

The Board of Directors (the 'Board') of Cim Financial Services Ltd ('CFSL' or the 'Company') announces that the Company has entered into a share sale agreement for the sale of its Global Business activities to SGG Participations S.A. ('SGG') (the 'Transaction').

Established in 1953, and headquartered in Luxembourg, SGG is a leading independent investor services provider in Luxembourg, the Netherlands, France, Belgium, Hong Kong and Curacao with more than 550 professionals.

Rationale behind the Transaction

The Board had previously approved a growth strategy for Cim Global Business ('CGB') that involved the scaling up of its Singapore office, the setting up of a professional services outsourcing business and establishing a presence in Johannesburg. However, the increasing pace of consolidation internationally in the Global Business sector has clearly changed the dynamics of the business. The Board considers that to remain competitive and relevant to large institutional clients requires the economies of scale provided by bigger, more specialised and geographically diverse groups. The Board therefore considers a sale of CGB to be in the best long term interest of shareholders.

The proceeds that the Group will receive following the sale of CGB will allow CFSL to concentrate its resources and growth plans on its fast growing Finance and Property businesses.

Terms of the Transaction

The total consideration receivable from the disposal of CGB is made up of a provisional consideration, net of working capital adjustments, that shall be payable at expected completion date, i.e. 30 April 2017, and a potential deferred consideration, which shall be payable on or about 31 October 2017. All payments shall be in cash.

The provisional consideration based on latest estimates is expected to be approximately USD90.3 million equivalent to approximately MUR3.2 billion which represents a profit on disposal of MUR2.5 billion or MUR3.60 per share. Additionally, CFSL shall be entitled to dividends and cash balances at completion date, currently estimated at MUR219.2 million or MUR0.32 per share.

The provisional consideration represents a multiple of 10.0 times CGB's 30 September 2016 EBITDA of MUR323.2 million.

The deferred consideration shall be computed at 50% of the amount by which the total revenue of CGB for FY 30 September 2017 shall exceed an agreed sum. It is not possible at this date to estimate the amount of any deferred consideration.

Conditions of the Transaction

The sale, which is a substantial transaction under Chapter 13 of the Listing Rules of The Stock Exchange of Mauritius Ltd ('SEM'), is subject to certain conditions precedent, including:

1. regulatory approval ; and
2. the approval of the shareholders of CFSL by way of an ordinary resolution at a special meeting of shareholders to be held on 31 March 2017.

A substantial transaction circular ('STC') has been prepared in conformity with the Listing Rules and has been vetted by the SEM on 13 March 2017. The STC will be issued by CFSL on 15 March 2017, together with the notice of the special meeting of shareholders.

Copies of the STC will be available at the registered office of CFSL at 33, Edith Cavell Street, Port Louis, Mauritius and on the company's website at www.cim.mu.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of CFSL.

By order of the Board

Cim Administrators Ltd

Company Secretary

13 March 2017

This announcement is issued pursuant to Listing Rules 11.3 and 13.15(b)(i), Rule 5 of the Securities (Disclosure Obligations Of Reporting Issuers) Rules 2007 and Section 87(1) of the Securities Act 2005.

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