

The Board of CFSL wishes to inform its shareholders and the public that its 100% owned subsidiary, Cim Finance Limited (CFL), has been in discussions with the Competition Commission of Mauritius (CCM) for several months in relation to the Hire Purchase (HP) market and in particular with respect to the merchant discounts charged by CFL to support its point-of-sale (POS) financing activities.

The CCM has formally advised that it has initiated an investigation into CFL's merchant discount methodology. We are pleased to report that the ongoing dialogue between CFL and the CCM has been undertaken in a climate of cooperation resulting in CFL proposing certain undertakings to address the concerns of the CCM. These undertakings have been offered to ensure an effective, prompt and win-win solution for all parties concerned.

These undertakings, if accepted by the CCM, would be implemented within a period of nine months from the date of their acceptance and we do not anticipate that their adoption will cause a material impact on CFL's results.

By order of the Board

Cim Administrators Ltd
Company Secretary

30 January 2017

Note: The activities of Cim Finance Limited (CFL) are regulated by the Financial Services Commission and the Bank of Mauritius. CFL has a large network of merchant partners with whom it works to provide competitive point-of-sale (POS) financing to buyers of consumer goods. Currently, CFL aligns its POS financing activities to the provisions of the Hire Purchase & Credit Sale regulations which, inter alia, caps the maximum rate of interest charged to borrowers at 12% per annum.

This communiqué is issued pursuant to Listing Rule 11.3 and Section 5 of The Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.

The Board of Cim Financial Services Ltd accepts full responsibility for the accuracy of the information contained in this communiqué.

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