

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2019

	30.06.19	30.09.18	30.09.17
	MUR 000	MUR 000	MUR 000
ASSETS			
Cash and bank balances	199,409	189,824	267,279
Deposits with banks	455,718	450,004	482,798
Net finance lease receivables	2,640,947	2,416,568	2,392,580
Hire purchase and other credit agreements	5,656,653	4,594,729	4,217,183
Loans and advances	3,419,131	2,857,120	2,371,707
Other assets	293,983	231,317	162,134
Income tax recoverable	17,533	-	-
Inventories	3,520	5,578	8,245
Plant and equipment	194,577	173,689	185,281
Intangible assets	53,013	42,324	17,102
Deferred tax assets	16,626	80,929	64,020
Total assets	12,951,110	11,042,082	10,168,329
LIABILITIES			
Deposits from customers	-	2,641,848	3,134,395
Other borrowed funds	9,967,404	5,808,143	4,671,435
Current tax liabilities	-	17,672	11,031
Other liabilities	1,215,170	1,012,090	1,041,262
Post-employment benefits	20,208	29,415	20,434
Total liabilities	11,202,782	9,509,168	8,878,557
Shareholders' equity			
Share capital	860,000	660,000	660,000
General risk reserve	150,626	150,626	119,608
Actuarial reserve	18,043	6,071	13,098
Statutory reserve	354,250	324,367	286,841
Retained earnings	365,409	391,850	210,225
Total equity	1,748,328	1,532,914	1,289,772
Total equity and liabilities	12,951,110	11,042,082	10,168,329

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 9 MONTHS ENDED JUNE 30, 2019

	9 months ended 30.06.19	9 months ended 30.06.18	12 months ended 30.09.18	12 months ended 30.09.17
	MUR 000	MUR 000 Unaudited	MUR 000	MUR 000
Interest income				
Interest income using EIR method	362,331	293,880	389,892	347,025
Other interest income	642,360	536,709	730,473	684,702
Interest expense	(293,302)	(261,093)	(348,017)	(350,561)
Net interest income	711,389	569,496	772,348	681,166
Fee and commission income	272,719	287,948	371,792	416,911
Operating lease income	20,455	21,143	27,980	36,918
Other operating income	6,374	13,766	18,066	15,352
Operating income	1,010,937	892,353	1,190,186	1,150,347
Operating expenses				
Employee benefit expense	(296,181)	(241,517)	(341,063)	(290,513)
Depreciation	(40,459)	(38,521)	(51,746)	(55,485)
Amortisation	(9,580)	(9,781)	(13,014)	(13,245)
Other operating expenses	(275,477)	(200,770)	(269,179)	(295,773)
	(621,697)	(490,589)	(675,002)	(655,016)
Operating profit before impairment	389,240	401,764	515,184	495,331
Expected credit loss/credit impairment	(114,271)	(171,750)	(214,591)	(186,297)
Profit before income tax	274,969	230,014	300,593	309,034
Income tax expense	(75,748)	(36,397)	(50,424)	(58,511)
Profit for the period/year	199,221	193,617	250,169	250,523
Other comprehensive income				
<i>Items that will not be reclassified to profit or loss:</i>				
Remeasurement of defined benefit obligations, net of tax	11,972	-	(7,027)	1,148
Total comprehensive income for the period/year	211,193	193,617	243,142	251,671
Basic and diluted earnings per share	2.62	2.93	3.79	5.52

These financial statements have been approved for issue by the Board of Directors on 17 October 2019

STATEMENT OF CHANGES IN EQUITY - PERIOD ENDED JUNE 30, 2019

	Share Capital	General Risk Reserve	Actuarial Reserve	Statutory Reserve	Retained Earnings	Total
	MUR 000	MUR 000	MUR 000	MUR 000	MUR 000	MUR 000
Balance at October 1, 2016	335,000	79,982	11,950	249,263	196,906	873,101
Profit for the year	-	-	-	-	250,523	250,523
Other comprehensive income for the year	-	-	1,148	-	-	1,148
Issue of shares	325,000	-	-	-	-	325,000
Transfer	-	39,626	-	37,578	(77,204)	-
Dividends	-	-	-	-	(160,000)	(160,000)
Balance at September 30, 2017	660,000	119,608	13,098	286,841	210,225	1,289,772
Balance at October 1, 2017	660,000	119,608	13,098	286,841	210,225	1,289,772
Profit for the year	-	-	-	-	250,169	250,169
Other comprehensive income	-	-	(7,027)	-	-	(7,027)
Transfer	-	31,018	-	37,526	(68,544)	-
Balance at September 30, 2018	660,000	150,626	6,071	324,367	391,850	1,532,914
Unaudited						
Balance at October 1, 2017	660,000	119,608	13,098	286,841	210,225	1,289,772
Profit for the year	-	-	-	-	193,617	193,617
Other comprehensive income	-	-	-	-	-	-
Transfer	-	-	-	-	-	-
Balance at June 30, 2018	660,000	119,608	13,098	286,841	403,842	1,483,389
Balance at October 1, 2018	660,000	150,626	6,071	324,367	391,850	1,532,914
Impact of adopting IFRS9	-	-	-	-	4,221	4,221
Restated opening balance on adopting IFRS9	660,000	150,626	6,071	324,367	396,071	1,537,135
Profit for the period	-	-	-	-	199,221	199,221
Other comprehensive income	-	-	11,972	-	-	11,972
Issue of shares	200,000	-	-	-	-	200,000
Dividends	-	-	-	-	(200,000)	(200,000)
Transfer	-	-	-	29,883	(29,883)	-
Balance at June 30, 2019	860,000	150,626	18,043	354,250	365,409	1,748,328

STATEMENT OF CASH FLOWS - PERIOD ENDED JUNE 30, 2019

	9 months ended 30.06.19	9 months ended 30.06.18	12 months ended 30.09.18	12 months ended 30.09.17
	MUR 000	MUR 000 Unaudited	MUR 000	MUR 000
Operating activities				
Profit before taxation	274,969	230,014	300,593	309,034
Adjustments for:				
(Profit)/loss on disposal of plant and equipment	(766)	273	273	(887)
Foreign Exchange differences	(317)	-	807	4,224
Expected credit loss/credit impairment	126,158	175,041	219,212	193,663
Amortisation of intangible assets	9,580	9,781	13,014	13,245
Depreciation of plant and equipment	40,459	38,521	51,746	55,485
Increase in post-employment benefits	3,679	-	515	3,959
Changes in operating assets and liabilities:				
(Decrease)/increase in deposits from customers	(2,641,848)	(356,346)	(492,547)	339,046
Decrease/ (Increase) in finance leases receivable	(238,893)	55,621	(22,764)	(273,123)
Increase in hire purchase and other credit agreements	(1,172,253)	(534,662)	(531,007)	(819,696)
Increase in loan and advances	(558,401)	(328,755)	(552,388)	(723,854)
(Increase)/ decrease in deposits with banks	(6,269)	36,009	32,794	(7,217)
Decrease/ (Increase) in inventories	2,058	2,071	2,667	(3,476)
(Increase)/ decrease in other assets	(62,666)	(75,824)	(69,183)	743
Increase/(decrease) in other liabilities	201,608	(32,843)	(37,018)	(8,298)
	(4,022,902)	(781,099)	(1,083,286)	(917,152)
Income tax paid	(46,241)	(37,874)	(51,407)	(62,345)
Net cash flows used in operating activities	(4,069,143)	(818,973)	(1,134,693)	(979,497)
Investing activities				
Proceeds from disposal of plant and equipment	7,031	9,971	11,240	13,538
Purchase of intangible assets	(20,269)	(27,900)	(38,236)	(2,170)
Purchase of plant and equipment	(67,613)	(31,996)	(51,667)	(72,909)
Net cash flows used in investing activities	(80,851)	(49,925)	(78,663)	(61,541)
Financing activities				
Issue of shares	200,000	-	-	325,000
Dividends paid	(200,000)	-	-	(160,000)
Proceeds from borrowings	13,829,735	7,963,111	10,807,053	10,356,575
Repayment of borrowings	(9,549,660)	(7,219,759)	(9,792,415)	(9,268,682)
Net cash flows from financing activities	4,280,075	743,352	1,014,639	1,252,893
Increase/(decrease) in cash and cash equivalents	130,082	(125,546)	(198,717)	(211,855)
Movement in cash and cash equivalents				
At October 1,	(162,543)	36,981	36,981	(170,650)
Effect of exchange rate changes on cash and cash equivalents	317	-	(807)	(4,224)
Increase/(decrease)	130,082	(123,740)	(198,717)	211,855
At period/year end	(32,144)	(86,759)	(162,543)	36,981
Operational cash flows from interest				
Interest paid	(467,551)	(136,690)	(351,140)	(351,778)
Interest received	999,767	865,131	1,149,871	1,025,303

**REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS
TO THE MEMBERS OF CIM FINANCE LTD**

Opinion

The summary financial statements comprise the statements of financial position as at June 30, 2019, the statements of profit or loss and other comprehensive income, statements of changes in equity, statements of cash flows for the period from October 1, 2018 to June 30, 2019.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the requirements of the Banking Act 2004 as disclosed in the summary financial statements.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act 2001 and the Banking Act 2004. Reading the summary financial statements and auditor's report there on, therefore, is not a substitute for reading the audited financial statements of the Company and the auditor's report thereon.

The summary financial statements and audited financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

Other Matter – Comparative information

The statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period from October 1, 2017 to June 30, 2018 presented as comparative information in the financial statements for the period ended June 30, 2019 are unaudited.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our reports dated 17 October 2019. That report also includes

- Report on other legal and regulatory requirement reporting that financial statement complies with the requirement of the Banking Act 2004 and regulation and guidelines of Bank of Mauritius.
- The communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the requirements described in the Banking 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 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."

ERNST & YOUNG
Ebène, Mauritius

Li Kune Lan Pookim, F.C.A, F.C.C.A
Licensed by FRC

17 October 2019