

**Abridged consolidated statement of financial position as at 31 December 2021**

	Unaudited 31-Dec-21 Rs'000	Unaudited 31-Dec-20 Rs'000	Audited 30-Jun-21 Rs'000
<b>ASSETS</b>			
Cash and cash equivalents	56,212	55,601	55,694
Deposits with financial institutions	-	58,210	-
Net lease receivables <sup>2</sup>	3,164,239	3,225,421	3,151,121
Loan receivable	-	369,032	386,282
Investment securities	841,710	731,336	828,630
Investments in associates	6,288,232	5,215,264	6,032,764
Plant and equipment <sup>1</sup>	855,486	668,224	722,473
Intangible assets	6,146	19,660	11,830
Current tax assets	3,454	9,212	191
Other assets	98,705	142,127	56,949
<b>Total assets</b>	<b>11,314,184</b>	<b>10,494,087</b>	<b>11,245,934</b>
<b>LIABILITIES</b>			
Deposits from customers	3,556,164	3,442,658	3,395,373
Borrowings	780,035	1,190,144	1,175,917
Current tax liabilities	-	-	4,917
Deferred tax liabilities	13,937	10,891	14,637
Other liabilities	72,698	121,591	69,214
<b>Total liabilities</b>	<b>4,422,834</b>	<b>4,765,284</b>	<b>4,660,058</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	103,355	103,355	103,355
Retained earnings	2,423,951	2,037,094	2,139,113
Other components of equity	4,364,044	3,588,354	4,343,408
<b>Total equity</b>	<b>6,891,350</b>	<b>5,728,803</b>	<b>6,585,876</b>
<b>Total equity and liabilities</b>	<b>11,314,184</b>	<b>10,494,087</b>	<b>11,245,934</b>

**RESULTS**

Fincorp posted a consolidated profit after tax of Rs 213.1 million for the half year to December 31, 2021 compared with Rs 39.4 million for the corresponding period last year.

Operating profit before impairment increased slightly from Rs 42.3 million to Rs 42.7 million. Operating income increased by Rs 14.5 million to Rs 168.7 million on the back of an increase in net interest income at the level of MCB Leasing Limited as a result of a lower cost of funding. This was partly offset by an increase in non-interest expense of Rs 14.1 million to Rs 126.0 million resulting mainly from an accelerated amortisation of the core leasing software and an increase in operating lease depreciation arising from a growth in operating lease portfolio.

MCB Leasing Limited also witnessed an improvement in credit quality over the period, giving rise to a net release in expected credit losses of Rs 1.5 million for the six months to December 31, 2021 compared with a charge of Rs 6.1 million for the corresponding period last year.

The share of profits of associates increased significantly from Rs 1.0 million to Rs 177.5 million as a result of higher investment income generated by PAD and a strong performance by Medine arising mainly from a number of bulk sales of land alongside improved performance in operating activities.

The tax charge for the year amounted to Rs 8.6 million compared with a tax credit of Rs 2.1 million in the corresponding period of last year following the abolition of partial exemption provisions on interest income.

**PROSPECTS**

The economic environment is likely to remain challenging for Mauritius with the pace and strength of its recovery being subject to the evolution of the global economy, the upturn in the tourism industry as well as the ramifications of the emergence of the Omicron variant and rising inflation.

By order of the Board  
10 February 2022

**Abridged consolidated statement of profit or loss for the period ended 31 December 2021**

	Unaudited Quarter to 31-Dec-21 Rs'000	Unaudited Quarter to 31-Dec-20 Rs'000	Unaudited 6 months to 31-Dec-21 Rs'000	Unaudited 6 months to 31-Dec-20 Rs'000	Audited Year to 30-Jun-21 Rs'000
Interest income	58,247	60,380	114,351	122,518	249,036
Interest expense	(35,583)	(43,278)	(73,376)	(92,215)	(166,880)
<b>Net interest income</b>	<b>22,664</b>	<b>17,102</b>	<b>40,975</b>	<b>30,303</b>	<b>82,156</b>
Fee and commission income	2,931	2,889	6,324	6,042	11,505
Other income	59,613	61,139	121,429	117,851	269,583
<b>Operating income</b>	<b>85,208</b>	<b>81,130</b>	<b>168,728</b>	<b>154,196</b>	<b>363,244</b>
Non-interest expense <sup>3</sup>	(65,612)	(56,792)	(126,046)	(111,910)	(231,576)
<b>Operating profit before impairment</b>	<b>19,596</b>	<b>24,338</b>	<b>42,682</b>	<b>42,286</b>	<b>131,668</b>
Net impairment of financial assets	1,138	1,490	1,502	(6,053)	(18,680)
<b>Operating Profit</b>	<b>20,734</b>	<b>25,828</b>	<b>44,184</b>	<b>36,233</b>	<b>112,988</b>
Share of profits/(losses) of associates	136,669	(4,013)	177,537	1,041	64,442
<b>Profit before tax</b>	<b>157,403</b>	<b>21,815</b>	<b>221,721</b>	<b>37,274</b>	<b>177,430</b>
Income tax (expense)/credit	(4,602)	(892)	(8,614)	2,076	(13,108)
<b>Profit attributable to equity holders of the parent</b>	<b>152,801</b>	<b>20,923</b>	<b>213,107</b>	<b>39,350</b>	<b>164,322</b>

**Abridged consolidated statement of other comprehensive income for the period ended 31 December 2021**

	Unaudited Quarter to 31-Dec-21 Rs'000	Unaudited Quarter to 31-Dec-20 Rs'000	Unaudited 6 months to 31-Dec-21 Rs'000	Unaudited 6 months to 31-Dec-20 Rs'000	Audited Year to 30-Jun-21 Rs'000
<b>Profit attributable to equity holders of the parent</b>	<b>152,801</b>	<b>20,923</b>	<b>213,107</b>	<b>39,350</b>	<b>164,322</b>
<b>Other comprehensive income:</b>					
Items that will not be reclassified to profit or loss	45,956	114,024	158,696	12,616	782,846
Items that may be reclassified subsequently to profit or loss	(76)	6	(24)	13	(29)
Other comprehensive income for the period	45,880	114,030	158,672	12,629	782,817
<b>Total comprehensive income attributable to equity holders of the parent</b>	<b>198,681</b>	<b>134,953</b>	<b>371,779</b>	<b>51,979</b>	<b>947,139</b>
<b>Earnings per share (Rs.)<sup>5</sup></b>	<b>1.48</b>	<b>0.20</b>	<b>2.06</b>	<b>0.38</b>	<b>1.59</b>
<b>Number of shares in issue (thousands)</b>	<b>103,355</b>	<b>103,355</b>	<b>103,355</b>	<b>103,355</b>	<b>103,355</b>

**4. Operating segments**

	Group Rs'000	Leasing Rs'000	Investing Rs'000	Eliminations Rs'000
<b>6 months to 31 December 2021</b>				
Gross income	242,104	229,164	97,975	(85,035)
Operating profit	44,184	47,932	81,287	(85,035)
<b>6 months to 31 December 2020</b>				
Gross income	246,411	228,980	17,431	-
Operating profit/(loss)	36,233	36,579	(346)	-
<b>Year ended 30 June 2021</b>				
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.

**Abridged consolidated statement of changes in equity for the period ended 31 December 2021**

	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
<b>At 01 July 2020</b>	<b>103,355</b>	<b>200,000</b>	<b>1,993,687</b>	<b>610,428</b>	<b>2,652,127</b>	<b>117,227</b>	<b>5,676,824</b>
Profit for the period	-	-	39,350	-	-	-	39,350
Other comprehensive income for the period	-	-	-	11,100	1,529	-	12,629
Total comprehensive income for the period	-	-	39,350	11,100	1,529	-	51,979
Other movements in reserves	-	-	4,057	-	(4,057)	-	-
<b>At 31 December 2020</b>	<b>103,355</b>	<b>200,000</b>	<b>2,037,094</b>	<b>621,528</b>	<b>2,649,599</b>	<b>117,227</b>	<b>5,728,803</b>
<b>At 01 July 2020</b>	<b>103,355</b>	<b>200,000</b>	<b>1,993,687</b>	<b>610,428</b>	<b>2,652,127</b>	<b>117,227</b>	<b>5,676,824</b>
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)
<b>At 30 June 2021</b>	<b>103,355</b>	<b>200,000</b>	<b>2,139,113</b>	<b>1,274,323</b>	<b>2,742,774</b>	<b>126,311</b>	<b>6,585,876</b>
Profit for the period	-	-	213,107	-	-	-	213,107
Other comprehensive income for the period	-	-	-	72,907	85,765	-	158,672
Total comprehensive income for the period	-	-	213,107	72,907	85,765	-	371,779
Dividends to ordinary shareholders	-	-	(62,013)	-	-	-	(62,013)
Transactions with owners	-	-	(62,013)	-	-	-	(62,013)
Other movements in reserves	-	-	133,744	(139,349)	1,313	-	(4,292)
<b>At 31 December 2021</b>	<b>103,355</b>	<b>200,000</b>	<b>2,423,951</b>	<b>1,207,881</b>	<b>2,829,852</b>	<b>126,311</b>	<b>6,891,350</b>

**Abridged consolidated statement of cash flows for the period ended 31 December 2021**

	Unaudited 6 Months to 31-Dec-21 Rs'000	Unaudited 6 Months to 31-Dec-20 Rs'000	Audited Year to 30-Jun-21 Rs'000
Net cash flows from other operating activities	(140,392)	(602,679)	(433,277)
Income tax paid	(17,494)	-	(9)
Net cash flows from operating activities	(157,886)	(602,679)	(433,286)
Net cash flows from investing activities	(211,299)	131,436	15,613
Net cash flows from financing activities	342,720	120,866	62,371
<b>Decrease in cash and cash equivalents</b>	<b>(26,465)</b>	<b>(350,377)</b>	<b>(355,302)</b>
Net cash and cash equivalents brought forward	(604,908)	(249,606)	(249,606)
<b>Net cash and cash equivalents carried forward</b>	<b>(631,373)</b>	<b>(599,983)</b>	<b>(604,908)</b>

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](http://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.*

**Notes**

	Unaudited 31-Dec-21 Rs'000	Unaudited 31-Dec-20 Rs'000	Audited 30-Jun-21 Rs'000
<b>1. Plant and equipment</b>			
Assets under operating leases included under the above caption	853,237	665,161	719,971
<b>2. Net lease receivables</b>			
Receivable within one year	947,224	1,194,566	1,103,122
Receivable after one year	2,217,015	2,030,855	2,047,999
	3,164,239	3,225,421	3,151,121
<b>3. Non-interest expense</b>			
Depreciation of assets under operating leases included under the above caption	82,138	72,104	143,105