

SUMMARY STATEMENT OF FINANCIAL POSITION

	30-Jun-19 Rs.	30-Jun-18 Rs.	30-Jun-17 Rs.
ASSETS			
Cash and cash equivalents	98,801,232	394,406,948	284,000,203
Deposits with financial institutions	110,931,181	228,057,667	220,802,804
Net lease receivables	3,479,176,558	3,503,306,982	3,792,741,571
Investment Securities	198,704,604	-	-
Plant and equipment	694,910,041	592,372,209	600,288,462
Intangible assets	24,706,330	26,048,834	30,077,916
Current tax assets	7,387,534	-	-
Other assets	62,235,315	43,210,642	62,143,183
Total assets	4,676,852,795	4,787,403,282	4,990,054,139
LIABILITIES			
Deposits from customers	3,772,427,151	3,718,723,176	3,801,998,230
Borrowings	158,343,883	324,460,586	562,294,258
Shareholders' loan	-	-	105,571,251
Current tax liabilities	-	8,126,179	296,181
Deferred tax liabilities	16,232,862	18,011,193	21,903,197
Other liabilities	79,779,747	102,317,454	105,161,754
Total liabilities	4,026,783,643	4,171,638,588	4,597,224,871
SHAREHOLDERS' EQUITY			
Share capital	400,000,000	400,000,000	200,000,000
General risk reserve	-	19,657,776	19,657,776
Statutory reserve	109,177,409	95,584,347	86,144,034
Retained earnings	140,891,743	100,522,571	87,027,458
Total equity	650,069,152	615,764,694	392,829,268
Total equity and liabilities	4,676,852,795	4,787,403,282	4,990,054,139

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, 2016	200,000,000	19,657,776	79,254,260	47,985,224	346,897,260
Profit and total comprehensive income for the year	-	-	-	45,932,008	45,932,008
Statutory appropriations of retained earnings	-	-	6,889,774	(6,889,774)	-
Balance at June 30, 2017	200,000,000	19,657,776	86,144,034	87,027,458	392,829,268
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
<i>Transactions with owner of the Company</i>					
- 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	400,000,000	19,657,776	95,584,347	100,522,571	615,764,694
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
<i>Transactions with owner of the Company</i>					
- Dividends	-	-	-	(40,000,000)	(40,000,000)
Statutory appropriations of retained earnings	-	-	13,593,062	(13,593,062)	-
Balance at June 30, 2019	400,000,000	-	109,177,409	140,891,743	650,069,152

SUMMARY STATEMENT OF CASH FLOWS

	30-Jun-19 Rs.	30-Jun-18 Rs.	30-Jun-17 Rs.
Profit before income tax	97,365,759	76,063,058	50,596,412
Adjustments for :			
Loss/(profit) on disposal of plant and equipment	367,355	185,332	1,203,656
(Profit)/loss on disposal of repossessed leased assets	2,763,632	(423,084)	6,235,461
Amortisation	3,617,510	4,029,082	4,000,602
Depreciation	135,449,666	132,564,038	117,364,586
Write off of plant and equipment	-	-	-
Net impairment of financial assets	6,104,672	17,846,039	42,792,687
Increase in interest receivable	16,906,406	(7,254,863)	(8,161,439)
Increase/(Decrease) in interest payable	35,828,745	-	2,987,136
Decrease/(Increase) in other assets	(36,160,107)	13,088,234	(30,916,701)
(Decrease)/Increase in other liabilities	(25,449,745)	(2,844,300)	66,048,825
Changes in operating assets and liabilities:			
Net decrease/(increase) in investment in finance leases	10,745,081	271,588,550	44,170,660
Net (decrease)/increase in deposits	17,875,230	(83,275,054)	361,701,025
Cash generated from operations	265,414,204	421,567,032	658,022,910
Tax paid	(20,693,627)	(9,189,638)	(9,527,777)
Net cash generated from operating activities	244,720,577	412,377,394	648,495,133
Cash flows from investing activities			
Deposits with financial institutions	100,000,000	-	-
Investment in Securities	(198,726,783)	-	-
Proceeds from sale of repossessed leased assets	5,345,000	6,267,390	17,267,447
Proceeds from sale of plant and equipment	67,436,475	63,273,568	39,444,073
Purchase of intangible assets	(2,275,006)	-	(244,783)
Purchase of plant and equipment	(305,791,328)	(188,106,686)	(285,604,550)
Net cash used in investing activities	(334,011,642)	(118,565,728)	(229,137,813)
Cash flows from financing activities			
Dividends paid	(40,000,000)	(40,000,000)	(50,000,000)
Payments on long term borrowings	(205,859,350)	(237,833,670)	(266,493,141)
Payment on shareholders' loan	-	(145,571,251)	-
Proceeds from short term borrowings	(420,000,000)	-	450,000,000
Proceeds from long term borrowings	-	-	41,629,282
Proceeds from shareholders' loan	-	40,000,000	-
Proceeds from issue of preference shares	-	200,000,000	-
Payments on short term borrowings	459,742,647	-	(450,000,000)
Net cash used in financing activities	(206,116,703)	(183,404,921)	(274,863,859)
Increase/(decrease) in cash and cash equivalents	(295,409,708)	110,406,745	144,493,461
Movement in cash and cash equivalents			
At July 1,	394,406,948	284,000,203	139,506,742
Effect of adoption of IFRS9 on Cash and Cash Equivalents	(196,008)	-	-
Increase/(Decrease)	(295,409,708)	110,406,745	144,493,461
At June 30,	98,801,232	394,406,948	284,000,203

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	30-Jun-19 Rs.	30-Jun-18 Rs.	30-Jun-17 Rs.
Interest income	274,377,522	288,681,080	297,296,204
Interest expense	(176,293,044)	(200,944,451)	(206,549,800)
Net interest income	98,084,478	87,736,629	90,746,404
Operating lease income	185,213,740	175,695,996	155,115,678
Processing fees	9,348,269	7,606,012	9,995,888
Other operating income	16,964,246	11,700,438	22,080,864
	211,526,255	195,002,446	187,192,430
Operating income	309,610,733	282,739,075	277,938,834
Net impairment of financial assets	(6,104,672)	(17,846,039)	(42,792,687)
Personnel expenses	(38,502,579)	(30,670,568)	(28,567,013)
(Loss)/Profit on disposal of assets	(3,130,987)	237,752	(7,439,117)
Depreciation and amortisation	(139,067,176)	(136,593,120)	(121,365,188)
Other expenses	(25,439,560)	(21,804,042)	(27,178,417)
Profit before income tax	97,365,759	76,063,058	50,596,412
Income tax expense	(6,745,345)	(13,127,632)	(4,664,404)
Profit and total comprehensive income for the year	90,620,414	62,935,426	45,932,008

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 2019. These audited financial statements, which have been prepared in accordance with International Financial Reporting Standards and in compliance with the Mauritian Companies Act 2001, the Mauritian 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: <http://www.finlease.mu/en/>

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

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 Mauritian 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 26 September 2019 and signed on its behalf by:

Bernard D'Hotman De Villiers
Chairman

Anju Unrowsing-Ramtohol
Director

Raj Gungah
Managing Director

INDEPENDENT AUDITOR'S REPORT**TO THE SHAREHOLDER OF FINLEASE COMPANY LIMITED*****Report on the Summary Financial Statements******Our Opinion***

In our opinion, the accompanying summary financial statements of MCB Leasing Limited (the "Company") are consistent, in all material respects, with the audited financial statements, in accordance with note 1.

The summary financial statements

The Company's summary financial statements derived from the audited financial statements for the year ended 30 June 2019 comprise:

- the summary statement of financial position as at 30 June 2019;
- the summary statement of profit or loss and other comprehensive income for the year then ended;
- the summary statement of changes in equity for the year then ended;
- the summary statement of cash flows for the year then ended; and
- the related notes to the summary financial statements.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and 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 audit report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 26 September 2019. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year.

Responsibilities of the directors for the summary financial statements

The directors are responsible for the preparation of the summary financial statements in accordance with note 1.

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 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's shareholders in accordance with Section 34(6)(b) (ii) of the Mauritian Banking Act 2004 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers**Gilles Beesoo, licensed by FRC**

26 September 2019