

Abridged consolidated statement of financial position as at 30 September 2022

	Unaudited 30-Sep-22 Rs'000	Unaudited 30-Sep-21 Rs'000	Audited 30-Jun-22 Rs'000
ASSETS			
Cash and cash equivalents	66,736	71,165	45,396
Net lease receivables ²	2,966,141	3,159,436	3,043,058
Investment securities	812,939	835,750	884,796
Investments in associates	6,547,709	6,166,133	6,476,188
Plant and equipment ¹	947,999	784,753	890,181
Intangible assets	17,178	9,092	19,038
Current tax assets	6,835	128	12,248
Other assets	137,584	94,732	60,739
Total assets	11,503,121	11,121,189	11,431,644
LIABILITIES			
Deposits from customers	3,596,508	3,533,666	3,591,079
Borrowings	653,073	718,483	668,245
Current tax liabilities	-	9,566	-
Deferred tax liabilities	18,800	13,937	18,800
Other liabilities	132,074	148,576	62,361
Total liabilities	4,400,455	4,424,228	4,340,485
SHAREHOLDERS' EQUITY			
Share capital	103,355	103,355	103,355
Retained earnings	2,574,871	2,138,039	2,543,804
Other components of equity	4,424,440	4,455,567	4,444,000
Total equity	7,102,666	6,696,961	7,091,159
Total equity and liabilities	11,503,121	11,121,189	11,431,644

Abridged consolidated statement of profit or loss for the period ended 30 September 2022

	Unaudited Quarter to 30-Sep-22 Rs'000	Unaudited Quarter to 30-Sep-21 Rs'000	Audited Year to 30-Jun-22 Rs'000
Interest income	51,099	58,682	219,092
Interest expense	(33,375)	(37,793)	(141,606)
Net interest income	17,724	20,889	77,486
Fee and commission income	3,098	3,393	11,885
Other income	55,961	59,238	220,796
Operating income	76,783	83,520	310,167
Non-interest expense ³	(68,967)	(60,434)	(269,421)
Operating profit before impairment	7,816	23,086	40,746
Net impairment of financial assets	9,678	364	(1,991)
Operating profit	17,494	23,450	38,755
Share of profits of associates	79,979	40,868	300,901
Profit before tax	97,473	64,318	339,656
Income tax expense	(5,413)	(4,012)	(12,960)
Profit attributable to equity holders of the parent	92,060	60,306	326,696

Abridged consolidated statement of other comprehensive income for the period ended 30 September 2022

	Unaudited Quarter to 30-Sep-22 Rs'000	Unaudited Quarter to 30-Sep-21 Rs'000	Audited Year to 30-Jun-22 Rs'000
Profit attributable to equity holders of the parent	92,060	60,306	326,696
Other comprehensive (expense)/income:			
Items that will not be reclassified to profit or loss	(18,056)	112,740	253,809
Items that may be reclassified subsequently to profit or loss	665	52	(400)
Other comprehensive (expense)/income for the period	(17,391)	112,792	253,409
Total comprehensive income attributable to equity holders of the parent	74,669	173,098	580,105
Earnings per share (Rs.)⁵	0.89	0.58	3.16
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 2022

	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 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
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 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

Abridged consolidated statement of cash flows for the period ended 30 September 2022

	Unaudited 3 Months to 30-Sep-22 Rs'000	Unaudited 3 Months to 30-Sep-21 Rs'000	Audited Year to 30-Jun-22 Rs'000
Net cash flows from other operating activities	103,329	(250,868)	515,318
Income tax paid	-	-	(25,771)
Net cash flows from operating activities	103,329	(250,868)	489,547
Net cash flows from investing activities	(66,815)	(18,788)	80,842
Net cash flows from financing activities	(3,500)	358,034	(567,664)
Increase in cash and cash equivalents	33,014	88,378	2,725
Net cash and cash equivalents brought forward	(602,183)	(604,908)	(604,908)
Net cash and cash equivalents carried forward	(569,169)	(516,530)	(602,183)

RESULTS

Fincorp Investment Limited ("Fincorp") posted a consolidated profit after tax amounting to Rs 92.1 million for the quarter ended September 30, 2022, up by 52.7% compared to the corresponding quarter last year (2021: Rs 60.3 million).

Operating profit decreased from Rs 23.5 million to Rs 17.5 million driven by:

- a drop of Rs 18.6 million in fair value gain on equity instruments;
- an increase in dividend income of Rs 7.8 million; and
- higher operating profit generated by MCB Leasing Limited, up by Rs 8.5 million mainly on the back of releases in impairment charges during the quarter.

The contribution of the Company's associates to Group profits improved from Rs 40.9 million to Rs 80.0 million, mainly attributable to the improved results posted by Medine on the back of land sales realised and improved headline profits as well as an improved performance by Caudan compared to the corresponding period last year.

As a result, Fincorp posted a consolidated profit before tax of Rs 97.5 million for the current period against Rs 64.3 million last year.

The global outlook remains challenging with high market volatility, aggressive Central Banks' interest rate rises to rein in inflation and uncertainty in the near term. The increasing risk of a slowdown in global economic activity is set to restrain the economic performance of Mauritius. In this context, we will continue to pursue our business development agenda diligently, with a focus on operational efficiencies and resilience in order to deliver sustainable value to our shareholders.

By order of the Board
11 November 2022

Notes

	Unaudited 30-Sep-22 Rs'000	Unaudited 30-Sep-21 Rs'000	Audited 30-Jun-22 Rs'000	
1. Plant and equipment				
Assets under operating leases included under the above caption	945,245	782,318	887,312	
2. Net lease receivables				
Receivable within one year and included in current assets	944,561	1,106,272	973,270	
Receivable after one year	2,021,580	2,053,164	2,069,788	
	2,966,141	3,159,436	3,043,058	
3. Non-interest expense				
Depreciation of assets under operating leases included under the above caption	47,836	39,233	176,202	
4. Operating segments				
	Group	Leasing	Investing	Eliminations
	Rs'000	Rs'000	Rs'000	Rs'000
<u>3 months to 30 Sept 2022</u>				
Gross income	110,158	115,061	92,274	(97,177)
Operating profit	17,494	30,382	84,289	(97,177)
<u>3 months to 30 Sept 2021</u>				
Gross income	121,313	113,292	93,056	(85,035)
Operating profit	23,450	24,083	84,402	(85,035)
<u>Year ended 30 June 2022</u>				
Gross income	451,773	456,177	98,675	(103,079)
Operating profit	38,755	74,719	67,115	(103,079)
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 2022.

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.