

Unaudited consolidated summary statement of financial position as at 31 December 2024

	Unaudited 31-Dec-24 Rs'M	Unaudited 31-Dec-23 Rs'M	Audited 30-Jun-24 Rs'M
<b>ASSETS</b>			
Cash and cash equivalents	85,299	80,520	89,098
Mandatory balances with Central Banks	44,285	38,829	41,295
Derivative financial instruments	1,919	1,463	2,077
Loans to and placements with banks	15,955	25,604	16,603
Loans and advances to customers	415,388	358,892	399,161
Investment securities	395,437	317,191	345,677
Investments in associates and joint venture	13,198	13,401	13,102
Investment properties	5,122	5,087	5,305
Goodwill and other intangible assets	3,219	2,895	3,144
Property, plant and equipment	7,973	7,522	7,611
Deferred tax assets	4,401	3,368	4,118
Post employee benefit asset	754	455	754
Other assets	17,881	12,459	9,253
<b>Total assets</b>	<b>1,010,831</b>	<b>867,686</b>	<b>937,198</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Liabilities</b>			
Deposits from banks	23,804	27,200	34,395
Deposits from customers	745,410	621,366	672,464
Derivative financial instruments	1,913	1,516	1,996
Other borrowed funds	68,302	69,573	66,579
Debt securities	18,225	17,525	18,342
Subordinated liabilities	6,946	6,569	7,057
Preference shares	943	1,621	1,621
Current tax liabilities	2,055	1,667	2,864
Deferred tax liabilities	552	494	548
Other liabilities	26,535	20,448	24,317
<b>Total liabilities</b>	<b>894,685</b>	<b>767,979</b>	<b>830,183</b>
<b>Shareholders' equity</b>			
Stated capital	9,508	6,949	6,975
Retained earnings	88,762	76,217	82,170
Other components of equity	14,056	13,203	14,114
<b>Equity attributable to the equity holders of the parent</b>	<b>112,326</b>	<b>96,369</b>	<b>103,259</b>
Non-controlling interests	3,820	3,338	3,756
<b>Total equity</b>	<b>116,146</b>	<b>99,707</b>	<b>107,015</b>
<b>Total equity and liabilities</b>	<b>1,010,831</b>	<b>867,686</b>	<b>937,198</b>
<b>CONTINGENT LIABILITIES (NET)</b>	<b>222,189</b>	<b>189,895</b>	<b>190,152</b>

Unaudited consolidated summary statement of profit or loss for the period ended 31 December 2024

	Unaudited 3 months to 31-Dec-24 Rs'M	Unaudited 3 months to 31-Dec-23 Rs'M	Unaudited 6 months to 31-Dec-24 Rs'M	Unaudited 6 months to 31-Dec-23 Rs'M	Audited Year to 30-Jun-24 Rs'M
Interest income using the effective interest method	12,183	11,458	24,823	22,324	45,617
Interest expense	(5,342)	(5,393)	(11,262)	(10,708)	(21,378)
<b>Net interest income</b>	<b>6,841</b>	<b>6,065</b>	<b>13,561</b>	<b>11,616</b>	<b>24,239</b>
Fee and commission income	3,166	2,803	6,029	5,388	11,019
Fee and commission expense	(1,024)	(916)	(1,944)	(1,754)	(3,667)
<b>Net fee and commission income</b>	<b>2,142</b>	<b>1,887</b>	<b>4,085</b>	<b>3,634</b>	<b>7,352</b>
Other income	1,930	1,765	3,639	2,779	5,302
<b>Operating income</b>	<b>10,913</b>	<b>9,717</b>	<b>21,285</b>	<b>18,029</b>	<b>36,893</b>
Non-interest expense	(3,862)	(3,703)	(7,370)	(6,767)	(13,470)
<b>Operating profit before impairment</b>	<b>7,051</b>	<b>6,014</b>	<b>13,915</b>	<b>11,262</b>	<b>23,423</b>
Impairment charge	(595)	(928)	(1,620)	(1,799)	(3,684)
<b>Operating profit</b>	<b>6,456</b>	<b>5,086</b>	<b>12,295</b>	<b>9,463</b>	<b>19,739</b>
Share of profit of associates	82	148	230	305	582
<b>Profit before tax</b>	<b>6,538</b>	<b>5,234</b>	<b>12,525</b>	<b>9,768</b>	<b>20,321</b>
Income tax expense	(1,324)	(992)	(2,462)	(1,927)	(4,126)
<b>Profit for the period</b>	<b>5,214</b>	<b>4,242</b>	<b>10,063</b>	<b>7,841</b>	<b>16,195</b>
<b>Profit for the period attributable to:</b>					
Ordinary equity holders of the parent	5,204	4,219	10,015	7,778	16,045
Non-controlling interests	10	23	48	63	150
	<b>5,214</b>	<b>4,242</b>	<b>10,063</b>	<b>7,841</b>	<b>16,195</b>
<b>Earnings per share:</b>					
Basic (Rs)	20.16	16.74	39.01	31.02	63.69
Diluted (Rs)	20.15	16.73	38.99	31.01	63.65
Basic weighted average number of shares (thousands)	258,197	252,080	256,737	250,743	251,911
Diluted weighted average number of shares (thousands)	258,297	252,145	256,837	250,808	252,080

Unaudited consolidated summary statement of comprehensive income for the period ended 31 December 2024

<b>Profit for the period</b>	<b>5,214</b>	<b>4,242</b>	<b>10,063</b>	<b>7,841</b>	<b>16,195</b>
<b>Other comprehensive income:</b>					
Items that will not be reclassified to profit or loss	210	15	501	70	533
Items that may be reclassified subsequently to profit or loss	(501)	32	(476)	(368)	506
<b>Other comprehensive income for the period</b>	<b>(291)</b>	<b>47</b>	<b>25</b>	<b>(298)</b>	<b>1,039</b>
<b>Total comprehensive income for the period</b>	<b>4,923</b>	<b>4,289</b>	<b>10,088</b>	<b>7,543</b>	<b>17,234</b>
<b>Total comprehensive income attributable to:</b>					
Ordinary equity holders of the parent	4,998	4,270	9,984	7,499	16,767
Non-controlling interests	(75)	19	104	44	467
	<b>4,923</b>	<b>4,289</b>	<b>10,088</b>	<b>7,543</b>	<b>17,234</b>

Unaudited consolidated summary statement of changes in equity for the period ended 31 December 2024

	Attributable to equity holders of the parent						Total	Non-Controlling Interests	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>4,907</b>	<b>71,323</b>	<b>2,655</b>	<b>1,913</b>	<b>8,965</b>	<b>-</b>	<b>89,763</b>	<b>3,332</b>	<b>93,095</b>
Profit for the period	-	7,778	-	-	-	-	7,778	63	7,841
Other comprehensive income for the period	-	12	69	(360)	-	-	(279)	(19)	(298)
Total comprehensive income for the period	-	7,790	69	(360)	-	-	7,499	44	7,543
Dividends to ordinary shareholders	-	(2,935)	-	-	-	-	(2,935)	(38)	(2,973)
Issue of shares following conversion of preference shares into ordinary shares	679	-	-	-	-	-	679	-	679
Shares issued under the Scrip Dividend Scheme	1,275	-	-	-	-	-	1,275	-	1,275
Issue of shares following the exercise of Group Employee Share Options Scheme	88	-	-	-	-	-	88	-	88
Transactions with owners	2,042	(2,935)	-	-	-	-	(893)	(38)	(931)
Transfers	-	39	(39)	-	-	-	-	-	-
<b>At 31 December 2023</b>	<b>6,949</b>	<b>76,217</b>	<b>2,685</b>	<b>1,553</b>	<b>8,965</b>	<b>-</b>	<b>96,369</b>	<b>3,338</b>	<b>99,707</b>
<b>At 1 July 2023</b>	<b>4,907</b>	<b>71,323</b>	<b>2,655</b>	<b>1,913</b>	<b>8,965</b>	<b>-</b>	<b>89,763</b>	<b>3,332</b>	<b>93,095</b>
Profit for the year	-	16,045	-	-	-	-	16,045	150	16,195
Other comprehensive income for the year	-	131	51	540	-	-	722	317	1,039
Total comprehensive income for the year	-	16,176	51	540	-	-	16,767	467	17,234
Dividends to ordinary shareholders	-	(5,339)	-	-	-	-	(5,339)	(43)	(5,382)
Issue of shares following conversion of preference shares into ordinary shares	679	-	-	-	-	-	679	-	679
Shares issued under the Scrip Dividend Scheme	1,275	-	-	-	-	-	1,275	-	1,275
Issue of shares following the exercise of Group Employee Share Options Scheme	114	-	-	-	-	-	114	-	114
Transactions with owners	2,068	(5,339)	-	-	-	-	(3,271)	(43)	(3,314)
Transfers/movements in reserves	-	10	(39)	24	5	-	-	-	-
<b>At 30 June 2024</b>	<b>6,975</b>	<b>82,170</b>	<b>2,667</b>	<b>2,477</b>	<b>8,970</b>	<b>-</b>	<b>103,259</b>	<b>3,756</b>	<b>107,015</b>
Profit for the period	-	10,015	-	-	-	-	10,015	48	10,063
Other comprehensive income for the period	-	(21)	559	(459)	-	(110)	(31)	56	25
Total comprehensive income for the period	-	9,994	559	(459)	-	(110)	9,984	104	10,088
Dividends to ordinary shareholders	-	(3,450)	-	-	-	-	(3,450)	(40)	(3,490)
Issue of shares following conversion of preference shares into ordinary shares	678	-	-	-	-	-	678	-	678
Shares issued under the Scrip Dividend Scheme	1,691	-	-	-	-	-	1,691	-	1,691
Issue of shares following the exercise of Group Employee Share Options Scheme	164	-	-	-	-	-	164	-	164
Transactions with owners	2,533	(3,450)	-	-	-	-	(917)	(40)	(957)
Transfers	-	48	(48)	-	-	-	-	-	-
<b>At 31 December 2024</b>	<b>9,508</b>	<b>88,762</b>	<b>3,178</b>	<b>2,018</b>	<b>8,970</b>	<b>(110)</b>	<b>112,326</b>	<b>3,820</b>	<b>116,146</b>

Unaudited consolidated summary statement of cash flows for the period ended 31 December 2024

	<b>Unaudited 6 months to 31-Dec-24 Rs'M</b>	Unaudited 6 months to 31-Dec-23 Rs'M	Audited Year to 30-Jun-24 Rs'M
<b>Net cash flows from operating activities</b>	<b>32,189</b>	26,344	68,054
<b>Net cash flows from investing activities</b>	<b>(41,335)</b>	(47,582)	(77,846)
<b>Net cash flows from financing activities</b>	<b>5,274</b>	(18,292)	(21,848)
<b>Decrease in cash and cash equivalents</b>	<b>(3,872)</b>	(39,530)	(31,640)
Net cash and cash equivalents brought forward	<b>88,967</b>	120,409	120,409
Effect of foreign exchange rate changes	<b>(41)</b>	(449)	198
<b>Net cash and cash equivalents carried forward</b>	<b>85,054</b>	80,430	88,967

**Cash and cash equivalents as shown in the consolidated statement of cash flows**

Cash and cash equivalents	<b>85,299</b>	80,520	89,098
Allowance for credit impairment	<b>56</b>	50	38
Short term borrowed funds	<b>(301)</b>	(140)	(169)
<b>Net cash and cash equivalents</b>	<b>85,054</b>	80,430	88,967

## COMMENTS ON RESULTS

The profit attributable to shareholders for the Group was Rs 10,015 million for the 6 months ended 31 December 2024, an increase of 28.8% compared to the same period last year. This performance was primarily driven by sustained growth in operating income within the banking cluster. Key highlights are summarised below:

- Operating income grew by 18.1% to Rs 21,285 million.
  - Net interest income increased by 16.7%, reflecting growth in interest earning assets in both rupee and foreign currency, along with improved interest margins principally on rupee denominated investment securities;
  - Net fee and commission income rose by 12.4%, driven by payment, lending and trade finance activities;
  - 'Other income' grew by 30.9%, driven by increased foreign exchange transaction volumes and higher fair value gains on equity financial instruments. Of note, the Visa and MasterCard shares held by MCB Ltd were acquired by MCB Group Ltd in November 2024 and going forward any change in fair value of these securities will be accounted for in Other Comprehensive Income.
- Non-interest expense increased by 8.9% in line with the Group's continued investment in human capital and technology.
- Net impairment charges declined by 9.9% to Rs 1,620 million as a result of higher recoveries made during the period under review. Consequently, the cost of risk for the period was 0.67%, 13 basis points lower than the corresponding period last year. Gross NPL ratio stood at 2.9% for the period.
- Share of profit of associates dropped by Rs 75 million due to the subdued performance of both BFCOI and Fincorp.
- Tax charge for the period increased by 27.8% to Rs 2,462 million in line with growth in profits.

The Group maintained a strong capital base with shareholders' funds increasing by 16.6% to Rs 112 billion. The BIS and Tier 1 ratios as at December 2024 increased to 21.2% and 18.7% respectively, well above regulatory limits.

## 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 differentials with major currencies to support the rupee.

The Group will continue to monitor key developments in the operating environment whilst prudently executing its strategic initiatives to sustain business growth. In the short term, the Group remains well positioned to deliver a strong performance for the current financial year.

By order of the Board  
14 February 2025

The unaudited interim consolidated summary financial statements comply with IAS 34 and have been prepared 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 Group adopted in the current financial year.

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

Copies of the unaudited interim consolidated summary financial statements are available to the public, free of charge, upon request to the Company Secretary at the registered office of the Company, 9-15, Sir William Newton Street, Port-Louis and can be viewed on our website: **[mcbgroup.com](http://mcbgroup.com)**

The statement of direct and indirect interests of officers of the Company required under rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request, free of charge, at the registered office of the Company.

*This communiqué is issued pursuant to Listing Rule 12.20 and Securities Act 2005.*

*The Board of Directors of the MCB Group Limited accepts full responsibility for the accuracy of the information contained in this communiqué.*