

Abridged unaudited consolidated statement of financial position as at 31 March 2024

	Unaudited 31-Mar-24 Rs'000	Unaudited 31-Mar-23 Rs'000	Audited 30-Jun-23 Rs'000
ASSETS			
Cash and cash equivalents	78,905	27,442	85,073
Net investment in lease receivables ¹	3,198,465	3,125,139	3,159,904
Investment securities	1,119,071	953,276	1,013,863
Investments in associates	6,863,160	6,515,321	6,713,675
Equipment ²	1,198,186	1,126,284	1,170,133
Intangible assets	44,784	17,608	24,414
Current tax assets	6,945	2,856	15,420
Other assets	169,039	100,907	106,208
Total assets	12,678,555	11,868,833	12,288,690
LIABILITIES			
Deposits from customers	4,238,288	3,763,090	3,952,068
Borrowings	593,489	717,449	705,397
Current tax liabilities	94	-	343
Deferred tax liabilities	35,096	18,800	35,096
Other liabilities	190,069	103,186	74,498
Total liabilities	5,057,036	4,602,525	4,767,402
SHAREHOLDERS' EQUITY			
Share capital	103,355	103,355	103,355
Retained earnings	2,986,541	2,641,041	2,872,688
Other components of equity	4,531,623	4,521,912	4,545,245
Total equity	7,621,519	7,266,308	7,521,288
Total equity and liabilities	12,678,555	11,868,833	12,288,690

Abridged unaudited consolidated statement of profit or loss for the period ended 31 March 2024

	Unaudited 3 months to 31-Mar-24 Rs'000	Unaudited 3 months to 31-Mar-23 Rs'000	Unaudited 9 months to 31-Mar-24 Rs'000	Unaudited 9 months to 31-Mar-23 Rs'000	Audited Year to 30-Jun-23 Rs'000
Interest income	60,449	55,100	171,008	153,495	206,945
Interest expense	(47,240)	(40,208)	(142,375)	(110,591)	(153,130)
Net interest income	13,209	14,892	28,633	42,904	53,815
Fee and commission income	4,365	3,153	9,703	10,229	13,350
Other income	73,906	85,865	242,647	205,684	294,772
Operating income	91,480	103,910	280,983	258,817	361,937
Non-interest expense ³	(88,107)	(79,883)	(254,910)	(227,627)	(307,436)
Operating profit before impairment	3,373	24,027	26,073	31,190	54,501
Net impairment of financial assets	935	11,514	6,724	22,872	26,180
Operating profit	4,308	35,541	32,797	54,062	80,681
Share of (losses)/profits of associates	(9,881)	3,175	88,945	109,220	299,823
(Loss)/Profit before tax	(5,573)	38,716	121,742	163,282	380,504
Income tax expense	(2,608)	(5,357)	(8,315)	(13,753)	(20,483)
(Loss)/Profit attributable to equity holders of the parent	(8,181)	33,359	113,427	149,529	360,021

Abridged unaudited consolidated statement of other comprehensive income for the period ended 31 March 2024

	Unaudited 3 months to 31-Mar-24 Rs'000	Unaudited 3 months to 31-Mar-23 Rs'000	Unaudited 9 months to 31-Mar-24 Rs'000	Unaudited 9 months to 31-Mar-23 Rs'000	Audited Year to 30-Jun-23 Rs'000
(Loss)/Profit attributable to equity holders of the parent	(8,181)	33,359	113,427	149,529	360,021
Other comprehensive income:					
Items that will not be reclassified to profit or loss	75,733	26,731	52,425	87,433	144,271
Items that may be reclassified subsequently to profit or loss	1,651	268	1,560	738	-
Other comprehensive income for the period	77,384	26,999	53,985	88,171	144,271
Total comprehensive income attributable to equity holders of the parent	69,203	60,358	167,412	237,700	504,292
(Loss)/Earnings per share (Rs.)⁴	(0.08)	0.32	1.10	1.45	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 March 2024

	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	-	-	149,529	-	-	-	149,529
Other comprehensive (expense)/income for the period	-	-	-	(40,903)	129,074	-	88,171
Total comprehensive income/(expense) for the period	-	-	149,529	(40,903)	129,074	-	237,700
Dividends to ordinary shareholders	-	-	(62,013)	-	-	-	(62,013)
Transactions with owners	-	-	(62,013)	-	-	-	(62,013)
Other movements in reserves	-	-	9,721	(10,259)	-	-	(538)
At 31 March 2023	103,355	200,000	2,641,041	1,196,002	2,990,323	135,587	7,266,308
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	-	-	113,427	-	-	-	113,427
Other comprehensive (expense)/income for the period	-	-	(1,205)	1,560	53,630	-	53,985
Total comprehensive income for the period	-	-	112,222	1,560	53,630	-	167,412
Dividends to ordinary shareholders	-	-	(67,181)	-	-	-	(67,181)
Transactions with owners	-	-	(67,181)	-	-	-	(67,181)
Other movements in reserves	-	-	68,812	(11,066)	(57,746)	-	-
At 31 March 2024	103,355	200,000	2,986,541	1,173,272	3,009,194	149,157	7,621,519

Abridged unaudited consolidated statement of cash flows for the period ended 31 March 2024

	Unaudited 9 Months to 31-Mar-24 Rs'000	Unaudited 9 Months to 31-Mar-23 Rs'000	Audited Year to 30-Jun-23 Rs'000
Cash generated from operations	484,817	407,812	573,970
Income tax paid	(89)	(4,361)	(7,016)
Net cash flows from operating activities	484,728	403,451	566,954
Net cash flows from investing activities	(311,808)	(408,596)	(491,416)
Net cash flows from financing activities	(146,915)	38,022	(4,488)
Increase in cash and cash equivalents	26,005	32,877	71,050
Net cash and cash equivalents brought forward	(531,133)	(602,183)	(602,183)
Net cash and cash equivalents carried forward	(505,128)	(569,306)	(531,133)
Cash and cash equivalents as shown in the statement of cash flows			
Cash and cash equivalents	78,905	27,442	85,073
Short term borrowed funds	(584,033)	(596,748)	(616,206)
Net cash and cash equivalents	(505,128)	(569,306)	(531,133)

Notes

1. Net investment in lease receivables

Receivable within one year and included in current assets
Receivable after one year

Unaudited 31-Mar-24 Rs'000	Unaudited 31-Mar-23 Rs'000	Audited 30-Jun-23 Rs'000
964,891	996,589	1,071,917
2,233,574	2,128,550	2,087,987
3,198,465	3,125,139	3,159,904

2. Equipment

Assets under operating leases included under the above caption

1,196,833	1,124,175	1,168,348
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3. Non-interest expense

Depreciation of assets under operating leases included under the above caption

174,697	155,419	215,385
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4. (Loss)/Earnings per share

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

5. Operating segments

9 months to 31 March 2024

Gross income
Operating profit

Group Rs'000	Leasing Rs'000	Investing Rs'000	Eliminations Rs'000
423,358	405,164	121,349	(103,155)
32,797	47,463	88,489	(103,155)

9 months to 31 March 2023

Gross income
Operating profit

369,408	366,443	100,142	(97,177)
54,062	81,031	70,208	(97,177)

Year ended 30 June 2023

Gross income
Operating profit

542,313	504,462	153,073	(115,222)
80,681	110,408	85,495	(115,222)

Fincorp Investment Limited (“Fincorp”) posted a consolidated profit after tax amounting to Rs 113.4 million for the nine months period to March 31, 2024, down by 24.1% compared to the corresponding period last year (FY23: Rs 149.5 million).

The main highlights explaining Fincorp’s lower net profits are as follows:

- The net profit of MCB Leasing Limited dropped from Rs 67.3 million to Rs 39.4 million as a result of lower net interest margin adversely impacted by the increasing cost of funding, increasing operating costs reflecting the high inflation rate and the higher write back of impairment losses during the preceding financial year; and
- A decrease in the share of profits of associates from Rs 109.2 million to Rs 88.9 million primarily due to a lower contribution from PAD’s associates.

PROSPECTS

Amid the ongoing global uncertainties, the Mauritian economy is set to pursue its expansion in 2024. This growth is underpinned by strong performances in key sectors such as financial services, tourism and construction. Looking ahead, the Group’s performance is expected to remain resilient across all operations.

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.