

Abridged Consolidated Statement of Financial Position

	30 June 2021 Rs'000	30 June 2020 Rs'000
ASSETS		
Cash and cash equivalents	55,694	393,127
Deposits with financial institutions	-	57,677
Net lease receivables	3,151,121	3,294,472
Loan receivable	386,282	342,937
Investment securities	828,630	921,579
Investments in associates	6,032,764	5,193,719
Plant and equipment	722,473	674,034
Intangible assets	11,830	21,294
Current tax assets	191	10,786
Other assets	56,949	75,986
Total assets	11,245,934	10,985,611
LIABILITIES		
Deposits from customers	3,395,373	4,142,772
Borrowings	1,175,917	1,030,334
Current tax liabilities	4,917	-
Deferred tax liabilities	14,637	17,050
Other liabilities	69,214	118,631
Total liabilities	4,660,058	5,308,787
SHAREHOLDERS' EQUITY		
Share capital	103,355	103,355
Retained earnings	2,139,113	1,993,687
Other components of equity	4,343,408	3,579,782
Total equity	6,585,876	5,676,824
Total equity and liabilities	11,245,934	10,985,611

Abridged Consolidated Statement of Profit or Loss

	Year ended 30 June 2021 Rs'000	Year ended 30 June 2020 Rs'000
Interest income	249,036	269,060
Interest expense	(166,880)	(218,106)
Net interest income	82,156	50,954
Fee and commission income	11,505	8,487
Other income	269,583	215,226
Operating income	363,244	274,667
Non-interest expense	(231,576)	(238,791)
Operating profit before impairment	131,668	35,876
Net impairment of financial assets	(18,680)	(9,718)
Operating Profit	112,988	26,158
Share of profits/(losses) of associates	64,442	(76,608)
Profit/(Loss) before tax	177,430	(50,450)
Income tax expense	(13,108)	(965)
Profit/(Loss) attributable to equity holders of the parent	164,322	(51,415)

Abridged Consolidated Statement of Other Comprehensive Income

	Year ended 30 June 2021 Rs'000	Year ended 30 June 2020 Rs'000
Profit/(Loss) attributable to equity holders of the parent	164,322	(51,415)
Other comprehensive income/(expense):		
Items that will not be reclassified to profit or loss	782,846	(204,086)
Items that may be reclassified subsequently to profit or loss	(29)	(26)
Other comprehensive income/(expense) for the year	782,817	(204,112)
Total comprehensive income/(expense) attributable to equity holders of the parent	947,139	(255,527)

Data per Share

Net assets per share* (Rs.)	61.79	52.99
Earnings/(Loss) per share (Rs.)	1.59	(0.50)
No. of shares in issue (thousands)	103,355	103,355

* after adjusting for the non-cumulative irredeemable preference shares

Abridged Consolidated Statement of Changes in Equity

	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 01 July 2019	103,355	200,000	2,110,286	610,428	2,873,941	109,177	6,007,187
Loss for the year	-	-	(51,415)	-	-	-	(51,415)
Other comprehensive expense for the year	-	-	(329)	-	(203,783)	-	(204,112)
Total comprehensive expense for the year	-	-	(51,744)	-	(203,783)	-	(255,527)
Other movements in reserves	-	-	(64,855)	-	(18,031)	8,050	(74,836)
At 30 June 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
Other movements in reserves	-	-	(19,141)	-	(28,030)	9,084	(38,087)
At 30 June 2021	103,355	200,000	2,139,113	1,274,323	2,742,774	126,311	6,585,876

Abridged Consolidated Statement of Cash Flows

	Year ended 2021 Rs'000	Year ended 2020 Rs'000
Cash generated from operations	(433,277)	862,035
Income tax paid	(9)	(3,264)
Net cash flows from operating activities	(433,286)	858,771
Net cash flows from investing activities	15,613	(350,928)
Net cash flows from financing activities	62,371	(186,693)
(Decrease)/Increase in cash and cash equivalents	(355,302)	321,150
Net cash and cash equivalents at 01 July	(249,606)	(570,756)
Net cash and cash equivalents at 30 June	(604,908)	(249,606)

RESULTS

Fincorp Investment Limited posted a consolidated profit after tax amounting to Rs 164.3 million for the financial year ended 30 June 2021 compared to a loss of Rs 51.4 million last year.

Operating profit before the share of results of associates increased from Rs 26.2 million to Rs 113.0 million, reflecting:

- an improved performance at the level of MCB Leasing Limited despite the adverse impact of the prevailing Covid-19 pandemic with profit before tax up from Rs54.5 million to Rs73.7 million for the year ended 30 June 2021; together with
- a higher fair value gains on Fincorp's investments in securities up from Rs5.6 million to Rs57.1 million as well as lower net interest expense, down by Rs7.4 million and higher dividend income up by Rs8.6 million at the level of Fincorp.

The contribution of the Company's two associates to group's profits also improved significantly from a loss of Rs 76.6 million last year to a profit of Rs64.4 million for the current year on the back of:

- a better financial performance of Caudan Development Limited;
- lower operating costs and finance charges at the level of Promotion and Development Limited (PAD); and
- a significant turnaround in the performance of PAD's associates, namely Medine Limited whose performance was favourably impacted by higher land sales, fair value gains on investment property and fair value uplifts on its biological assets (standing sugar cane crop).

A final dividend of Re. 0.60 per share has been declared and shall be paid to all shareholders registered at the close of business of 24 November 2021.

PROSPECTS

The operating context remains challenging, with limited visibility on the evolution of the situation going forward, especially in relation to the rebound of the tourism industry pursuant to the opening of our borders, the spread of the new variants of the coronavirus and continued lockdowns in many countries despite the progress made with the widening vaccination campaigns. Against this backdrop, we will continue to monitor the situation closely in order to preserve the financial resilience of the Group, through a diligent and pragmatic approach adopted to pursue our business expansion as well as a reinforcement of our risk and compliance framework to address emerging risks.

Copies of the audited 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.

Where necessary, comparative figures have been amended to conform with changes in presentation or in accounting policies and restatements made.

The abridged audited consolidated financial statements were approved for issue by the Board of Directors on 28 September 2021.

This communiqué is issued pursuant to Listing Rule 12.14 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.

Independent auditor's report to the Shareholders of Fincorp Investment Limited**Opinion**

The summary financial statements, which comprise the abridged consolidated statement of financial position as at 30 June 2021, the abridged consolidated statement of profit or loss, the abridged consolidated statement of comprehensive income, the abridged consolidated statement of changes in equity and the abridged consolidated statement of cash flows for the year then ended, are extracted from the audited consolidated and separate financial statements of Fincorp Investment Limited (the "Company") and its subsidiary (the "Group") for the year ended 30 June 2021.

In our opinion, the accompanying summary financial statements are consistent in all material respects, with the audited consolidated and separate financial statements of the Group and the Company which are prepared in accordance with International Financial Reporting Standards (IFRSs), and in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

Summary financial statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditor's report thereon.

The audited consolidated and separate financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 28 September 2021. That report also includes the communication of key audit matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current year.

Responsibilities of Directors for the Summary Financial Statements

The directors are responsible for the preparation of the summary financial statements, without reference to the detailed notes, extracted from the audited consolidated and separate financial statements of the Group and the Company for the year ended 30 June 2021. The audited consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

Use of this report

This report, including our opinion, has been prepared for and only for the Company's shareholders in accordance with Section 12.14(i) of the Listing Rules of the Stock Exchange of Mauritius and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Deloitte
Chartered Accountants

Vishal Agrawal, FCA
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28 September 2021