

## CHAIRMAN'S MESSAGE

---



**COLIN TAYLOR //**  
Non-Executive Director  
and Chairman

Cim Group has performed strongly in 2017 and is moving forward with a renewed sense of purpose and direction after the sale of Cim Global to SGG Group of Luxembourg. While the Board had previously approved a growth strategy for Cim Global that involved the scaling up of its Singapore office and establishing a presence in Johannesburg, this strategy was overtaken in the light of developments with international consolidation of the sector.

“*Delivering value and returns for our shareholders remains paramount, despite changing times, and we are very pleased that we have been able to pay an enhanced final dividend of MUR 0.60 per share on 6 November 2017 as compared to MUR 0.22 per share in November 2016, in the light of the sale of Cim Global and to thank our shareholders for their loyalty and support.*”

# MUR 0.60

Final dividend per share

The profit made on disposal of Cim Global now provides us with a significant opportunity to concentrate our resources on our fast growing Finance and Property businesses in Mauritius and expansion in Africa. We are now embarked on a journey with greater vigour and a clearer focus.

Delivering value and returns for our shareholders remains paramount, despite changing times, and we are very pleased that we have been able to pay an enhanced final dividend of MUR 0.60 per share on 6 November 2017 as compared to MUR 0.22 per share in November 2016, in the light of the sale of Cim Global and to thank our shareholders for their loyalty and support.

In terms of the Group's performance, the Finance business saw its profit increase by 21% compared with 2016, while the profit of the Property business increased by 20% over the same period excluding fair value gain on investment property. These positive results across the Finance and Property clusters provide us with comfort that the plans to generate growth in these sectors are on the right track. The overall Group Profit After Tax for the Financial Year 2017 was MUR 2,949.6m, which includes the profits on the disposal of Cim Global.

Now is a time for optimism, after the challenging economic backdrop of recent years, with the global economy finally beginning to strengthen, and global growth projected to increase to 3.6% in 2017 and 3.7% in 2018 (according to the IMF's World Economic Outlook of October 2017). It is encouraging to note that broad-based upward revisions have been seen across many parts of the world, including the euro area, Japan, emerging Asia, emerging Europe and Russia, which are offsetting the downward revisions for the United States, which is seeing sharp policy changes under President Trump, and the United Kingdom, which is still trying to find the right path to deliver 'Brexit'.

Mauritius is seeking to become a high-income economy within the next 10 years, on the basis of an ambitious public investment programme and improvements to the business climate. There is still much work to do in rebuilding the credibility of the island's fiscal regime, tackling inflationary pressures, addressing financial stability risks and improving competitiveness to support growth, but Mauritius has a successful track record in re-inventing its economic model and will be ready to face this task and to build a bright future.

# CHAIRMAN'S MESSAGE



*Looking further afield, we will have a new emphasis on regional expansion which will re-shape our Group for the future.*



In terms of our strategy going forward, developing our financial services activities in Mauritius will clearly be our key priority for the Group. We are very confident that there is much more we can do to cement our position in the market as the leading non-bank provider of financial services. In particular, we will seek to bring new innovation to the market to help build access to our products and services through digital channels. The Board will continue to consider whether the interests of our shareholders and customers could be even better served if Cim Group decided to apply for a banking licence and this will be an important topic for our strategic review in 2018.

Looking further afield, we will have a new emphasis on regional expansion which will re-shape our Group for the future. Together with Goldman Sachs, Progression Capital Africa and Surya Capital, CIM Financial Services Ltd will be investing in the first foreign owned leasing Company (First Capital Goods Finance Share Company) in Ethiopia. Its main target markets will be Ethiopian SMEs which find it difficult to access financing to meet their capital investment needs.

Furthermore, we foresee significant opportunities in Kenya, which is already leading Africa in the use of mobile technologies. With the help of our technology partner, we are looking forward to deploying a fintech-enabled Hire Purchase solution by mid Financial Year 2018, and to developing partnerships with established market players in the retail sector.

In terms of reinforcing our management team, we were delighted at the start of the year to welcome on board Nicolas Vaudin as Managing Director of Cim Property. We both share a common vision in developing and restructuring the property arm of our business so that its value is fully recognised.

I would like to thank the outgoing Chairman, Tim Taylor, and the outgoing Group Chief Executive, Paul Leech, who have made tremendous efforts over the past years to strengthen the Group's market position and revenues, for which we are truly grateful.

It is a great pleasure to welcome Mark van Beuningen on board in his new role as the Group CEO. Mark has already helped Cim Finance to consolidate its leading position since he joined in May 2016 as Managing Director. I would also like to welcome Vishuene (Viny) Vydelingum as the new Managing Director of Cim Finance as from November 2017. Viny brings a wealth of financial services experience to the Group and I am sure that he will spearhead the next stages of growth and our ambition for Cim Finance over the coming years.

In closing, I would like to take this opportunity to thank our shareholders and valued customers for their loyalty and trust, as well as our Directors for all their support, as Cim Group moves forward with a renewed vision and purpose for 2018.