

Abridged consolidated statement of financial position as at 30 September 2021

	Unaudited 30-Sep-21 Rs'000	Unaudited 30-Sep-20 Rs'000	Audited 30-Jun-21 Rs'000
ASSETS			
Cash and cash equivalents	71,165	269,039	55,694
Deposits with financial institutions	-	57,948	-
Net lease receivables ²	3,159,436	3,348,232	3,151,121
Loan receivable	-	355,618	386,282
Investment securities	835,750	908,588	828,630
Investments in associates	6,166,133	5,105,248	6,032,764
Plant and equipment ¹	784,753	658,281	722,473
Intangible assets	9,092	20,286	11,830
Current tax assets	128	12,376	191
Other assets	94,732	135,128	56,949
Total assets	11,121,189	10,870,744	11,245,934
LIABILITIES			
Deposits from customers	3,533,666	4,072,555	3,395,373
Borrowings	718,483	1,042,298	1,175,917
Current tax liabilities	9,566	-	4,917
Deferred tax liabilities	13,937	14,082	14,637
Other liabilities	148,576	147,959	69,214
Total liabilities	4,424,228	5,276,894	4,660,058
SHAREHOLDERS' EQUITY			
Share capital	103,355	103,355	103,355
Retained earnings	2,138,039	2,012,342	2,139,113
Other components of equity	4,455,567	3,478,153	4,343,408
Total equity	6,696,961	5,593,850	6,585,876
Total equity and liabilities	11,121,189	10,870,744	11,245,934

Abridged consolidated statement of profit or loss for the period ended 30 September 2021

	Unaudited Quarter to 30-Sep-21 Rs'000	Unaudited Quarter to 30-Sep-20 Rs'000	Audited Year to 30-Jun-21 Rs'000
Interest income	56,104	62,138	249,036
Interest expense	(37,793)	(48,937)	(166,880)
Net interest income	18,311	13,201	82,156
Fee and commission income	3,393	3,153	11,505
Other income	61,816	56,712	269,583
Operating income	83,520	73,066	363,244
Non-interest expense ³	(60,434)	(55,118)	(231,576)
Operating profit before impairment	23,086	17,948	131,668
Net impairment of financial assets	364	(7,543)	(18,680)
Operating profit	23,450	10,405	112,988
Share of profits of associates	40,868	5,054	64,442
Profit before tax	64,318	15,459	177,430
Income tax (expense)/credit	(4,012)	2,968	(13,108)
Profit attributable to equity holders of the parent	60,306	18,427	164,322

Abridged consolidated statement of other comprehensive income for the period ended 30 September 2021

	Unaudited Quarter to 30-Sep-21 Rs'000	Unaudited Quarter to 30-Sep-20 Rs'000	Audited Year to 30-Jun-21 Rs'000
Profit attributable to equity holders of the parent	60,306	18,427	164,322
Other comprehensive income/(expense):			
Items that will not be reclassified to profit or loss	112,740	(101,408)	782,846
Items that may be reclassified subsequently to profit or loss	52	7	(29)
Other comprehensive income/(expense) for the period	112,792	(101,401)	782,817
Total comprehensive income/(expense) attributable to equity holders of the parent	173,098	(82,974)	947,139
Earnings per share (Rs.) ⁵	0.58	0.18	1.59
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 2021

	Share Capital	Capital Contribution	Retained Earnings	Capital Reserve	Revaluation & Other Reserve	Statutory Reserve	Total Equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July 2020	103,355	200,000	1,993,687	610,428	2,652,127	117,227	5,676,824
Profit for the period	-	-	18,427	-	-	-	18,427
Other comprehensive income/(expense) for the period	-	-	-	1,849	(103,250)	-	(101,401)
Total comprehensive income/(expense) for the period	-	-	18,427	1,849	(103,250)	-	(82,974)
Other movements in reserves	-	-	228	-	(228)	-	-
At 30 September 2020	103,355	200,000	2,012,342	612,277	2,548,649	117,227	5,593,850
At 01 July 2020	103,355	200,000	1,993,687	610,428	2,652,127	117,227	5,676,824
Profit for the year	-	-	164,322	-	-	-	164,322
Other comprehensive income for the year	-	-	245	663,895	118,677	-	782,817
Total comprehensive income for the year	-	-	164,567	663,895	118,677	-	947,139
Dividends to non-cumulative preference shareholders	-	-	(22,000)	-	-	-	(22,000)
Transactions with owners	-	-	(22,000)	-	-	-	(22,000)
Other movements in reserves	-	-	2,859	-	(28,030)	9,084	(16,087)
At 30 June 2021	103,355	200,000	2,139,113	1,274,323	2,742,774	126,311	6,585,876
Profit for the period	-	-	60,306	-	-	-	60,306
Other comprehensive income for the period	-	-	-	10,409	102,383	-	112,792
Total comprehensive income for the period	-	-	60,306	10,409	102,383	-	173,098
Dividends to ordinary shareholders	-	-	(62,013)	-	-	-	(62,013)
Transactions with owners	-	-	(62,013)	-	-	-	(62,013)
Other movements in reserves	-	-	633	(633)	-	-	-
At 30 September 2021	103,355	200,000	2,138,039	1,284,099	2,845,157	126,311	6,696,961

Abridged consolidated statement of cash flows for the period ended 30 September 2021

	Unaudited 3 Months to 30-Sep-21 Rs'000	Unaudited 3 Months to 30-Sep-20 Rs'000	Audited Year to 30-Jun-21 Rs'000
Net cash flows from other operating activities	(250,868)	(110,272)	(433,277)
Income tax paid	-	(1,589)	(9)
Net cash flows from operating activities	(250,868)	(111,861)	(433,286)
Net cash flows from investing activities	(18,788)	(11,513)	15,613
Net cash flows from financing activities	358,034	(7,278)	62,371
Increase/(Decrease) in cash and cash equivalents	88,378	(130,652)	(355,302)
Net cash and cash equivalents brought forward	(604,908)	(249,606)	(249,606)
Net cash and cash equivalents carried forward	(516,530)	(380,258)	(604,908)

RESULTS

FinCorp posted a consolidated profit after tax of Rs 60.3 million for the quarter ended September 30, 2021 compared to Rs 18.4 million for the corresponding period last year.

Operating profit before impairment increased from Rs 17.9 million to Rs 23.1 million. This increase is mainly on the back of an increase in net interest income at the level of MCB Leasing Limited attributable to the redemption of a few large deposits bearing high interest rates during the second quarter of the last financial year.

MCB Leasing Limited also saw an improvement in credit quality during this quarter, giving rise to a net release in expected credit losses amounting to Rs 0.4 million for the three months to September 30, 2021 compared to a charge of Rs 7.5 million for the corresponding period last year.

The share of profits of associates increased significantly from Rs 5.1 million to Rs 40.9 million during the period as a result of higher investment income generated by PAD as well as the improvement in the results of Medine despite a deterioration in the performance of Caudan.

PROSPECTS

With the easing of travel and border restrictions since 1st October 2021, there have been encouraging signs as regards tourists' arrivals in Mauritius. However, the local operating context remains challenging as the pandemic continues to affect economic activity.

By order of the Board

11 November 2021

Notes

1. Plant and equipment

Assets under operating leases included under the above caption

Unaudited 30-Sep-21 Rs'000	Unaudited 30-Sep-20 Rs'000	Audited 30-Jun-21 Rs'000
782,318	655,376	719,971

2. Net lease receivables

Receivable within one year and included in current assets

1,106,272

1,379,474

1,103,122

Receivable after one year

2,053,164

1,968,758

2,047,999

3,159,436

3,348,232

3,151,121

3. Non-interest expense

Depreciation of assets under operating leases included under the above caption

39,233

36,878

143,105

4. Operating Segments

3 months to 30 Sept 2021

Gross income

121,313

113,292

93,056

(85,035)

Operating profit

23,450

24,083

84,402

(85,035)

3 months to 30 Sept 2020

Gross income

122,003

116,663

5,340

-

Operating profit/(loss)

10,405

14,106

(3,701)

-

Year ended 30 June 2021

Gross income

530,124

456,023

92,145

(18,044)

Operating profit

112,988

73,667

57,365

(18,044)

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 2021.

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.