

Abridged consolidated statement of financial position as at 30 September 2023

	Unaudited 30-Sep-23 Rs'000	Unaudited 30-Sep-22 Rs'000	Audited 30-Jun-23 Rs'000
ASSETS			
Cash and cash equivalents	371,639	66,736	85,073
Net investment in lease receivables ²	3,166,265	2,966,141	3,159,904
Investment securities	1,028,217	812,939	1,013,863
Investments in associates	6,791,419	6,547,709	6,713,675
Equipment ¹	1,185,170	947,999	1,170,133
Intangible assets	37,918	17,178	24,414
Current tax assets	12,552	6,835	15,420
Other assets	193,170	137,584	106,208
Total assets	12,786,350	11,503,121	12,288,690
LIABILITIES			
Deposits from customers	4,296,553	3,596,508	3,952,068
Borrowings	620,419	653,073	705,397
Current tax liabilities	533	-	343
Deferred tax liabilities	35,096	18,800	35,096
Other liabilities	303,492	132,074	74,498
Total liabilities	5,256,093	4,400,455	4,767,402
SHAREHOLDERS' EQUITY			
Share capital	103,355	103,355	103,355
Retained earnings	2,962,597	2,574,871	2,872,688
Other components of equity	4,464,305	4,424,440	4,545,245
Total equity	7,530,257	7,102,666	7,521,288
Total equity and liabilities	12,786,350	11,503,121	12,288,690

Abridged consolidated statement of profit or loss for the period ended 30 September 2023

	Unaudited Quarter to 30-Sep-23 Rs'000	Unaudited Quarter to 30-Sep-22 Rs'000	Audited Year to 30-Jun-23 Rs'000
Interest income	55,640	51,099	206,945
Interest expense	(46,243)	(33,375)	(153,130)
Net interest income	9,397	17,724	53,815
Fee and commission income	2,430	3,098	13,350
Other income	99,479	55,961	294,772
Operating income	111,306	76,783	361,937
Non-interest expense ³	(80,510)	(68,967)	(307,436)
Operating profit before impairment	30,796	7,816	54,501
Net impairment (loss)/gain on financial assets	(126)	9,678	26,180
Operating profit	30,670	17,494	80,681
Share of profits of associates	65,427	79,979	299,823
Profit before tax	96,097	97,473	380,504
Income tax expense	(3,058)	(5,413)	(20,483)
Profit attributable to equity holders of the parent	93,039	92,060	360,021

Abridged consolidated statement of other comprehensive income for the period ended 30 September 2023

	Unaudited Quarter to 30-Sep-23 Rs'000	Unaudited Quarter to 30-Sep-22 Rs'000	Audited Year to 30-Jun-23 Rs'000
Profit attributable to equity holders of the parent	93,039	92,060	360,021
Other comprehensive (expense)/income:			
Items that will not be reclassified to profit or loss	(16,889)	(18,056)	144,271
Items that may be reclassified subsequently to profit or loss	-	665	-
Other comprehensive (expense)/income for the period	(16,889)	(17,391)	144,271
Total comprehensive income attributable to equity holders of the parent	76,150	74,669	504,292
Earnings per share (Rs.)⁵	0.90	0.89	3.48
Number of shares in issue (thousands)	103,355	103,355	103,355

Abridged consolidated statement of changes in equity for the period ended 30 September 2023

	Share Capital Rs'000	Capital Contribution Rs'000	Retained Earnings Rs'000	Capital Reserve Rs'000	Revaluation & Other Reserve Rs'000	Statutory Reserve Rs'000	Total Equity Rs'000
At 1 July 2022	103,355	200,000	2,543,804	1,247,164	2,861,249	135,587	7,091,159
Profit for the period	-	-	92,060	-	-	-	92,060
Other comprehensive expense for the period	-	-	-	(8,994)	(8,397)	-	(17,391)
Total comprehensive income/(expense) for the period	-	-	92,060	(8,994)	(8,397)	-	74,669
Dividends to ordinary shareholders	-	-	(62,013)	-	-	-	(62,013)
Transactions with owners	-	-	(62,013)	-	-	-	(62,013)
Other movements in reserves	-	-	1,020	(2,169)	-	-	(1,149)
At 30 September 2022	103,355	200,000	2,574,871	1,236,001	2,852,852	135,587	7,102,666
At 1 July 2022	103,355	200,000	2,543,804	1,247,164	2,861,249	135,587	7,091,159
Profit for the year	-	-	360,021	-	-	-	360,021
Other comprehensive income/(expense) for the year	-	-	684	(10,724)	154,311	-	144,271
Total comprehensive income/(expense) for the year	-	-	360,705	(10,724)	154,311	-	504,292
Dividends to ordinary shareholders	-	-	(62,013)	-	-	-	(62,013)
Dividends to non-cumulative preference shareholders	-	-	(11,000)	-	-	-	(11,000)
Transactions with owners	-	-	(73,013)	-	-	-	(73,013)
Other movements in reserves	-	-	41,192	(53,662)	(2,250)	13,570	(1,150)
At 30 June 2023	103,355	200,000	2,872,688	1,182,778	3,013,310	149,157	7,521,288
Profit for the period	-	-	93,039	-	-	-	93,039
Other comprehensive income/(expense) for the period	-	-	-	6,914	(23,803)	-	(16,889)
Total comprehensive income/(expense) for the period	-	-	93,039	6,914	(23,803)	-	76,150
Dividends to ordinary shareholders	-	-	(67,181)	-	-	-	(67,181)
Transactions with owners	-	-	(67,181)	-	-	-	(67,181)
Other movements in reserves	-	-	64,051	(6,297)	(57,754)	-	-
At 30 September 2023	103,355	200,000	2,962,597	1,183,395	2,931,753	149,157	7,530,257

Abridged consolidated statement of cash flows for the period ended 30 September 2023

	Unaudited 3 Months to 30-Sep-23 Rs'000	Unaudited 3 Months to 30-Sep-22 Rs'000	Audited Year to 30-Jun-23 Rs'000
Net cash flows from other operating activities	510,392	103,329	573,970
Income tax paid	-	-	(7,016)
Net cash flows from operating activities	510,392	103,329	566,954
Net cash flows from investing activities	(138,850)	(66,815)	(491,416)
Net cash flows from financing activities	(76,634)	(3,500)	(4,488)
Increase in cash and cash equivalents	294,908	33,014	71,050
Net cash and cash equivalents brought forward	(531,133)	(602,183)	(602,183)
Net cash and cash equivalents carried forward	(236,225)	(569,169)	(531,133)

Notes

1. Equipment

Assets under operating leases included under the above caption

Unaudited 30-Sep-23 Rs'000	Unaudited 30-Sep-22 Rs'000	Audited 30-Jun-23 Rs'000
1,183,203	945,245	1,168,348

2. Net investment in lease receivables

Receivable within one year and included in current assets

Receivable after one year

965,671	944,561	1,071,917
2,200,594	2,021,580	2,087,987
3,166,265	2,966,141	3,159,904

3. Non-interest expense

Depreciation of assets under operating leases included under the above caption

56,438	47,836	215,385
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4. Operating segments

3 months to 30 Sept 2023

Gross income

Operating profit

Group Rs'000	Leasing Rs'000	Investing Rs'000	Eliminations Rs'000
157,549	132,819	87,885	(63,155)
30,670	16,870	76,955	(63,155)

3 months to 30 Sept 2022

Gross income

Operating profit

110,158	115,061	92,274	(97,177)
17,494	30,382	84,289	(97,177)

Year ended 30 June 2023

Gross income

Operating profit

515,067	503,959	126,330	(115,222)
80,681	110,408	85,495	(115,222)

5. Earnings per share

Earnings per share is calculated by dividing the profit attributable to equity holders of the parent by the number of equity shares in issue and ranking for dividend.

Fincorp Investment Limited (“Fincorp”) posted a consolidated profit after tax amounting to Rs 93.0 million for the quarter to September 30, 2023, up by 1.1% compared to the corresponding period last year (FY23: Rs 92.1 million).

MCB Leasing Limited recorded a drop in net profits, down from Rs 25.0 million to Rs 14.0 million, as it benefited from the write back of impairment provisions during the first quarter of last year.

This drop has been compensated by:

- a) a notable increase of Rs 23.4 million in fair value gains on equity instruments (fair value gain of Rs 9.7 million in the first quarter of FY23/24 compared to a loss of Rs 13.7 million in the corresponding period last year); as well as
- b) an increase of Rs 4.1 million in net finance income at company level, comprising of an increase of Rs 7.2 million in investment income and of an increase of Rs 3.1 million in borrowing costs.

The share of profits of associates dropped from Rs 80.0 million to Rs 65.4 million, attributable mainly to a fall in profits from Medine Ltd as a result of lower sales of land during the quarter.

PROSPECTS

As the economy in Mauritius continues to sustain its growth path, we expect the activities of Fincorp to maintain the positive trend observed in the first quarter.

The abridged unaudited interim consolidated financial statements comply with IAS 34 and have been prepared using the same accounting policies as those adopted in the financial statements for the year ended 30 June 2023.

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

Copies of the abridged unaudited interim consolidated financial statements are available to the public and can be obtained free of charge from 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: **www.fincorp.mu**

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 Fincorp Investment Limited accepts full responsibility for the accuracy of the information contained in this communiqué.