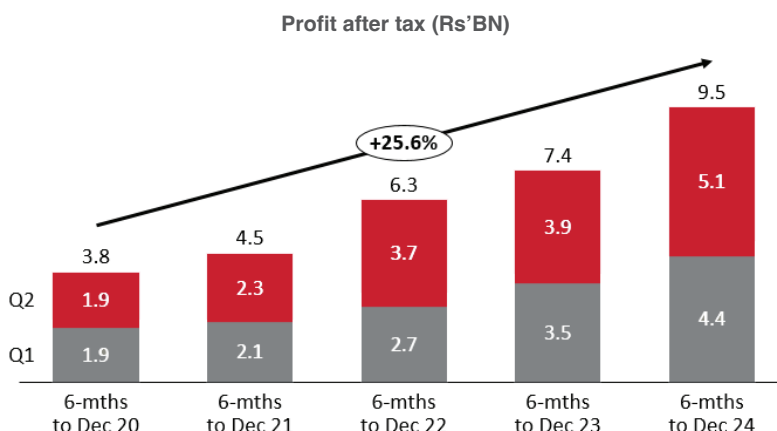


MCB Ltd results for six months ended 31 December 2024

PORT LOUIS, 13 February 2025: MCB Ltd today announced its unaudited results for the six months ended 31 December 2024

## FINANCIAL HIGHLIGHTS

Profit after tax:  
**Rs 9.5 BN**  
 ▲ 29.8%  
 (Dec 2023 – Rs 7.4 BN)



**OPERATING INCOME**  
**Rs 19.2 BN**  
 ▲ 18.3%

**COST TO INCOME RATIO**  
**32.3%**  
 ▼ 311bps

**PROFIT BEFORE IMPAIRMENT**  
**Rs 13.0 BN**  
 ▲ 24.0%

**IMPAIRMENT CHARGE**  
**Rs 1.3 BN**  
 ▼ 24.0%

**TOTAL EQUITY**  
**Rs 91.4 BN**  
 ▲ 14.2%

**RETURN ON EQUITY**  
**21.3%**  
 ▲ 251bps

**CAPITAL ADEQUACY RATIO**  
**20.2%**  
 ▲ 89bps

**LIQUIDITY COVERAGE RATIO**  
**501.6%**  
 470.3% (Dec 23)

Changes (in % or bps) are in comparison to Dec 23

## OVERALL PERFORMANCE AND OUTLOOK

The bank recorded a profit of Rs 9,546 million for the six months ended 31 December 2024, representing an increase of 29.8% compared to the same period last year.

### Financial performance

Operating income increased by 18.3% to Rs 19,190 million, reflecting a sustained growth momentum in its core operating activities. Net Interest Income increased by 16.2% to Rs 12,505 million, driven by both domestic and international customer loans as well as deposits and investments with improved net interest margins.

Higher trade finance, payments activity, financing and foreign exchange volumes were the main drivers for non-interest income to deliver Rs 6,685 million, an increase of 22.6% compared to the same period last year. Fair value gains on equity instruments of Rs 537 million up to November 2024 were recorded during the period. These will not recur going forward, as these equity instruments have been transferred to the bank's ultimate holding company, MCB Group Ltd.

Non-interest expense increased by 7.9% to Rs 6,203 million in line with growth in business activities, continued investment in human capital, and technology as well as inflation-linked adjustments. With operating income growing at a higher pace, the cost-to-income ratio dropped to 32.3%.

### Asset quality and capital strength

Enhanced asset quality along with successful strong recoveries resulted in a lower net impairment of financial assets of Rs 1,264 million for the six months ended 31 December 2024. The Non-

Performing to Total Loans ratio stood at 2.6% while Specific Provision Coverage Ratio increased to 84.0%. The Bank's strong operating performance coupled with effective management of risk-weighted assets, improved the Capital Adequacy and Tier 1 ratios to 20.2% and 17.7% respectively. These levels comfortably exceed the regulatory minimum, providing a resilient buffer to support future growth initiatives.

### Outlook

The global economy faces persistent challenges and uncertainties. Ongoing conflicts and rising trade tensions may hinder trade growth. High debt burdens and climate shocks are also weighing on economic prospects. With divergent growth and inflation paths, the US is likely to ease monetary policy more slowly than the Euro area. In Africa, economic growth is projected to pick up, supported by the progress on reform implementation, although some vulnerabilities are likely to exist.

On the local front, Moody's Ratings has affirmed Mauritius' Baa3 ratings while changing the outlook from stable to negative. The Key Rate has recently been raised by 50 basis points to 4.5%, which should help in tackling inflation and also help reduce interest rate differential with major currencies to support the rupee.

### Strategic focus

The Bank remains committed to growing its international network of clients and its product offering in niche markets and sectors, whilst concurrently playing a key role in promoting sustainable development across its business segments.

## Bank Management Statement

### Statement of profit or loss

#### Net interest income

The bank reported a Net Interest Income (NII) of Rs 12,505 million, reflecting a 16.2% year-on-year increase. This growth was supported by the expansion of its average interest earning assets, with notable increases across the customer loan portfolios and MUR excess liquidity, coupled with improved margins.

#### Non-interest income

Net fee and commission income grew by a healthy 12.4%, reaching Rs 3,720 million, largely driven by increased trade finance, payment activities as well as financing fees. This growth was partly offset by lower bank guarantee fees generated from our regional markets.

In addition, Other income experienced a notable increase, rising from Rs 2,145 million to Rs 2,965 million. This was primarily supported by strong performance in foreign exchange trading activities and fair value gains on US equity instruments. Of note, in November 2024, the US equity instruments have been transferred to MCB Group Ltd as part of the bank's strategic repositioning of its investments.

#### Non-interest expense

Non-interest expense grew by 7.9% to reach Rs 6,203 million, driven largely by sustained investments in human capital and other staff related expenses, IT related cost as well as the effects of higher inflation but partly offset by lower operational losses. The cost-to-income ratio remained low at 32.3%, supported by a faster pace of growth in operating income and a timing difference in some planned expenses for this financial year.

#### Net impairment of financial assets

For the six months ended 31 December 2024, the net impairment of financial assets dropped to Rs 1,264 million, compared to Rs 1,664 million last year, with an improved asset quality coupled with significant recoveries. Non-Performing Loans ratio and annualised cost of risk (as a percentage of gross loans and advances) stood at 2.6% and 0.5%, respectively.

#### Share of profit of associates

The Share of profit of associate for the six months ended 31 December 2024 relates to Banque Francaise Commerciale Ocean Indien (BFCOI) which noted a subdued performance.

#### Profit for the period

Profit for the period rose by 29.8% to Rs 9,546 million driven by strong operating income, operating expenses growing at a much lower pace coupled with the significant reduction in net impairment of financial assets.

### Statement of financial position

#### Total assets

The bank's total assets rose by 16.7% to Rs 930.2 billion compared to last year. This expansion was driven by strong growth in both loans and advances and investment securities funded by the significant local and foreign deposits.

#### Loans and advances

Loans and advances to customers grew by 16.4% to reach Rs 392.6 billion compared to the same period last year driven by both local and international segments, with some significant disbursements noted in the second quarter of the financial year.

#### Funding and liquidity

Total deposits from banks and customers increased by 18.9% to Rs 732.4 billion, in line with our strategic focus on attracting foreign deposits. Notably, there has been a shift towards more term deposits within our foreign deposit base, while the composition of our local deposits has remained largely stable.

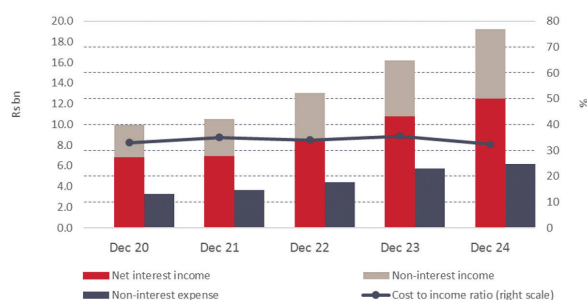
Total borrowings fell slightly to Rs 84.9 billion versus Rs 85.9 billion for the same period last year with a reduction in our both short and long term bank borrowings whilst managing the overall cost of funding.

As of 31 December 2024, the bank reported a customer loans-to-deposits ratio of 61.7%, while the total Loans-to-Funding base ratio declined to 55.1%. Liquidity levels remained strong, highlighted by a Liquidity Coverage ratio of 501.6%.

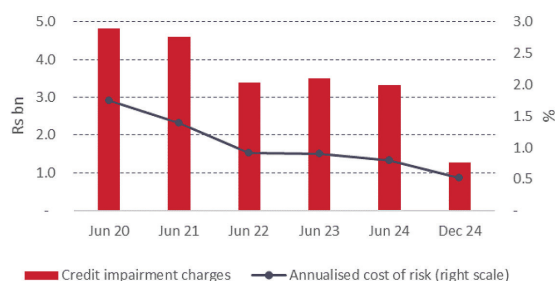
#### Capital position

Shareholders' equity, net of ordinary dividend payment of Rs 4,162 million, increased by 14.2% to Rs 91.4 billion. The strengthened capital position was driven by higher retained earnings and an effective risk weighted assets management, resulting in a Capital Adequacy Ratio of 20.2% and Tier 1 Ratio of 17.7%.

#### Income and expenditure evolution

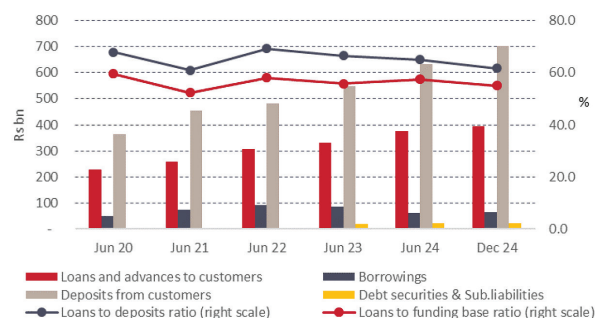


#### Credit impairment charges\* & credit quality

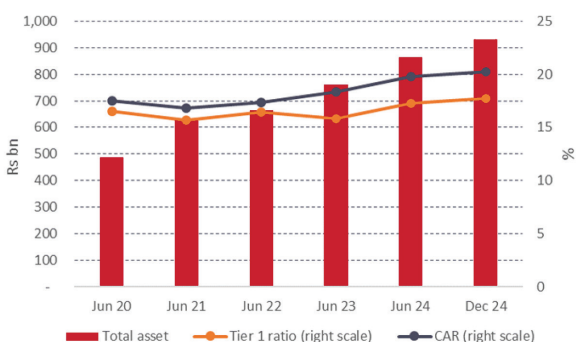


\* Relate to loans & advances (including corporate notes)

#### Loans and funding base



#### Total asset and capital adequacy



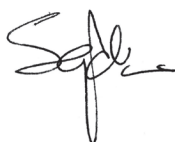
**Interim unaudited condensed consolidated and separate statements of financial position as at 31 December 2024**

	GROUP			BANK		
	31-Dec-24	31-Dec-23	30-Jun-24	31-Dec-24	31-Dec-23	30-Jun-24
	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
<b>ASSETS</b>						
Cash and cash equivalents	81,883	76,155	91,907	81,285	74,960	90,669
Mandatory balances with Central Banks	40,553	35,407	37,556	39,406	34,740	36,696
Derivative financial instruments	1,917	1,457	2,071	1,917	1,457	2,071
Loans to and placements with banks	16,011	25,716	12,623	16,744	25,893	13,582
Loans and advances to customers	399,910	344,056	382,533	392,562	337,394	375,404
Investment securities	367,627	297,323	324,562	364,304	295,297	322,210
Investments in subsidiaries	-	-	-	121	118	121
Investments in associates	5,454	6,203	5,495	5,454	6,203	5,495
Intangible assets	2,678	2,343	2,593	2,647	2,295	2,551
Property, plant and equipment	5,665	5,379	5,461	5,205	4,994	5,028
Deferred tax assets	3,977	2,982	3,740	3,957	2,964	3,719
Post employment benefit asset	754	455	754	754	455	754
Other assets	16,469	11,118	7,781	15,843	10,528	7,152
<b>Total assets</b>	<b>942,898</b>	<b>808,594</b>	<b>877,076</b>	<b>930,199</b>	<b>797,298</b>	<b>865,452</b>
<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>						
<b>Liabilities</b>						
Deposits from banks	28,858	31,308	41,001	28,916	31,376	41,021
Deposits from customers	711,245	591,998	641,637	703,515	584,416	634,292
Derivative financial instruments	1,911	1,510	1,990	1,911	1,510	1,990
Other borrowed funds	66,964	68,459	65,355	63,590	66,038	62,529
Debt securities	14,318	13,319	14,314	14,318	13,319	14,314
Subordinated liabilities	7,134	6,569	7,057	6,946	6,569	7,057
Current tax liabilities	1,938	1,417	2,706	1,907	1,355	2,697
Other liabilities	18,362	13,313	16,117	17,703	12,694	15,437
<b>Total liabilities</b>	<b>850,730</b>	<b>727,893</b>	<b>790,177</b>	<b>838,806</b>	<b>717,277</b>	<b>779,337</b>
<b>Shareholder's equity</b>						
Stated capital	8,880	8,880	8,880	8,880	8,880	8,880
Retained earnings	73,220	62,139	67,843	72,321	61,293	66,975
Other components of equity	9,890	9,523	9,997	10,192	9,848	10,260
<b>Equity attributable to the equity holders of the parent</b>	<b>91,990</b>	<b>80,542</b>	<b>86,720</b>	<b>91,393</b>	<b>80,021</b>	<b>86,115</b>
Non-controlling interest	178	159	179	-	-	-
<b>Total equity</b>	<b>92,168</b>	<b>80,701</b>	<b>86,899</b>	<b>91,393</b>	<b>80,021</b>	<b>86,115</b>
<b>Total equity and liabilities</b>	<b>942,898</b>	<b>808,594</b>	<b>877,076</b>	<b>930,199</b>	<b>797,298</b>	<b>865,452</b>
<b>CONTINGENT LIABILITIES (NET)</b>	<b>217,414</b>	<b>186,081</b>	<b>189,087</b>	<b>215,393</b>	<b>184,644</b>	<b>187,311</b>

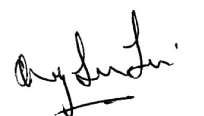
These financial statements were approved by the Board of Directors and authorised for issue on the 13 February 2025.



**Thierry HEBRAUD**  
Director  
Chief Executive Officer



**Simon WALKER**  
Director  
Chairperson – Board of Directors



**Su Lin ONG**  
Director  
Chairperson – Audit Committee





Interim unaudited condensed consolidated and separate statements of comprehensive income for the period ended 31 December 2024

	GROUP					BANK				
	3 months to 31-Dec-24	3 months to 31-Dec-23	6 months to 31-Dec-24	6 months to 31-Dec-23	Year to 30-Jun-24	3 months to 31-Dec-24	3 months to 31-Dec-23	6 months to 31-Dec-24	6 months to 31-Dec-23	Year to 30-Jun-24
	Rs'M	Rs'M	Rs'M	Rs'M	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M
	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Profit for the period</b>	<b>5,171</b>	3,931	<b>9,593</b>	7,370	15,487	<b>5,144</b>	3,901	<b>9,546</b>	7,356	15,446
<b>Other comprehensive income:</b>										
<b>Items that will not be reclassified to profit or loss:</b>										
Net fair value gain/(loss) on equity investments	34	(39)	103	44	31	34	(39)	103	44	31
Share of other comprehensive income of associate	(38)	12	(38)	12	12	(38)	12	(38)	12	12
Remeasurement of defined benefit pension plan, net of deferred tax	-	-	-	-	117	-	-	-	-	117
	(4)	(27)	65	56	160	(4)	(27)	65	56	160
<b>Items that may be reclassified subsequently to profit or loss:</b>										
Exchange differences on translating foreign operations	(238)	144	(208)	(111)	198	(229)	161	(160)	(80)	152
Reclassification adjustment on disposal of associate	-	-	-	-	192	-	-	-	-	192
Change in fair value of hedge instrument	(115)	-	(132)	-	-	(115)	-	(132)	-	-
Reclassification of effective portion of hedge	20	-	22	-	-	20	-	22	-	-
Net fair value gain/(loss) on debt instruments	45	(5)	99	(5)	(29)	45	(5)	99	(5)	(29)
	(288)	139	(219)	(116)	361	(279)	156	(171)	(85)	315
<b>Other comprehensive income for the period</b>	<b>(292)</b>	112	<b>(154)</b>	(60)	521	<b>(283)</b>	129	<b>(106)</b>	(29)	475
<b>Total comprehensive income for the period</b>	<b>4,879</b>	4,043	<b>9,439</b>	7,310	16,008	<b>4,861</b>	4,030	<b>9,440</b>	7,327	15,921
<b>Total comprehensive income attributable to:</b>										
Ordinary equity holders of the parent	4,869	4,039	9,432	7,305	15,983	4,861	4,030	9,440	7,327	15,921
Non-controlling interest	10	4	7	5	25	-	-	-	-	-
	<b>4,879</b>	4,043	<b>9,439</b>	7,310	16,008	<b>4,861</b>	4,030	<b>9,440</b>	7,327	15,921



Interim unaudited condensed consolidated statement of changes in equity for the period ended 31 December 2024

GROUP	Attributable to equity holders of the parent						Total	Non-controlling interest	Total Equity
	Stated Capital	Retained Earnings	Capital Reserve	Translation Reserve	Statutory Reserve	Cash Flow Hedge Reserve			
	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M			
<b>At 1 July 2023</b>	<b>8,880</b>	<b>57,468</b>	<b>42</b>	<b>667</b>	<b>8,880</b>	<b>-</b>	<b>75,937</b>	<b>164</b>	<b>76,101</b>
Profit for the period	-	7,359	-	-	-	-	7,359	11	7,370
Other comprehensive income for the period	-	12	39	(105)	-	-	(54)	(6)	(60)
Total comprehensive income for the period	-	7,371	39	(105)	-	-	7,305	5	7,310
Dividends	-	(2,700)	-	-	-	-	(2,700)	(10)	(2,710)
Transactions with owner	-	(2,700)	-	-	-	-	(2,700)	(10)	(2,710)
<b>At 31 December 2023</b>	<b>8,880</b>	<b>62,139</b>	<b>81</b>	<b>562</b>	<b>8,880</b>	<b>-</b>	<b>80,542</b>	<b>159</b>	<b>80,701</b>
<b>At 1 July 2023</b>	<b>8,880</b>	<b>57,468</b>	<b>42</b>	<b>667</b>	<b>8,880</b>	<b>-</b>	<b>75,937</b>	<b>164</b>	<b>76,101</b>
Profit for the year	-	15,471	-	-	-	-	15,471	16	15,487
Other comprehensive income for the year	-	129	2	381	-	-	512	9	521
Total comprehensive income for the year	-	15,600	2	381	-	-	15,983	25	16,008
Dividends	-	(5,200)	-	-	-	-	(5,200)	(10)	(5,210)
Transactions with owner	-	(5,200)	-	-	-	-	(5,200)	(10)	(5,210)
Transfer	-	(25)	-	25	-	-	-	-	-
<b>At 30 June 2024</b>	<b>8,880</b>	<b>67,843</b>	<b>44</b>	<b>1,073</b>	<b>8,880</b>	<b>-</b>	<b>86,720</b>	<b>179</b>	<b>86,899</b>
Profit for the period	-	9,577	-	-	-	-	9,577	16	9,593
Other comprehensive income for the period	-	(38)	202	(199)	-	(110)	(145)	(9)	(154)
Total comprehensive income for the period	-	9,539	202	(199)	-	(110)	9,432	7	9,439
Dividends	-	(4,162)	-	-	-	-	(4,162)	(8)	(4,170)
Transactions with owner	-	(4,162)	-	-	-	-	(4,162)	(8)	(4,170)
<b>At 31 December 2024</b>	<b>8,880</b>	<b>73,220</b>	<b>246</b>	<b>874</b>	<b>8,880</b>	<b>(110)</b>	<b>91,990</b>	<b>178</b>	<b>92,168</b>



Interim unaudited condensed separate statement of changes in equity for the period ended 31 December 2024

BANK	Stated Capital	Retained Earnings	Capital Reserve	Translation Reserve	Statutory Reserve	Cash Flow Hedge Reserve	Total Equity
	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M
<b>At 1 July 2023</b>	<b>8,880</b>	<b>56,625</b>	<b>42</b>	<b>967</b>	<b>8,880</b>	<b>-</b>	<b>75,394</b>
Profit for the period	-	7,356	-	-	-	-	7,356
Other comprehensive income for the period	-	12	39	(80)	-	-	(29)
Total comprehensive income for the period	-	7,368	39	(80)	-	-	7,327
Dividends	-	(2,700)	-	-	-	-	(2,700)
Transactions with owner	-	(2,700)	-	-	-	-	(2,700)
<b>At 31 December 2023</b>	<b>8,880</b>	<b>61,293</b>	<b>81</b>	<b>887</b>	<b>8,880</b>	<b>-</b>	<b>80,021</b>
<b>At 1 July 2023</b>	<b>8,880</b>	<b>56,625</b>	<b>42</b>	<b>967</b>	<b>8,880</b>	<b>-</b>	<b>75,394</b>
Profit for the year	-	15,446	-	-	-	-	15,446
Other comprehensive income for the year	-	129	2	344	-	-	475
Total comprehensive income for the year	-	15,575	2	344	-	-	15,921
Dividends	-	(5,200)	-	-	-	-	(5,200)
Transactions with owner	-	(5,200)	-	-	-	-	(5,200)
Transfer	-	(25)	-	25	-	-	-
<b>At 30 June 2024</b>	<b>8,880</b>	<b>66,975</b>	<b>44</b>	<b>1,336</b>	<b>8,880</b>	<b>-</b>	<b>86,115</b>
Profit for the period	-	9,546	-	-	-	-	9,546
Other comprehensive income for the period	-	(38)	202	(160)	-	(110)	(106)
Total comprehensive income for the period	-	9,508	202	(160)	-	(110)	9,440
Dividends	-	(4,162)	-	-	-	-	(4,162)
Transactions with owner	-	(4,162)	-	-	-	-	(4,162)
<b>At 31 December 2024</b>	<b>8,880</b>	<b>72,321</b>	<b>246</b>	<b>1,176</b>	<b>8,880</b>	<b>(110)</b>	<b>91,393</b>



## Interim unaudited condensed consolidated and separate statements of cash flows for the period ended 31 December 2024

	GROUP			BANK		
	6 months to 31-Dec-24	6 months to 31-Dec-23	Year to 30-Jun-24	6 months to 31-Dec-24	6 months to 31-Dec-23	Year to 30-Jun-24
	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
<b>Net cash flows from operating activities</b>	<b>22,478</b>	25,545	74,225	<b>22,802</b>	24,550	73,365
<b>Net cash flows from investing activities</b>	<b>(34,358)</b>	(45,140)	(74,817)	<b>(33,176)</b>	(44,514)	(74,058)
<b>Net cash flows from financing activities</b>	<b>(611)</b>	(18,403)	(21,523)	<b>929</b>	(18,729)	(22,254)
Decrease in cash and cash equivalents	<b>(12,491)</b>	(37,998)	(22,115)	<b>(9,445)</b>	(38,693)	(22,947)
Net cash and cash equivalents brought forward	<b>91,935</b>	114,104	114,104	<b>90,696</b>	113,643	113,643
Effect of foreign exchange rate changes	<b>131</b>	39	(54)	-	-	-
<b>Net cash and cash equivalents carried forward</b>	<b>79,575</b>	76,145	91,935	<b>81,251</b>	74,950	90,696
<b>Cash and cash equivalents as shown in the statements of cash flows</b>						
Cash and cash equivalents	<b>81,883</b>	76,155	91,907	<b>81,285</b>	74,960	90,669
Allowances for credit impairment	<b>49</b>	39	34	<b>49</b>	39	33
Short term borrowed funds	<b>(2,357)</b>	(49)	(6)	<b>(83)</b>	(49)	(6)
<b>Net cash and cash equivalents</b>	<b>79,575</b>	76,145	91,935	<b>81,251</b>	74,950	90,696

The Interim unaudited condensed consolidated and separate financial statements have been prepared in accordance with the Bank of Mauritius Guideline on Public Disclosure of Information, IAS 34 – Interim Financial Reporting and using the same accounting policies as those adopted in the audited financial statements for the year ended 30 June 2024 except for the adoption of new and revised standards and interpretations effective as from 1 July 2024 and Hedge Accounting that the Bank adopted in this new financial year.

The financial information has been extracted from the interim unaudited condensed consolidated and separate financial statements for the period ended 31 December 2024 and are available upon request from the Company Secretary at the registered office of the Company.

Where necessary, comparative figures have been amended to conform with changes in presentation or in accounting policies.

*The Board of Directors of The Mauritius Commercial Bank Limited accepts full responsibility for the accuracy of the information contained in this communiqué.*