

**SICOM FINANCIAL SERVICES LTD**  
**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED**  
**31 MARCH 2025**

SICOM Financial Services Ltd (the **Company**) has the pleasure to submit its Unaudited Interim Financial Report for the quarter ended 31 March 2025 (the **report**), as required under the Banking Act 2004.

This explanatory note, together with the accompanying report, have been prepared in accordance with the International Financial Reporting Standards and the requirements of the Guideline on Public Disclosure of Information.

### Principal activities

The Company is engaged in depository, leasing and personal loan business activities. The Company also manages SICOM General Fund and SICOM Overseas Diversified Fund, which are constituted under the SICOM Unit Trust.

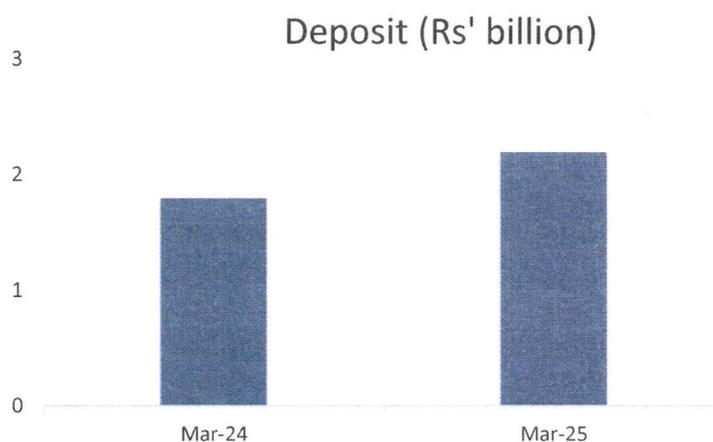
### Accounting policies

The principal accounting policies and methods of computation adopted in the preparation of the report are the same as those used for the audited accounts for the financial year ended 30 June 2024.

### Financial review

#### Deposits

Total deposits increased from Rs 1.9 billion as at 31 March 2024 to Rs 2.2 billion as at 31 March 2025.



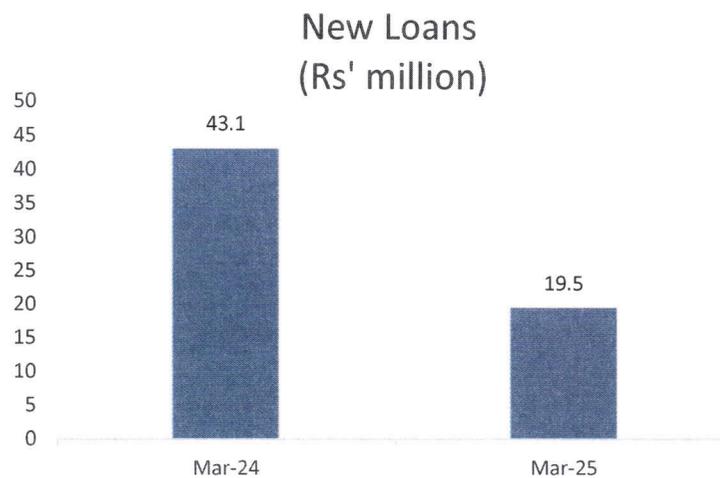
### Leases

The amount of lease approved reached Rs 124.6 million for the quarter ended 31 March 2025 while for the same quarter last year an amount of Rs 158.4 million was approved as new leases, given increased market competition and pricing pressure.



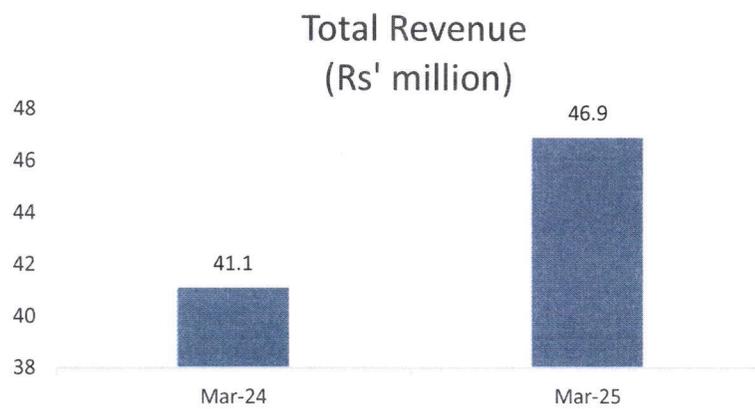
### Personal Loans

The amount of new loans approved for the quarter ended 31 March 2025 reached Rs 19.5 million compared to Rs 43.1 million approved for the same quarter last year.



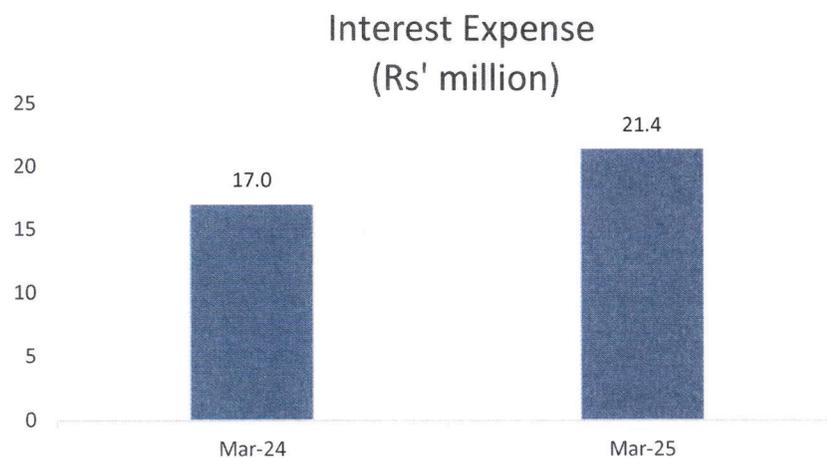
## Revenue

Revenue from leasing activities increased to reach Rs 18.5 million for the quarter under review while it stood at Rs 14.6 million for the same quarter last year. The personal loan business brought in a revenue of Rs 12.0 million for the quarter ended 31 March 2025 as compared to Rs 11.8 million for the quarter ended 31 March 2024. Total revenue increased from Rs 46.9 million for the quarter ended 31 March 2024 to Rs 41.1 million for the quarter under review on the back of the good performance of the lease business.



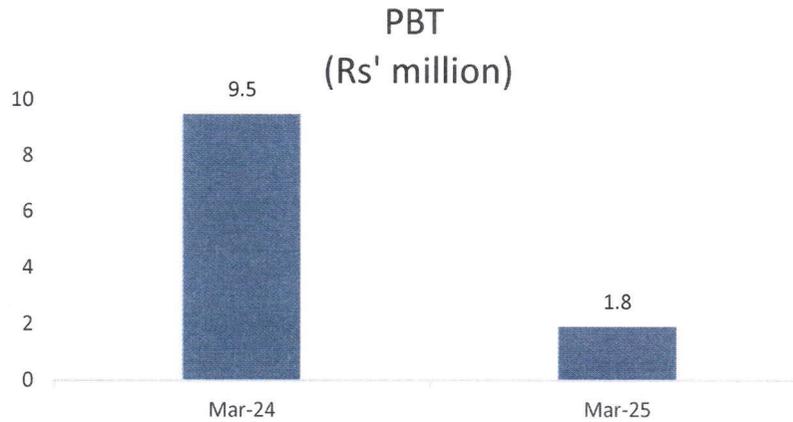
## Interest expense

Interest paid to depositors increased from Rs 17.0 million for the quarter ended 31 March 2024 to Rs 21.4 million for the quarter under review due to new deposits mobilised bearing higher interest rates.



### Profit Before Tax

Profit before tax reached Rs 1.8 million for the quarter ended 31 March 2025 as compared to Rs 9.5 million recorded for the quarter ended 31 March 2024 due to higher interest expense and volatile financial markets impacting negatively on fair value through Profit and Loss assets.



### Cost Control

Non-interest expenses edged up from Rs 19.3 million for the quarter ended 31 March 2024 to reach Rs 20.2 million for the quarter under review mainly due to the Mauritius deposit insurance expense which became applicable as from December 2024.



### Credit quality

Non-performing leases as a percentage of the total lease portfolio improved from 4.6% for the quarter ended 31 March 2024 to 2.4% for the quarter under review at the back of ongoing efforts to improve arrears management.

### Sector Wise distribution of the Leasing Portfolio

|  | <b>Mar-25</b>           |
|--|-------------------------|
| A. - Agriculture, forestry and fishing                                       | 3,724,393.00            |
| C - Manufacturing  | 36,835,000.00           |
| D - Electricity, gas, steam and air conditioning supply                      | 4,048,095.00            |
| E - Water supply; sewerage, waste management and remediation activities      | 177,954.00              |
| F - Construction   | 68,681,598.00           |
| G - Wholesale and retail trade; and repair of motor vehicles and motorcycles | 181,669,988.00          |
| H - Transportation and storage   | 16,584,064.00           |
| I - Accommodation and food service activities                                | 16,960,526.00           |
| J - Information and communication  | 15,962,792.00           |
| L - Real estate activities   | 10,022,935.00           |
| M - Professional, scientific and technical activities                        | 38,794,382.00           |
| N - Administrative and support service activities                            | 73,649,184.00           |
| P - Education  | 2,430,286.00            |
| Q - Human health and social work activities                                  | 8,698,509.00            |
| R - Arts, entertainment and recreation                                       | 874,998.00              |
| S - Other service activities   | 8,063,580.00            |
| Financial Auxilliaries and Other Financial Intermediaries                    | 6,611,964.00            |
| Households   | 682,112,940.00          |
|  | <b>1,175,903,188.00</b> |

The major risks faced by the Company and how these are mitigated have been detailed below:

| Risks              | How risk is mitigated?  |
|--------------------|---|
| Credit             | <ul style="list-style-type: none"> <li>Underwriting policy and procedures</li> <li>Credit concentration limits and credit mandates</li> <li>Regular reviews of lease and loan exposures</li> <li>Regular reviews of credit policy and other related policies</li> </ul>                       |
| Liquidity risk     | <ul style="list-style-type: none"> <li>Limits such as liquidity ratio, capital adequacy ratio, depositors' concentration, lease to deposits ratio</li> <li>Matching of tenors of leases and loans with deposits/liquidity gap</li> <li>Maintain a high percentage of liquid assets</li> </ul> |
| Interest rate risk | <ul style="list-style-type: none"> <li>Proper mix in fixed and floating rates of assets and liabilities</li> </ul>  |
| Operational risk   | <ul style="list-style-type: none"> <li>Regular internal audits and compliance inspections</li> <li>Business Continuity Plan in place</li> <li>Regular training of staff</li> </ul>  |

## Risk management policies and controls (cont')

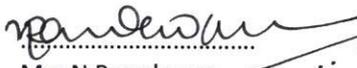
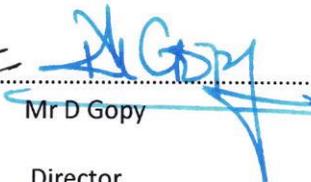
### Capital structure

As a non-bank deposit taking institution, the Company is required to:

- Maintain a minimum capital adequacy ratio of 10% which was at 24.9% for quarter 31 March 2025 and 30.4% for quarter 31 March 2024.
- Maintain liquid assets equivalent to not less than 10% of deposit liabilities and for quarter 31 March 2025, this ratio stood at 30.2% (quarter 31 March 2024: 27.5%)

### Prospects

The main areas of focus of the Company for the financial year ending 30 June 2025 are to continue increasing the sale of its products and services through different sales and marketing initiatives, to further digitalise its operations, consolidate its arrears management system, improve operational efficiency and enhance its asset/liability management to improve its interest margin.

|  |  |  |
|--|--|--|
|  |  |  |
| .....<br>Mrs N Ramdewar  | .....<br>Mr D Gopy   | .....<br>Mr M Chadien  |
| Group CEO  | Director   | Senior Executive Officer   |

Date : 15 MAY 2025

**SICOM FINANCIAL SERVICES LTD**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2025**

|                                      | <b>31-Mar-25</b>            | <b>30-Jun-24</b>            | <b>31-Mar-24</b>            |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|
|                                      | <b>Rs.</b>                  | <b>Rs.</b>                  | <b>Rs.</b>                  |
| <b>ASSETS</b>                        |                             |                             |                             |
| Cash and cash equivalents            | 85,542,901                  | 98,156,521                  | 74,510,245                  |
| Investment securities                | 179,426,493                 | 176,758,621                 | 178,446,114                 |
| Deposits with financial institutions | 455,155,294                 | 339,744,629                 | 335,848,812                 |
| Loans and advances to customers      | 654,405,175                 | 704,067,065                 | 705,963,954                 |
| Asset held for sale                  | -                           | -                           | 6,135,000                   |
| Equipment                            | 148,463,540                 | 136,971,891                 | 120,009,072                 |
| Intangible assets                    | 655,823                     | 974,593                     | 989,414                     |
| Net investment in finance leases     | 1,165,175,669               | 1,022,262,638               | 981,672,061                 |
| Other assets                         | 52,400,859                  | 46,735,457                  | 32,843,304                  |
| Current tax asset                    | -                           | 2,183,108                   | -                           |
| Deferred tax assets                  | 792,464                     | 792,464                     | 3,646,374                   |
| Rights of use assets                 | 10,955,713                  | 10,795,221                  | 11,163,240                  |
| <b>TOTAL ASSETS</b>                  | <b><u>2,752,973,931</u></b> | <b><u>2,539,442,208</u></b> | <b><u>2,451,227,590</u></b> |
| <b>EQUITY AND LIABILITIES</b>        |                             |                             |                             |
| <b>LIABILITIES</b>                   |                             |                             |                             |
| Deposits from customers              | 2,194,841,633               | 1,991,934,932               | 1,898,731,693               |
| Retirement benefit obligations       | 26,167,000                  | 27,018,000                  | 27,512,000                  |
| Dividend payable                     | -                           | 21,868,264                  | -                           |
| Current tax liabilities              | 780,390                     | -                           | 951,722                     |
| Other liabilities                    | 38,628,128                  | 18,730,505                  | 30,210,736                  |
| Lease liabilities                    | 12,387,836                  | 11,417,139                  | 11,743,934                  |
| <b>TOTAL LIABILITIES</b>             | <b><u>2,272,804,987</u></b> | <b><u>2,070,968,840</u></b> | <b><u>1,969,150,085</u></b> |
| <b>EQUITY</b>                        |                             |                             |                             |
| Stated capital                       | 200,000,000                 | 200,000,000                 | 200,000,000                 |
| Retained earnings                    | 191,609,477                 | 180,086,401                 | 229,535,346                 |
| Other reserves                       | 88,559,467                  | 88,386,967                  | 52,542,159                  |
| <b>TOTAL EQUITY</b>                  | <b><u>480,168,944</u></b>   | <b><u>468,473,368</u></b>   | <b><u>482,077,505</u></b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b><u>2,752,973,931</u></b> | <b><u>2,539,442,208</u></b> | <b><u>2,451,227,590</u></b> |

**SICOM FINANCIAL SERVICES LTD**  
**STATEMENT OF PROFIT OR LOSS**  
**AS AT 31 MARCH 2025**

|   | <b>Quarter ended<br/>31-Mar-25</b> | <b>Quarter ended<br/>31-Mar-24</b> | <b>Period ended<br/>31-Mar-25</b> | <b>Year ended<br/>30-Jun-24</b> | <b>Period ended<br/>31-Mar-24</b> |
|---|------------------------------------|------------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
|   |                                    |                                    | Rs                                | Rs                              | Rs                                |
| Interest income using EIR   | 17,587,834                         | 17,239,404                         | 52,693,029                        | 69,228,002                      | 52,045,485                        |
| Interest income on leases   | 18,505,403                         | 14,599,261                         | 53,600,605                        | 56,435,023                      | 40,726,461                        |
| Interest expense  | <u>(21,412,383)</u>                | <u>(16,988,712)</u>                | <u>(62,940,895)</u>               | <u>(65,166,393)</u>             | <u>(46,524,839)</u>               |
| <b>Net interest income</b>  | <b>14,680,854</b>                  | <b>14,849,953</b>                  | <b>43,352,739</b>                 | <b>60,496,632</b>               | <b>46,247,107</b>                 |
| Operating lease rental income                                       | 8,223,930                          | 6,186,794                          | 24,582,213                        | 20,130,471                      | 12,746,515                        |
| Fee and commission income   | 1,129,683                          | 1,797,459                          | 5,242,236                         | 7,783,653                       | 6,140,203                         |
| Dividend income   | -                                  | -                                  | 41,700                            | 2,781,856                       | 24,300                            |
| Other Income  | 1,473,656                          | 1,319,087                          | 3,666,677                         | 5,084,937                       | 4,074,951                         |
| Net gain arising on financial instruments<br>measured at fair value | <u>(3,508,165)</u>                 | <u>5,367,674</u>                   | <u>(481,058)</u>                  | <u>5,488,706</u>                | <u>6,285,303</u>                  |
| <b>Operating income</b>   | <b>21,999,958</b>                  | <b>29,520,967</b>                  | <b>76,404,507</b>                 | <b>101,766,255</b>              | <b>75,518,379</b>                 |
| Allowance for credit impairment                                     | -                                  | (767,822)                          | (947,694)                         | (1,048,681)                     | (1,700,000)                       |
| Fair value loss on repossessed assets                               | -                                  | -                                  | -                                 | (609,000)                       | -                                 |
| Personnel expenses  | (5,870,115)                        | (7,158,209)                        | (17,370,233)                      | (24,414,222)                    | (17,472,694)                      |
| Other expenses  | (8,006,847)                        | (7,657,997)                        | (26,054,429)                      | (31,184,173)                    | (31,222,775)                      |
| Depreciation and amortisation                                       | (6,294,709)                        | (4,471,694)                        | (18,475,591)                      | (15,617,668)                    | (3,243,659)                       |
| Total Expenses  | <u>(20,171,671)</u>                | <u>(20,055,722)</u>                | <u>(62,847,947)</u>               | <u>(72,873,744)</u>             | <u>(53,639,128)</u>               |
| <b>Profit before taxation</b>                                       | <b>1,828,287</b>                   | <b>9,465,245</b>                   | <b>13,556,560</b>                 | <b>28,892,511</b>               | <b>21,879,251</b>                 |
| Income tax expense  | (274,243)                          | (1,419,787)                        | (2,033,484)                       | (3,165,141)                     | (3,281,888)                       |
| <b>Profit for the period</b>  | <b><u>1,554,044</u></b>            | <b><u>8,045,458</u></b>            | <b><u>11,523,076</u></b>          | <b><u>25,727,370</u></b>        | <b><u>18,597,363</u></b>          |

**SICOM FINANCIAL SERVICES LTD**  
**STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**AS AT 31 MARCH 2025**

| #   | <u>Period ended</u><br><u>31-Mar-25</u> | <u>Year ended</u><br><u>30-Jun-24</u> | <u>Period ended</u><br><u>31-Mar-24</u> |
|---|---|---------------------------------------|---|
|   | Rs                                      | Rs                                    | Rs                                      |
| <b>Profit for the period</b>                                    | <b>11,523,076</b>                       | 25,727,370                            | 18,597,363                              |
| <b>Other comprehensive income:</b>                              |   |                                       |   |
| <i>Items that will not be reclassified to profit or loss:</i>   |   |                                       |   |
| Remeasurement of post employment benefit obligations            | -                                       | 1,314,000                             | -                                       |
| Income tax relating to components of other comprehensive income | -                                       | (223,380)                             | -                                       |
| Increase in fair value of assets at FVOCI                       | <b>172,500</b>                          | 136,500                               | 93,000                                  |
| <b>Other comprehensive income for the period, net of tax</b>    | <b>172,500</b>                          | 1,227,120                             | 93,000                                  |
| <b>Total comprehensive income for the period</b>                | <b>11,695,576</b>                       | 26,954,490                            | 18,597,363                              |

**SICOM FINANCIAL SERVICES LTD**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 MARCH 2025**

|                            | <u>Other reserves</u> |                          |                           |                               |                         | <u>Total</u>      |                                |
|----------------------------|-----------------------|--------------------------|---------------------------|-------------------------------|-------------------------|-------------------|--------------------------------|
|                            | <u>Stated capital</u> | <u>Retained earnings</u> | <u>Statutory reserves</u> | <u>Investment revaluation</u> | <u>Actuarial losses</u> |                   | <u>General Banking reserve</u> |
|                            | <u>Rs.</u>            | <u>Rs.</u>               | <u>Rs.</u>                | <u>Rs.</u>                    | <u>Rs.</u>              |                   | <u>Rs.</u>                     |
| At 1 July 2024             | 200,000,000           | 180,086,401              | 68,702,712                | 7,500                         | (18,103,589)            | 37,780,344        | 468,473,368                    |
| Profit for period          | -                     | 11,523,076               | -                         | -                             | -                       | -                 | 11,523,076                     |
| Other comprehensive income |                       |                          |                           | 172,500                       |                         |                   | 172,500                        |
| <b>At 31 March 2025</b>    | <b>200,000,000</b>    | <b>191,609,477</b>       | <b>68,702,712</b>         | <b>180,000</b>                | <b>(18,103,589)</b>     | <b>37,780,344</b> | <b>480,168,944</b>             |