

## CIM GROUP REPORTS A 9.8% INCREASE IN PROFIT BEFORE TAX FROM CONTINUING OPERATIONS FOR THE QUARTER ENDED 31 DECEMBER 2018

For the quarter ended 31 December 2018, the Group achieved a Net Operating Income of MUR 386.1m, equivalent to an increase of 14% as compared to same period last year. Profit Before Tax reached MUR 74.7m, a 9.8% increase on prior year figures.

The Finance cluster showed a 16% increase in its Net Operating Income for the period under review on the back of a solid quarter in the Consumer Finance business and the consolidation of its leasing activities following the acquisition of the Mauritian Eagle Leasing Company Limited. Profit after taxation (PAT) for the cluster showed a progress of 15% year on year to close at MUR 101.7m in December.

The Group's investment in Kenya shows promising growth in sales albeit at modest levels. Furthermore, performance of the investment cluster was impacted by the Group's USD denominated assets which registered a decrease on a 'mark-to-market' basis.

The Property cluster (Lavastone Ltd) showed satisfactory progress with a PAT of MUR 15.8m, up 68% on 2017 figures.

Overall the Group achieved a PAT of MUR 69.8M for the quarter.

### Distribution of shares of Lavastone Ltd

On 14 January 2019, all shareholders of CIM Financial Services Ltd (CFSL) were allotted one share of Lavastone Ltd for every share they held in CFSL. Since then, the shareholders of Lavastone Ltd have been able to freely trade their shares on the Development and Enterprise Market (DEM). As from January 2019, the figures for Lavastone Ltd will not be consolidated under the CIM Group.

### Outlook

On the back of the strong performance of Cim Finance for the last quarter, the Group will continue to develop and strengthen its consumer finance offering in Mauritius and in Kenya.

### Disclaimer after Comments on results

**By Order of the Board**

**Cim Administrators Ltd**

**Company Secretary**

**13 February 2019**

*The abridged financial statements of the Group are unaudited and have been prepared using the same accounting policies as the audited statements for the year ended 30 September 2018, except for the adoption of published Standards that are now effective.*

*These abridged financial statements are issued pursuant to Listing Rule 12.20 and the Securities Act 2005. Copies of the statement of direct and indirect interests of Officers pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 and the financial statements are available free of charge upon request made to the Company Secretary at the registered office of CIM Financial Services Ltd. The Board of Directors of CIM Financial Services Ltd accepts full responsibility for the accuracy of the information contained therein.*

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# ABRIDGED UNAUDITED FINANCIAL STATEMENTS QUARTER ENDED 31 DECEMBER 2018

## STATEMENT OF FINANCIAL POSITION

	Unaudited 31 December		Audited 30 September
	2018	2017	2018
	MUR m	MUR m	MUR m
<b>ASSETS</b>			
Cash and bank balances	511.7	987.9	526.1
Deposits with banks	505.9	1,838.7	1,026.0
Net investment in leases and other credit agreements	8,430.2	7,094.2	7,637.7
Loans and advances	3,052.3	2,326.1	2,865.6
Investment in financial assets	1,605.5	9.8	1,598.9
Other assets	377.9	702.2	676.1
Inventories	4.9	7.6	5.6
Investment in associates	164.6	185.0	177.5
Investment properties	-	1,039.2	1,216.5
Property, plant and equipment	534.9	1,196.7	1,585.8
Intangible assets	56.7	68.1	106.7
Post employment benefits assets	5.9	7.5	7.2
Deferred tax assets	108.6	76.6	83.0
Assets held for distribution	3,150.0	-	-
<b>Total assets</b>	<b>18,509.1</b>	<b>15,539.6</b>	<b>17,512.7</b>
<b>LIABILITIES</b>			
Deposits from customers	3,394.5	3,109.0	3,426.6
Interest bearing loans and borrowings	5,933.0	4,155.3	5,949.8
Other liabilities	2,061.0	1,700.1	1,341.4
Income tax liabilities	52.6	57.0	33.0
Post employment benefits liability	86.1	78.5	87.6
Deferred tax liabilities	-	24.0	28.4
Liabilities for non cash distribution to owners	2,695.3	-	-
Liabilities directly associated with the assets held for distribution	454.7	-	-
<b>Total liabilities</b>	<b>14,677.2</b>	<b>9,123.9</b>	<b>10,866.8</b>
<b>EQUITY</b>			
Stated capital	680.5	680.5	680.5
Retained earnings	2,677.5	4,836.3	4,999.9
Revaluation and other reserves	473.9	586.1	646.1
<b>Equity attributable to owners of the parent</b>	<b>3,831.9</b>	<b>6,102.9</b>	<b>6,326.5</b>
Non controlling interests	-	312.8	319.4
<b>Total equity</b>	<b>3,831.9</b>	<b>6,415.7</b>	<b>6,645.9</b>
<b>Total equity and liabilities</b>	<b>18,509.1</b>	<b>15,539.6</b>	<b>17,512.7</b>

## STATEMENT OF PROFIT OR LOSS

	Unaudited 31 December		Audited Year ended 30 September
	2018	2017	2018
	MUR m	MUR m	MUR m
<b>Continuing operations</b>			
Interest income	337.1	277.4	1,189.2
Interest expense	(97.4)	(95.6)	(381.3)
<b>Net interest income</b>	<b>239.7</b>	<b>181.8</b>	<b>807.9</b>
Fee and commission income	134.5	143.4	539.4
Other income	11.9	12.2	64.0
	<b>146.4</b>	<b>155.6</b>	<b>603.4</b>
<b>Net operating income</b>	<b>386.1</b>	<b>337.4</b>	<b>1,411.3</b>
<b>Operating expenses</b>	<b>(265.8)</b>	<b>(199.4)</b>	<b>(855.7)</b>
<b>Operating profit before impairment</b>	<b>120.3</b>	<b>138.0</b>	<b>555.6</b>
<b>Net impairment</b>	<b>(45.7)</b>	<b>(64.8)</b>	<b>(214.9)</b>
<b>Operating profit</b>	<b>74.6</b>	<b>73.2</b>	<b>340.7</b>
Foreign exchange profit/(loss)	2.2	2.9	(9.4)
Share of result of associates	(2.1)	(8.1)	(14.7)
Net gain on business combination	-	-	29.5
<b>Profit before tax from continuing operations</b>	<b>74.7</b>	<b>68.0</b>	<b>346.1</b>
Income tax expense	(20.7)	(6.6)	(72.7)
<b>Profit for the period from continuing operations</b>	<b>54.0</b>	<b>61.4</b>	<b>273.4</b>
Profit for the period from discontinued operations	15.8	9.4	78.7
<b>Profit for the period</b>	<b>69.8</b>	<b>70.8</b>	<b>352.1</b>
<b>Attributable to:</b>			
Owners of the parent	69.8	73.0	351.4
Non controlling interests	-	(2.2)	0.7
	<b>69.8</b>	<b>70.8</b>	<b>352.1</b>
Earnings per share from continuing operations	MUR 0.08	0.09	0.40
Earnings per share	MUR 0.10	0.11	0.52
Dividends per share	MUR 0.15	0.60	0.67
Number of ordinary shares used in calculation	680,522,310	680,522,310	680,522,310

### STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 31 December		Audited Year ended 30 September
	2018	2017	2018
	MUR m	MUR m	MUR m
Profit for the period	69.8	70.8	352.1
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Gain on revaluation of land and buildings	-	-	8.0
Remeasurement of post employment benefits	-	(6.0)	(16.3)
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange difference on translation of foreign entities	0.4	-	(0.3)
Share of other comprehensive income from associates	-	-	(0.9)
<b>Other comprehensive income for the period, net of tax</b>	<b>0.4</b>	(6.0)	(9.5)
<b>Total comprehensive income for the period, net of tax</b>	<b>70.2</b>	64.8	342.6
<b>Attributable to:</b>			
Owners of the parent	70.2	67.0	338.2
Non controlling interests	-	(2.2)	4.4
	<b>70.2</b>	64.8	342.6

### STATEMENT OF CASH FLOWS

	Unaudited 31 December		Audited Year ended 30 September
	2018	2017	2018
	MUR m	MUR m	MUR m
Net cash flow(used in)/generated from operating activities	(393.9)	68.9	(887.9)
Net cash flow generated from/(used in) investing activities	425.2	861.0	(369.8)
Net cash flow generated from/(used in) financing activities	139.1	(484.7)	1,201.3
Net increase/(decrease) in cash and cash equivalents	170.4	445.2	(56.4)
Cash and cash equivalents - opening	322.7	379.1	379.1
Cash and cash equivalents - closing	493.1	824.3	322.7

# ABRIDGED UNAUDITED FINANCIAL STATEMENTS

## QUARTER ENDED 31 DECEMBER 2018



### STATEMENT OF CHANGES IN EQUITY

At 1 October 2018  
 Impact of adopting IFRS 9  
 Restated opening balance under IFRS 9  
 Profit for the period  
 Other comprehensive income for the period  
 Total comprehensive income for the period  
 Distribution of non cash assets to owners  
 Dividend  
 Total transactions with owners

At 31 December 2018

	Attributable to owners of the parent			Non-controlling interests	Total Equity
	Stated capital	Revaluation and other reserves	Retained earnings		
	MUR m	MUR m	MUR m	MUR m	MUR m
	680.5	646.1	4,999.9	319.4	6,645.9
	-	-	(86.8)	-	(86.8)
	680.5	646.1	4,913.1	319.4	6,559.1
	-	-	69.8	-	69.8
	-	0.4	-	-	0.4
	-	0.4	69.8	-	70.2
	-	(172.6)	(2,203.3)	(319.4)	(2,695.3)
	-	-	(102.1)	-	(102.1)
	-	(172.6)	(2,305.4)	(319.4)	(2,797.4)
	<b>680.5</b>	<b>473.9</b>	<b>2,677.5</b>	<b>-</b>	<b>3,831.9</b>

At 1 October 2017  
 Profit for the period  
 Other comprehensive income for the period  
 Total comprehensive income for the period  
 Dividends  
 Total transactions with owners

At 31 December 2017

	Attributable to owners of the parent			Non-controlling interests	Total Equity
	Stated capital	Revaluation and other reserves	Retained earnings		
	MUR m	MUR m	MUR m	MUR m	MUR m
	680.5	592.1	5,171.6	315.0	6,759.2
	-	-	73.0	(2.2)	70.8
	-	(6.0)	-	-	(6.0)
	-	(6.0)	73.0	(2.2)	64.8
	-	-	(408.3)	-	(408.3)
	-	-	(408.3)	-	(408.3)
	680.5	586.1	4,836.3	312.8	6,415.7

### SEGMENT ANALYSIS

Finance  
 Investments  
 Group elimination

#### Discontinued operations:

Property

Net Operating Income		Profit after Tax	
Unaudited 31 December		Unaudited 31 December	
2018	2017	2018	2017
MUR m	MUR m	MUR m	MUR m
400.7	344.9	101.7	88.6
211.5	17.1	(47.7)	(27.2)
(226.1)	(24.6)	-	-
<b>386.1</b>	<b>337.4</b>	<b>54.0</b>	<b>61.4</b>
39.9	33.8	15.8	9.4
<b>426.0</b>	<b>371.2</b>	<b>69.8</b>	<b>70.8</b>