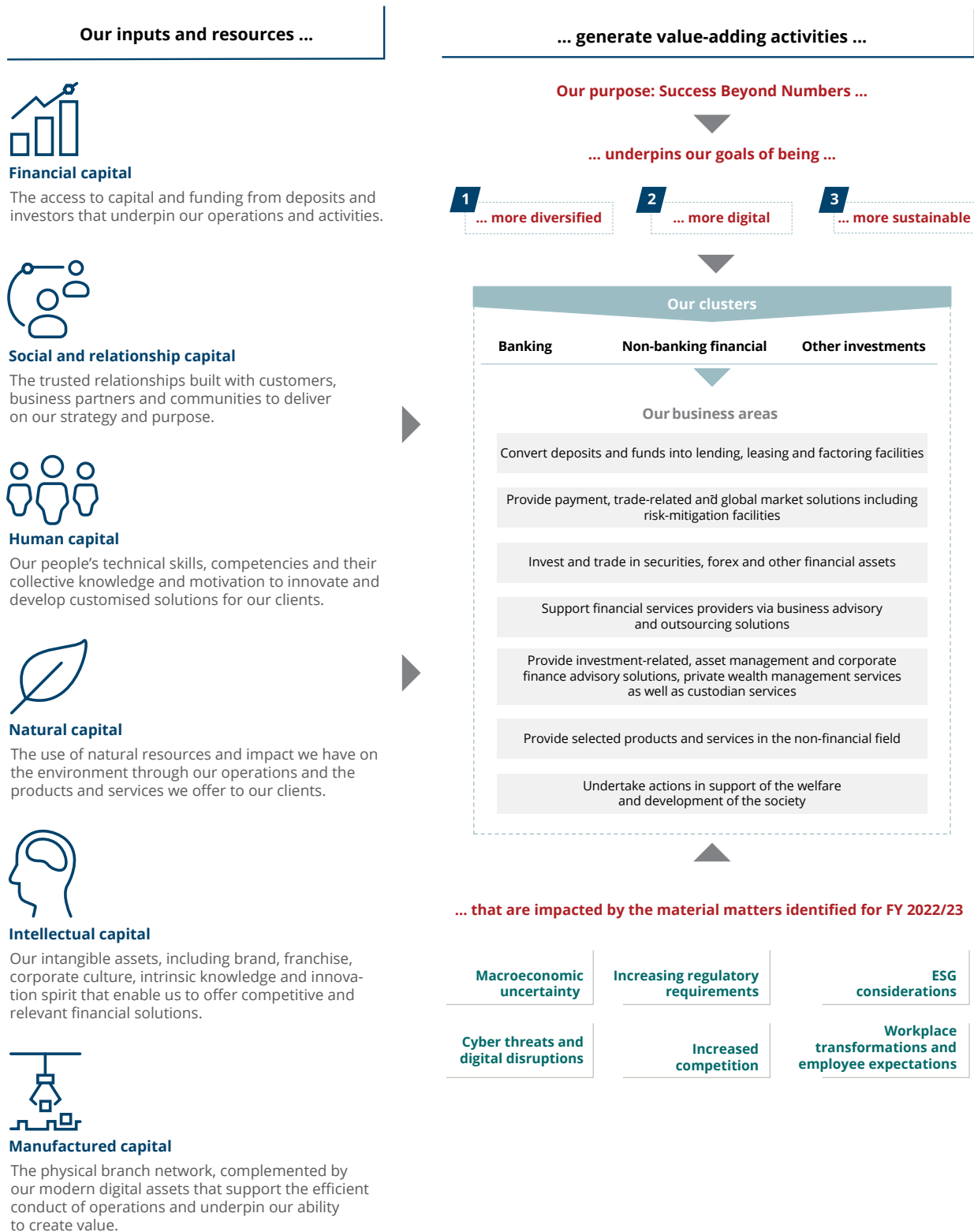
- Payments outsourcing
- Consulting & project management services
- Online marketplace: PUNCH*
- MCB Global Trade Portal

* PUNCH is a B2B online marketplace which allows our local entrepreneurs to find solutions to business challenges, make meaningful connections and have access to interesting resources for growth.

What we deliver

Our value-creating business model

We use our resources and expertise to create and protect value while minimising the risk of value erosion.



... that create long-term value for our stakeholders

Shareholders and investors

We deliver appreciable and predictable returns for our shareholders and investors

Read more on page 48 to 49



Societies and communities

We promote social progress and financial inclusion in countries where we are involved while also helping to preserve environmental endowment

Read more on page 52 to 55



Authorities and economic agents

We collaborate closely with authorities and economic agents to foster the stability and progress of the financial sector and economy of presence countries

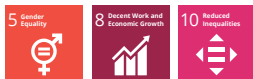
Read more on page 56 to 57



Employees

We act as an employer of choice and are committed to supporting the development and well-being of our people

Read more on page 58 to 62



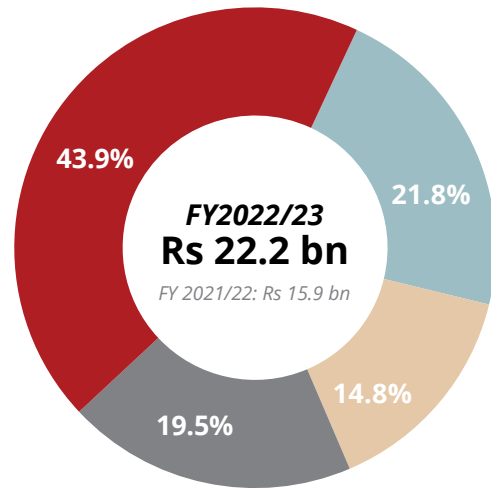
Customers

We support the financial goals of our clients with a tailored offering delivered through top-quality services and appealing digital platforms

Read more on page 50 to 51



Distributable financial value



- Employees
- Authorities & Society
- Providers of capital
- Retention to support growth

Read more on how we responded to our material matters across this Annual Report, notably, in the 'Our material matters' section on page 39 to 47 and 'Risk and capital management report' on page 155 to 201

Read more about our keystakeholders in the 'How we created value for ourstakeholders' section on page 34 to 87

Read more in the Sustainability Report on our website