

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 |
|---------------|--------|---------|

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: **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.