

SUMMARY STATEMENT OF FINANCIAL POSITION

| | 30-Jun-20 | 30-Jun-19 | 30-Jun-18 |
|--------------------------------------|----------------------|----------------------|----------------------|
| | Rs. | Rs. | Rs. |
| ASSETS | | | |
| Cash and cash equivalents | 393,127,366 | 98,801,232 | 394,406,948 |
| Deposits with financial institutions | 57,676,671 | 110,931,181 | 228,057,667 |
| Net lease receivables | 3,294,472,252 | 3,479,176,558 | 3,503,306,982 |
| Investment Securities | 446,259,692 | 198,704,604.00 | - |
| Plant and equipment | 674,033,932 | 694,910,041 | 592,372,209 |
| Intangible assets | 21,294,205 | 24,706,330 | 26,048,834 |
| Current tax assets | 10,601,266 | 7,387,534.00 | - |
| Other assets | 75,652,257 | 62,235,315 | 43,210,642 |
| Total assets | 4,973,117,641 | 4,676,852,795 | 4,787,403,282 |
| LIABILITIES | | | |
| Deposits from customers | 4,142,772,266 | 3,772,427,151 | 3,718,723,176 |
| Borrowings | 44,663,769 | 158,343,883 | 324,460,586 |
| Current tax liabilities | - | - | 8,126,179 |
| Deferred tax liabilities | 17,049,658 | 16,232,862 | 18,011,193 |
| Other liabilities | 115,899,221 | 79,779,747 | 102,317,454 |
| Total liabilities | 4,320,384,914 | 4,026,783,643 | 4,171,638,588 |
| SHAREHOLDERS' EQUITY | | | |
| Share capital | 400,000,000 | 400,000,000 | 400,000,000 |
| General risk reserve | - | - | 19,657,776 |
| Statutory reserve | 117,226,945 | 109,177,409 | 95,584,347 |
| Retained earnings | 135,505,782 | 140,891,743 | 100,522,571 |
| Total equity | 652,732,727 | 650,069,152 | 615,764,694 |
| Total equity and liabilities | 4,973,117,641 | 4,676,852,795 | 4,787,403,282 |

SUMMARY STATEMENT OF CHANGES IN EQUITY

| | Share Capital Rs. | General Risk Reserve Rs. | Statutory Reserve Rs. | Retained Earnings Rs. | Total Rs. |
|--|---------------------------|--------------------------------|-----------------------------|-----------------------------|---------------------------|
| Balance at July 1, 2017 | 200,000,000 | 19,657,776 | 86,144,034 | 87,027,458 | 392,829,268 |
| Profit and total comprehensive income for the year | - | - | - | 62,935,426 | 62,935,426 |
| Transactions with owner of the Company | | | | | |
| – Dividends | - | - | - | (40,000,000) | (40,000,000) |
| Issue of non-cumulative preference shares | 200,000,000 | - | - | - | 200,000,000 |
| Statutory appropriations of retained earnings | - | - | 9,440,313 | (9,440,313) | - |
| Balance at June 30, 2018 | <u>400,000,000</u> | <u>19,657,776</u> | <u>95,584,347</u> | <u>100,522,571</u> | <u>615,764,694</u> |
| Balance at July 1, 2018 | 400,000,000 | 19,657,776 | 95,584,347 | 100,522,571 | 615,764,694 |
| Impact of adopting IFRS 9 | | | | | |
| – Expected Credit Losses | - | - | - | (16,315,956) | (16,315,956) |
| – Reversal of General Risk Reserve | - | (19,657,776) | - | 19,657,776 | - |
| Restated Balance at July 1, 2018 | 400,000,000 | - | 95,584,347 | 103,864,391 | 599,448,738 |
| Profit and total comprehensive income for the year | - | - | - | 90,620,414 | 90,620,414 |
| Transactions with owner of the Company | | | | | |
| – Dividends | - | - | - | (40,000,000) | (40,000,000) |
| Statutory appropriations of retained earnings | - | - | 13,593,062 | (13,593,062) | - |
| Balance at June 30, 2019 | <u>400,000,000</u> | <u>-</u> | <u>109,177,409</u> | <u>140,891,743</u> | <u>650,069,152</u> |
| Balance at June 30, 2019 | 400,000,000 | - | 109,177,409 | 140,891,743 | 650,069,152 |
| Profit and total comprehensive income for the year | - | - | - | 53,663,575 | 53,663,575 |
| Transactions with owner of the Company | | | | | |
| – Dividends | - | - | - | (51,000,000) | (51,000,000) |
| Statutory appropriations of retained earnings | - | - | 8,049,536 | (8,049,536) | - |
| Balance at June 30, 2020 | <u>400,000,000</u> | <u>-</u> | <u>117,226,945</u> | <u>135,505,782</u> | <u>652,732,727</u> |

SUMMARY STATEMENT OF CASH FLOWS

| | 30-Jun-20 Rs. | 30-Jun-19 Rs. | 30-Jun-18 Rs. |
|--|----------------------|------------------|------------------|
| Profit before income tax | 54,480,371 | 97,365,759 | 76,063,058 |
| Adjustments for : | | | |
| Loss/(profit) on disposal of plant and equipment | (2,704,967) | 367,355 | 185,332 |
| (Profit)/loss on disposal of repossessed leased assets | 3,215,971 | 2,763,632 | (423,084) |
| Amortisation | 4,009,428 | 3,617,510 | 4,029,082 |
| Depreciation | 156,421,237 | 135,449,666 | 132,564,038 |
| Write off of plant and equipment | - | - | - |
| Net impairment of financial assets | 9,717,684 | 6,104,672 | 17,846,039 |
| Increase in interest receivable | 53,254,510 | 16,906,406 | (7,254,863) |
| Increase/(Decrease) in interest payable | 40,037,096 | 35,828,745 | - |
| Decrease/(Increase) in other assets | (23,240,909) | (36,160,107) | 13,088,234 |
| (Decrease)/Increase in other liabilities | 36,119,475 | (25,449,745) | (2,844,300) |
| Changes in operating assets and liabilities: | | | |
| Net decrease/(increase) in investment in finance leases | 174,986,622 | 10,745,081 | 271,588,550 |
| Net (decrease)/increase in deposits | 330,308,020 | 17,875,230 | (83,275,054) |
| Cash generated from operations | 836,604,538 | 265,414,204 | 421,567,032 |
| Tax paid | (3,213,732) | (20,695,567) | (9,189,638) |
| Net cash generated from operating activities | 833,390,806 | 244,718,637 | 412,377,394 |
| Cash flows from investing activities | | | |
| Deposits with financial institutions | - | 100,000,000 | - |
| Investment in Securities | (247,555,088) | (198,726,783) | - |
| Proceeds from sale of repossessed leased assets | 6,607,996 | 5,345,000 | 6,267,390 |
| Proceeds from sale of plant and equipment | 77,060,828 | 67,436,474 | 63,273,568 |
| Purchase of intangible assets | (597,304) | (2,275,006) | - |
| Purchase of plant and equipment | (209,900,988) | (305,791,328) | (188,106,686) |
| Net cash used in investing activities | (374,384,556) | (334,011,643) | (118,565,728) |
| Cash flows from financing activities | | | |
| Dividends paid | (51,000,000) | (40,000,000) | (40,000,000) |
| Payments on long term borrowings | (113,680,115) | (205,859,350) | (237,833,670) |
| Payment on shareholders' loan | - | - | (145,571,251) |
| Proceeds from short term borrowings | - | (420,000,000) | - |
| Payments on short term borrowings | - | 459,742,647 | 40,000,000 |
| Proceeds from issue of preference shares | - | - | 200,000,000 |
| Net cash used in financing activities | (164,680,115) | (206,116,703) | (183,404,921) |
| Increase/(decrease) in cash and cash equivalents | 294,326,135 | (295,409,708) | 110,406,745 |
| Movement in cash and cash equivalents | | | |
| At July 1, | 98,801,232 | 394,406,948 | 284,000,203 |
| Effect of adoption of IFRS9 on Cash and Cash Equivalents | - | (196,008) | - |
| Increase/(Decrease) | 294,326,135 | (295,409,708) | 110,406,745 |
| At June 30, | 393,127,367 | 98,801,232 | 394,406,948 |

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | 30-Jun-20 Rs. | 30-Jun-19 Rs. | 30-Jun-18 Rs. |
|---|--------------------|--------------------|--------------------|
| Interest income | 261,356,918 | 274,377,522 | 288,681,080 |
| Interest expense | (179,870,004) | (176,293,044) | (200,944,451) |
| Net interest income | 81,486,914 | 98,084,478 | 87,736,629 |
| Operating lease income | 196,864,499 | 185,213,740 | 175,695,996 |
| Processing fees | 7,787,000 | 9,348,269 | 7,606,012 |
| Other operating income | 13,206,297 | 16,964,246 | 11,700,438 |
| | 217,857,796 | 211,526,255 | 195,002,446 |
| Operating income | 299,344,710 | 309,610,733 | 282,739,075 |
| Net impairment of financial assets | (9,717,684) | (6,104,672) | (17,846,039) |
| Personnel expenses | (44,749,946) | (38,502,579) | (30,670,568) |
| (Loss)/Profit on disposal of assets | (511,004) | (3,130,987) | 237,752 |
| Depreciation and amortisation | (160,430,666) | (139,067,176) | (136,593,120) |
| Other expenses | (29,455,040) | (25,439,560) | (21,804,042) |
| Profit before income tax | 54,480,370 | 97,365,759 | 76,063,058 |
| Income tax expense | (816,796) | (6,745,345) | (13,127,632) |
| Profit and total comprehensive income for the year | 53,663,574 | 90,620,414 | 62,935,426 |

Note 1:

The accompanying summary financial statements, without reference to the detailed notes, are derived from the audited financial statements of MCB Leasing Limited (the “Company”) for the year ended 30 June 2020. These audited financial statements, which have been prepared in accordance with International Financial Reporting Standards and in compliance with the Companies Act 2001, the Banking Act 2004 and guidelines issued by the Bank of Mauritius, are available at 9-15 Sir William Newton Street, Port-Louis and can be viewed on our website: <https://www.mcbleasing.mu>

Note 2:

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

15% of the profit after tax is transferred to the Statutory Reserve in compliance with the requirements of the Banking Act 2004.

The General Risk Reserve consists of amounts set aside in respect of impairment of the lease portfolio, in addition to the specific and portfolio provision.

Approved for issue by the Board of Directors on 29 September 2020 and signed on its behalf by:

Bernard D’Hotman De Villiers
Chairman

Anju Unrowsing-Ramtohol
Director

Raj Gungah
Managing Director

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS***Opinion***

The summary financial statements, which comprise the summary statement of financial position as at 30 June 2020, the summary statement of profit or loss and other comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended, are derived from the audited financial statements of MCB Leasing Limited for the year ended 30 June 2020.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with International Financial Reporting Standards (IFRSs).

Other Matter

The financial statements of MCB Leasing Limited for the year ended 30 June 2019 were audited by another auditor who expressed an unmodified opinion on those financial statements on 29 September 2019.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards (IFRSs) in the preparation of the audited financial statements of MCB Leasing Limited. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 29 September 2020. The report also includes the communication of key audit matters. Key audit matters are those matters, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with IFRSs.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised)–Engagements to Report on Summary Financial Statements.

Deloitte Chartered Accountants

29 September 2020

Vishal Agrawal, FCA, licensed by FRC