

CAUTIONARY ANNOUNCEMENT

The Board of Directors (“**Board**”) of MCB Group Limited (the “**Company**”) is pleased to inform its shareholders, noteholders and the public at large that it has resolved, subject to the approval of regulatory authorities and of its shareholders, to offer to the holders (“**Noteholders**”) of the existing “Floating Rate Subordinated Notes Due 2023” (“**Notes**”) issued under the listing particulars dated 12 June 2015 (LEC/1/02/2015), the option to subscribe for an equivalent nominal amount in redeemable convertible preference shares (“**Preference Shares**”) to be issued and listed by the Company on the following terms:

- The issue is subject to the acceptance by the Noteholders:
 - of not less than MUR 1.0 billion; *and*
 - up to a maximum of MUR 4.5 billion should all the Noteholders accept the offer;
- The Preference Shares shall be issued exclusively to the Noteholders having accepted the offer, hence consolidating further the permanent capital structure of the Company in order to support its growth. The Preference Shares subscribed shall be settled by way of the cancellation of the Notes held by the subscribers;
- The holders of the Preference Shares (“**Preference Shareholders**”) shall be entitled to an annual fixed non-cumulative preference dividend of 4.7% payable twice yearly; and
- The Preference Shareholders shall also have the option, 2 years after the date of issue of the Preference Shares, to elect to convert their shares into ordinary shares of the Company at a price reflecting a discount of 3% based on the average of the daily volume-weighted average share price of the ordinary shares over a period of thirty days prior to the conversion.

The shareholders, noteholders and the investing public are advised to exercise caution when dealing in the Company’s ordinary shares and notes and will be kept informed of further developments in respect of the proposed issue of Preference Shares.

By order of the Board

MCB Group Corporate Services Ltd
Company Secretary

Date: 27 September 2019

This Cautionary Announcement is issued pursuant to the SEM Listing Rule 11.3, the Securities Act 2005 and the rules and regulations made thereunder. The Board accepts full responsibility for the accuracy of the information contained in this Cautionary Announcement.