

Abridged consolidated statement of financial position for the year ended 30 June 2023

	30-June-23	30-June-22
	Rs'000	Rs'000
ASSETS		
Cash and cash equivalents	85,073	45,396
Net investment in lease receivables	3,159,904	3,043,058
Investment securities	1,013,863	884,796
Investments in associates	6,713,675	6,476,188
Equipment	1,170,133	890,181
Intangible assets	24,414	19,038
Current tax assets	15,420	12,248
Other assets	106,208	60,739
Total assets	12,288,690	11,431,644
LIABILITIES		
Deposits from customers	3,952,068	3,591,079
Borrowings	705,397	668,245
Current tax liabilities	343	-
Deferred tax liabilities	35,096	18,800
Other liabilities	74,498	62,361
Total liabilities	4,767,402	4,340,485
SHAREHOLDERS' EQUITY		
Share capital	103,355	103,355
Retained earnings	2,872,688	2,543,804
Other components of equity	4,545,245	4,444,000
Total equity	7,521,288	7,091,159
Total equity and liabilities	12,288,690	11,431,644

Abridged consolidated statement of profit or loss for the year ended 30 June 2023

	30-June-23 Rs'000	30-June-22 Rs'000
Interest income	206,945	219,092
Interest expense	(153,130)	(141,606)
Net interest income	53,815	77,486
Fee and commission income	13,350	11,885
Other income	294,772	220,796
Operating income	361,937	310,167
Non-interest expense	(307,436)	(269,421)
Operating profit before impairment	54,501	40,746
Net impairment gain/(loss) on financial assets	26,180	(1,991)
Operating profit	80,681	38,755
Share of profits of associates	299,823	300,901
Profit before tax	380,504	339,656
Income tax expense	(20,483)	(12,960)
Profit attributable to equity holders of the parent	360,021	326,696

Abridged consolidated statement of other comprehensive income for the year ended 30 June 2023

	30-June-23 Rs'000	30-June-22 Rs'000
Profit attributable to equity holders of the parent	360,021	326,696
Other comprehensive income:		
Items that will not be reclassified to profit or loss	144,271	253,809
Items that may be reclassified subsequently to profit or loss	-	(400)
Other comprehensive income for the year	144,271	253,409
Total comprehensive income attributable to equity holders of the parent	504,292	580,105
<i>Data per Share</i>		
Earnings per share (Rs.)	3.48	3.16
No. of shares in issue (thousands)	103,355	103,355

Abridged consolidated statement of changes in equity for the year ended 30 June 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 2021	103,355	200,000	2,139,113	1,274,323	2,742,774	126,311	6,585,876
Profit for the year	-	-	326,696	-	-	-	326,696
Other comprehensive (expense)/income for the year	-	-	(170)	135,191	118,388	-	253,409
Total comprehensive income for the year	-	-	326,526	135,191	118,388	-	580,105
Dividends	-	-	(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	-	-	151,178	(162,350)	87	9,276	(1,809)
At 30 June 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	-	-	(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

Abridged consolidated statement of cash flows for the year ended 30 June 2023

	30-June-23	30-June-22
	Rs'000	Rs'000
Net cash flows from other operating activities	573,970	515,318
Income tax paid	(7,016)	(25,771)
Net cash flows from operating activities	566,954	489,547
Net cash flows from investing activities	(491,416)	80,842
Net cash flows from financing activities	(4,488)	(567,664)
Increase in cash and cash equivalents	71,050	2,725
Net cash and cash equivalents brought forward	(602,183)	(604,908)
Net cash and cash equivalents carried forward	(531,133)	(602,183)

Note 1:

The summary financial statements, without reference to the detailed notes, are derived from the audited consolidated and separate financial statements of Fincorp Investment Limited for the year ended 30 June 2023. The audited consolidated and separate financial statements, which have been prepared in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004 and, are available at our registered address at 9-15 Sir William Newton Street, Port Louis and can be viewed on our website on www.fincorp.mu.

REVIEW OF FINANCIAL PERFORMANCE

Fincorp Investment Limited (“**Fincorp**”) posted a consolidated profit after tax amounting to Rs 360.0 million for the financial year ended 30 June 2023, up by 10.2% compared to last year (FY 2021/22: Rs 326.7 million).

Fincorp’s only subsidiary, MCB Leasing Limited, contributed Rs 90.5 million of the group profits, 46.4% higher than last year (FY 2021/22: Rs 61.8 million).

The share of profits from associates was relatively flat at Rs 299.8 million (FY 2021/22: Rs 300.9 million).

At the company level, profit after tax increased by 26.7% to Rs 85.0 million (FY 2021/22: Rs 67.0 million) on the back of increased dividend income, up by 44.6% to Rs 152.7 million (FY 2021/22: Rs 105.6 million) whilst net interest expense and net fair value loss on financial instruments increased by Rs 11.0 million and Rs 17.5 million respectively.

OUTLOOK

The global outlook is set to remain volatile and uncertain. Inflation is still above set targets in many countries, albeit on a declining trend following the tightening of monetary policy. As such, external conditions are likely to remain challenging, although the positive momentum in tourism and investment as well as the resilience of the financial sector should continue to support the economic recovery in Mauritius.

In these uncertain times, we will continue to maintain our market vigilance and seek to preserve the resilience of the Company through a careful execution of our business development strategy while strengthening operational efficiencies.

Copies of the audited 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.

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

The abridged audited consolidated financial statements were approved for issue by the Board of Directors on the 27 September 2023.

This communiqué is issued pursuant to Listing Rule 12.14 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.

By order of the Board

27 September 2023

Independent Auditor's report on the Summary Financial Statements of FinCorp Investment Limited to the Board of Directors

Opinion

The summary financial statements of FinCorp Investment Limited (the "Company") and its subsidiary (the "Group") which comprise the abridged consolidated statement of financial position as at 30 June 2023, the abridged consolidated statement of profit or loss, the abridged consolidated statement of other comprehensive income, the abridged consolidated statement of changes in equity, and the abridged consolidated statement of cash flows for the year then ended and related notes, are derived from the audited consolidated and separate financial statements of the Group and Company for the year ended 30 June 2023.

In our opinion, the accompanying summary financial statements are consistent in all material respects, with the audited consolidated financial statements of the Group and Company which are prepared in accordance with International Financial Reporting Standards (IFRSs), and in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

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 the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The audited consolidated and separate financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 27 September 2023. That report also includes the communication of key audit matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current year.

Responsibilities of Directors for the Summary Financial Statements

The directors are responsible for the preparation of the summary financial statements on the basis described in note 1 of the summary financial statements.

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 consolidated and separate 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*.

Use of this report

This report, including our opinion, has been prepared for and only for the Company's Board of Directors in accordance with Section 12.14(i) of the Listing Rules of the Stock Exchange of Mauritius and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Board of Directors, for our audit work for this report, or for the opinion we have formed.

(S) Deloitte
Chartered Accountants

(S) Vishal Agrawal, FCA
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