

Abridged unaudited consolidated statement of financial position as at 31 December 2023

	Unaudited 31-Dec-23 Rs'000	Unaudited 31-Dec-22 Rs'000	Audited 30-Jun-23 Rs'000
ASSETS			
Cash and cash equivalents	159,213	60,215	85,073
Net investment in lease receivables ²	3,207,713	3,027,513	3,159,904
Investment securities	1,095,150	867,129	1,013,863
Investments in associates	6,816,061	6,520,535	6,713,675
Equipment ¹	1,205,364	1,052,162	1,170,133
Intangible assets	45,047	15,317	24,414
Current tax assets	10,883	6,069	15,420
Other assets	72,941	165,634	106,208
Total assets	12,612,372	11,714,574	12,288,690
LIABILITIES			
Deposits from customers	4,317,756	3,582,409	3,952,068
Borrowings	584,341	807,520	705,397
Current tax liabilities	113	-	343
Deferred tax liabilities	35,096	18,800	35,096
Other liabilities	122,750	100,507	74,498
Total liabilities	5,060,056	4,509,236	4,767,402
SHAREHOLDERS' EQUITY			
Share capital	103,355	103,355	103,355
Retained earnings	2,993,834	2,600,990	2,872,688
Other components of equity	4,455,127	4,500,993	4,545,245
Total equity	7,552,316	7,205,338	7,521,288
Total equity and liabilities	12,612,372	11,714,574	12,288,690

Abridged unaudited consolidated statement of profit or loss for the period ended 31 December 2023

	Unaudited Quarter to 31-Dec-23 Rs'000	Unaudited Quarter to 31-Dec-22 Rs'000	Unaudited 6 months to 31-Dec-23 Rs'000	Unaudited 6 months to 31-Dec-22 Rs'000	Audited Year to 30-Jun-23 Rs'000
Interest income	54,919	47,296	110,559	98,395	206,945
Interest expense	(48,892)	(37,008)	(95,135)	(70,383)	(153,130)
Net interest income	6,027	10,288	15,424	28,012	53,815
Fee and commission income	2,908	3,978	5,338	7,076	13,350
Other income	69,262	63,858	168,741	119,819	294,772
Operating income	78,197	78,124	189,503	154,907	361,937
Non-interest expense ³	(86,293)	(78,777)	(166,803)	(147,744)	(307,436)
Operating (loss)/profit before impairment	(8,096)	(653)	22,700	7,163	54,501
Net impairment of financial assets	5,915	1,680	5,789	11,358	26,180
Operating (loss)/profit	(2,181)	1,027	28,489	18,521	80,681
Share of profits of associates	33,399	26,066	98,826	106,045	299,823
Profit before tax	31,218	27,093	127,315	124,566	380,504
Income tax expense	(2,649)	(2,983)	(5,707)	(8,396)	(20,483)
Profit attributable to equity holders of the parent	28,569	24,110	121,608	116,170	360,021

Abridged unaudited consolidated statement of other comprehensive income for the period ended 31 December 2023

	Unaudited Quarter to 31-Dec-23 Rs'000	Unaudited Quarter to 31-Dec-22 Rs'000	Unaudited 6 months to 31-Dec-23 Rs'000	Unaudited 6 months to 31-Dec-22 Rs'000	Audited Year to 30-Jun-23 Rs'000
Profit attributable to equity holders of the parent	28,569	24,110	121,608	116,170	360,021
Other comprehensive income/(expense):					
Items that will not be reclassified to profit or loss	38,490	78,758	(23,308)	60,702	144,271
Items that may be reclassified subsequently to profit or loss	(91)	(195)	(91)	470	-
Other comprehensive income/(expense) for the period	38,399	78,563	(23,399)	61,172	144,271
Total comprehensive income attributable to equity holders of the parent	66,968	102,673	98,209	177,342	504,292
Earnings per share (Rs.⁵)	0.28	0.23	1.18	1.12	3.48
Number of shares in issue (thousands)	103,355	103,355	103,355	103,355	103,355

Abridged unaudited consolidated statement of changes in equity for the period ended 31 December 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	-	-	116,170	-	-	-	116,170
Other comprehensive (expense)/income for the period	-	-	-	(8,405)	69,577	-	61,172
Total comprehensive income/(expense) for the period	-	-	116,170	(8,405)	69,577	-	177,342
Dividends to ordinary shareholders	-	-	(62,013)	-	-	-	(62,013)
Transactions with owners	-	-	(62,013)	-	-	-	(62,013)
Other movements in reserves	-	-	3,029	(4,179)	-	-	(1,150)
At 31 December 2022	103,355	200,000	2,600,990	1,234,580	2,930,826	135,587	7,205,338
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	-	-	121,608	-	-	-	121,608
Other comprehensive income/(expense) for the period	-	-	-	1,568	(24,967)	-	(23,399)
Total comprehensive income/(expense) for the period	-	-	121,608	1,568	(24,967)	-	98,209
Dividends to ordinary shareholders	-	-	(67,181)	-	-	-	(67,181)
Transactions with owners	-	-	(67,181)	-	-	-	(67,181)
Other movements in reserves	-	-	66,719	(8,966)	(57,753)	-	-
At 31 December 2023	103,355	200,000	2,993,834	1,175,380	2,930,590	149,157	7,552,316

Abridged unaudited consolidated statement of cash flows for the period ended 31 December 2023

	Unaudited 6 Months to 31-Dec-23 Rs'000	Unaudited 6 Months to 31-Dec-22 Rs'000	Audited Year to 30-Jun-23 Rs'000
Net cash flows from operations	417,712	163,590	573,970
Income tax paid	(1,400)	(2,217)	(7,016)
Net cash flows from operating activities	416,312	161,373	566,954
Net cash flows from investing activities	(235,137)	(223,816)	(491,416)
Net cash flows from financing activities	(145,334)	122,284	(4,488)
Increase in cash and cash equivalents	35,841	59,841	71,050
Net cash and cash equivalents brought forward	(531,133)	(602,183)	(602,183)
Net cash and cash equivalents carried forward	(495,292)	(542,342)	(531,133)

RESULTS

Fincorp Investment Limited ("Fincorp") posted a consolidated profit after tax amounting to Rs 121.6 million for the six months to December 31, 2023, up by 4.7% compared to the corresponding period last year (FY23: Rs 116.2 million).

The main highlights explaining Fincorp's net profits are:

- a reduction of Rs 21.0 million in fair value losses on equity instruments;
- an increase of Rs 3.2 million in net finance income at company level;
- a drop recorded in the net profits of MCB Leasing Ltd, from Rs 38.7 million to Rs 26.7 million as a result of the write back of some impairment provisions during the first six months of last year;
- the decrease in the share of profits of associates from Rs 106.0 million to Rs 98.8 million.

Prospects

Fincorp is expected to maintain the positive trend observed during the first six months, given the sustained growth path of the Mauritian economy led by tourism, financial services, and the ICT sector.

By order of the Board
13 February 2024

Notes

	Unaudited 31-Dec-23 Rs'000	Unaudited 31-Dec-22 Rs'000	Audited 30-Jun-23 Rs'000
1. Equipment			
Assets under operating leases included under the above caption	1,203,773	1,049,758	1,168,348
2. Net investment in lease receivables			
Receivable within one year	1,016,628	952,145	1,071,917
Receivable after one year	2,191,085	2,075,368	2,087,987
	3,207,713	3,027,513	3,159,904
3. Non-interest expense			
Depreciation of assets under operating leases included under the above caption	116,293	100,558	215,385
4. Operating segments			
<u>6 months to 31 December 2023</u>			
Gross income	284,638	266,244	121,549
Operating profit	28,489	99,460	32,184
<u>6 months to 31 December 2022</u>			
Gross income	225,290	235,527	86,940
Operating profit	18,521	47,046	(97,177)
<u>Year ended 30 June 2023</u>			
Gross income	542,313	504,462	153,073
Operating profit	80,681	110,408	(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.			

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: **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.