

CM STRUCTURED FINANCE (1) LTD

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

MARCH 31, 2021

CM STRUCTURED FINANCE (1) LTD

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2021

	Notes	Mar 31, 2021 USD	Jun 30, 2020 USD
ASSETS			
Non Current Asset			
Financial Assets at amortised cost	1	<u>2,004,000</u>	<u>2,003,800</u>
Current Assets			
Prepayments	3	3,481	2,111
Cash and Cash equivalents		<u>337,821</u>	<u>450,374</u>
		<u>341,302</u>	<u>452,485</u>
Total Assets		<u>2,345,302</u>	<u>2,456,285</u>
EQUITY AND LIABILITIES			
Capital & Reserves			
Share Capital	5(a)	2,000,291	2,000,291
Revenue Deficit		<u>(1,993,351)</u>	<u>(1,985,465)</u>
Total Equity		<u>6,940</u>	<u>14,826</u>
Current Liabilities			
Other Payables	4	337,575	430,300
Current Tax Liabilities	8(a)	<u>787</u>	<u>11,159</u>
		<u>338,362</u>	<u>441,459</u>
Non Current Liability			
Other Financial liabilities	2	<u>2,000,000</u>	<u>2,000,000</u>
Total Liabilities		<u>2,338,362</u>	<u>2,441,459</u>
Total Equity and Liabilities		<u>2,345,302</u>	<u>2,456,285</u>

CM STRUCTURED FINANCE (1) LTD

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED MARCH 31, 2021

	Notes	3 Months to Mar 31, 2021	3 Months to Mar 31, 2020	9 Months to Mar 31, 2021	9 Months to Mar 31, 2020
		USD	USD	USD	USD
Interest Income		18,000	169,619	54,800	877,360
Interest Expense		-	(147,209)	-	(564,773)
Operating Expenses	6	(1,704)	(66,850)	(15,022)	(88,478)
Administrative Expenses	7	(16,620)	(4,846)	(45,157)	(28,553)
Foreign Exchange Difference		189	1,428	94	1,916
Net Gain on Financial Liabilities at Amortised Cost		-	18,000,000	-	18,000,000
Impairment on Financial Assets at Amortised Cost		-	(20,000,000)	-	(20,000,000)
Loss before Tax		(135)	(2,047,858)	(5,285)	(1,802,528)
(Income Tax) / Income Tax Credit	8(b)	(232)	1,517	(2,601)	(6,809)
Loss after Tax		(367)	(2,046,341)	(7,886)	(1,809,337)
Other Comprehensive Income		-	-	-	-
Total Comprehensive Income for the Period		(367)	(2,046,341)	(7,886)	(1,809,337)
Loss per Share	9	(USD 0.1)	(USD 682)	(USD 3)	(USD 603)

CM STRUCTURED FINANCE (1) LTD

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2021

	Share Capital	(Revenue Deficit) / Retained Earnings	Total
	USD	USD	USD
Balance at July 01, 2020	2,000,291	(1,985,465)	14,826
Loss for the period	-	(7,886)	(7,886)
Balance at March 31, 2021	2,000,291	(1,993,351)	6,940
Balance at July 01, 2019	2,000,291	72,987	2,073,278
Loss for the period	-	(1,809,337)	(1,809,337)
Balance at March 31, 2020	2,000,291	(1,736,350)	263,941
Balance at April 10, 2019	-	-	-
Issue of Shares	2,000,291	-	2,000,291
Loss for the period	-	(1,985,465)	(1,985,465)
Balance at June 30, 2020	2,000,291	(1,985,465)	14,826

CM STRUCTURED FINANCE (1) LTD

CONDENSED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2021

	Notes	9 Months to Mar 31, 2021	9 Months to Mar 31, 2020
		USD	USD
Cashflow from Operating Activities			
Cash (used in) / generated from Operations	10(a)	(154,274)	572,241
Interest Received		54,600	981,239
Interest Paid		-	(636,281)
Tax Paid		(12,973)	-
Net Cash (used in) / generated from Operating Activities		<u>(112,647)</u>	<u>917,199</u>
Net (decrease) / increase in Cash and Cash Equivalents		<u>(112,647)</u>	<u>917,199</u>
Movement in Cash and Cash Equivalents			
At the beginning of reporting period		450,374	44,981
(Decrease) / Increase		(112,647)	917,199
Effect of Foreign Exchange Rate Changes		94	1,916
At the end of reporting period	10(b)	<u>337,821</u>	<u>964,096</u>

CM STRUCTURED FINANCE (1) LTD

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2021

The financial statements are unaudited and have been prepared using the same accounting policies as those adopted in the financial statements for the period from April 10, 2019 to June 30, 2020 and comply with IAS 34.

These unaudited condensed interim financial statements were approved for issue by the Board of Directors on May 7, 2021.

1 FINANCIAL ASSETS AT AMORTISED COST	Mar 31, 2021	Jun 30, 2020
	USD	USD
At the beginning of reporting period	2,003,800	-
Additions	-	22,000,000
Add: Interest income	54,800	1,003,151
Less: Interest received	(54,600)	(999,351)
Less: Impairment of financial assets at amortised cost	-	(20,000,000)
At the end of reporting period	<u>2,004,000</u>	<u>2,003,800</u>

At the end of the reporting period, financial assets at amortised costs consist of a fixed deposit placement with The Mauritius Commercial Bank Ltd, carrying interest of 3.6% per annum and maturing around June 2022.

2 OTHER FINANCIAL LIABILITIES	Mar 31, 2021	Jun 30, 2020
	USD	USD
At the beginning of reporting period	2,000,000	-
Additions	-	20,000,000
Add: Interest Expense	-	636,282
Less: Interest Paid	-	(636,282)
Less: Write back of financial liabilities at amortised cost	-	(18,000,000)
At the end of reporting period	<u>2,000,000</u>	<u>2,000,000</u>

The financial liability of the Notes issued by the Company has been classified under other financial liabilities at amortised cost.

3 PREPAYMENTS	Mar 31, 2021	Jun 30, 2020
	USD	USD
Prepayments	<u>3,481</u>	<u>2,111</u>

CM STRUCTURED FINANCE (1) LTD

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2021

4 OTHER PAYABLES		<u>Mar 31, 2021</u>	<u>Jun 30, 2020</u>
		USD	USD
Other Payables		2,328	5,115
Recovery Proceeds	(a)	330,999	422,693
Amount due to group companies:			
Entities under Common Control		4,250	1,265
Fellow Subsidiary		(1)	1,227
	(b)	<u>337,575</u>	<u>430,300</u>

(a) The recovery proceeds relate to the funds recovered from the pledged bank accounts, net of recovery costs incurred.

(b) The carrying amounts of other payables approximate their fair values.

5 SHARE CAPITAL		<u>Mar 31, 2021</u>	<u>Jun 30, 2020</u>
(a) Issued Share Capital (USD)		<u>2,000,291</u>	<u>2,000,291</u>
(b) Number of Issued ordinary shares		<u>3,000</u>	<u>3,000</u>

6 OPERATING EXPENSES		<u>9 Months to Mar 31, 2021</u>	<u>9 Months to Mar 31, 2020</u>
		USD	USD
Annual Registrar Fees		(1)	16,482
Debenture Representative Fees		16,365	1,310
Rating Fees		(1,342)	12,075
Underwriting Fees		-	58,611
		<u>15,022</u>	<u>88,478</u>

7 ADMINISTRATIVE EXPENSES		<u>9 Months to Mar 31, 2021</u>	<u>9 Months to Mar 31, 2020</u>
		USD	USD
Audit Fees		5,165	2,372
Bank Charges		102	682
Director Remuneration		286	-
Legal & Professional Fees		26,156	11,745
Licences		754	4,151
Listing Fees		3,471	3,206
Other Expenses		-	31
Publication Expenses		4,573	2,706
Secretarial Fees		4,386	3,231
Tax Fees		264	429
		<u>45,157</u>	<u>28,553</u>

CM STRUCTURED FINANCE (1) LTD

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2021

8 INCOME TAX	<u>Mar 31, 2021</u>	<u>Jun 30, 2020</u>
	USD	USD
(a) In the Statement of Financial Position		
Income tax on adjusted profit for the year at 15%	207	9,846
Corporate Social Responsibility Levy	580	1,313
	<u>787</u>	<u>11,159</u>

	<u>9 Months to Mar 31, 2021</u>	<u>9 Months to Mar 31, 2020</u>
	USD	USD
(b) In the Statement of Profit or Loss		
Income tax on adjusted profit for the year at 15%	2,295	6,172
Corporate Social Responsibility Levy	306	637
	<u>2,601</u>	<u>6,809</u>

The tax on the company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the company as follows:

	<u>9 Months to Mar 31, 2021</u>	<u>9 Months to Mar 31, 2020</u>
	USD	USD
Loss before Taxation	<u>(5,285)</u>	<u>(1,802,528)</u>
Tax calculated at a rate of 15%	(793)	(270,379)
Tax effect on:		
Income not subject to tax	(6,576)	(2,805,283)
Expenses not deductible for tax purposes	9,664	3,081,834
Corporate Social Responsibility Levy	306	637
Tax Charge	<u>2,601</u>	<u>6,809</u>

9 LOSS PER SHARE	<u>9 Months to Mar 31, 2021</u>	<u>9 Months to Mar 31, 2020</u>
Loss for the Period (USD)	<u>(7,886)</u>	<u>(1,809,337)</u>
Number of Shares in Issue	<u>3,000</u>	<u>3,000</u>
Loss per Share (USD)	<u>(3)</u>	<u>(603)</u>

CM STRUCTURED FINANCE (1) LTD

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2021

10 NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of loss for the period to cash from operations:

	9 Months to Mar 31, 2021	9 Months to Mar 31, 2020
	USD	USD
Loss before tax	(5,285)	(1,802,528)
Adjustments for:		
Interest Income	(54,800)	(877,360)
Interest Expense	-	564,773
Foreign Exchange Gains	(94)	(1,916)
Net Gain on Financial Liabilities at Amortised Cost	-	(18,000,000)
Impairment on Financial Assets at Amortised Cost	-	20,000,000
	(60,179)	(117,031)
Changes in working capital:		
- prepayments & other receivables	(1,370)	8,773
- other payables	(92,725)	680,499
Cash (used in)/ generated from Operations	(154,274)	572,241

(b) Cash & Cash Equivalents

Bank Balances	6,822	270,041
Bank Balances - Recovery Proceeds	330,999	694,055
	337,821	964,096

11 RELATED PARTY TRANSACTIONS

The transactions of the company with related parties during the period are as follows:

	9 Months to Mar 31, 2021	9 Months to Mar 31, 2020
	USD	USD
(a) <i>Interest Income</i>		
Entity under common control	54,800	55,287
	54,800	55,287
(b) <i>Operating Expenses</i>		
Fellow Subsidiary	(1)	16,482
	(1)	16,482
(c) <i>Administrative Expenses</i>		
Fellow Subsidiary	26,099	-
Entities under common control	7,778	3,913
	33,877	3,913

CM STRUCTURED FINANCE (1) LTD

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2021

11 RELATED PARTY TRANSACTIONS (CONT'D)

Outstanding balances as at reporting period	Mar 31, 2021	Jun 30, 2020
	USD	USD
(d) <i>Payables to related parties</i>		
Fellow Subsidiary	(1)	1,227
Entities under common control	<u>4,250</u>	<u>1,265</u>
	<u>4,249</u>	<u>2,492</u>
(e) <i>Bank Balances</i>		
Entity under common control	<u>337,821</u>	<u>450,374</u>

All the above transactions have been carried out at least under market terms and conditions. There have been no guarantees provided or received for any related party receivables or payables. At March 31, 2021, the amounts owed by related parties were not impaired.

12 ULTIMATE HOLDING COMPANY

The holding company of CM Structured Finance (1) Ltd is MCB Capital Markets Ltd and the ultimate holding company is MCB Group Limited. Both companies are incorporated in Mauritius.