



LISTING PARTICULARS

LISTING OF 4.5 MILLION FLOATING RATE SUBORDINATED NOTES DUE
2023 WORTH MUR 4.5 BILLION ON THE OFFICIAL MARKET OF THE STOCK
EXCHANGE OF MAURITIUS LTD

MUR 4.5 billion Floating Rate Subordinated Notes due 2023 (the “Notes”)

MCB Group Limited

(“MCBG” or the “Issuer”)

(A public company incorporated under the laws of the Republic of Mauritius on 5th August 2013

With Business Registration Number C13117853 and Company Registration Number C117853)

LISTING PARTICULARS (Reference Number: LEC/1/02/2015)

in relation to the listing of 4.5 million Notes worth MUR 4.5 billion (the “Listing”) on the Official Market of the Stock Exchange of Mauritius Ltd by MCBG

The date of these Listing Particulars is 12th June 2015

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

These Listing Particulars provide information to the general public with respect to the listing of 4.5 million Notes on the Official Market of the Stock Exchange of Mauritius Ltd (“SEM”) in compliance with Chapter 9 of the Listing Rules of the SEM by way of an Introduction.

An application has been made to the SEM on 29th May 2015 and these Listing Particulars have been approved by the Listing Executive Committee of the SEM (“LEC”) in conformity with the Listing Rules of the SEM on 12th June 2015. No other listing has been sought for these Notes.

A copy of these Listing Particulars has been filed with the Financial Services Commission (“FSC”) to inform the FSC of the proposed Transfer of the assets and liabilities pertaining to the Notes from MCB to MCBG under section 32A of the Banking Act 2004 and of the proposed listing of the Notes by MCBG pursuant to these Listing Particulars.

On the first date of trading of the MCBG Notes, a minimum of 100 Notes (or such higher number as the Directors may at its sole discretion determine) will be offered for sale by the Issuer at a price equal to the closing market price of the last day of trading of the MCB Notes.

For a full appreciation of these Listing Particulars, this document should be read in its entirety. If you have any doubt as to the action you should take, please consult your banker, stockbroker, legal advisor, accountant or other professional advisor immediately.

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The Notes and these Listing Particulars have not been registered under the United States Securities Act of 1933, as amended, or the United States Investment Company Act of 1940, as amended and may not be offered, sold or delivered in the United States of America, or to or for the account of a U.S. Person. Any investor should consult his own legal, tax and other advisers to determine whether an investment in the Notes could result in adverse consequences to the investor or his related persons and affiliates. All U.S. Persons may have United States tax consequences arising from investing in the Notes.

Sponsoring Broker
MCB Stockbrokers Ltd

Transaction Advisor
MCB Capital Markets

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1 DECLARATION BY DIRECTORS

These Listing Particulars include particulars given in compliance with SEM's rules governing the official listing of securities for the purpose of giving information with regard to the Issuer. The Directors of MCBG (the "Directors"), whose names appear in Section 7.7.3, collectively and individually accept full responsibility for the accuracy and completeness of the information contained in these Listing Particulars and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no facts the omission of which would make any statement herein misleading.

The Listing Particulars are issued for the purpose of informing the holders of MCB Notes and the general public of the change in issuer of the Notes and the rationale underpinning such change.

The Directors have unanimously approved the substitution of MCBG as issuer of the Notes and the listing of the Notes on the Official Market of the SEM under the same terms and conditions (the "Terms and Conditions") under which the Notes were initially issued subject to the consequential adjustments set out in Section 4.

The Directors accept responsibility for the contents of these Listing Particulars and of the accounts of MCBG, which have been prepared in accordance with the Companies Act 2001 and the relevant accounting standards. The Directors furthermore declare that, to the best of their knowledge and belief, and after having made reasonable inquiries, that:

- These Listing Particulars comply, where applicable, with the provision of the Listing Rules of SEM, of the Companies Act 2001, of the Securities Act 2005 and Regulations made under these acts;
- The information contained in these Listing Particulars is in accordance with the facts and these Listing Particulars make no omission likely to affect the import of such information; and
- In relation to the period from 31 March 2015, the date to which the last interim financial statements have been prepared, to the date of these Listing Particulars:
 - there has not been any material adverse change in the financial or trading position of MCBG;
 - there have been no circumstances adversely affecting the value of the assets of MCBG;
 - the current assets of MCBG appear in the books at values believed to be realisable in the ordinary course of business;
 - the working capital available to MCBG is sufficient for the Issuer's present requirements, that is for at least twelve months from the date of the issue of this document, and that they do not contemplate any change in the nature of business of MCBG.

Approval for the issue of this document has been granted by the LEC on 12th June 2015.

Approved by the Board of MCBG on 29th May 2015 and signed on its behalf by:

Pierre Guy NOEL

Gilbert Gnany

2 GLOSSARY OF DEFINITIONS AND ABBREVIATIONS

Additional Interest Amount	Has the meaning ascribed to it in Section 4.4.7
Agency Agreement	The agency agreement entered into between MCB and the Noteholders' Representative under which the Noteholders' Representative has undertaken to protect and enforce the rights and entitlements of Noteholders in accordance with Section 121 of the Companies Act 2001
Agent	The entity acting as Registrar, Calculation, Transfer and Paying Agent, from time to time, which, for the time being, is MCB Registry & Securities Ltd
Aggregate Principal Amount	The total Principal Amount outstanding being MUR 4.5 billion
Applicable Procedures	The rules, guidelines and operating procedures of SEM and/or CDS, as the case may be
Arrears of Interest	Has the meaning ascribed to it in Section 4.4.7
BPS	Basis point, which represents 1/100 th of a percentage point and translates to 0.01%
BoM	The Bank of Mauritius
Business Day	A day (other than a Saturday or Sunday or public holiday) which is a day on which commercial banks settle MUR payments in Mauritius
CDS	The Central Depository & Settlement Co. Ltd
Compulsory Arrears of Interest Payment Event	<p>Any of the following events:</p> <ul style="list-style-type: none">a) the declaration of payment of dividends on, or the redemption or repurchase of, any ordinary shares of the Issuer at any time when Arrears of Interest are outstanding;b) any payment on any Parity Securities at any time when Arrears of Interest are outstanding, unless such payment was required under the terms of the relevant instruments; andc) any redemption or repurchase for cash of any Parity Securities at any time when Arrears of Interest are outstanding, unless such redemption or repurchase was required under the terms of the relevant instruments <p>Except if any of them occurs:</p> <ul style="list-style-type: none">a) in connection with the satisfaction by the Issuer of its obligations under the GESOS or any existing or future employee benefit plans/employee share scheme or similar arrangements with or for the benefit of employees, officers, Directors of the Issuer or any of its subsidiaries; orb) as otherwise required by law
Day Count Fraction	Means, in respect of the calculation of the Interest Amount for any Interest Period, Actual days/365 days
Default Interest Rate	Means, the penalty interest equal to 100 BPS per annum which applies over and above the Interest Rate
Directors	The Directors of MCBG

Event of Default	An event of default by the Issuer as set out in Section 4.8
First Call Date	The date on which MCBG becomes entitled to exercise its call option over the Notes
FSC	The Financial Services Commission
GESOS	Group Employee Share Option Scheme
Group	MCBG together with its subsidiaries and associates
Insolvency Proceedings	Any of the following proceedings as defined under the Insolvency Act 2009 (as amended): <ul style="list-style-type: none"> a) liquidation (voluntary, creditors' or compulsory), b) winding-up, c) receivership, or d) administration
Issuer	MCBG
Interest Amount	The amount of interest payable in respect of each Note, as determined in accordance with Section 4.4.3
Interest Payment Date	Has the meaning ascribed to it in Section 4.4.2
Interest Payment Election	Has the meaning ascribed to it in Section 4.4.7
LEC	The Listing Executive Committee of SEM
LCIA - MIAC	The London Court of International Arbitration - Mauritius International Arbitration Centre
Margin	In relation to any interest payment other than Arrears of Interest, until (but excluding) the Maturity Date, 135 BPS per annum
Maturity Date	8 August 2023
MCB	The Mauritius Commercial Bank Limited, being the initial issuer of the Notes and as such a reporting issuer under the Securities Act 2005
MCB Notes	The Notes issued initially by MCB by virtue of the Previous LP under the Securities Act 2005
MCBG Notes	The MCB Notes to be Transferred by MCB to MCBG under section 32A of the Banking Act, the listing of which is applied for hereunder.
Noteholders	The holders of Notes as recorded in the Register kept by the Agent as per the Terms and Conditions
Noteholders' Representative	For the time being Swan General Ltd (previously known as Swan Insurance Company Ltd) who is duly authorised to act on behalf of Noteholders, appointed by the Issuer and having the rights and duties set forth in the Noteholders' Representative Agency Agreement
Notes	Unless the context otherwise requires, the MCBG Notes

Parity Securities	Any securities of the Issuer that rank, or are expressed to rank, <i>pari passu</i> with the Notes and any of the Issuer's other existing and future securities ranking, or expressed to rank, <i>pari passu</i> therewith
Principal Amount	The nominal amount of each Note that is outstanding
Previous LP	The listing particulars dated 26 June 2013 bearing reference number: LEC/OS/01/2013 in virtue of which MCB has issued and listed the MCB Notes on the Official Market of the SEM
Reference Rate	Repo Rate
Register	The register maintained by the Agent as per Section 4.12
Registrar Agreement	The agreement entered into by the Issuer and the Agent for the purposes of appointing the latter as Registrar, Calculation, Transfer and Paying Agent
Repo Rate	The Repo Rate, as set from time to time by BoM
SEM	The Stock Exchange of Mauritius Ltd
Specified Currency	The lawful currency of the Republic of Mauritius, being Mauritius rupees, or any successor currency
Tax Event	In relation to the Notes, as a result of any change in the laws, regulations or rulings of the Republic of Mauritius or of any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the interpretation or administration of any such laws, regulations or rulings on or after the Issue Date, either (a) the Issuer is required to make a payment subject to deduction or withholding of taxes, in which case the amount payable by the Issuer in respect of which such deduction or withholding is required to be made, needs to be increased so that, after the making of such deduction or withholding, Noteholders receive a net amount equal to the sum which they would have received, had no such deduction or withholding been made or required to be made or (b) the Issuer will no longer be able to obtain a tax deduction for the purposes of Mauritian tax for any payment of interest under the Notes
Terms and Conditions	The terms and conditions of the Notes set out in Section 4
Transfer	For the puposes of these Listing Particulars, the transfer of the assets and liabilities pertaining to the Notes from MCB to MCBG following the procedure set forth in section 32A of the Banking Act as more precisely described in Section 3

U.S. Person

- a) any natural person resident in the United States, including any U.S. resident who is temporarily outside the United States;
- b) any corporation, partnership, limited liability company or other entity organised or incorporated under the laws of the United States;
- c) any estate of which any executor or administrator is a U.S. Person;
- d) any trust of which any trustee is a U.S. Person;
- e) any agency or branch of a foreign entity located in the United States;
- f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;
- g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident, in the United States; and
- h) any corporation, partnership, limited liability company or other entity if (1) organised or incorporated under the laws of any non-U.S. jurisdiction and (2) formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) promulgated under the U.S. Securities Act) which are not natural persons, estates or trusts.

Notwithstanding the foregoing, the following persons do not constitute “U.S. Person” for purposes of these Listing Particulars:

- a) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident, in the United States;
- b) any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person if (i) an executor or administrator of the estate which is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate and (ii) the estate is governed by non-U.S. law;
- c) any trust of which any professional fiduciary acting as trustee is a U.S. Person shall not be deemed a U.S. Person if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. Person;
- d) an employee benefit plan established and administered in accordance with the laws of a country other than the United States and customary practices and documentation of such country;
- e) any agency or branch of a U.S. Person located outside the United States if (i) the agency or branch operates for valid business reasons and (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and
- f) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United

Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans

3 TRANSFER OF THE NOTES FROM MCB TO MCBG

3.1 Rationale for the Transfer

In line with the broader plan to strengthen the capital base of The Mauritius Commercial Bank Limited (“MCB”) in anticipation of future business growth and of higher regulatory capital requirements following the adoption of Basel III, the boards of directors of MCB and MCBG have resolved to Transfer the assets and liabilities pertaining to the Notes from MCB to of MCBG. In that respect, MCB would be effectively replaced by MCBG as the issuer of the Notes and the corresponding liabilities to service the coupon payments and repay the principal of the Notes at maturity will be fully assumed by MCBG.

MCBG will apply the proceeds of the Transfer i.e. the cash receipt of MUR 4.5 billion (“Proceeds”) to subscribe to a rights issue of MCB’s immediate holding company, MCB Investment Holding Limited (“MCBIH”) for an amount equal to the Proceeds. MCBIH will in turn apply the proceeds of this rights issue to subscribe to a rights issue of MCB for an amount equal to the Proceeds (“Capital Increases”). After the Capital Increases phase, the stated capital of MCB shall increase by MUR 4.5 billion and this will positively improve its common equity tier 1 ratio from 11.4% as at March 2015 to 13.4% on a proforma basis; thus providing MCB with comfortable capital to pursue its diversification strategy whilst strengthening its domestic position.

3.2 Process for the Transfer

The Transfer will be effected in accordance with section 32A of the Banking Act 2004 (*Transfer of undertaking by bank*) and has received the approval of the Bank of Mauritius (“BoM”). Upon granting its approval to the Transfer, the BoM has determined 25th June 2015 as appointed day (“Appointed Day”) which shall be the date on which the Transfer shall become effective by operation of law.

An application has been made with the Listing Executive Committee for the listing of the Notes by MCBG following the approval of the Transfer by the BoM.

3.3 Implications of the Transfer for holders of MCB Notes

The attention of the holders of MCB Notes is drawn to the fact that currently, coupon payments are paid by MCB prior to paying tax and remitting dividends to MCBG (via MCBIH). Following the Transfer, coupon payments will be paid by MCBG after receipt of dividends from MCB. MCBG’s ability to service the coupon payments may be affected in the event that insufficient dividends are remitted by MCB, for instance because of significantly higher gearing or substantial decline in MCB’s profitability.

The holders of MCB Notes should also take into consideration that post Transfer, the holders of Notes listed by MCBG will benefit, as a backing to their investment in the Notes, of a larger pool of assets that includes all the direct and indirect investments of the Issuer in the banking cluster, the non-banking financial cluster and the other investments cluster of MCBG (please refer to Section 7.2).

Although section 32A of the Banking Act 2004 does not require any notice period to noteholders, the Issuer shall afford sufficient time to the holders of MCB Notes (please refer to timetable set out in Section 5.2) to trade their MCB Notes on the Official Market of the SEM if they so wish.

4 TERMS AND CONDITIONS OF THE NOTES

4.1 General

The Terms and Conditions under which the Notes shall be listed on the Official Market of the SEM shall be those set out below and are based on the same terms and conditions as detailed in the Listing Particulars dated 26 June 2013 by MCB as adjusted to cater for the change in issuer, the unregulated status of MCBG and the fact that the listing applied for is by way of introduction of Notes already in issue.

4.2 Form of the Notes

The MCB Notes have initially been issued in inscribed form and will be listed by MCBG in inscribed form. The MCBG Notes will be credited in each Noteholder's CDS account on the Appointed Day.

4.3 Status of the Notes

The Notes listed by MCBG will constitute unsecured and subordinated debt obligations of MCBG, and will accordingly rank (save for certain debts required to be preferred by law):

- junior as regard any present or future claims of any secured or privileged creditor and other unsubordinated creditors of MCBG;
- *pari passu* with any Parity Securities¹;
- *pari passu* without any preference among themselves; and
- senior to holders of all classes of share capital of MCBG.

4.4 Interest

4.4.1 Interest Rate

The Interest Rate payable shall be the aggregate of:

- the Reference Rate; and
- the Margin.

If during the course of an Interest Period, there is a change in the Repo Rate, the Reference Rate for that Interest Period will be calculated using the weighted average of the Repo Rate for that Interest Period based on the actual number of days elapsed (including the first day and excluding the last day in the Interest Period). MCBG shall notify SEM of the revised Interest Rate following a change in the Repo Rate before the opening of the next trading session.

4.4.2 Interest Payment Dates

Interest shall be payable quarterly and will occur on 8 November, 8 February, 8 May and 8 August in each year. Interest will be payable in arrears based on the Principal Amount.

In relation to the first Interest Payment Date following the listing of the MCBG Notes, MCB shall accrue Interest from 8 May 2015 to the day immediately preceding the Appointed Day and commencing from the Appointed Day, MCBG shall accrue Interest until the next Payment Date (i.e. 8 August 2015).

¹ At the date of these Listing Particulars, there are no outstanding Parity Securities.

4.4.3 *Calculation of Interest Amount*

The Agent will calculate the Interest Amount by multiplying the Interest Rate by the Principal Amount, then multiplying the product by the Day Count Fraction and rounding the resultant product to the nearest cent. The implied yield on the MCBG Notes is equivalent to the weighted average Interest Rate applicable over the Interest Period.

4.4.4 *Interest Determination*

The Agent shall, on the fifth Business Day prior to any Interest Payment Date, determine the Interest Rate applicable for the relevant Interest Period. If it is not possible for any reason, in the opinion of the Agent, to determine the Interest Rate as aforesaid, the date of such determination shall be postponed to the first Business Day on which the Agent determines that it is possible to determine such Interest Rate.

4.4.5 *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained by the Agent shall, in the absence of wilful deceit, bad faith, manifest error or dispute, be binding on the Issuer, the Agent, and all Noteholders, and no liability to the Issuer or the Noteholders shall attach to the Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

4.4.6 *Accrual of Interest*

Each Note will cease to bear interest from the date of its redemption unless payment of principal is improperly withheld or refused. In such event, interest will accrue at the Interest Rate until the date on which all amounts due in respect of such Note have been paid.

4.4.7 *Interest deferral*

(i) Right to defer Interest

Subject as provided herein, the Issuer may, on any Interest Payment Date, defer payment of interest in respect of the Notes accrued in the Interest Period ending on the day immediately preceding such date. Any interest not paid on such Interest Payment Date, together with any other interest not paid on any other such Interest Payment Date, shall, so long as the same remains unpaid, constitute "Arrears of Interest". Interest will accrue on the amount of Arrears of Interest at the Default Interest Rate, and such amount of Interest (the "Additional Interest Amount") accrued up to any Interest Payment Date shall be added, for the purpose only of calculating the Additional Interest Amounts accruing thereafter, to the amount of Arrears of Interest remaining unpaid on such Interest Payment Date.

(ii) Arrears of Interest

Without prejudice to the other provisions herein, any Arrears of Interest (together with all corresponding Additional Interest Amounts) may be paid in whole or in part at any time at the discretion of the Issuer and in any event will become due and payable in whole but not in part upon the earliest of:

- within 30 days of the date of the occurrence of a Compulsory Arrears of Interest Payment Event;
- the date on which an order is made by any competent court or a resolution is passed to have Insolvency Proceedings initiated against the Issuer;
- the next Interest Payment Date on which the Issuer elects to make a payment of interest under the Notes (an "Interest Payment Election"), other than a payment of Arrears of Interest or Additional Interest Amounts; and
- the Maturity Date.

4.4.8 *Following Business Day Convention*

If any date referred to in these Terms and Conditions would otherwise fall on a day that is not a Business Day, such date shall be postponed to the next day that is a Business Day.

4.5 **Redemption and purchase**

4.5.1 *Scheduled redemption on Maturity Date*

Unless previously reduced, cancelled, redeemed or purchased as contemplated hereinafter, the MCBG Notes will be redeemed at their Aggregate Principal Amount on the Maturity Date.

4.5.2 *Redemption at the option of the Issuer*

Upon notifying SEM (pursuant to Chapter 14 of the Listing Rules) and giving not less than 15 nor more than 30 days' notice to the Noteholders, the Issuer may:

(i) Call Option

At its option, redeem as from the First Call Date, all (but not some only) the Notes on any Interest Payment Date at their Principal Amount together with interest accrued thereon up to the relevant (but excluding) Interest Payment Date.

(ii) Early redemption upon the occurrence of a Tax Event

At its option at any time upon the occurrence of a Tax Event, redeem all (but not some only) of the Notes at their Principal Amount, together with interest accrued thereon.

4.5.3 *Purchases*

The Issuer may at any time purchase Notes at any price in the open market or otherwise. In the event of the Issuer purchasing Notes, such Notes may (subject to restrictions of any applicable law) be held, resold or, at the option of the Issuer, cancelled.

4.6 **Exclusion of Rights**

Noteholders have:

- no claim against the Issuer except as expressly set out in these Listing Particulars;
- no right to participate in the issue of any shares or any other securities of any kind of the Issuer in their capacity as Noteholders; and
- no right to receive notice of or vote at any meeting of shareholders of the Issuer.

4.7 **Taxation**

4.7.1 *Tax on interest payments*

Interest paid by the Issuer to a Noteholder which is a company is subject to income tax at the current rate of 15% per annum. Interest paid by the Issuer to a Noteholder who is an individual, société, succession or a non resident company is exempt from income tax. The Issuer is required to withhold income tax from any interest paid to a Noteholder, other than an individual, société, succession or a company, who is not resident in Mauritius. A Noteholder who is resident in Mauritius is not subject to any withholding tax.

4.7.2 *Income tax on gains/losses from the sale of Notes*

Gains/losses made by a Noteholder who is an individual, société or succession resident in Mauritius are considered as capital gains/losses and are not subject to income tax. Gains/losses derived by a Noteholder which is a company resident in Mauritius from the sale of Notes held for:

- a period of 6 months or more, are considered as capital gains/losses;

- a period of less than 6 months are subject to income tax if these are held as trading assets.

Where the Notes are held as fixed assets, gains/losses derived from the disposal are treated as capital gains/losses. Gains made by a Noteholder who is not a resident in Mauritius are not subject to income tax in Mauritius.

4.7.3 Stamp and registration duty

No stamp or registration duty is payable on the transfer of Notes.

4.7.4 Capital gains tax

There is no capital gains tax on the disposal of the Notes in Mauritius.

4.8 Event of Default

4.8.1 An Event of Default shall arise if any one or more of the following events shall have occurred and be continuing:

- except in case of interest deferral pursuant to Section 4.4.7, the failure by the Issuer to pay within 7 Business Days from the due date any amount due in respect of any of the Notes (the "Payment Default"); or
- the granting of an order by any competent court or authority for the liquidation, winding-up, conservatorship, receivership, dissolution or administration of the Issuer, whether provisionally (and not dismissed or withdrawn within 30 days thereof) or finally, or the placing of the Issuer under voluntary liquidation, provided that no such proceedings shall constitute an Event of Default if any of such proceedings is for the purpose of effecting an amalgamation, merger, demerger, consolidation, reorganisation or other similar arrangement (the "Insolvency Default").

4.8.2 For the purposes of this Section 4.8, an Event of Default is continuing if it has not been remedied within 30 days (or such other extended period as approved by the Noteholders' Representative in writing) of occurrence of such Event of Default.

4.8.3 Where the Issuer becomes aware of the occurrence of any Event of Default, the Issuer shall forthwith notify the Noteholders' Representative.

4.8.4 Upon the occurrence of an Event of Default which is continuing, the Noteholders' Representative may:

- (i) In case of a Payment Default
 - bring proceedings to recover any amount then due and payable but unpaid pursuant to the Notes (subject to the Issuer being able to make the payment and remain solvent); and/or
 - initiate any Insolvency Proceedings.
- (ii) In case of a Insolvency Default
In addition to taking any of the actions specified in respect of a Payment Default, by written notice to the Issuer, declare all amounts payable under the Notes to be forthwith due and payable and may, subject to the ranking of the Notes, prove the claim in any of the Insolvency Proceedings.

4.9 Guarantees

No security or guarantee *in rem* or *in personam* is being granted by the Issuer or any third party. Noteholders should accordingly be aware that as holders of the MCBG Notes, they will be subject to the credit risk of MCBG, as described in Section 6.3.

4.10 Treatment of unclaimed money

Where after five years from the date of redemption of the Notes, any payment/cheque issued for the payment of redemption proceeds (Principal Amount plus Arrears of Interest if any) has not been claimed, such redemption proceeds will revert to the Issuer and the relevant Noteholders shall have no right whatsoever thereto.

4.11 Transfer of Notes on the Official Market

The transfer of Notes will be effected through the Automated Trading System of SEM in accordance with the Applicable Procedures.

4.12 Register

4.12.1 The Register of Noteholders shall:

- (i) be kept at the registered office of the Agent or such other person as may be appointed for the time being by the Issuer to maintain the Register;
- (ii) reflect the number of Notes issued to such Noteholders;
- (iii) contain the name and the address of the Noteholders;
- (iv) set out the Principal Amount of the Notes issued to such Noteholders and shall show the date of such issue; and
- (v) be open for inspection, subject to a written notice of 72 hours, during the normal business hours of the Issuer to any Noteholder or any person authorised in writing by any Noteholder.

4.12.2 The Agent shall:

- (i) alter the Register and instruct the broker to alter the corresponding CDS account in respect of any change of name or address of any of the Noteholders of which it is notified in accordance with these Terms and Conditions;
- (ii) not be obliged to record any transfer while the Register is closed; and
- (iii) not be bound to enter any trust into the Register or to take notice of any or to accede to any trust executed, whether express or implied, to which any Note may be subject.

4.13 Agent

The Issuer is entitled to vary or terminate the appointment of the Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any such Agent acts, provided that there will at all times be an Agent in office. The Agent acts solely as the Registrar, Calculation, Transfer and Paying Agent of the Issuer and does not assume any obligation towards or relationship of agency or trust for or with any Noteholders.

4.14 Notices

- 4.14.1 Save as otherwise provided in these Listing Particulars, all notices to Noteholders shall be sent by courier or delivered by hand (except for redemption notices which shall be sent by registered mail) to their addresses appearing in the relevant CDS accounts. Where email addresses have been provided by Noteholders, all notices will be sent by email. Any notice given shall be deemed to have been given on the seventh day after the day on which it is mailed, on the day of delivery if delivered and on the day it is emailed if sent by email.
- 4.14.2 A notice to be given by any Noteholder to the Issuer shall be in writing and given by lodging (either by hand delivery or simple courier or posting by registered mail) that notice at the office of the Agent as specified in Section 9.

4.15 Agency Agreement and meetings of Noteholders

- 4.15.1 The Noteholders are deemed to have notice of, are entitled to the benefit of, and are subject to, all the provisions of the Agency Agreement.
- 4.15.2 The Agency Agreement contains the rights and powers of the Noteholders, the duties and powers of the Noteholders' Representative and provisions for convening meetings of the Noteholders to consider any matter affecting their interests. Such meetings may be convened by the Issuer or Noteholders holding not less than 10% in Principal Amount of the Notes in issue.
- 4.15.3 One or more Directors or duly appointed representatives of the Issuer may attend and speak at a meeting of Noteholders but shall not be entitled to vote neither for himself as a Noteholder nor as proxy or representative of a Noteholder.
- 4.15.4 The quorum for the meeting shall be any such number of Noteholders representing at least 50% of the total nominal value of Notes in issue.
- 4.15.5 Under the Agency Agreement (but subject to the terms thereof), the Noteholders' Representative may cease to hold office in the following circumstances:
- (i) if he resigns, having given at least 60 Business Days' notice to the Issuer; or
 - (ii) if he becomes disqualified in law to hold the office as Noteholders' Representative; or
 - (iii) if he is removed from office by a special resolution of the Noteholders; or
 - (iv) if his estate is provisionally or finally wound up or liquidated.

4.16 Modification

- 4.16.1 No modification of these Terms and Conditions may be effected without the written agreement of the Issuer unless required by law.
- 4.16.2 The Issuer may effect, without the consent of the Noteholders, any modification of the Terms and Conditions which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated and the governing law in accordance with which Notes are issued. Any such modification shall be binding on the Noteholders and any such modification shall be notified to the Noteholders in accordance with Section 4.14 as soon as practicable thereafter.
- 4.16.3 Save as provided in this Section 4.16, no modification of these Terms and Conditions may be done unless effected in writing and signed by or on behalf of the Issuer and by or on behalf of the Noteholders' Representative.

4.17 Further Issues

Subject to all relevant regulatory approvals being obtained, the Issuer has the right, at its absolute discretion, from time to time without the consent of the Noteholders, to create and issue further notes that may be subordinated to, or ranking pari passu with, or ranking senior to, the Notes. The Issuer will provide due notification to the Noteholders' Representative only in respect of the creation and issue of notes ranking pari passu or senior to the Notes.

4.18 Data collection and protection

4.18.1 The Issuer shall, for the performance of its obligations hereunder, collect and, where necessary or required, process, information voluntarily communicated by any Noteholder (the "Personal Data"). The Issuer undertakes to treat the Personal Data confidentially and securely in line with the provisions of the Data Protection Act 2004, as amended from time to time.

4.18.2 Any Noteholder has the right of access to, the possibility of correction and destruction of, the Personal Data which is in the custody or control of the Issuer. Save as otherwise herein provided, the Issuer warrants not to reveal or otherwise disclose the Personal Data to any external body, unless (i) the Issuer has obtained the express consent of any Noteholder, or (ii) it is under either a legal obligation or any other duty to do so, or (iii) where the Personal Data is disclosed to any agent, third party service provider, professional adviser or any other person under a duty of confidentiality to the Group, as well as to certain service providers within the Group. It is drawn to the attention of Noteholders that the foregoing disclosures may require that the Personal Data be transferred to parties located in countries which do not offer the same level of data protection as the Republic of Mauritius.

4.18.3 Where personal information relating to the officers, employees and directors of any Noteholder is, or is required to be, collected by the Issuer, the Noteholder expressly shall procure to do all such things that may be required by the Issuer to ensure that its officers, employees and directors are made aware of the data protection provisions herein and that such officers, employees and directors give their consent with regard to the collection, processing and transfer of such personal information by the Issuer.

4.19 Governing law and jurisdiction

These Listing Particulars shall be governed by and interpreted in accordance with the laws of the Republic of Mauritius.

In the event of a dispute arising out of or relating to these Listing Particulars, including any question regarding its existence, validity or termination, the parties shall first seek settlement of that dispute by mediation in accordance with the LCIA-MIAC Mediation Rules, which Rules are deemed to be incorporated by reference into this clause. If the dispute is not settled by mediation within 30 days of the appointment of the mediator, or such further period as the parties shall agree in writing, the dispute shall be referred to and finally resolved by arbitration under the LCIA-MIAC Arbitration Rules, which Rules are deemed to be incorporated by reference into this clause. In any arbitration commenced pursuant to this clause,

- (i) the number of arbitrators shall be three; and
- (ii) the seat, or legal place, of the arbitration shall be Port-Louis, Mauritius.

The language to be used in the mediation and in the arbitration shall be English.

5 PROCEDURES FOR THE LISTING OF THE NOTES

5.1 Amendment to CDS Account

On the Appointed Day, the holders of MCB Notes will receive MCBG Notes. Accordingly, on the Appointed Day, the MCB Notes will be withdrawn from the CDS accounts of the Noteholders and MCBG Notes will then be credited in those CDS Accounts.

On the Appointed Day, MCB shall cease to be a reporting issuer under the Securities Act 2005.

5.2 Proposed Timetable

1.	Last day of trading of MCB Notes	22 June 2015
2.	Suspension of trading of MCB Notes	22 June 2015
3.	Close of books for transfer	25 June 2015
4.	Withdrawal of MCB Notes	25 June 2015
5.	Crediting of CDS accounts with MCBG Notes	25 June 2015
6.	First day of trading of MCBG Notes	26 June 2015

6 RISK FACTORS

The risks and uncertainties below are not the only ones the Issuer and the Noteholders face. Additional risks and uncertainties not presently known to the Issuer, or that the Issuer currently believes are immaterial, could also impair the Issuer's business, financial condition or results of operations and, as a result, its ability to service its payment obligations under the Notes. Investors should pay particular attention to the fact that the Issuer is subject to the legal and regulatory environment in the Republic of Mauritius, which, in some respects, may differ from that prevailing in other countries. The Issuer believes that the factors outlined below may affect its ability to fulfil its obligations under the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it, or which it may not currently be able to anticipate. Accordingly, the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive.

The information given below is as at the date of these Listing Particulars.

6.1 Risk factors relating to general economic conditions

A substantial part of the activities of the subsidiaries of the Group are in the financial intermediation field. The health of the local financial intermediation sector is directly related to conditions in the global economic, political and social environment. Whilst global growth recovery is expected to be modest and uneven on the back of some structural weaknesses and legacies of the financial and economic crisis, growth in sub-Saharan Africa has been and is expected to remain resilient at an average of 5.1% over the 2015-2020 period. Similarly, the foundations of the Mauritian economy remain generally healthy, with growth estimated at close to 4% for 2015. Nevertheless, any deterioration in market conditions could adversely affect the Group's financial performance.

6.2 Impact of regulatory changes

Many of the companies within the group of the Issuer are subject to financial services laws, regulations, administrative actions and policies in all jurisdictions where it operates. Changes in regulations may materially affect the Issuer's business, its products and services and net worth.

6.3 Risk factors relating to the Issuer

In the course of its business activities, the Issuer is subject to a variety of risks, the most significant of which relate to those faced by MCB by virtue of its significance in the Group and include credit risks, operational risks, market risks and country risks. Accordingly the risks factors relating to MCB as disclosed in the Previous LP are still relevant subject to the adjustments highlighted below. Whilst the Group believes that it has implemented the appropriate policies, systems and processes to control and mitigate these risks, based on information currently available to it, other risks which MCBG may not currently be able to anticipate may arise and these could adversely affect the Group's financial condition, results of operations, prospects and reputation.

6.3.1 Credit risk

Credit risks arising from adverse changes in the quality and recoverability of loans, advances and amounts due from counterparties are inherent in the Group's businesses, primarily at the level of its banking cluster, of which MCB is the mainstay. Credit risks could arise from a deterioration in the credit quality of MCB's specific counterparties, from a general deterioration in local or global economic conditions or from systemic risks in the financial systems, all of which could affect the recoverability and value of MCB's assets.

6.3.2 *Operational risk*

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. This definition includes legal risk but excludes strategic and reputational risk. Operational risk exists in the normal course of business activity given that it is inherent in all banking products, activities processes and systems. Although the Group has implemented risk controls and loss mitigation strategies and substantial resources are devoted to developing efficient procedures, it is not possible to eliminate all operational risks.

6.3.3 *Market risk*

Market risk relates to the risk of gain or loss arising from activities undertaken in, or impacted by, financial markets generally. This includes both market price risk as well as ancillary risks, such as liquidity, funding (liability) risk and foreign exchange risk. Specifically, interest rate risk refers to the risk arising from changes in interest rates or the prices of interest-rate related securities and derivatives. Liquidity risk refers to the risk that MCBG does not have sufficient realisable financial assets to meet its financial obligations as they fall due. Foreign exchange risk entails the risk arising from the movement in exchange rates between one currency and another. Although the Group has rigorous risk management procedures in place, it is not possible to eliminate all market risks.

6.3.4 *Funding risks*

The Issuer is a holding company and, as a result, depends on the receipt of dividends from its subsidiaries - in particular from MCB, its substantial subsidiary – to meet its obligations, including its payment obligations with respect to the Notes. The ability of MCBG's subsidiaries to pay dividends and MCBG's ability to receive distributions from its investments in other entities will also be subject not only to these entities' financial performance, but also to applicable local laws and regulations.

6.3.5 *Country risk*

Country risk arises when the Group is unable to receive payments from customers as a result of political or economic events in a particular country. These events include political and social unrest, nationalisation and expropriation of assets, government repudiation of external indebtedness, foreign exchange controls and currency depreciation or devaluation, amongst others. Whilst the Group believes that it has adopted a sound management of country risk via the identification, measurement and proactive monitoring of country risk exposures against country risk limits, a deterioration in the political, social or macroeconomic environment in the home countries of the Group's customers may adversely affect the business, financial condition and results of operations of the Issuer.

6.3.6 *Concentration risk*

The Group has exposure to concentration risk where its business activities focus particularly on a similar type of customer, product, sector or geographic location, including the Mauritian market. Any adverse changes affecting these business activities may have a negative impact on the Issuer's loan and asset portfolio, and as a result, on its financial condition and results of its operations.

6.3.7 *Environmental, social and governance risks*

Environmental, social and governance risks focus on the environmental, social and governance issues, which may impact the Issuer's ability to successfully and sustainably implement business strategy. Any failure to control these risks adequately or unexpected developments in the future economic environment could have an adverse effect on the financial condition and reputation of the Issuer.

6.3.8 *Expansion into other markets may increase the Issuer's risk profile*

Expansion into overseas markets, particularly in the emerging economies of sub-Saharan Africa, is a key pillar of the Group's strategy and could increase its risk profile and exposure to lower asset quality. The Group is/will be regulated under various banking and financial services laws in the countries where it operates/plans to enter, and faces the risk of intervention by regulators and enforcement authorities. Failure by the Group to comply with relevant laws and regulations could have a material adverse effect on its business, financial condition or results of operations.

6.4 Risks related to the structure of the Notes

6.4.1 *Subordinated obligations*

The Notes will constitute unsecured and subordinated debt obligations of the Issuer. The Issuer may further issue other subordinated notes which rank junior as regard the right of payment to the Notes. In the event the Issuer faces Insolvency Proceedings, the Issuer will be required to pay its unsubordinated creditors in full before it can make any payments on the Notes. If this occurs, the Issuer may not have enough assets remaining after these payments are made to pay amounts due under the Notes.

6.4.2 *Deferral of interest*

Any actual or anticipated deferral of interest payments will likely have an adverse effect on the market price of the Notes and may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such deferral and may be more sensitive generally to adverse changes in the Issuer's financial condition.

6.4.3 *Optional redemption by the Issuer*

The Issuer may at its option, redeem all (but not some only) of the Notes on the First Call Date or any Interest Payment Date thereafter, or at any time upon the occurrence of a Tax Event at their Principal Amount together with accrued interest thereon.

An optional redemption feature is likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem the Notes when its cost of borrowing is lower than the Interest Rate on the Notes. At those times, investors in the Notes generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the Interest Rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Investors should consider reinvestment risk in light of other investments available at that time.

6.5 Risks related to the Notes

6.5.1 *General market risk*

Although the Notes will be quoted on the Official Market of SEM, the secondary market may be illiquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a liquid secondary market. The market value of any Notes may fluctuate. Consequently, any sale of Notes may be at prices that may be higher or lower than the initial Principal Amount depending on many factors, including the prevailing interest rates, MCBG's performance and the market for similar securities.

6.5.2 *Credit risk*

The Notes bear the credit risk of the Issuer. Noteholders should be aware that they may incur losses should the Issuer fail to satisfy the terms of its obligation with respect to making timely principal and interest payments.

6.5.3 *Exchange rate risks*

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency unit other than the Specified Currency.

These include the risk that exchange rates may significantly change (including changes due to depreciation of the Specified Currency or appreciation/revaluation of the investor's currency) and the risk that authorities with jurisdiction over the investor's currency may impose or modify exchange controls. An appreciation/revaluation in the value of the investor's currency relative to the Specified Currency would decrease:

- the investor's currency equivalent yield on the Notes;
- the investor's currency equivalent value of the principal payable on the Notes; and
- the investor's currency equivalent market value of the Notes.

Similarly, the Issuer may be exposed to potential losses if the Specified Currency were to depreciate against major currencies in which the Issuer's revenues are based, which may have an adverse effect on its financial condition and results of operations.

6.5.4 *Interest rate risk*

The rate of interest applicable to the Notes will be based on the Reference Rate and allows the Noteholder to benefit from any increase in the Reference Rate. Noteholders may suffer unforeseen losses due to a reduction in interest rates.

6.5.5 *Inflation rate risk*

Noteholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Notes. An unexpected increase in inflation could reduce the actual returns on Noteholders' investments.

6.5.6 *Meetings of Noteholders and modification*

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

In addition, the Issuer may, in accordance with the provisions of Section 4.16, make any modification to the Notes and to its Terms and Conditions.

6.5.7 *Amendment or review of prevailing laws*

These Listing Particulars, the Notes and the Terms and Conditions, are governed by, and will be construed in accordance with, the laws of Mauritius. No assurance can be given as to the impact of any possible judicial decision or amendment and, or review of the laws of the Republic of Mauritius or administrative practice in Mauritius after the Issue.

6.5.8 *The Notes may not be a suitable investment for all investors*

Each investor in the Notes must determine the suitability of the investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in these Listing Particulars and the Agreements;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such an investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where principal or interest payable is different from the currency in which the potential investor's activities are principally denominated;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

6.6 **General considerations**

6.6.1 *Force majeure*

An event of force majeure is an event which is not within the control of the party affected, which that party is unable to prevent, avoid or remove and shall include war and acts of terrorism, riot and disorders, natural catastrophes and others. Force majeure events do not include economic downturn, non-availability or insufficient or lack of financing on the part of the Issuer. The occurrence of a force majeure event may have a material impact on the Issuer's business.

6.6.2 *Forward-looking statements*

Certain statements in these Listing Particulars are forward-looking in nature. These statements include, amongst other things, discussions of MCBG's business strategy and expectation concerning MCBG's position in the Mauritian economy, future operations, profitability, liquidity, capital resources and financial position. All forward-looking statements are based on estimates and assumptions made by MCBG and third party consultants that, although believed to be reasonable, are subject to risks and uncertainties that may cause actual events and the future results of MCBG to be materially different from that expected or indicated by such statements and estimates and no assurance can be given that any of such statements or estimates will be realised. In light of these and other uncertainties, the inclusion of forward-looking statements in these Listing Particulars should not be regarded as a representation or warranty by MCBG or any other person that the plans and objectives of MCBG will be achieved.

7 DESCRIPTION OF THE ISSUER

7.1 About MCB Group

MCB Group Ltd was incorporated on the 5th August 2013 for the purposes restructuring the activities of the Group under three main clusters, namely those of banking, non-bank financial and other investments. It is now the ultimate holding of the MCB Group and holds, directly or indirectly, all the investments in the subsidiaries and associates of the Group.

Until the restructuring in March 2014, MCB Ltd was the ultimate holding company of the Group. Incorporated in 1838, the Group is an integrated banking and financial services provider, offering a comprehensive range of tailored and innovative solutions to its retail, corporate and institutional clients. The Group's rich history, commitment to its clients, innovative culture and high quality employees underpin its solid franchise and long track record of sustained profitability.

Listed since 1989 on the Official Market of SEM, MCB until 2014, and thereafter MCBG, is one of the most traded stocks and represents more than 20% of the total capitalisation of companies listed on the local stock exchange, making it one of the largest listed company in Mauritius.

7.1.1 Catalyst for socio-economic development

Throughout its history, the Group has been true to its guiding principle of assisting in the advancement of local citizens and institutions of the countries in which it operates. Indeed, the Group has played a pivotal role in the development of Mauritius. Over time, the Group has met its clients' increasingly complex and varied financial needs and has been a major force behind the development of various industry sectors which, at inception, were regarded as either unfashionable or risky. These include tourism, textiles, local manufacturing, freeport activities, information and communication technology and seafood, which have since developed into key pillars of the Mauritian economy.

The Group is a socially responsible and 'sustainable' organisation. Over time, it has remained committed to promoting social welfare and discharging its responsibilities vis-à-vis the community, both objectives having been at the core of its business philosophy. Specifically, the Group established the MCB Forward Foundation in 2010, which manages its activities in the field of corporate social responsibility and the 'Initiative 175' programme, which fosters environment friendly practices and raises awareness of the environment through various action projects.

The Group has built a reputation as an 'employer of choice' based on its performance culture and emphasis on professional development. Voted as the 'Best organisation for work-life quality' at the 2011 Mauritius HR Excellence Awards, the Group was also the first listed company in Mauritius to introduce a fully comprehensive employee share option scheme.

7.1.2 Leadership in innovation

The Group has successfully adapted to an ever-changing environment through innovation and the provision of state-of-the-art, quicker, cheaper and more comprehensive services to its customers. The Group has been a pioneer in many areas, including the launch of credit and debit cards, ATMs, mobile points of sale, junior savings accounts, SWIFT, TCR machines, phone and internet banking, a comprehensive mobile payments and banking platform, as well as currency conversion on local ATMs, amongst others.

The Group has successfully diversified into non-banking services, offering factoring and leasing, asset management, stockbroking and a range of securities and investment services.

7.1.3 *A reference player with a growing regional footprint*

From a dominant position in its domestic market, the Group launched its regional diversification strategy as early as 1991. MCBG's expansion endeavours in Africa and the region have provided a sound basis for the effective diversification of its earnings base. Tellingly, today, foreign sourced income accounts for some 46% of the Group's profits.

Overall, in addition to being engaged in the provision of banking and financial services which are directly catered for by Mauritius-based entities to meet the needs of its customers located abroad, the Group has established physical presence in 9 countries overseas via: (i) its subsidiaries in Madagascar, Maldives, and Seychelles as well as Mozambique, in respect of which the Group has recently signed an agreement with Société Générale for the latter to become a shareholder thereof; (ii) its associate, Banque Française Commerciale Océan Indien, in Réunion Island, Mayotte and Paris; and (iii) representative offices in Johannesburg, Paris and Nairobi. Beyond physical presence, the Group, through MCB, also wields a network of more than 1,600 correspondent banks worldwide and 57 risk participation and syndication agreements concluded with international banks.

A cornerstone of the diversification strategy is the 'Bank of Banks' initiative, which aims at positioning the Group as a regional hub in handling trade finance, cards operations outsourcing and consulting services on behalf of its financial and banking counterparts. In addition, the Group is increasingly viewed as a preferred partner for (i) direct corporate funding; (ii) syndications and participation in risk sell-down transactions; (iii) project and acquisition financing; and (iv) big-ticket structured cross-border transactions.

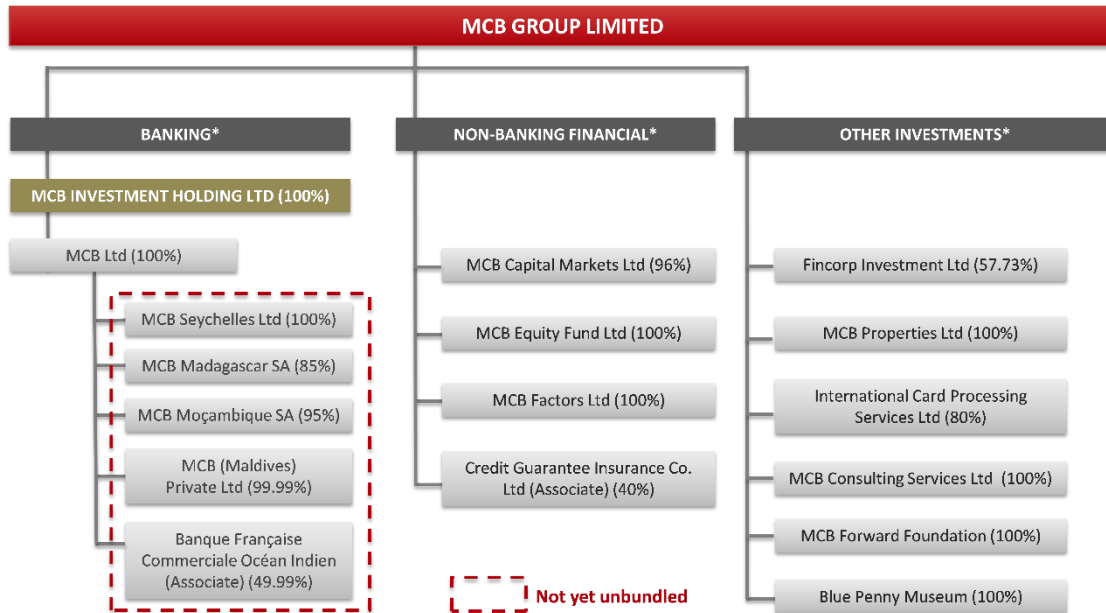
7.1.4 *A financially robust institution*

Against the backdrop of challenging global and local economic conditions, the Group's business model, dedicated staff, as well as its diversification and regional expansion strategy have enabled it to sustain an appreciable financial performance. Indeed, whilst financial soundness was generally preserved in terms of capitalisation, asset quality, as well as funding and liquidity, the Group posted strong profitability, resilient balance sheet growth and continued expansion in core earnings.

7.1.5 *Gearing up for the future*

Looking ahead, the Group is well positioned to further its objective of becoming a one-stop shop for financial services locally and in the region, whilst continuing to generate sustainable value for all its stakeholders. The Group intends to take advantage of the favourable outlook for sub-Saharan Africa by further expanding its regional operations. In order to increase its flexibility to pursue business growth, whilst adhering to international standards and domestic requirements, the Group embarked, during FY 2013/14, upon a restructuring exercise, to separate its banking and non-banking operations. The key objectives of the restructuring are as follows: (i) increasing financial and operational flexibility through the operation of standalone and individually capitalised legal entities; (ii) strengthening risk management through the ring-fencing of capital in banking operations; (iii) optimising capital allocation across the Group and monitoring the return on capital for individual business segments; and (iv) increasing visibility on the financial performance of these business segments.

7.2 Group Structure



* Refer to clusters

Note that figures refer to effective holding of MCB Group Limited

MCBG, which is listed on the local stock exchange, is the ultimate holding company of MCB's subsidiaries and associates. MCB Investment Holding Ltd, as the wholly-owned subsidiary of MCBG, is the intermediate holding company and the sole shareholder of the entities forming part of the 'Banking' cluster, namely MCB Ltd as well as the foreign banking subsidiaries and associates.

7.2.1 Contribution to Group profits

The table below sets out the Group operating entities and their respective contribution to Group profit for the nine months period ended 31 March 2015.

Group entities and associates	Country of incorporation	Principal activities	Stated capital MUR million	Effective holding %	% of Group profit
Banking					
MCB Ltd	Mauritius	Banking & financial services	2,380	100.00	83.5
MCB Seychelles	Seychelles	Banking & financial services	49	100.00	1.8
MCB Moçambique	Mozambique	Banking & financial services	120	95.00	0.9
MCB Madagascar	Madagascar	Banking & financial services	149	85.00	1.0
MCB Maldives	Republic of Maldives	Banking & financial services	299	99.99	2.0
Banque Française Commerciale Océan Indien	France	Banking & financial services		49.99	5.2
					94.4
Non-banking financial and other investments					
MCB Equity Fund Ltd	Mauritius	Private Equity Fund	2,085	100.00	2.3
International Card Processing Services Ltd	Mauritius	Providing card system facilities, card embossing and encoding services	100	80.00	0.2
MCB Capital Markets Ltd	Mauritius	Investment Holding Company	75	96.01	1.9
MCB Factors Ltd	Mauritius	Factoring	50	100.00	0.8
Fincorp Investment Ltd	Mauritius	Investment Company	103	57.73	0.5
<i>o/w Finlease</i>	<i>Mauritius</i>	<i>Leasing Company</i>	<i>200</i>	<i>57.73</i>	<i>0.8</i>
MCB Properties Ltd	Mauritius	Property ownership & development	15	100.00	-0.1
Blue Penny Museum	Mauritius	Philatelic museum	1	97.88	-0.1
Credit Guarantee Co Ltd	Mauritius	Insurance		40.00	0.1
MCB Consulting Services Ltd	Mauritius	Consultancy services	25	100.00	0.0
Total					100.0

7.3 Shareholder information

7.3.1 Issued Share capital

As at March 2015, MCBG issued share capital amounted to MUR 2,397.3 million comprising 238.0 million ordinary shares with no par value. Promotion and Development Ltd, an associate of MCBG, holds 5 million shares of MCBG.

The table below shows the movement in MCB Group issued share capital.

	Number of shares		
	Share capital	Treasury shares	Total
At 30 June 2012	250,375,595	(12,731,940)	237,643,655
Exercise of share options	-	164,344	164,344
At 30 June 2013	250,375,595	(12,567,596)	237,807,999
Exercise of share options	-	169,262	169,262
At 30 June 2014	237,977,261	-	237,977,261
Exercise of share options	68,818	-	68,818
At 31 March 2015	238,046,079	-	238,046,079

Notes:

- As part of the restructuring exercise, treasury shares were cancelled on 21 February 2014.
- Prior to March 2014, figures relate to MCB and thereafter to MCBG.

7.3.2 Largest shareholders

The table below sets out the ten largest shareholders of MCBG as at 31 March 2015.

Largest shareholders	Number of shares owned	% Holding
National Pensions Fund	10,547,118	4.43
The Anglo-Mauritius Assurance Society Ltd	7,334,790	3.08
Promotion and Development Ltd	5,000,000	2.10
La Prudence Mauricienne Assurances Limitée	3,540,923	1.49
State Insurance Company of Mauritius Ltd	3,448,222	1.45
NTGS LUX A/C The Africa Emerging Markets Fund	4,130,659	1.44
POLICY Ltd	2,953,040	1.30
Mellon Omnibus	3,006,929	1.26
Societe Les Camphiers	2,744,009	1.15
JPMCB N.A GTI 52376 Templeton Global Investment Trust - Templeton Frontier Mkts FD	2,659,949	1.12
Total	45,365,639	18.82

7.3.3 Group Employee Share Option Scheme

As a result of the restructuring exercise, the MCB Employee Share Option Scheme (ESOS), introduced in 2006 for staff of the Bank, was replaced by the Group Employee Share Option Scheme (GESOS), with similar underlying principles. By providing eligible employees with the opportunity to partake in the growth and prosperity of the Group through the acquisition of shares in the Company, this scheme acts as an additional lever to promote a performance culture alongside upholding motivation and commitment across the organisation as well as to attract and retain highly skilled staff. Under the scheme, employees are granted non-transferable options to buy MCBG shares with up to a maximum of 25% of their annual performance bonus. The options, which can be exercised over a period of one year through four specific windows, carry a retention period of three years. The option price is based on the average of the share price over the quarter prior to the date on which the options are granted, to which a discount is applied. Once issued, the shares rank *pari passu* as to dividend, capital, voting rights and in all other respects with the existing shares of MCBG.

7.3.4 Dividend policy

MCBG aims to supply its shareholders with ongoing returns in the form of a stable and relatively predictable dividend path. Interim dividends are declared in June and paid in July while the final dividends are announced by the Board of MCBG in November, based on full year results, and paid in December.

7.3.5 Earnings per share and dividend per share

The tables hereafter set out the earnings per share and dividend per share for MCB Group:

Figures in MUR	9 months to 31 Mar 2015	9 months to 31 Mar 2014	9 months to 31 Mar 2013
Earnings per share	17.90	13.23	13.49

	2014*	2013	2012
	Rs/share	Rs/share	Rs/share
Dividend paid in July	3.35	3.35	3.25
Dividend paid in December	3.10	3.00	2.75
Total dividend paid	6.45	6.35	6.00

* Refers to dividends paid by MCB Group Limited

7.4 Group strategy

With a view to creating sustainable value for its stakeholders, the Group will further pursue three main strategic objectives:

- Strengthening its domestic banking position;
- Widening and deepening its international footprint; and
- Bolstering and broadening its non-bank activities.

The Group has invested heavily in modern infrastructure and IT systems, effective risk and human resource management, process optimisation and customer service improvements. The Group now has a solid and scalable platform from which to further these objectives.

7.4.1 Strengthening of domestic banking position

Building on its strong brand image and credentials, MCB aims to maintain its leadership position in various market segments by continuously refining and adapting its value proposition to the requirements of its valued customers. For instance, the business development endeavours of the Retail Banking segment are underpinned by MCB's customer-centric approach, its comprehensive and adapted range of delivery channels, its wider and improved product offering and sustained efforts to increase brand visibility. At the corporate level, MCB remains the trusted business partner of companies across the established and emerging economic sectors. Moreover, besides extensively supporting large corporates reshaping the economic landscape of Mauritius, MCB continues to pay close attention to the requirements of Small and Medium Enterprises. All in all, the Bank remains attuned to tapping into opportunities across various market segments and to diversifying its portfolio, taking into account the inherent risks linked to the uncertain economic outlook and striving to maintain the quality of its loan book.

7.4.2 Widening and deepening of international footprint

In the context of the favourable economic outlook for sub-Saharan Africa, the Group is dedicated to increasing its regional presence, while exploring business development opportunities further afield. One of the pillars of the regional diversification drive is its 'Bank of Banks' strategy which aims at positioning the Group as a regional provider of trade finance, cards operations outsourcing and consulting services to other financial and banking institutions. Moreover, the Group is increasingly active in direct corporate funding, regional trade and commodity financing, structured cross-border transactions, notably in relation to projects bridging Africa and Asia. Overall, the Group seeks to underpin its market development initiatives by harnessing long-standing relationships with correspondent banks and with regional industry players, whilst initiating planned ventures into targeted markets.

7.4.3 Bolstering and broadening of non-bank financial activities

The Group aims at reinforcing its position as a one-stop shop and reference for non-bank financial services. It is dedicated to diversifying and expanding its client base, primarily by offering a wide choice of innovative and tailored solutions to meet customer needs and by improving the quality and proximity of customer relationships. The Group draws on its strong brand franchise and reputation in

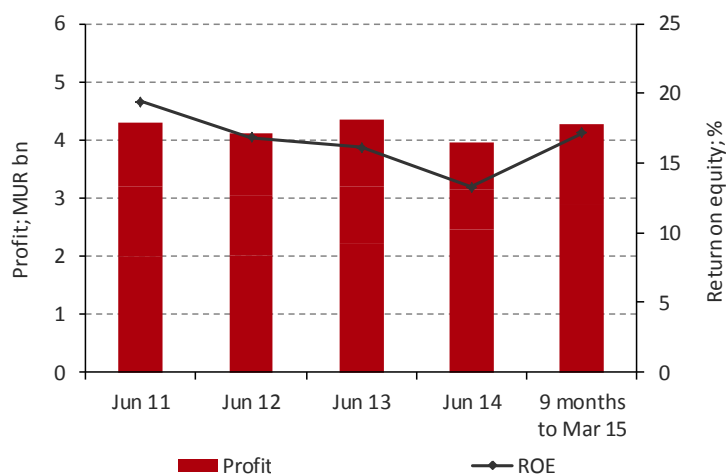
winning client referrals, whilst also leveraging on its wide distribution network to promote non-bank financial products and services.

7.5 Financials

7.5.1 Key trends

The charts below set out the evolution of key financial indicators for the Group.

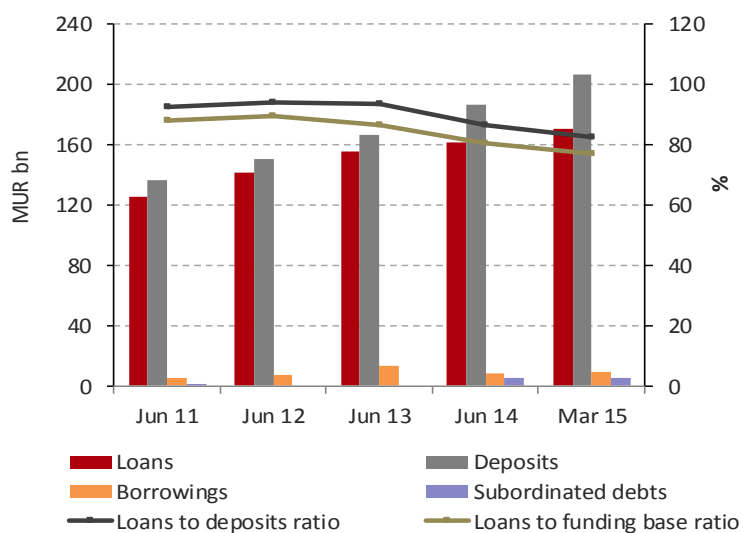
Profit



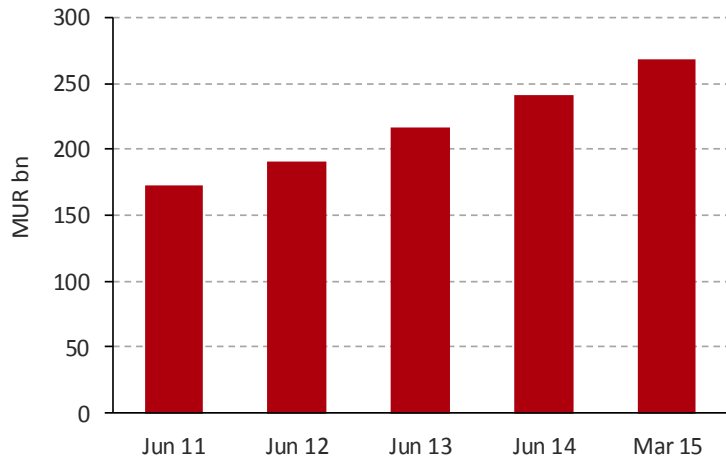
Notes:

- (i) Profit excludes non-recurrent gains of Rs 250m in June 2011 and some Rs 400m in June 2014
- (ii) ROE ratio has been annualised for March 2015

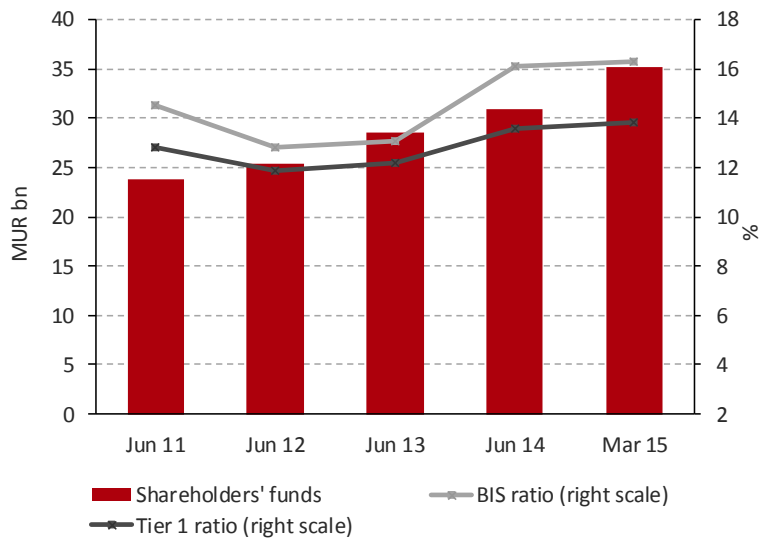
Loans and funding bases



Total assets



Shareholders' funds and capital adequacy



Note: Capital adequacy figures for June 2014 and March 2015 are based on Basel III

7.5.2 Analysis of results for the nine months to 31 March 2015 and outlook

In spite of facing up to challenging market conditions domestically and abroad, the Group pursued its business development, which led to a rise of 12.6% in operating income. While net interest income maintained its upward trend, driven essentially by the growth in our overseas portfolio, a strong growth was recorded in net fee and commission income, to a large extent underpinned by further headway realised in respect of asset management activities and international trade finance. Furthermore, 'other income' witnessed a notable expansion on the back of enhanced contribution from the non-bank financial entities of the Group. Growth in operating expenses was contained to 2.6%, enabling operating profit for the nine months period to rise by 21.6%. In spite of a drop in the contribution from the Group's associates, significantly lower impairment charges led to attributable profits of the Group growing by 35.4%, with earnings from foreign sources and non-banking activities accounting for slightly above 50% thereof.

On the back of these good results, shareholders' funds reached Rs 35 billion as at 31 March 2015, thus contributing to a further consolidation of our capital base. Moreover, the Group maintained comfortable liquidity levels, with its liquid assets to total assets ratio further rising during the period.

Looking ahead, the Group will pursue its strategic orientations to further strengthen and diversify its operations both locally and in the region.

On current trends, MCB Group full-year results for 2015 are anticipated to show a healthy improvement compared to those of 2014.

7.5.3 Abridged unaudited interim financial statements for the nine months ended 31 March 2015 and audited financial statements for June 2014 June and 2013.

Statements of financial position

	GROUP		PROFORMA GROUP
	31 Mar 2015	30 Jun 2014	30 Jun 2013
	MUR million	MUR million	MUR million
ASSETS			
Cash and cash equivalents	23,403	18,802	15,394
Mandatory balances with Central Banks	13,580	12,357	9,882
Derivative financial instruments	333	247	121
Loans and advances	168,520	156,427	151,825
Investment securities	43,879	35,435	22,447
Investments in associates	6,850	6,908	6,377
Other assets	11,153	10,711	10,482
Total assets	267,717	240,886	216,528
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits from banks	1,872	1,660	1,737
Deposits from customers	205,130	184,428	164,376
Derivative financial instruments	1,139	654	561
Other borrowed funds	9,879	8,879	13,393
Subordinated liabilities	5,594	5,409	-
Other liabilities	7,187	7,153	6,334
Total liabilities	230,801	208,182	186,400
Total equity	36,916	32,704	30,127
Total equity and liabilities	267,717	240,886	216,528

Profit or Loss statement

	GROUP	PROFORMA GROUP	
	9 months to 31 Mar 2015	Year ended to 30 June 2014	Year ended to 30 June 2013
	MUR million	MUR million	MUR million
Net interest income	6,051	7,256	7,047
Net fee and commission income	2,408	2,888	2,629
Other income	1,328	2,131	1,347
Operating income	9,787	12,275	11,023
Non-interest expense	(4,204)	(5,353)	(4,962)
Operating profit before impairment	5,583	6,922	6,061
Allowance for credit impairment	(679)	(1,989)	(1,081)
Impairment of intangible assets	-	(50)	-
Operating profit	4,904	4,883	4,980
Share of profit of associates	228	540	257
Profit before tax	5,132	5,423	5,238
Income tax expense	(841)	(970)	(859)
Profit for the period	4,291	4,453	4,379
Profit for the period attributable to :-			
Ordinary equity holders of the parent	4,261	4,365	4,345
Non-controlling interests	30	88	34
Profit for the period	4,291	4,453	4,379
Earnings per share:			
Basic (MUR)	17.90	18.34	18.28
Diluted (MUR)	17.90	18.34	18.27

Statements of comprehensive income

	GROUP	PROFORMA GROUP	
	9 months to 31 Mar 2015	Year ended to 30 June 2014	Year ended to 30 June 2013
	MUR million	MUR million	MUR million
Profit for the period	4,291	4,453	4,379
Other comprehensive income/(expense):			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit pension plan net of deferred tax	-	(233)	(135)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations	59	(117)	151
Reclassification adjustments	73	(468)	(4)
Net fair value gain/(loss) on available-for-sale investments	631	369	188
Share of other comprehensive income/(expense) of associates	(93)	67	117
Other comprehensive income/(expense) for the period	670	(380)	318
Total comprehensive income for the period	4,962	4,073	4,697
Total comprehensive income attributable to :-			
Ordinary equity holders of the parent	4,947	3,939	4,612
Non-controlling interests	15	133	84
	4,962	4,073	4,697

Statements of cash flows

	GROUP	PROFORMA GROUP	
	9 months to 31 Mar 2015 MUR million	Year ended to 30 June 2014 MUR million	Year ended to 30 June 2013 MUR million
Net cash flows from trading activities	5,509	4,187	5,606
Net cash flows from other operating activities	1,876	2,009	(2,288)
Dividends received from associates	36	129	29
Dividends paid	(1,535)	(1,510)	(1,426)
Dividends paid to non-controlling interests in subsidiaries	(22)	(19)	(17)
Income tax paid	(821)	(853)	(846)
Net cash flows from operating activities	5,043	3,943	1,058
Investing activities	(1,841)	(350)	(358)
Net cash flows before financing activities	3,202	3,593	700
Financing activities			
Employee share options exercised	14	30	26
Subordinated liabilities issued	-	5,416	-
Net debt securities (matured)/issued	(1,793)	146	355
Net cash flows from financing activities	(1,779)	5,592	380
Increase in cash equivalents	1,423	9,185	1,080
Net cash and cash equivalents brought forward	17,484	8,443	7,102
Effect of foreign exchange rate changes	258	(144)	260
Net cash and cash equivalents carried forward	19,164	17,484	8,443

Statement of changes in equity

	PROFORMA GROUP										
	Stated capital MUR million	Share premium MUR million	Treasury shares MUR million	Retained Earnings MUR million	Capital Reserve earnings MUR million	Translation reserve MUR million	Statutory reserve MUR million	General banking reserve MUR million	Total MUR million	Non-controlling interests MUR million	Total equity MUR million
As at 30 Jun 2012	2,504	90	(365)	18,744	1,383	(253)	2,615	598	25,315	1,553	26,868
Profit for the year (restated)	-	-	-	4,345	-	-	-	-	4,345	34	4,379
Other comprehensive (expense)/income for the year (restated)	-	-	-	(135)	249	153	-	-	267	50	318
Total comprehensive income for the year (restated)	-	-	-	4,210	249	153	-	-	4,612	84	4,697
Increase in effective shareholding of associate	-	-	-	2	-	-	-	-	2	1	3
Dividends	-	-	-	(1,450)	-	-	-	-	(1,450)	(17)	(1,467)
Share of transfer on disposal of property, plant & equipment by associate	-	-	-	16	(16)	-	-	-	-	-	-
Transfer to general banking reserve	-	-	-	(7)	-	-	-	7	-	-	-
Transfer to statutory reserve	-	-	-	(29)	-	-	29	-	-	-	-
Employee share options exercised	-	22	5	-	-	-	-	-	27	-	27
As at 30 Jun 2013	2,504	112	(360)	21,846	1,616	(100)	2,644	605	28,506	1,622	30,127
As at 1 July 2013											
As previously stated	2,504	112	(360)	22,412	1,616	(100)	2,644	605	29,432	1,622	31,054
Effect of adopting IAS 19 (revised) net of deferred tax	-	-	-	(927)	-	-	-	-	(927)	(0)	(927)
Transfer to stated capital	112	(112)	-	-	-	-	-	-	-	-	-
As restated	2,616	-	(360)	21,486	1,616	(100)	2,644	605	28,506	1,622	30,127
Profit for the year	-	-	-	4,365	-	-	-	-	4,365	88	4,453
Other comprehensive (expense)/income for the year	-	-	-	(233)	(88)	(106)	-	-	(426)	45	(380)
Total comprehensive income for the year	-	-	-	4,132	(88)	(106)	-	-	3,939	133	4,073
Increase in effective shareholding of associate	-	-	-	0	-	-	-	-	0	-	0
Dividends	-	-	-	(1,511)	-	-	-	-	(1,511)	(19)	(1,529)
Effect of increase in shareholding in subsidiary	-	-	-	(1)	-	-	-	-	(1)	-	(1)
Share of transfer on disposal of property, plant & equipment by associate	-	-	-	2	(2)	-	-	-	-	-	-
Share of other movements in reserves of associate	-	-	-	(1)	1	-	-	-	-	-	-
Transfer to general banking reserve	-	-	-	(9)	-	-	-	9	-	-	-
Transfer from statutory reserve	-	-	-	230	-	-	(230)	-	-	-	-
Employee share options exercised	26	-	4	-	-	-	-	-	31	-	31
Issue of shares following the exercise of Group Employee Share Options Scheme	4	-	-	-	-	-	-	-	4	-	4
Cancellation of treasury shares	(262)	-	356	(93)	-	-	-	-	-	-	-
As at 30 Jun 2014	2,383	-	-	24,235	1,527	(206)	2,414	614	30,968	1,737	32,704
Profit for the period	-	-	-	4,261	-	-	-	-	4,261	30	4,291
Other comprehensive (expense)/income for the period	-	-	-	(1)	623	64	-	-	686	(16)	670
Total comprehensive income for the period	-	-	-	4,260	623	64	-	-	4,947	15	4,962
Dividends	-	-	-	(738)	-	-	-	-	(738)	(22)	(760)
Effect of increase in shareholding in subsidiary	-	-	-	2	-	-	-	-	2	(6)	(4)
Share of transfer on disposal of property, plant & equipment by associate	-	-	-	4	(4)	-	-	-	-	-	-
Share of other movements in reserves of associate	-	-	-	(0)	0	-	-	-	-	-	-
Transfer to general banking reserve	-	-	-	(146)	-	-	-	146	-	-	-
Issue of shares following the exercise of Group Employee Share Options Scheme	14	-	-	-	-	-	-	-	14	-	14
As at 31 Mar 2015	2,397	-	-	27,617	2,147	(142)	2,414	760	35,194	1,723	36,916

7.6 Other disclosures

7.6.1 Mortgages

MCBG has not issued any mortgages or charges.

7.6.2 Contingent liabilities

As at March 2015, contingent liabilities of the Group amounted to MUR 64.7 billion.

7.6.3 Borrowings

As at March 2015, total borrowings of the Group amounted to MUR 9.9 billion, of which senior unsecured loans outstanding amounted to MUR 3.1 billion. Correspondingly, total subordinated debts amounted to MUR 5.6 billion, representing the MUR 4.5 billion floating rate subordinated notes raised on the SEM and the USD 30 million (MUR 1.1 billion) subordinated loan with the African Development Bank.

As at that date of the document, MCBG did not have any outstanding borrowings.

7.6.4 Interest cover

Interest cover as at 31 March 2015 was 17.4 times.

7.7 Corporate governance

The Board of MCBG is committed to upholding the highest standards of corporate governance with the aim of maximising the long-term value creation for its stakeholders. This is ensured through group-wide awareness of its operating ethics and regular monitoring by the Board that management is running the business in accordance with set objectives and policies.

The Board also encourages a culture that promotes ethical and responsible decision-making throughout the organisation, as testified by the provision for a corporate code of conduct at the MCBG as well as by efforts of the Group's entities to abide by the highest standards of business integrity, transparency and professionalism. Indeed, all subsidiaries comply with related provisions in relevant legislations while entities locally also subscribe to the Code of Corporate Governance in Mauritius, which was issued in October 2003. Furthermore, MCB issued a Code of Conduct, based on the model code of the Joint Economic Council, as appropriately adapted to meet its own specific needs and updated on a regular basis. MCB also adheres to the revised Mauritius Bankers Association Code of Ethics and of Banking Practice issued in 2013.

7.7.1 Board composition and Committees

The Board presently comprises 9 directors, namely 2 executives and 7 non-executives, all of whom are independent.

Directors	Name	Nationality	Business Address	Qualifications
NON-EXECUTIVE / INDEPENDENT	J. Gérard Hardy	Mauritian	c/o MCB Group Limited, Sir William Newton Street , Port Louis	Certified Accountant
	Sunil Banymandhub	Mauritian	c/o MCB Group Limited, Sir William Newton Street , Port Louis	Chartered Accountant and Civil Engineer
	Jean-Jacques Dupont de Rivalz de St Antoine	Mauritian	c/o MCB Group Limited, Sir William Newton Street , Port Louis	Degree in Economy and Finance and MBA
	Navin Hooloomann, C.S.K.	Mauritian	Hooloomann & Associates, Route St Jean, Quatre Bornes	Chartered Surveyor
	Jean-Louis Mattei	French	c/o MCB Group Limited, Sir William Newton Street , Port Louis	Master's degree in Private Law and Diploma in Public Service
	Jean Pierre Montocchio	Mauritian	Etude Montocchio, Labama House, Sir William Newton Street, Port Louis	Notary Public
	Margaret Wong Ping Lun	Mauritian	c/o University of Mauritius, Réduit	Chartered Accountant
EXECUTIVE	Pierre Guy Noël	Mauritian	c/o MCB Group Limited, Sir William Newton Street , Port Louis	Chartered Accountant
	Gilbert Gnany	Mauritian	c/o MCB Group Limited, Sir William Newton Street , Port Louis	Master's degree in Econometrics and 'DESS' in Management/Micro-Economics

7.7.2 Board Committees

The composition and key terms of reference of each board committee of MCBG are set out hereafter.

Risk Monitoring Committee	
Composition	3 non-executive and 2 executive directors
Terms of reference	<ul style="list-style-type: none"> overseeing the development of an effective risk management framework for the Group by implementing rigorous internal processes and controls which identify, monitor, measure and report different types of risks; reviewing the principal risks, including credit, market, liquidity, operational, compliance and reputational risks as well as the actions taken to mitigate them; reviewing regular information on risk exposures and risk management activities, and make appropriate recommendations to the Board; setting risk exposure limits, as well as the delegation and authorisation procedures;

	<ul style="list-style-type: none"> • monitoring risk portfolios against set limits with respect to, <i>inter alia</i>, risk concentration, asset quality, large and foreign country exposures, in compliance with regulations and internal policies; • ensuring that clear lines of responsibility and accountability exist and are enforced throughout the organisation; • ensuring that the Group complies with all the relevant laws, regulations and codes of business practice; and • reviewing any legal matters that could have a significant impact on the Company's and its subsidiaries' business.
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Audit Committee	
Composition	2 non-executive directors
Terms of reference	<ul style="list-style-type: none"> • reviewing the effectiveness of the Group's internal control and reporting systems; • monitoring the effectiveness of the internal audit function; • assessing audit matters pertaining to the Company and its subsidiaries; • overseeing the financial reporting procedures in accordance with prescribed standards; • making recommendations to the Board on the appointment of external auditors; • monitoring the effectiveness and independence of external auditors and assessing the implications of the supply of non-audit services; • reviewing the overall scope and deliverables of external auditors as well as their remuneration; and • ensuring compliance by the Company and its subsidiaries, with the requirements of relevant constitutions, legislations and regulations.

Remuneration and Corporate Governance Committee	
Composition	3 non-executive and 1 executive director
Terms of reference	<ul style="list-style-type: none"> • identifying and recommending suitable candidates for the boards and committees of the Company and its subsidiaries while ascertaining that potential new directors and senior officers are fit and proper persons; • reviewing the Board structure, size and composition to achieve an appropriate balance of skills and expertise, with a majority of independent non-executive directors;

- establishing clear criteria for selecting prospective directors and evaluating the performance of current directors;
- setting and developing the Group's general policy concerning the remuneration of directors;
- reviewing the remuneration of directors, taking into account their responsibilities and workload;
- making recommendations to the Board regarding the use of incentive plans and equity based remuneration;
- reviewing the succession plan of senior executives and the list of talents;
- determining and developing the Group's general policy on corporate governance in accordance with the applicable Code of Corporate Governance; and
- ensuring that no material conflict of interest exists/arises in conducting business.

7.7.3 Directors' profiles

J. Gérard HARDY - Age 70

After spending 4 years in London having qualified as Certified Accountant, he moved to Paris in 1969 where he qualified as an 'Expert Comptable'. He worked 8 years with KPMG and 17 years with the IP Group before setting up his own consultancy firm. He returned to Mauritius in June 2001. He was appointed to the Board of MCB Limited in 2002 and was elected Vice President. In July 2003, at the request of the Board, he chaired the Bank's Management Committee until its dissolution at the beginning of 2005. He was President of the Board of MCB Limited until March 2014 when he joined the Board of MCBG following the restructuring of the Group.

He is currently Chairperson of the Board of MCBG and of the Remuneration and Corporate Governance Committee while being a member of the Risk Monitoring Committee.

Sunil BANYMANDHUB - Age 65

Holds a BSc (Honours) First Class in Civil Engineering from the University of Manchester Institute of Science and Technology, a Master's degree in Business Studies from London Business School (UK), and is an Associate of the Institute of Chartered Accountants of England and Wales. He has occupied senior positions in the private sector in Mauritius prior to launching his own transport company in 1990. In 2008, he retired as Chief Executive Officer of the CIM Group, a company engaged in financial and international services, which he joined in 2001. During his career, he has been involved in various private sector organisations. Amongst others, he was President of the Mauritius Employers Federation. He was a Member of the Presidential Commission on Judicial Reform, headed by Lord Mackay of Clashfern, previously UK Lord Chancellor. He is currently a director of a number of domestic and offshore entities, acting either as chairperson or board member, and is also Adjunct Professor at the University of Mauritius.

He has been appointed Director of MCBG in April 2014. He is also a member of the Audit Committee.

Directorships in other listed companies

- Omnicane Ltd
- New Mauritius Hotels Ltd
- Fincorp Investment Ltd

Jean-Jacques DUPONT DE RIVALZ DE ST ANTOINE – Age 64

Holds an MBA from the University of California (USA) and a degree in economy and finance from the Institut d'Études Politiques (France). He started his career in 1977 as Financial Adviser at Deep River Beau Champ prior to joining the World Bank Group in 1980 under the Young Professionals Program. He integrated the International Finance Corporation (IFC) where he worked on agro-industrial projects in several countries in West Africa. Since 1987, he acted as Principal Operations Officer within the World Bank successively for Europe, Central Asia, Latin America and the African region, whilst being responsible for the Health, Nutrition and Population (HNP) projects undertaken in various countries therein. Moreover, he was appointed as Cluster Leader of the World Bank's HNP Division for West Africa in 2008 before acting as the Sector Manager for the African region in 2011-2012 when he was also a member of the HNP Sector Board worldwide.

He was appointed Director of MCBG in November 2014. He is also a member of the Risk Monitoring Committee.

Gilbert GNANY - Age 53

Holds a Master's degree in Econometrics from the University of Toulouse and a 'DESS' in Management/Micro-Economics from Paris-X. He is currently Chief Strategy Officer of MCBG. Previously, he worked as Senior Advisor on the World Bank Group's Executive Board where he was responsible for issues relating mainly to the IFC and to the private and financial sectors. Prior to joining the World Bank, he was the MCB Group Chief Economist after having been the Economic Advisor to the Minister of Finance. During his career, he has been involved in various high-profile boards/committees. Amongst others, he chaired the Stock Exchange of Mauritius, the Statistics Advisory Council and the Statistics Board and has been a director of the Board of Governors of the Mauritius Offshore Business Activities Authority and of the Board of Investment. He was also a member of the IMF Advisory Group for sub-Saharan Africa (AGSA). Whilst currently being Chairperson or board member of several companies of the MCB Group, he is a member of the Senate and of the Court of the University of Mauritius.

He was appointed Director of MCBG in April 2014. He is also a member of the Risk Monitoring Committee.

Directorships in other listed companies

- Caudan Development Ltd
- Promotion & Development Ltd

Navin HOOLOOMANN, C.S.K. - Age 56

Holds a First Class Honours degree in Surveying from the University of the West of England and is a Fellow of the Royal Institution of Chartered Surveyors, UK. He has over 25 years of experience in the construction industry internationally. He is the founder and Managing Director of Hooloomann & Associates Ltd, a construction, project management and cost management consultancy firm operating in Mauritius, Seychelles, Maldives, Sri Lanka, India and West Africa.

He has served on the Board of MCB Limited for several years since October 2002 and was appointed Director of MCBG in April 2014. He is also a member of the Remuneration and Corporate Governance Committee.

Jean-Louis MATTEI - Age 67

Holds a BA and Master's degree in Private Law and is a graduate with a Major in Public Service from the Institut d'Études Politiques and from Centre d'Études Supérieures de Banque, France. He has accumulated wide-ranging experience in the banking sector, having worked for Société Générale Group for some 40 years. Over this period, he has shouldered an array of high-level responsibilities within the group, acting as Chairperson, Director or Chief Executive Officer, in its various offices based worldwide. In 1998, he took charge of Société Générale international retail banking operations and built the group's international network, particularly in northern Africa and in the sub-Saharan region as well as in eastern Europe. He was also the Chairperson of the Audit Committee of Agence Française de Développement. Prior to his retirement in 2013, he was Advisor to the Chairman and Chief Executive of Société Générale Group.

He was appointed Director of MCBG in April 2014. He is also the Chairperson of the Risk Monitoring Committee.

Jean-Pierre MONTOCCHIO - Age 52

Notary Public since 1990, he has participated in the National Committee on Corporate Governance. He has served on the Board of MCB Limited for several years since 2001 and was a Director thereof until March 2014, after which he was appointed Director of MCBG following the Group's restructuring exercise. He is also a member of the Remuneration and Corporate Governance Committee.

Directorships in other listed companies

- Caudan Development Ltd
- Fincorp Investment Ltd
- Promotion & Development Ltd
- New Mauritius Hotels Ltd
- Rogers & Co. Ltd
- ENL Land Ltd
- Les Moulins de la Concorde Ltée

Pierre Guy NOEL - Age 58

Holds a BSc (Honours) in Economics from the London School of Economics and Political Science and is a Fellow of the Institute of Chartered Accountants in England and Wales. From 1981 to 1991, he worked at De Chazal Du Mée & Co. where he became a partner in financial consultancy. He joined MCB in 1992 as Planning and Development Consultant before being appointed General Manager of the Bank in 1996. He is currently the Chief Executive of MCB Group Ltd. He is a board member of several companies within the Group namely Banque Française Commerciale Océan Indien, MCB Moçambique, MCB Madagascar, MCB Seychelles, MCB Maldives, MCB Investment Holding Ltd and MCB Capital Markets Ltd amongst others, acting either as Chairperson or Director.

He was appointed to the Board of MCB Limited in 2005 and was a director thereof until March 2014 when he joined the Board of MCBG following the Group's restructuring exercise. He is also a member of

the Risk Monitoring Committee and of the Remuneration and Corporate Governance Committee of MCBG.

Margaret WONG PING LUN - Age 60

Holds a BA (Honours) in Business Studies (UK) and is a Fellow of the Institute of Chartered Accountants in England and Wales. Prior to joining the University of Mauritius in 1991 where she is a lecturer in Accounting and Finance, she was a Senior Manager at De Chazal Du Mée's Consultancy Department. She is a member of the Listing Executive Committee of the Stock Exchange of Mauritius.

She was appointed to the Board of MCB Limited in 2004 and was a director thereof until March 2014, after which she joined the Board of MCBG following the restructuring of the Group. She is also a member of the Audit Committee.

Directorship in other listed companies

- Terra Mauricia Ltd

7.7.4 Statement of Directors' interests in MCBG and its subsidiaries

The following tables set out the interests of the directors in the Group's listed securities as at 31 March 2015. None of the directors had any interest in the securities of the subsidiaries of MCBG other than in the equity of Fincorp Investment Ltd and the Floating Rate Subordinated Notes of MCB Limited.

Interests in MCB Group Ltd shares as at 31 March 2015	Number of shares	
	Direct	Indirect
J. Gérard HARDY	5,000	-
Jean-Jacques DUPONT DE RIVALZ DE ST ANTOINE	88	-
Gilbert GNANY	142,432	-
Navin HOOLOOMANN, c.s.k.	55,910	974,029
Jean Pierre MONTOCCHIO	1,000	74,533
Pierre Guy NOEL	1,127,395	28,302
Margaret WONG PING LUN	500	18,900

Interests in MCB Ltd Subordinated Notes as at 31 March 2015	Number of notes	
	Direct	Indirect
J. Gérard HARDY	-	100
Gilbert GNANY	-	200
Navin HOOLOOMANN, c.s.k.	-	2,500
Jean Pierre MONTOCCHIO	-	2,195

Interests in Fincorp Investment Ltd as at 31 March 2015	Number of shares	
	Direct	Indirect
Jean-Jacques DUPONT DE RIVALZ DE ST ANTOINE	550	-
Gilbert GNANY	25,000	-
Navin HOOLOOMANN, c.s.k.	-	362,200
Jean Pierre MONTOCCHIO	-	12,493
Pierre Guy NOEL	750,166	32,250
Margaret WONG PING LUN	-	10,000

7.7.5 Contracts with Directors

There is currently no service contract between MCBG and its Directors. There is currently no shareholders arrangement affecting the governance of the Group by the Board of Directors, as well as no contract/arrangement subsisting in which a Director has a material interest and which is significant in relation to the business of the Group.

As at to date, the aggregate loans and guarantees owed by the Directors of MCBG were MUR 11.0 million.

7.7.6 Directors' remuneration

The table below sets out to the remuneration and benefits received by each director in the financial year ended 30 June 2014.

Remuneration and benefits received (Rs '000)	From MCB Group Ltd*	From Subsidiaries		Total
		MCB Ltd	Others	
J. Gérard HARDY	405	1,908	-	2,313
Sunil BANYMANDHUB	165	-	-	165
Navin HOOLOOMANN, C.S.K.	105	281	-	386
Jean-Louis MATTEI	165	-	-	165
Jean Pierre MONTOCCHIO	105	356	110	571
Margaret WONG PING LUN	135	491	15	641
Total Non-Executive	1,080	3,036	125	4,241
Pierre Guy NOEL	2,668	19,305	-	21,973
Gilbert GNANY	1,612	-	-	1,612
Total Executive	4,280	19,305	-	23,585
Total (Non-Executive and Executive)	5,360	22,341	125	27,826

* Relate to remuneration received by directors since April 2014 when the Board was constituted.

In the current financial year, the aggregate remuneration payable to the directors is estimated to be approximately MUR 42.0 million.

7.7.7 Key management

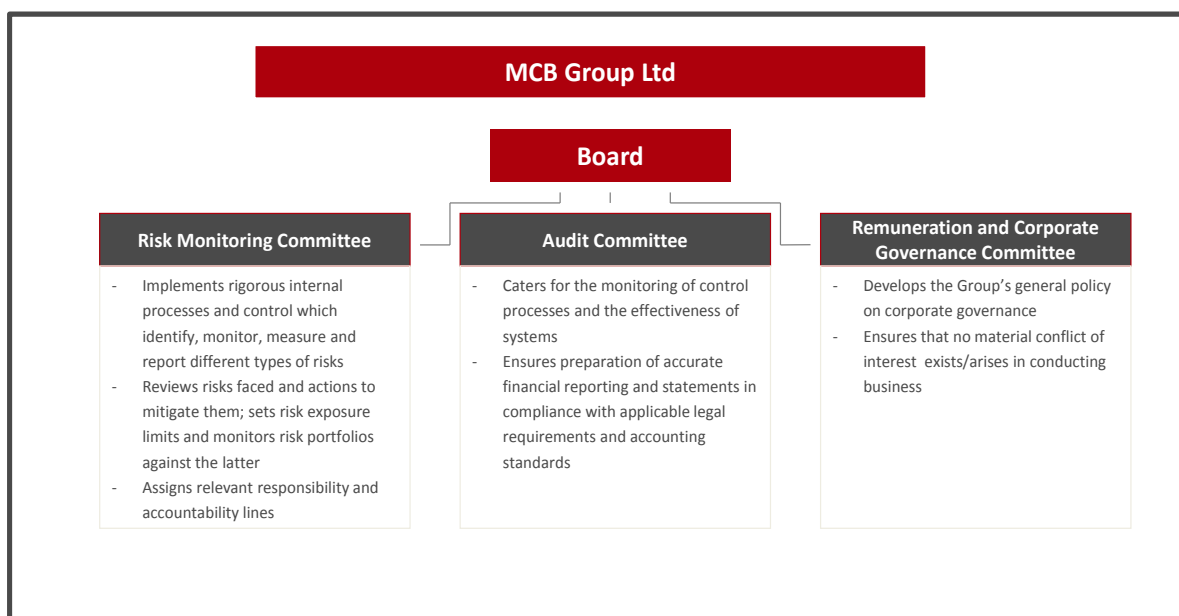
Key management team of MCBG consists of Pierre Guy NOEL and Gilbert GNANY. Please refer to section 7.7.3 for their respective profile.

7.7.8 Risk management framework

The risk management framework of the Group provides a robust and consistent approach to the management of risks by its different entities, backed by the articulation of clear and coherent responsibilities and reporting lines for risk management and oversight across the organisation.

Towards realising the objective of building sustainable value for shareholders and meeting up with the expectations of other stakeholders and in alignment with set business development orientations, the Board of MCBG determines the principal strategies in respect of the risk management of the Group, while ensuring that all laws, regulations and codes of business practice are duly abided by. In the same vein, underpinned by the establishment and enforcement of clear lines of responsibility and accountability throughout the organisation, it ensures that the relevant procedures and practices are in place with a view to protecting the company's assets and reputation. With regard to the discharge of its duties, the Board is assisted by sub-committees which enable it to properly formulate, review and approve policies on monitoring and managing risk exposures. Specifically, the Risk Monitoring Committee is mandated to advise the Board on risk issues as well as to monitor the risk of relevant portfolios against the formulated risk appetite in the case of the banking subsidiaries. For its part, a key mandate of the Remuneration and Corporate Governance Committee is to determine the general policy of the Group with regard to the adoption of corporate governance practices.

Risk management framework



Fundamentally, the entities of the Group are guided by the core principles enshrined in the risk management policies validated by the Board of MCBG. Bearing this in mind and while being monitored in this respect by the Risk Monitoring Committee, these entities align their portfolios with the risk appetites and limits that have been approved at their respective levels. Hence, wherever applicable, the relevant strategies and policies that seek to ensure that risk assessment, mitigation and monitoring exercises are carried out in a systematic and effective manner are validated by their respective boards and Board committees before being executed. As underpinnings, control processes and reporting lines have been put into place, with emphasis being laid on the segregation of duties regarding risk-taking, processing and control. In general, the approach and practices adopted by entities of the Group to fulfill their risk management obligations are shaped up by the following factors and dynamics: (i) advocated corporate governance and risk management principles; (ii) the nature and scope of businesses; (iii) the risk-return profiles of markets in which they are involved; (iv) the challenges characterising the economic environment; and (v) any statutory and regulatory requirements as well as business codes and standards impacting the industries and countries in which businesses are carried out.

8 ADDITIONAL CONSIDERATIONS

8.1 Costs for the listing of the Notes

The estimated cost for the listing of the Notes under these Listing Particulars to the Official Market of SEM is estimated at MUR 5.7 million and will be borne by MCBG. No expenses relating to the listing of the Notes will be charged to the Noteholders.

8.2 Legal proceedings

As far as the Directors are aware, there are no current, pending or threatened legal or arbitration proceedings against MCBG, which may have, or have had, in the past twelve months preceding the date of these Listing Particulars, a material impact on MCBG's financial position.

8.3 Material contracts entered outside the ordinary course of business

MCBG or any member of the Group has not entered into any material contracts, other than contracts entered into in the ordinary course of business, within the two years immediately preceding the publication of the Listing Particulars.

8.4 Documents available for inspection

Copies of the following documents will be available for inspection at MCB Registry & Securities Ltd, 9-15, Sir William Newton Street, Port-Louis during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays), namely:

- These Listing Particulars;
- The Constitution of MCBG;
- Agency Agreement;
- Registrar Agreement;
- The audited financial statements of MCB for financial years ended 30th June 2012 and 30th June 2013;
- The audited financial statements of MCBG for the financial year ended 30th June 2014 ; and
- Interim reports, published quarterly reports

9 CORPORATE INFORMATION

Name of Issuer	MCB Group Limited
Registration number	C13117853
Registered office	Sir William Newton Street, Port-Louis, Mauritius
Secretary	MCB Registry & Securities Ltd Sir William Newton Street, Port-Louis
Bankers	The Mauritius Commercial Bank Limited
Auditors/Public Accountant	BDO & Co Chartered Accountants 10, Frère Félix de Valois Street, Port-Louis
Noteholders' Representative	Swan General Ltd (previously known as Swan Insurance Company Limited) 10, Intendance Street, Port-Louis
Registrar, Calculation, Transfer and Paying Agent	MCB Registry & Securities Ltd Sir William Newton Street, Port-Louis
Transaction Advisor	MCB Capital Markets Sir William Newton Street, Port-Louis
Legal Advisor	Thierry Koeing, SA ENS Africa 19 Church Street, Port Louis, Mauritius
Sponsoring Broker	MCB Stockbrokers Ltd Sir William Newton Street, Port-Louis

