



SUCCESS BEYOND NUMBERS

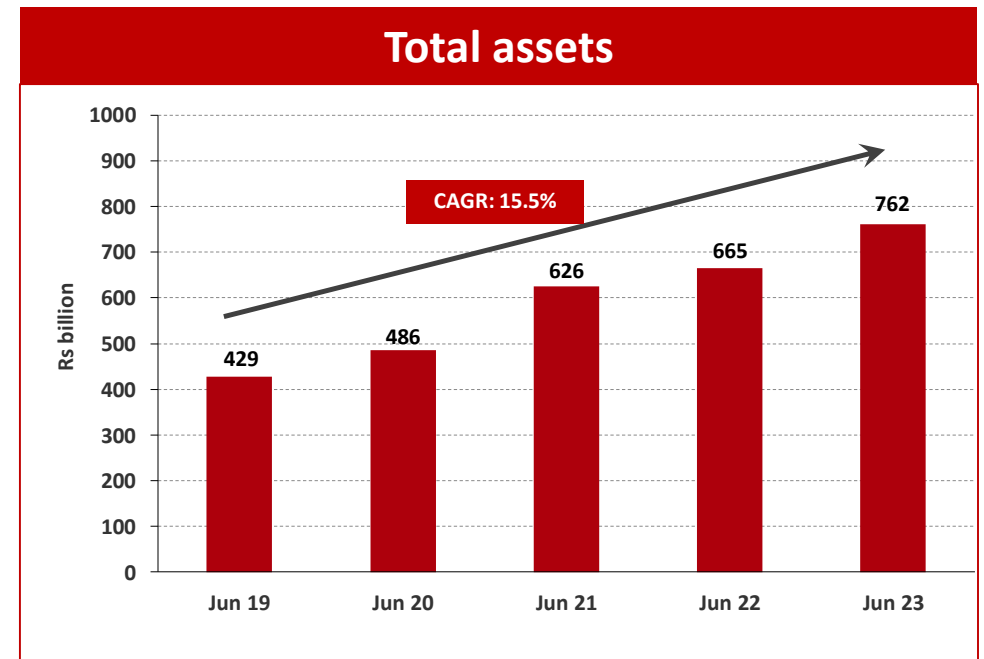
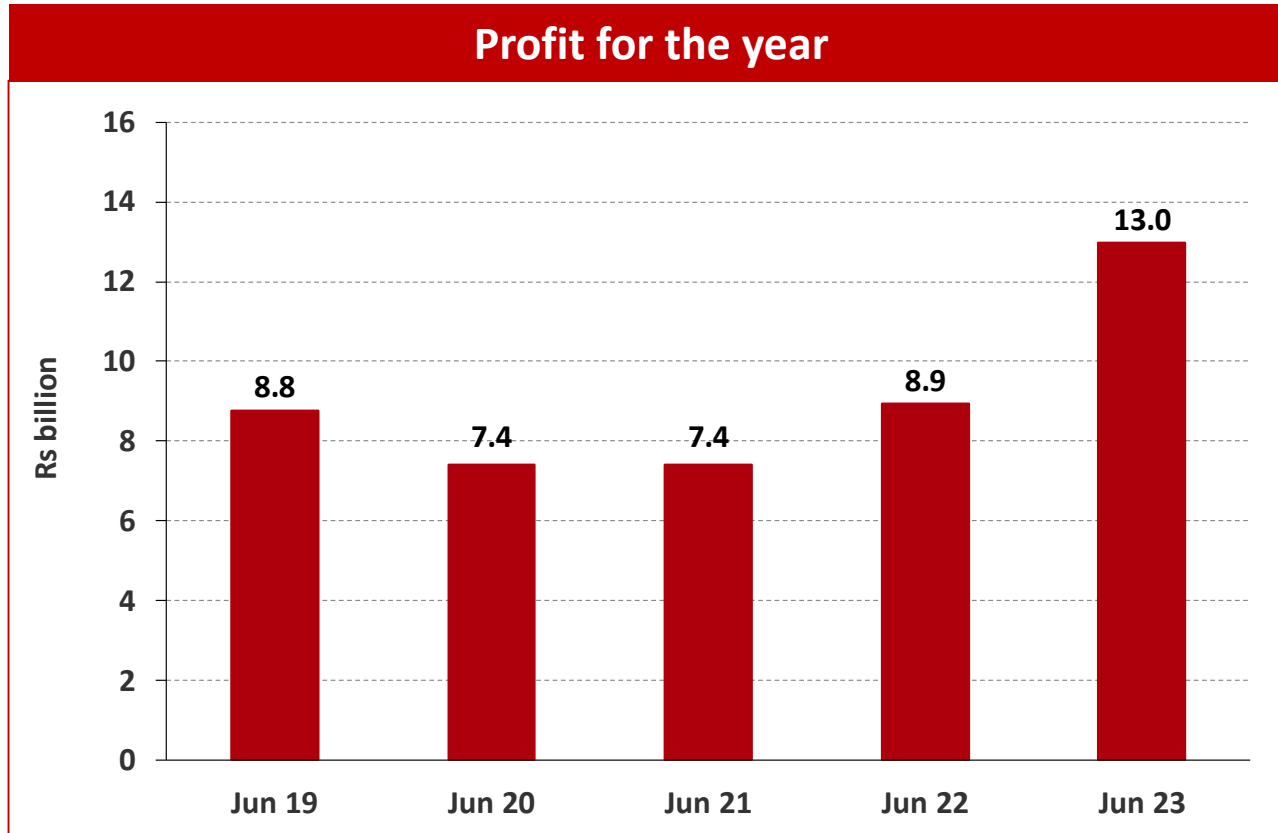


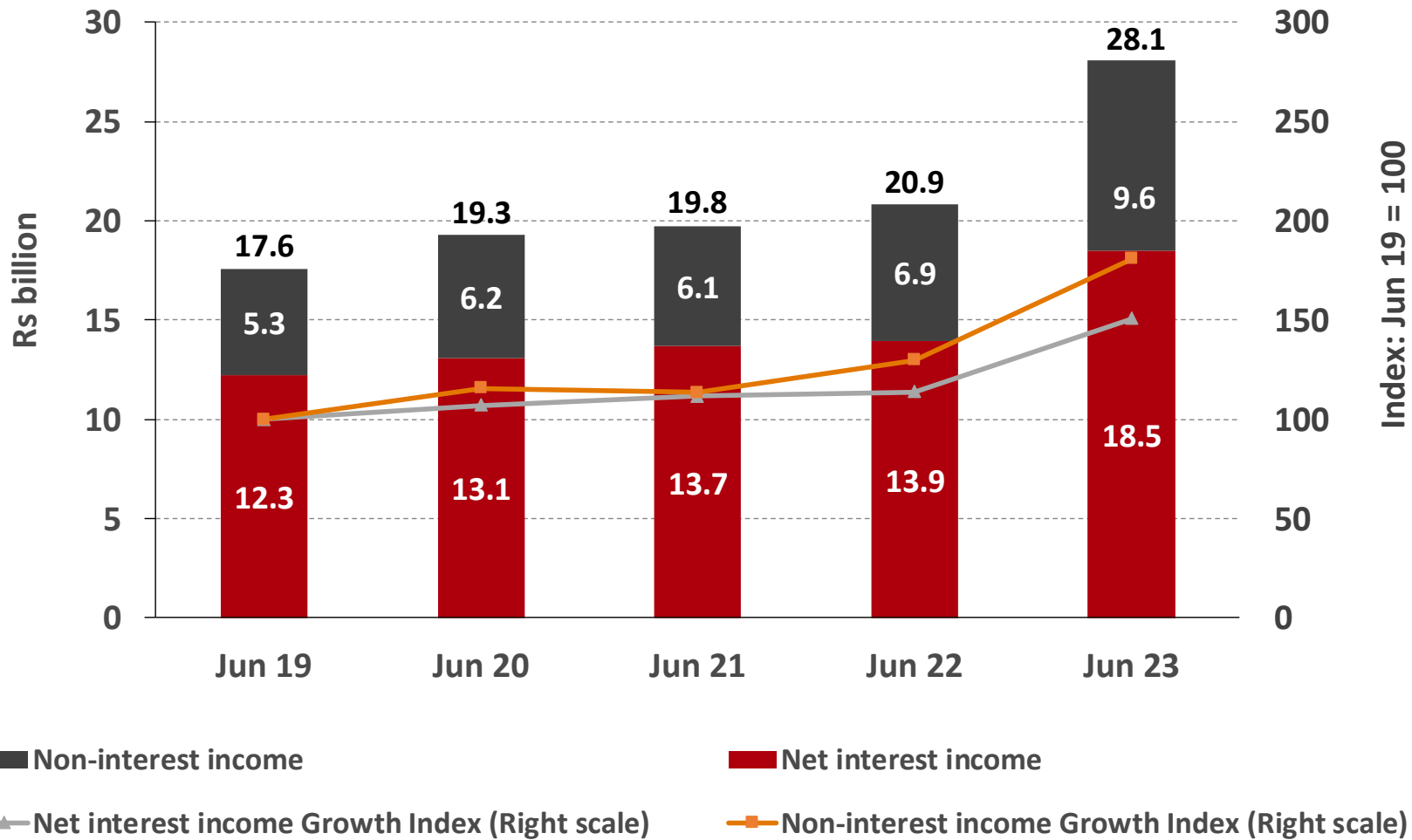


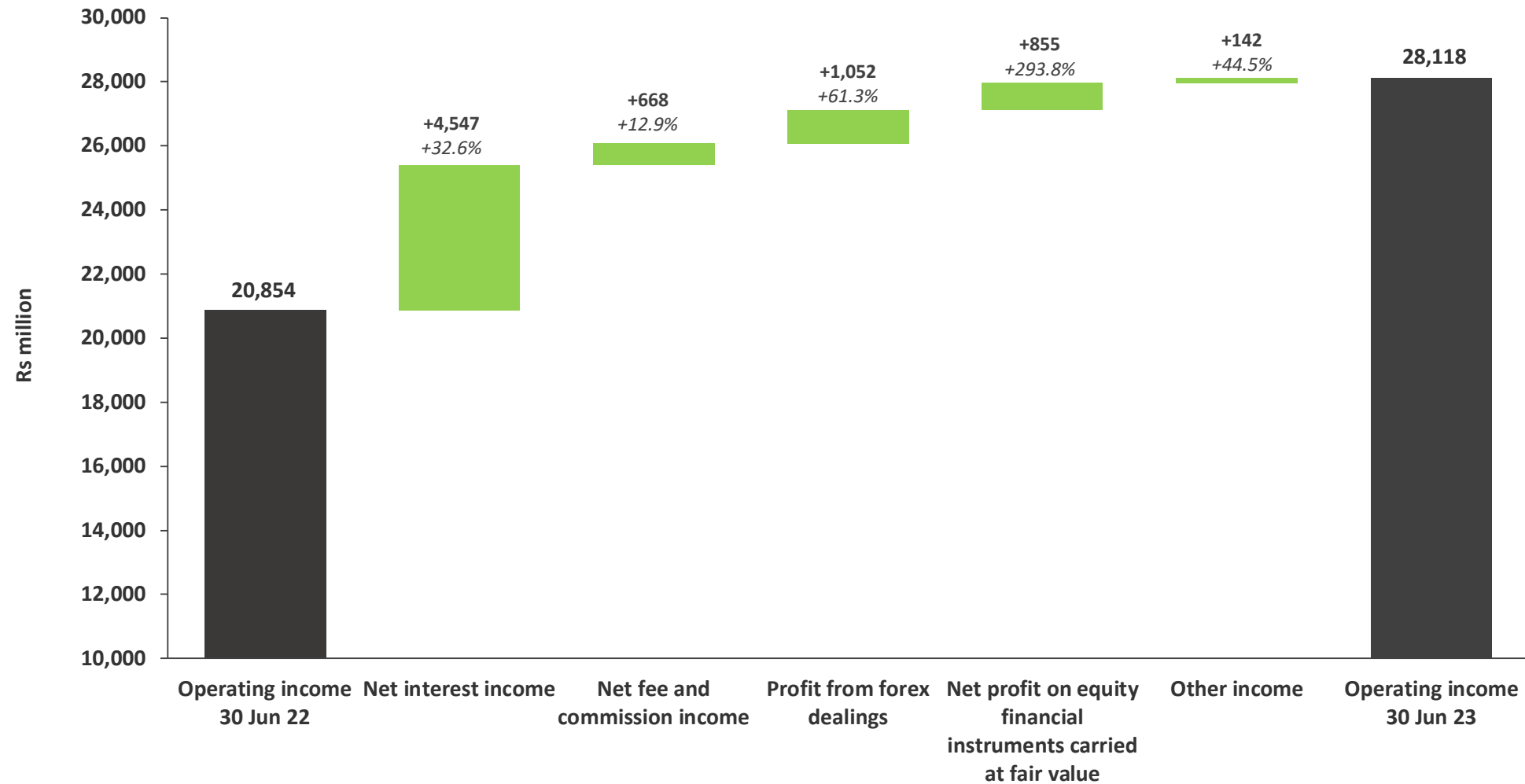
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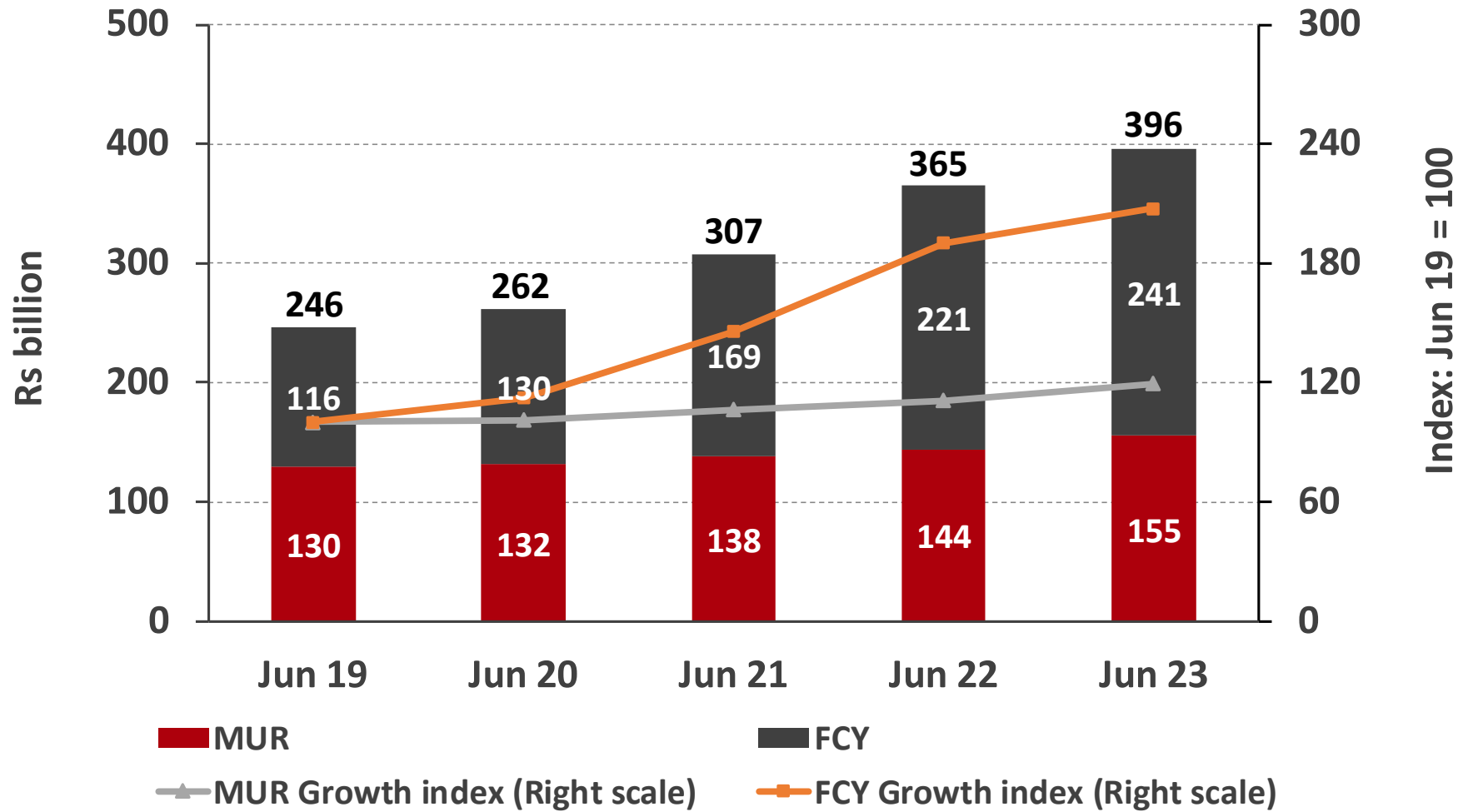
Full-Year Results 2022/23 Earnings Call Presentation

Presented by Alain LAW MIN – Chief Executive Officer (MCB Ltd)



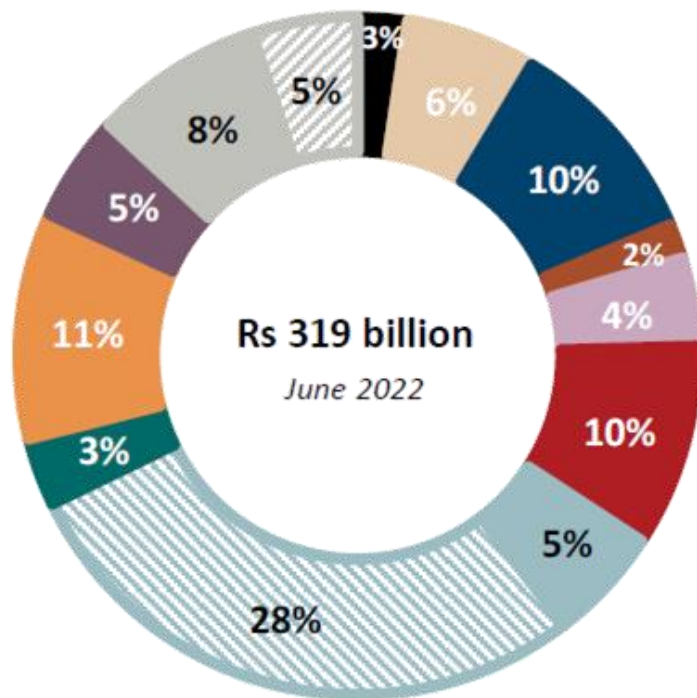




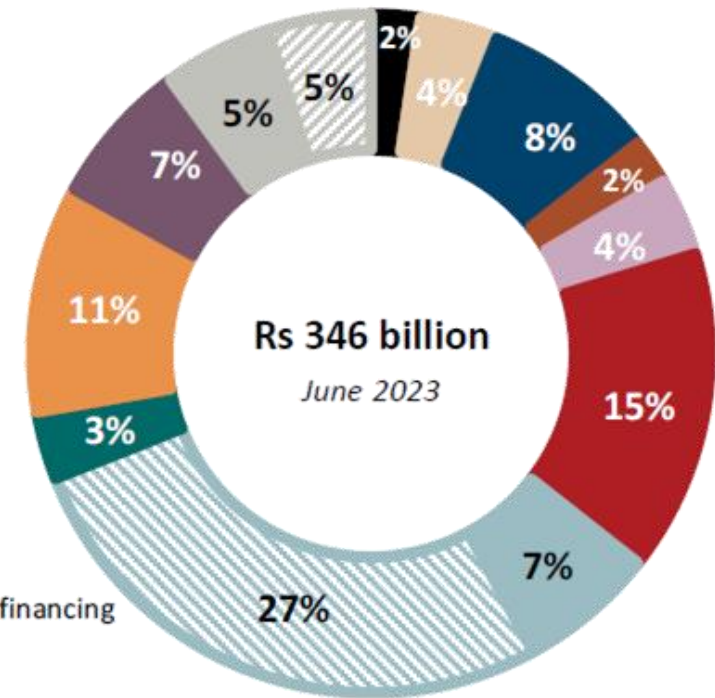




Sector-wise break-down of the Customer Loans Portfolio

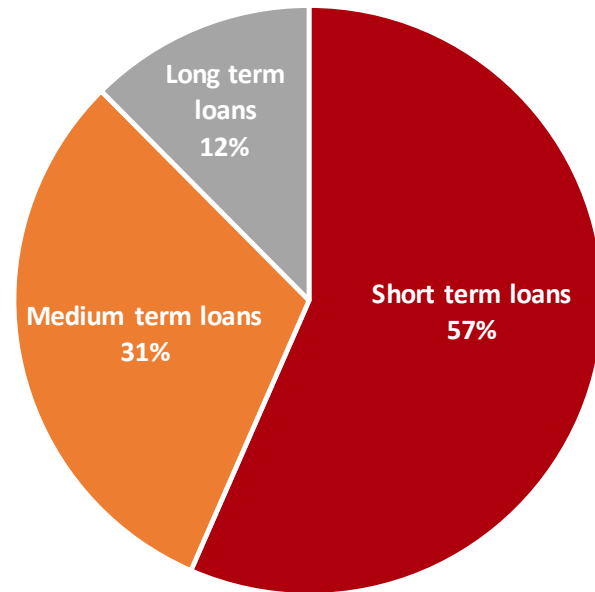


- Agriculture and fishing
- Manufacturing
- Tourism
- Transport
- Construction
- Financial and business services
- Traders
- Of which petroleum and energy products
- Personal and professional
- Housing
- GBL holders
- Others
- Of which Energy and Commodities asset-backed financing

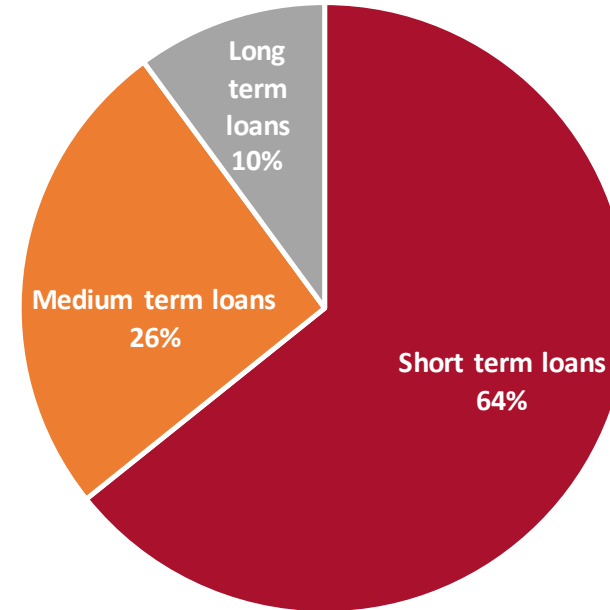




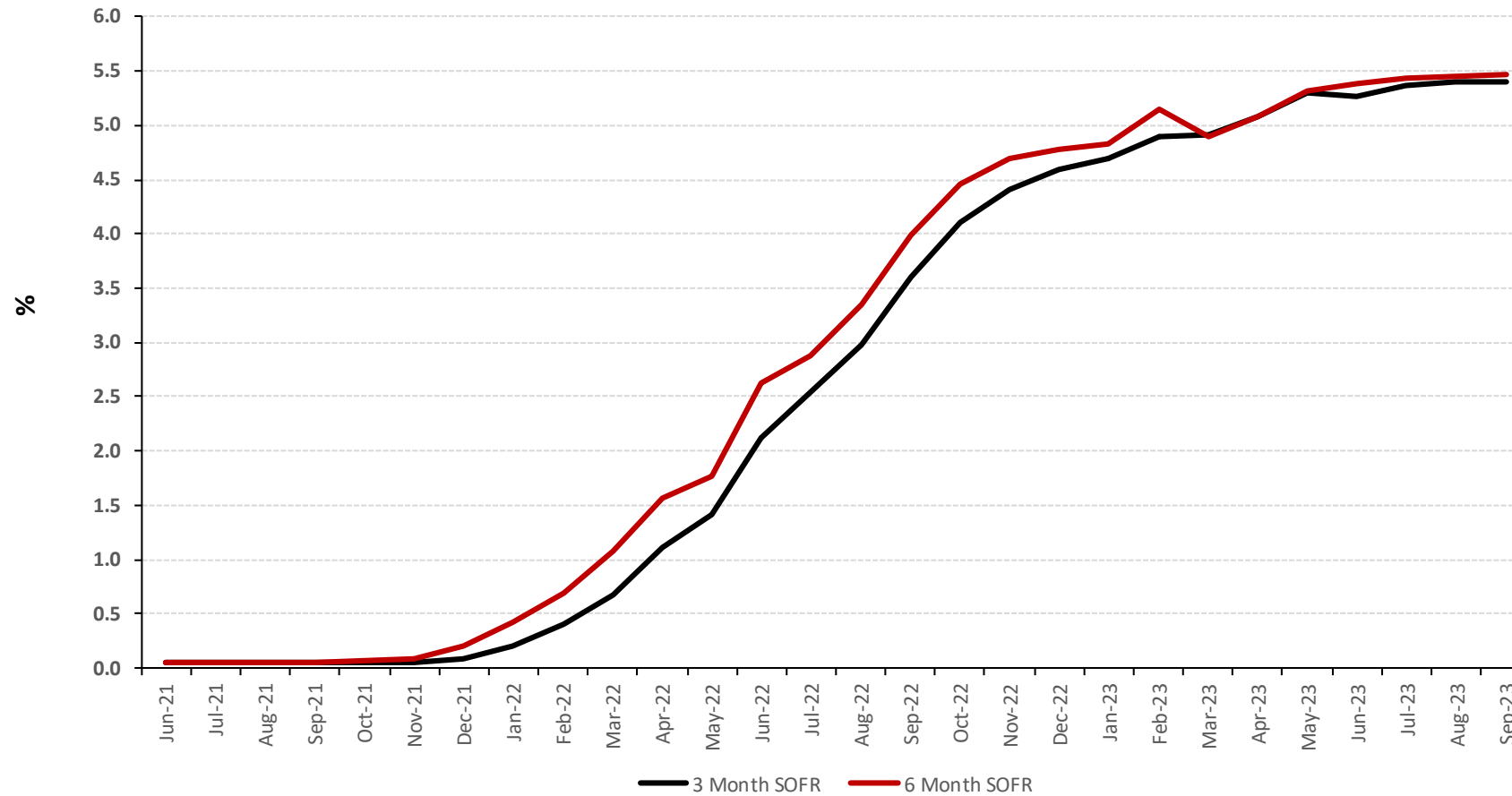
June 2022



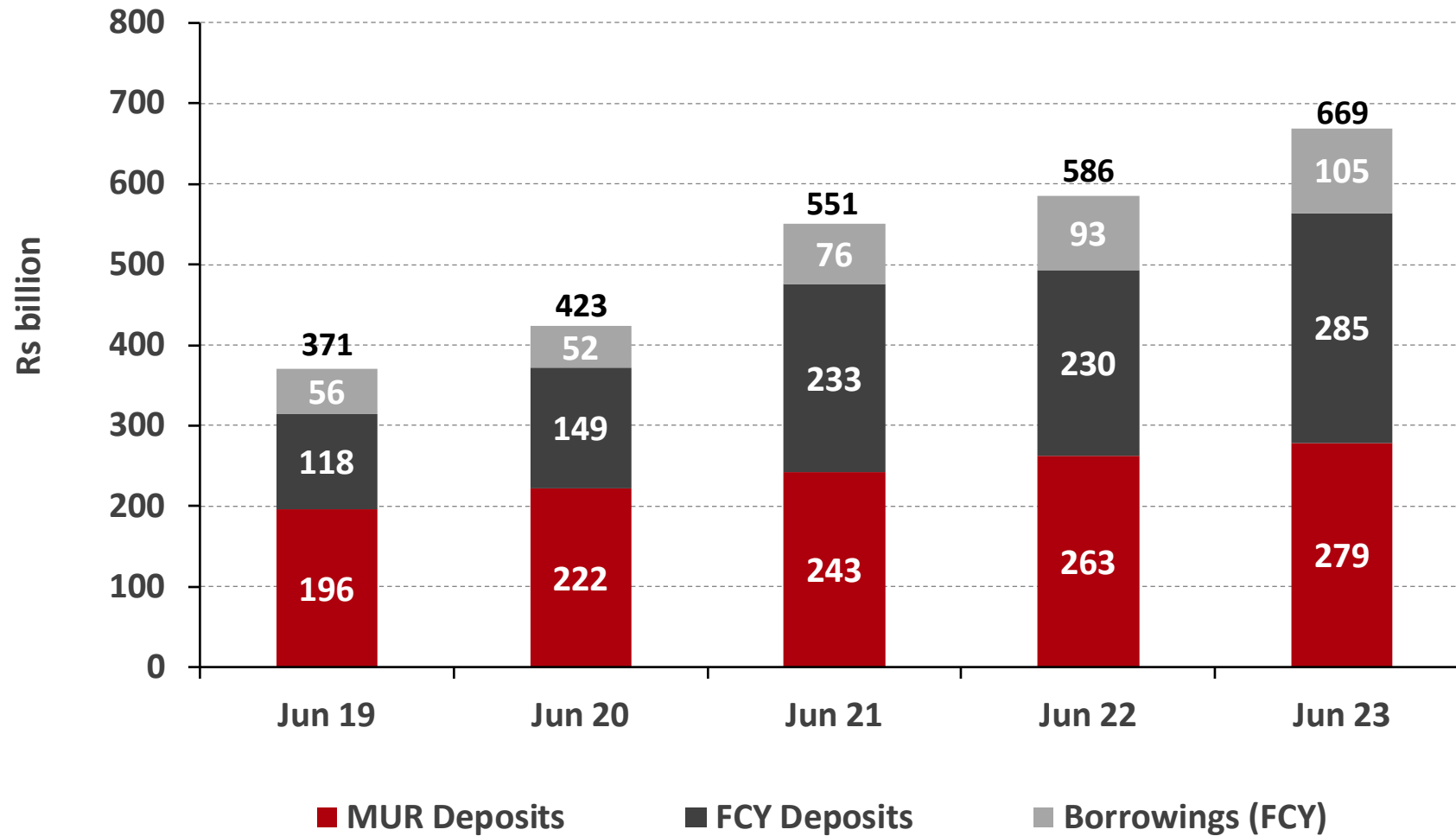
June 2023

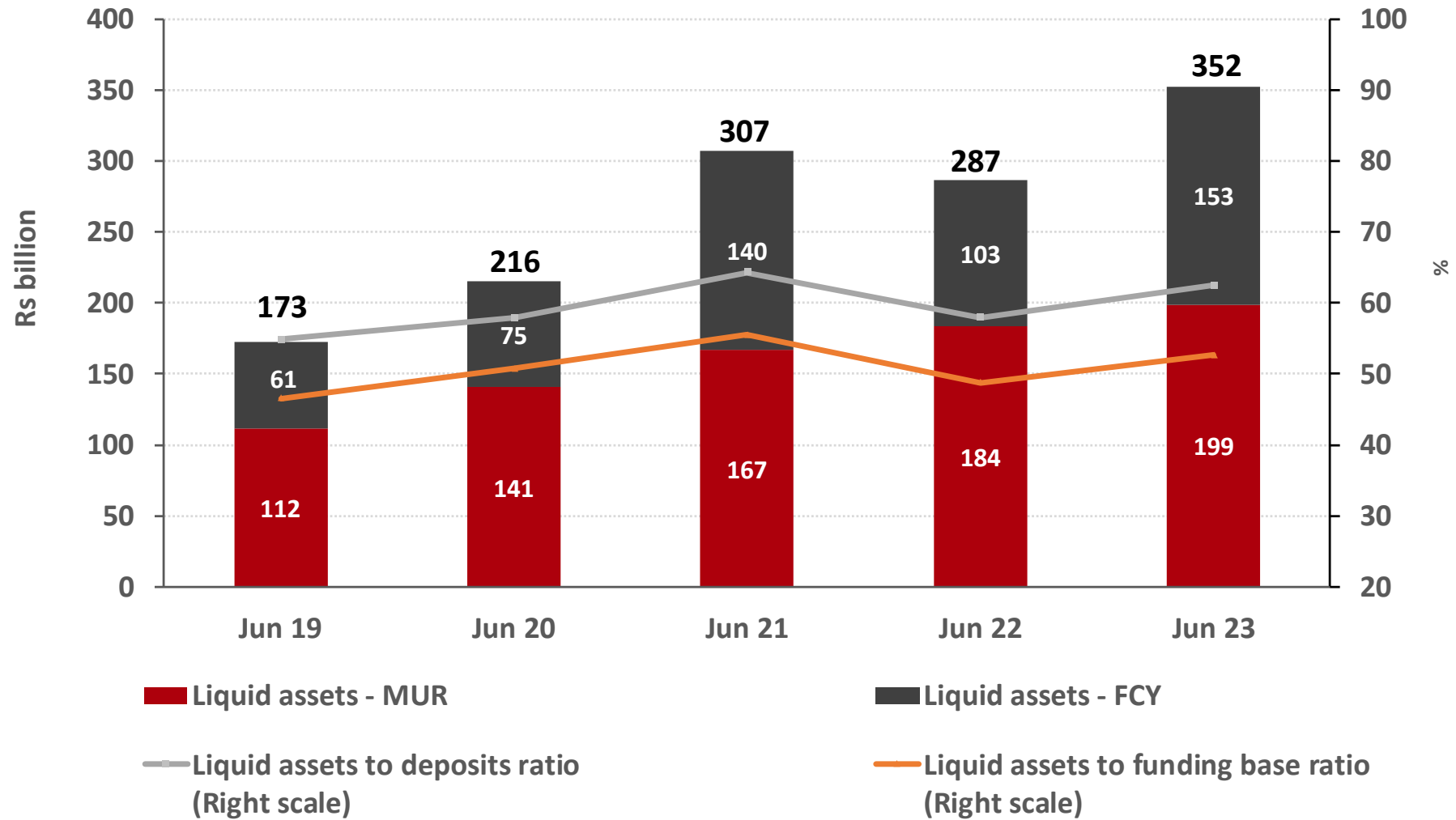


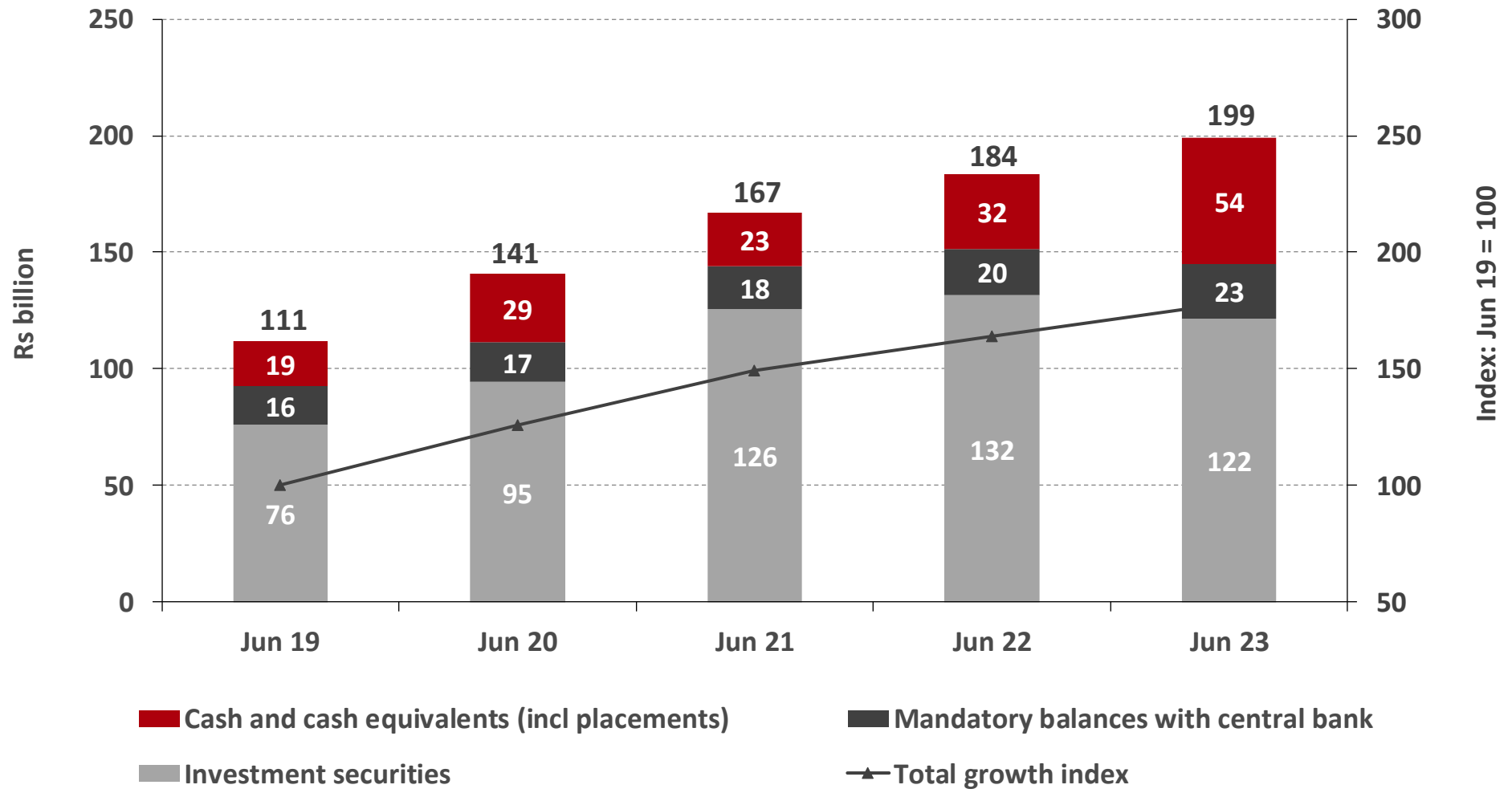
■ Short term loans ■ Medium term loans ■ Long term loans

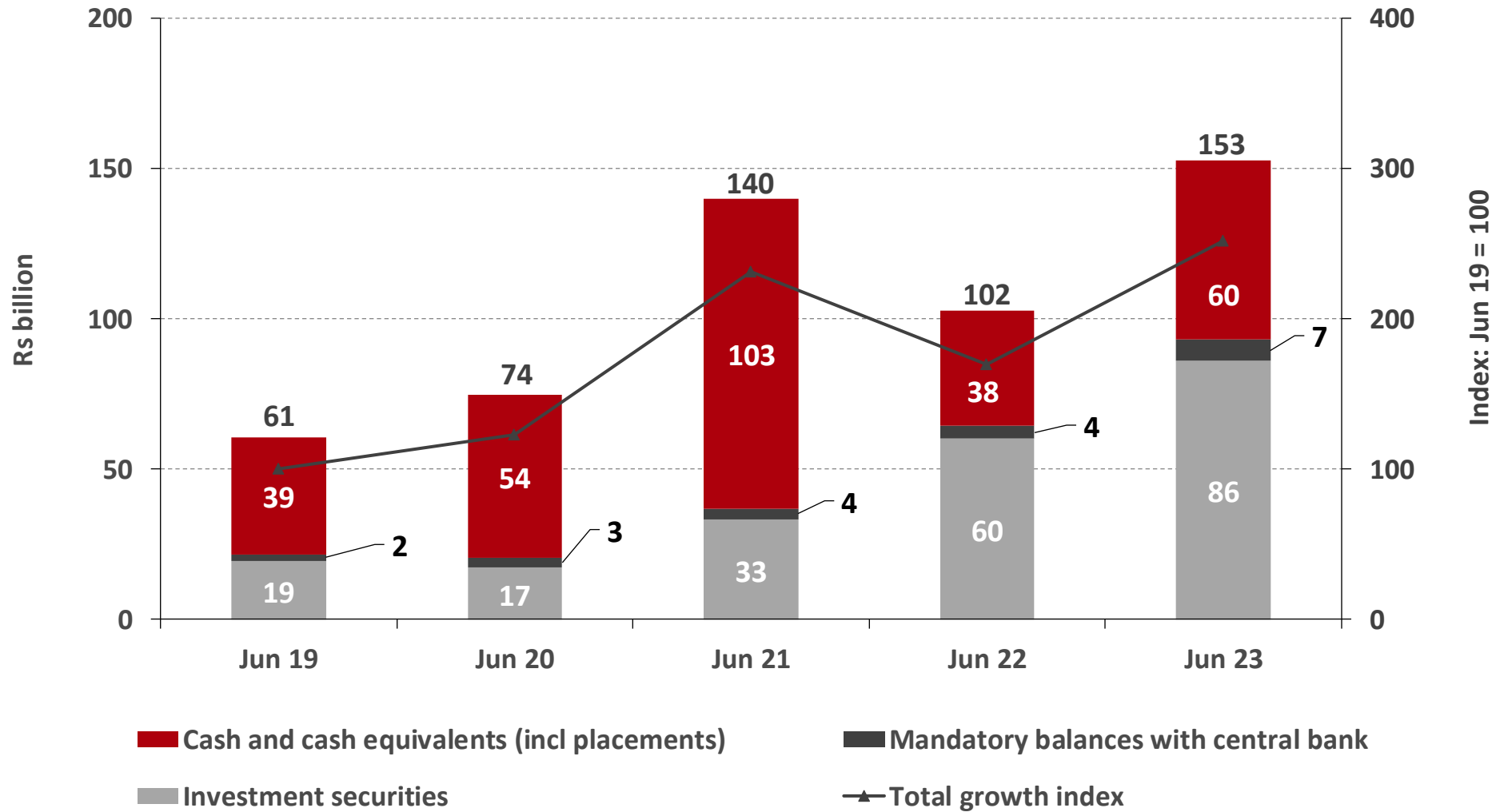


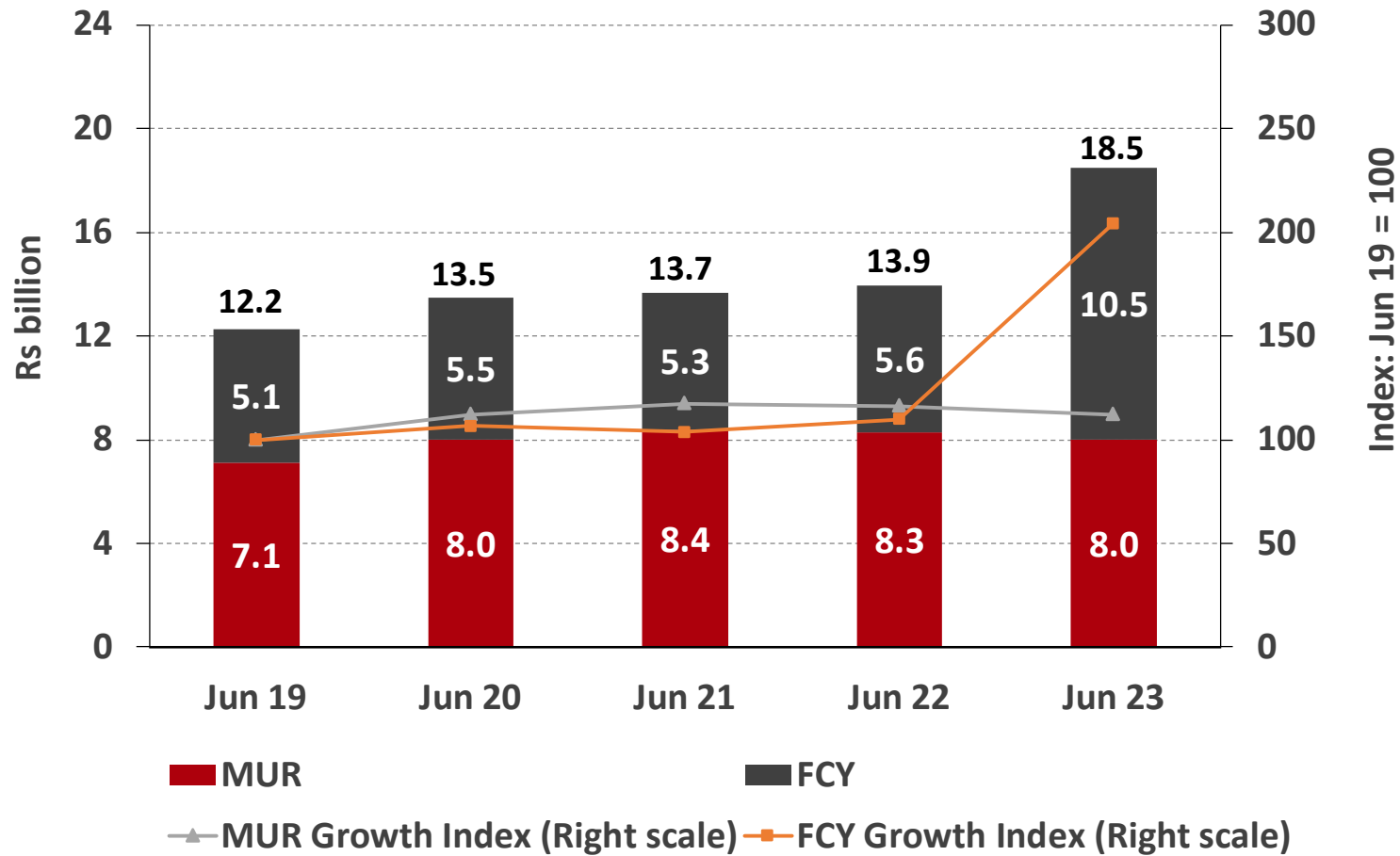
* Secured Overnight Financing Rate





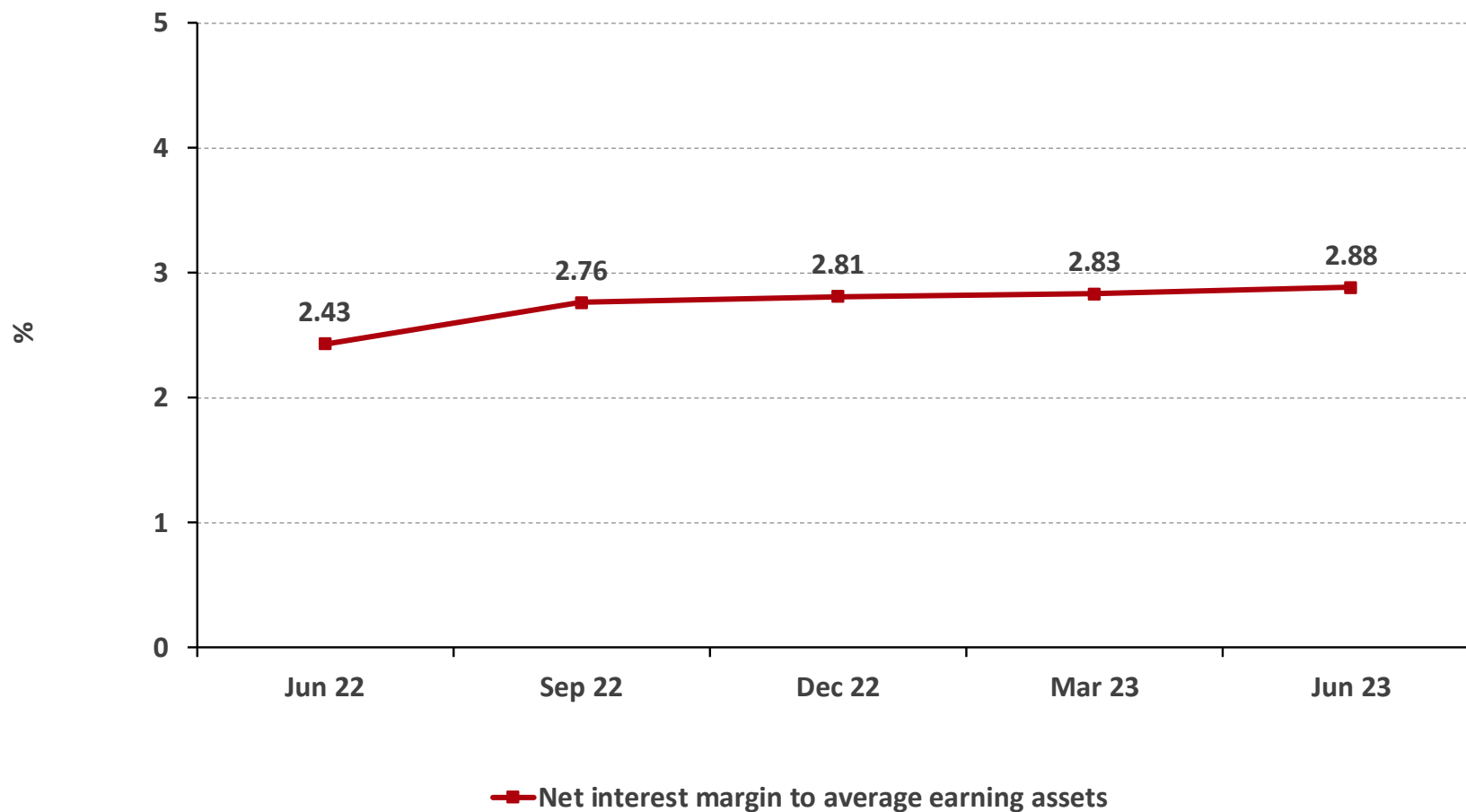


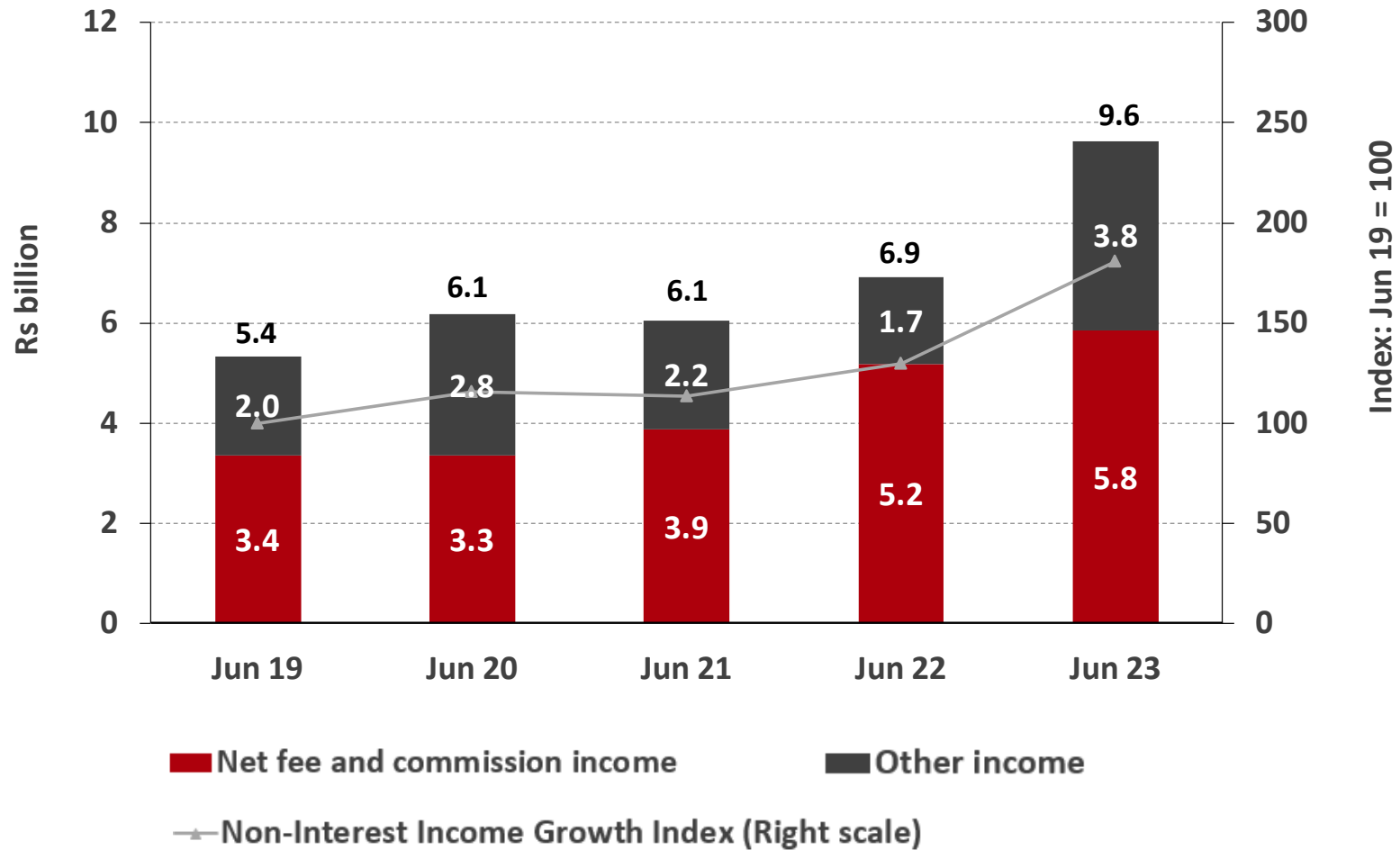




Net interest income up by 32.6%:

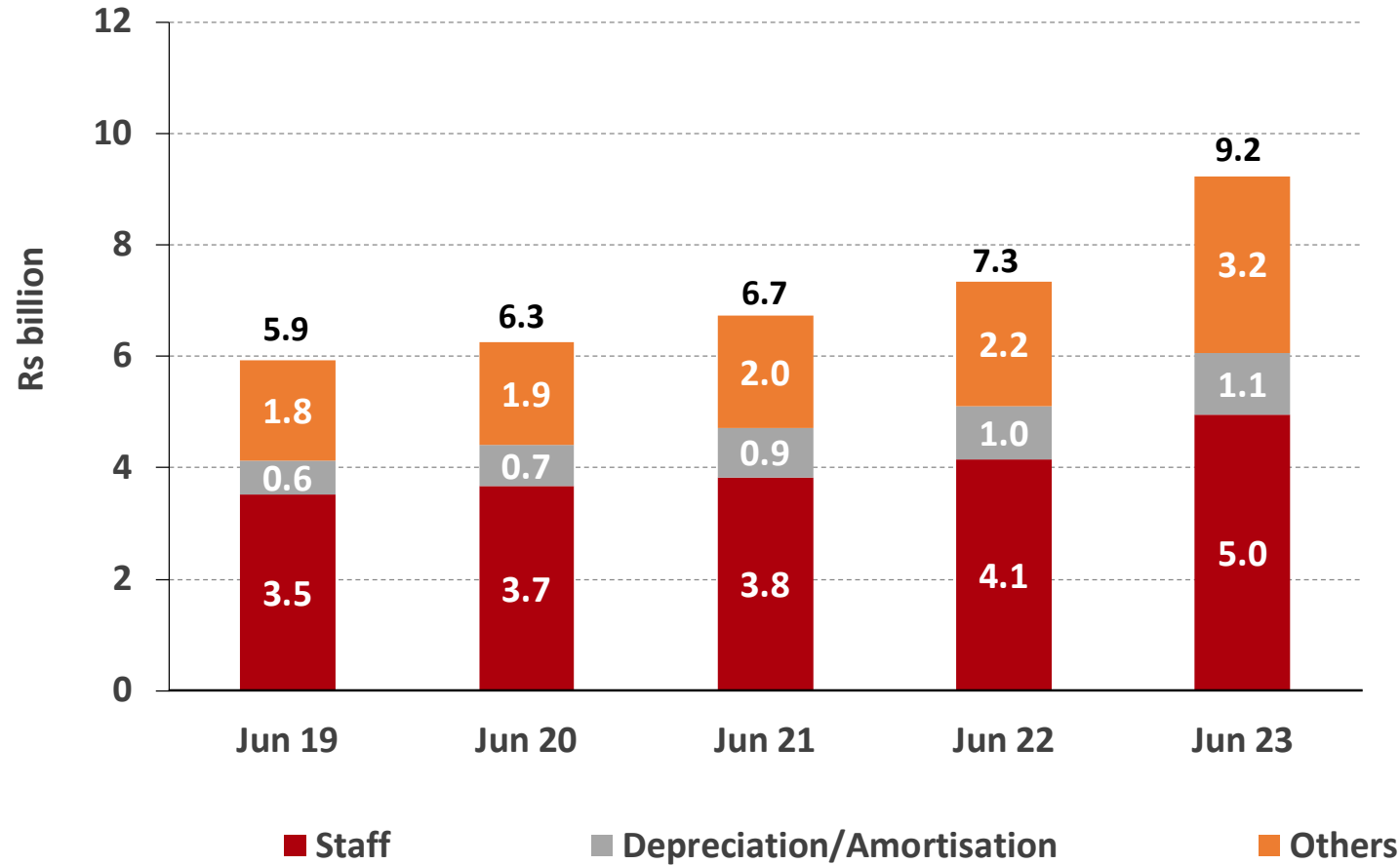
- Improved margins generated by our foreign currency earning assets
- Expansion in our interest-earning assets linked to our cross-border activities
- Margins on interest-earnings assets denominated in rupees dropped slightly





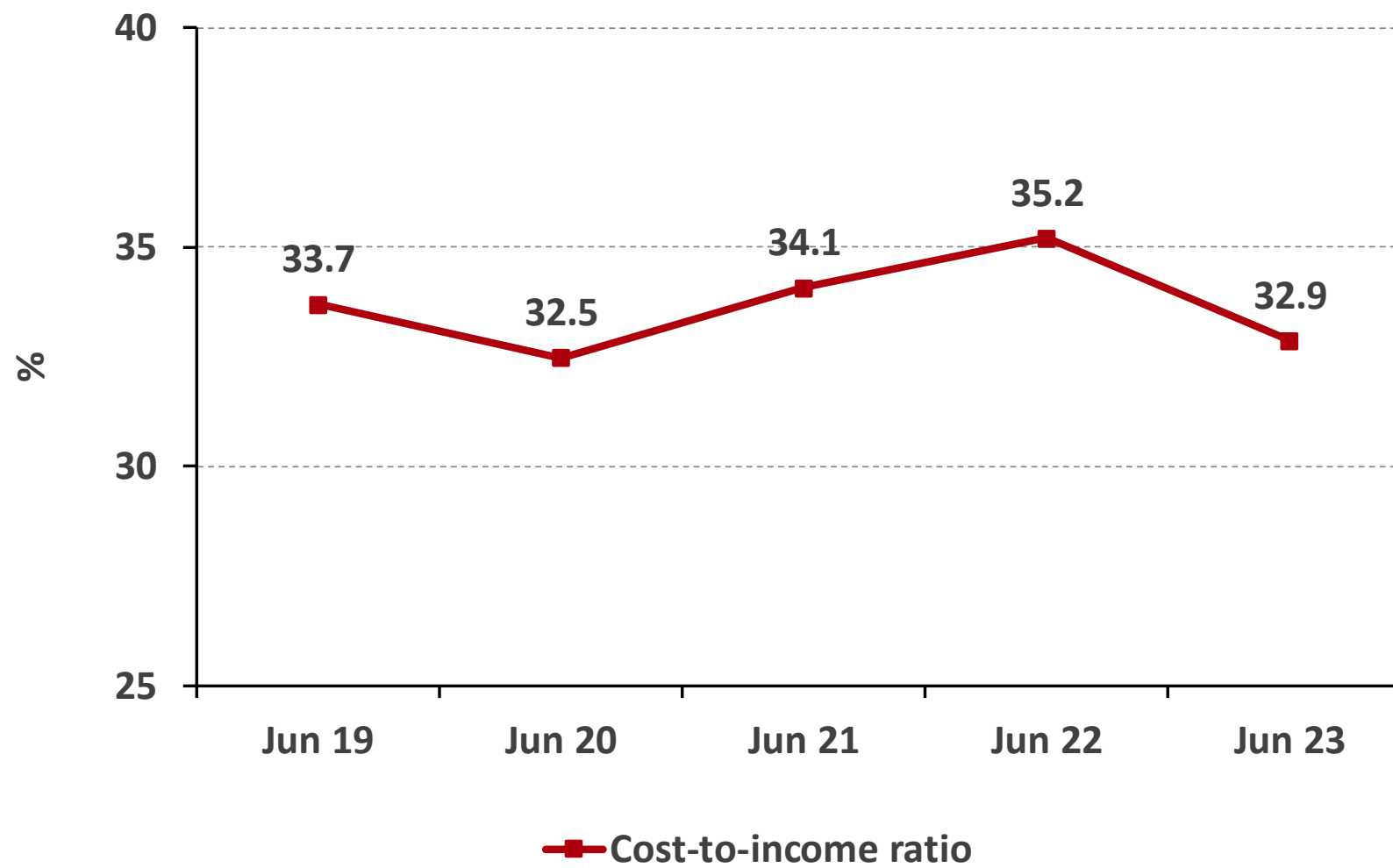
Non-interest income increased by 39.3%:

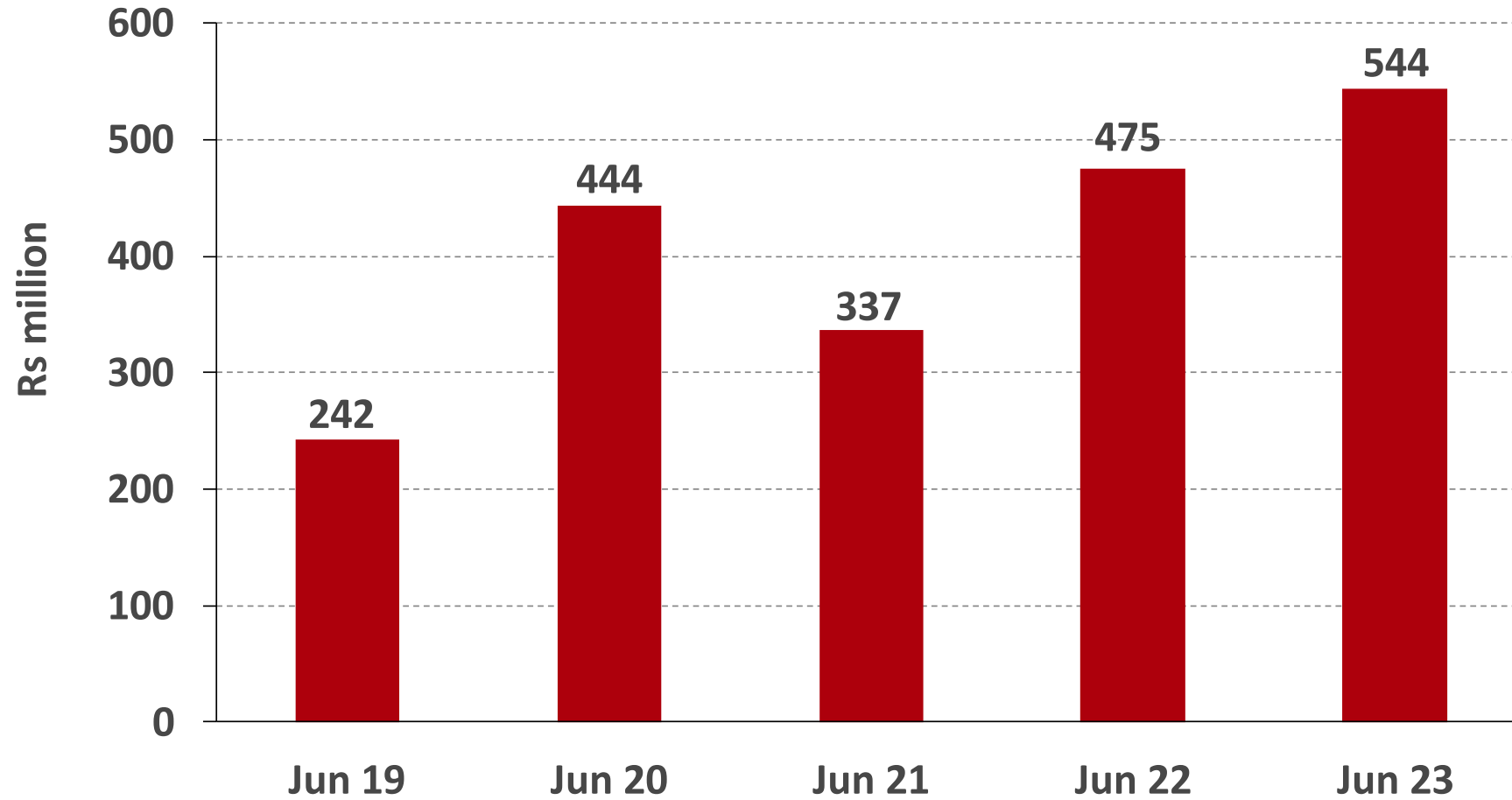
- A growth 12.9% in net fee and commission income driven by regional trade financing and payment activities
- A 61.3% rise in FX profits linked to higher transactions volume
- Fair value gains of Rs 564 million on equity investments compared to a loss of Rs 291 million registered last year

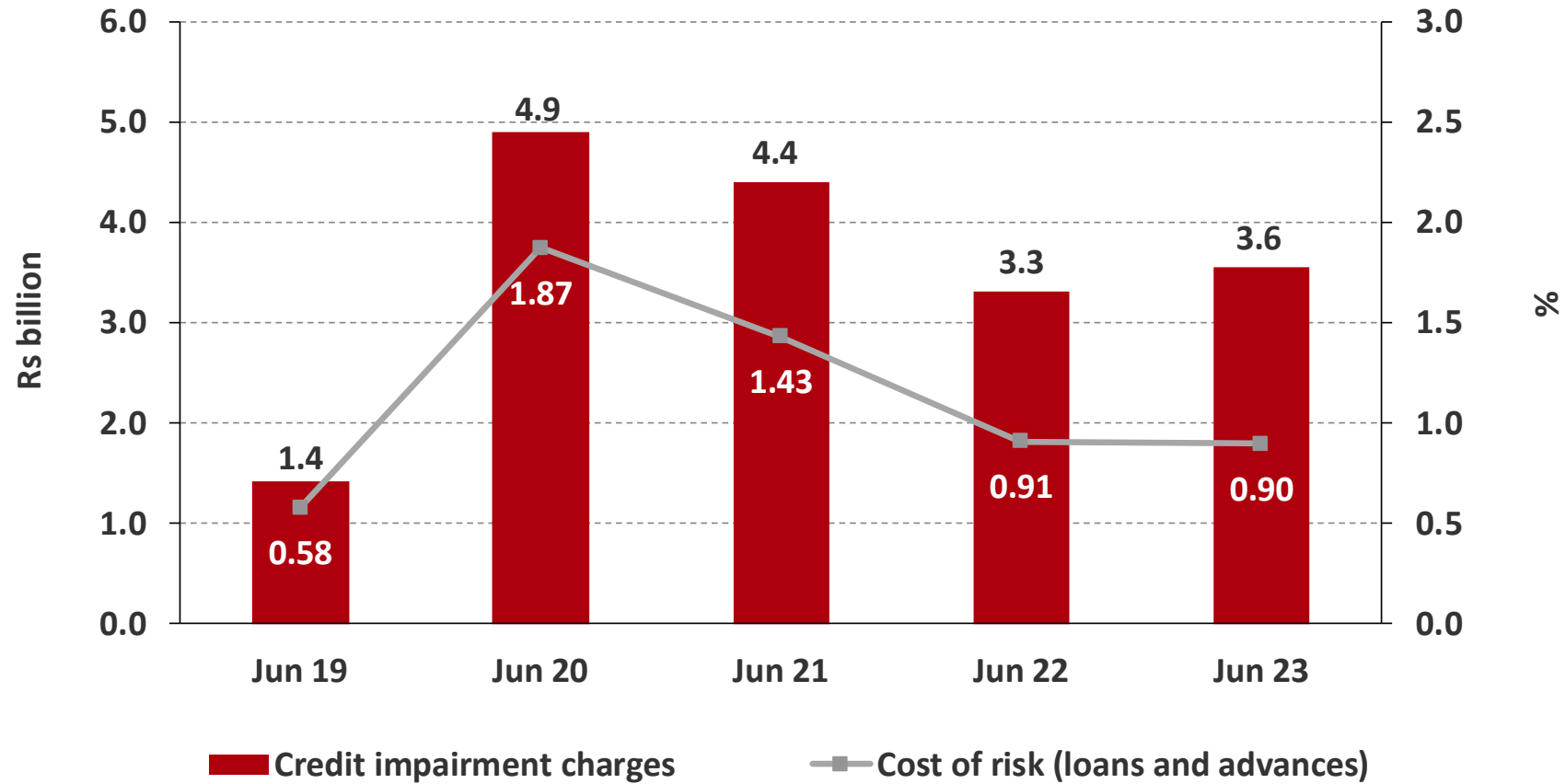


Operating expenses went up by 25.9%:

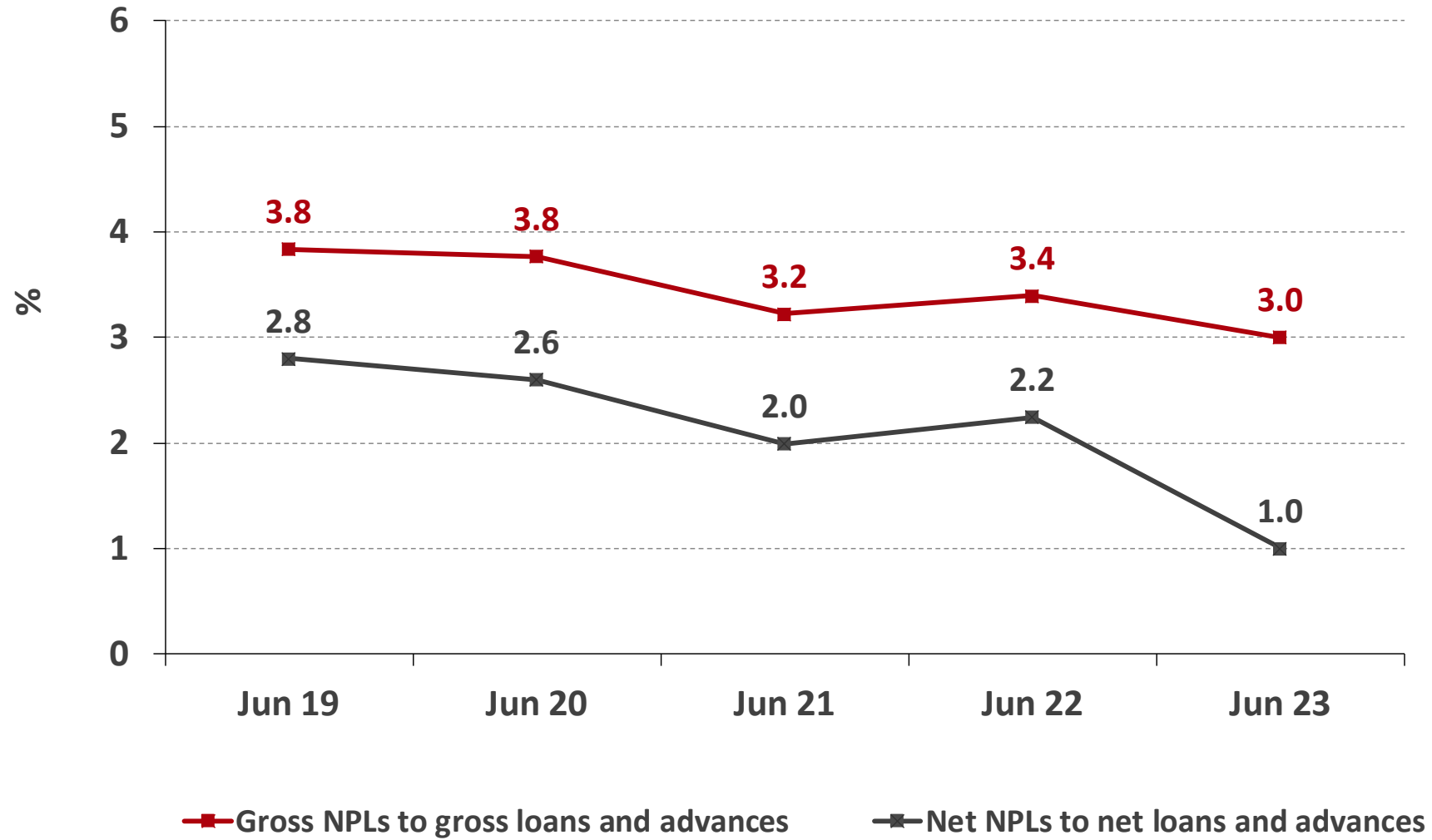
- Growth of 19.5% in staff cost linked to ongoing efforts to reinforce human capital
- An increase of 16.6% in depreciation and amortization costs associated with investment in technology
- A 41.6% increase in other expenses linked to software costs and professional fees





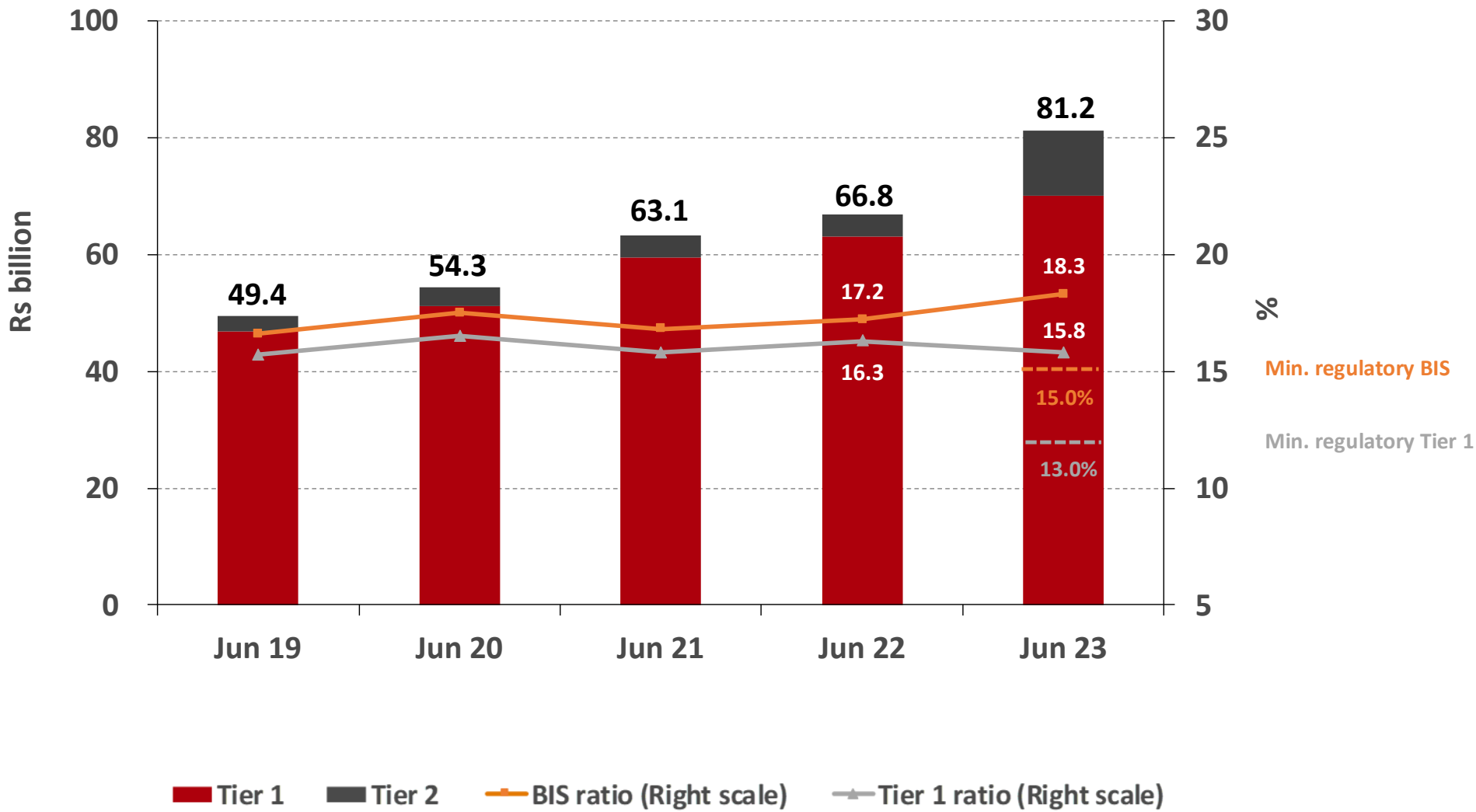


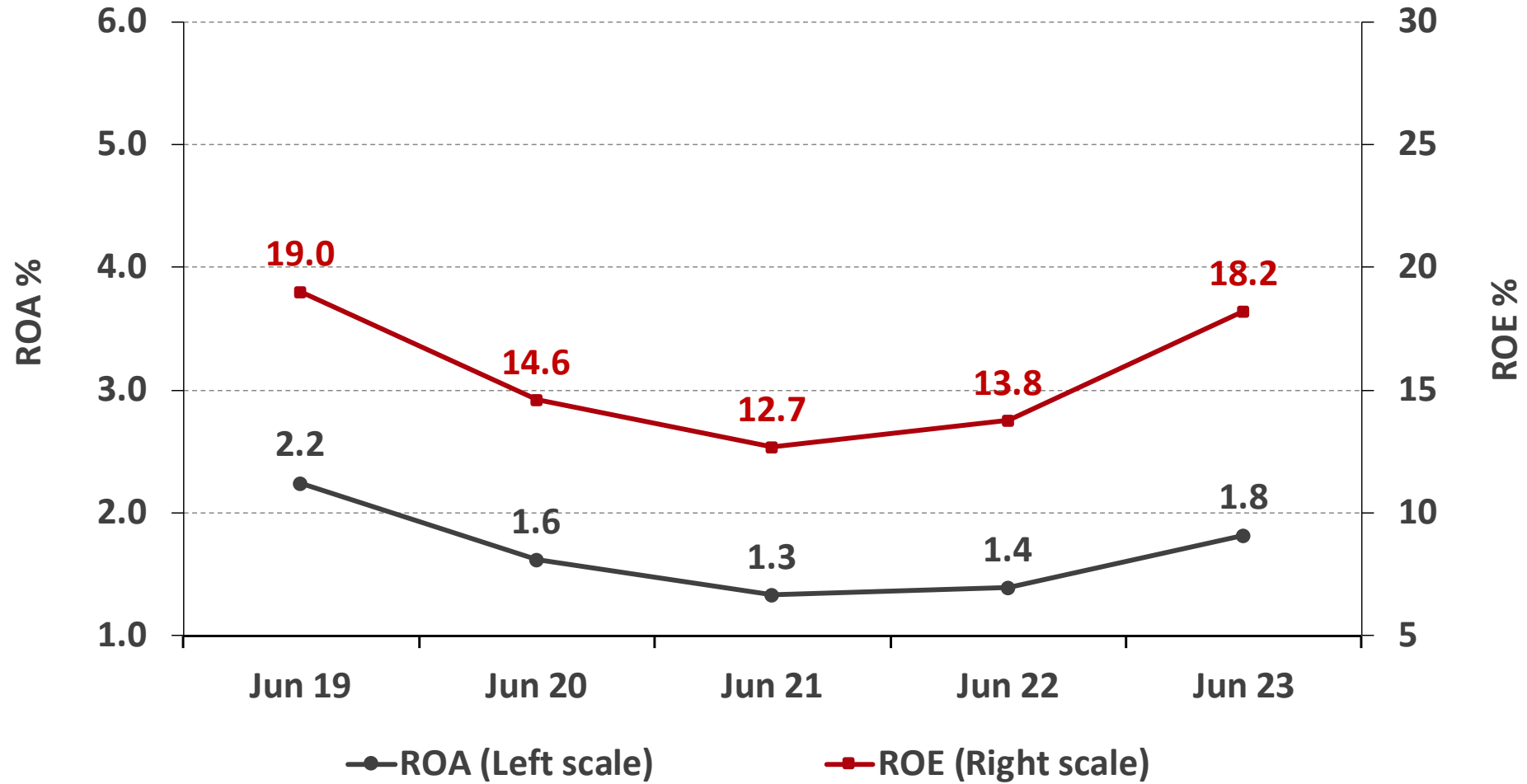
Note: Cost of risk pertains to loans and advances





Capital and Returns



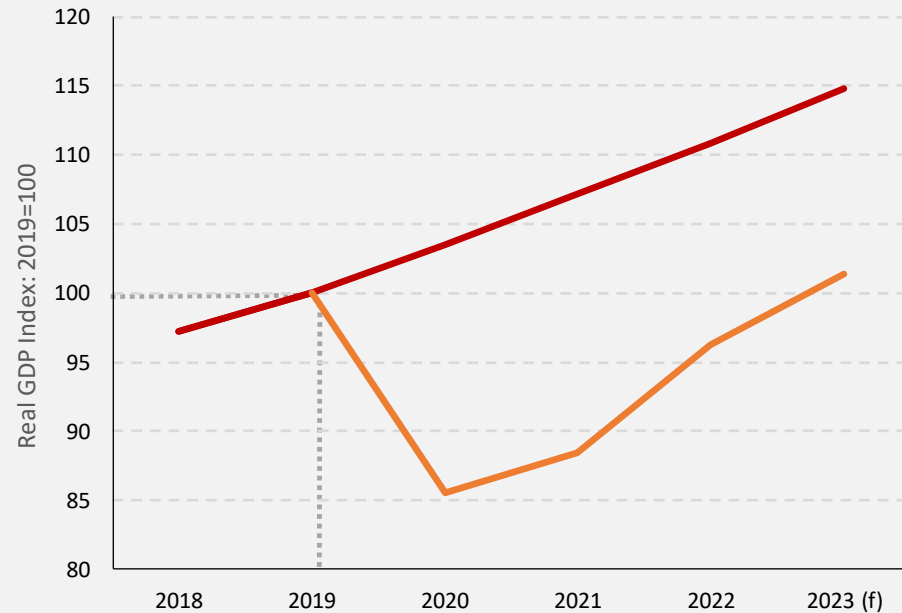




Appendix: Economic Context



Pre-COVID vs Post-COVID path



Forecast as at: — Pre-COVID-19 — Jun-23

Tourist arrivals by main markets

Tourist arrivals	Jan-Aug 2023	Jan-Aug 2019	% of pre-pandemic level
All countries	803,288	872,805	92.0%
Europe	507,086	511,210	99.2%
<i>France</i>	<i>193,060</i>	<i>186,602</i>	103.5%
<i>Germany</i>	<i>68,546</i>	<i>76,817</i>	89.2%
<i>United Kingdom</i>	<i>88,287</i>	<i>87,127</i>	101.3%
<i>Switzerland</i>	<i>17,574</i>	<i>22,811</i>	77.0%
<i>Italy</i>	<i>18,561</i>	<i>24,070</i>	77.1%
Asia	86,805	133,861	64.8%
<i>India</i>	<i>37,420</i>	<i>52,550</i>	71.2%
<i>China</i>	<i>4,842</i>	<i>30,989</i>	15.6%
Africa	182,534	198,096	92.1%
<i>Reunion</i>	<i>88,419</i>	<i>91,118</i>	97.0%
<i>South Africa</i>	<i>61,922</i>	<i>72,009</i>	86.0%
Others	26,863	29,638	90.6%

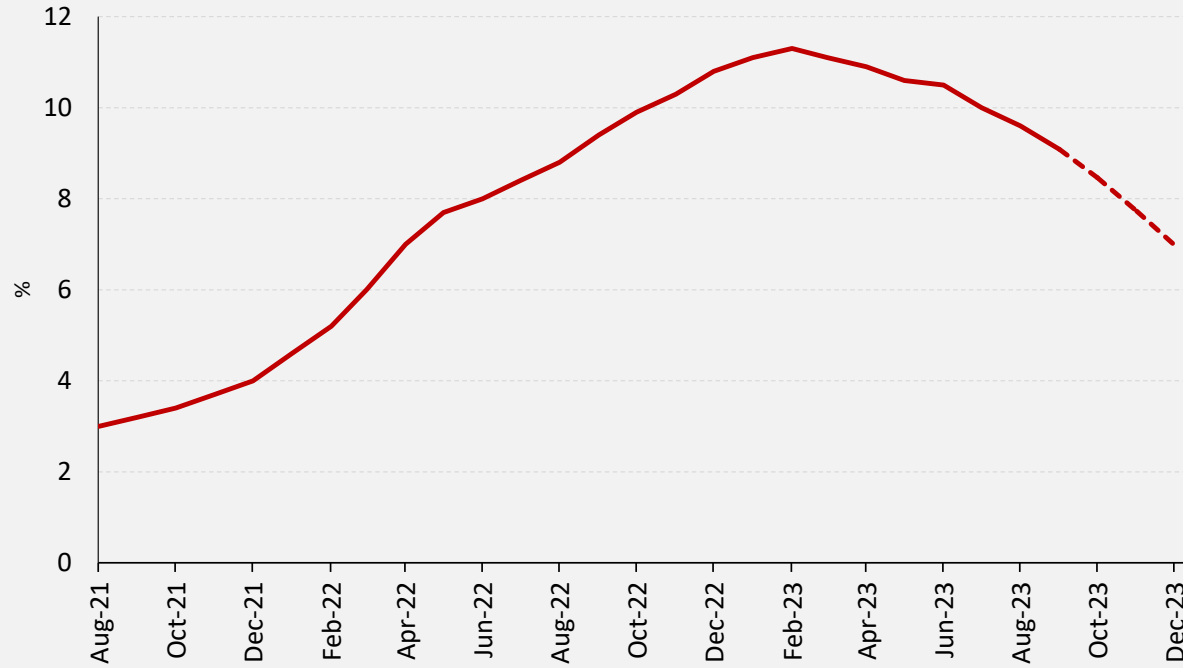
Key developments in 2023:

- Further expansion in tourism
- Solid performance of ICT and financial services sector
- Nationwide investment supported by ongoing and earmarked execution of large infrastructure projects, property development ventures, smart city projects and new growth segments like renewable energy and pharmaceutical
- Downside risks prevail in view of the testing conditions in our key export markets

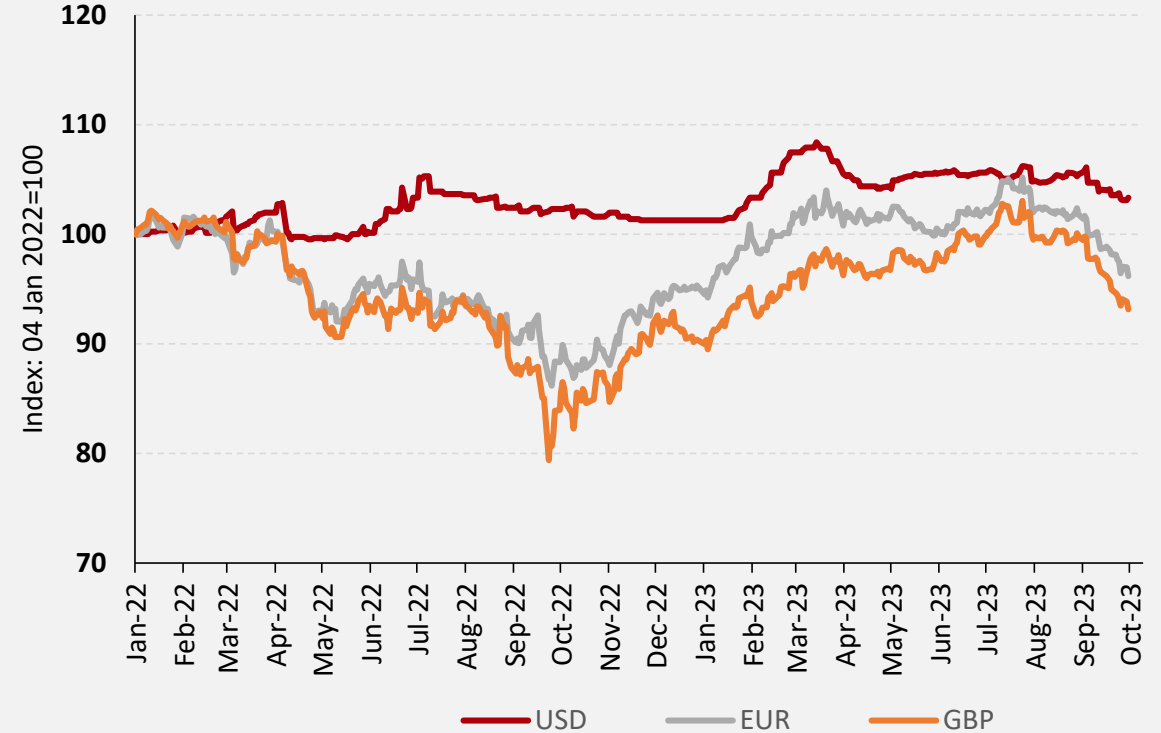


... with inflation on a downtrend amidst rupee stabilisation

Evolution of Headline inflation



Exchange rate movements



- Annual average headline inflation rate expected to reach around 7% in December 2023
- Whilst external imbalances remain elevated, a relative stabilisation has been observed in the rupee lately on the back of Bank of Mauritius interventions on the domestic FX market
- Other indicators
 - Gross Official International Reserves (GOIR) remained broadly adequate as a buffer against external shocks as at end August 2023 (10.5 months of imports)
 - Public sector net debt on a downtrend (68.8% of GDP in June 2023 compared with 72% of GDP as at March 2023)
 - The pickup in tourism earnings should help to mitigate the widening merchandise trade deficit such that the current account deficit is set to narrow slightly this year



THANK YOU