

## **CIM GROUP REPORTS A PROFIT AFTER TAX (PAT) OF MUR 289.6M FOR THE NINE MONTHS ENDED 30 JUNE 2021**

For the period ended 30 June 2021, Cim Group posted a PAT of MUR 289.6M, an improved performance as compared to prior year of MUR 138.4M. Total assets of the Group increased by 4% year on year to reach MUR 16.3Bn.

The lending book continued to grow and the positive momentum experienced before March was supported by an encouraging May and June months in the retail sector, despite the second lockdown, subsequently reflecting on the bottom line results.

However, as the uncertainty persists, the Group continued to maintain its prudent approach with an allowance for credit impairment of MUR 349M for the period under review (LY: MUR 434M).

### **Outlook**

The weeks following the second lockdown have shown some resiliency in the retail sector which was quite encouraging and the gradual opening of borders is bringing a breath of fresh air to the economic landscape. Nonetheless with bouts of successive waves of the pandemic being experienced across the world, the road to recovery will be long. Therefore, the Board will continue to exercise prudence and will implement appropriate initiatives as the situation develops.

**By Order of the Board**  
**Cim Administrators Ltd**  
**Company Secretary**

**11 August 2021**

*The condensed financial statements of the Group ('Interim Report') are unaudited and have been prepared using the same accounting policies as the audited statements for the year ended 30 September 2020, except for the adoption of published Standards that are now effective.*

*This Interim Report is 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 Interim Report 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.*

**STATEMENT OF FINANCIAL POSITION**

|  | Unaudited<br>30 June |               | Audited<br>30 September |
|--|----------------------|---------------|-------------------------|
|  | 2021<br>MUR M        | 2020<br>MUR M | 2020<br>MUR M           |
| <b>ASSETS</b>  |                      |               |                         |
| Cash and bank balances                               | 443.6                | 563.4         | 460.7                   |
| Deposits with banks                                  | 509.2                | 507.2         | 510.2                   |
| Net investment in leases and other credit agreements | 8,091.0              | 8,796.6       | 8,374.1                 |
| Loans and advances                                   | 5,863.0              | 4,506.7       | 5,103.2                 |
| Investments in financial assets                      | 8.9                  | 8.9           | 28.9                    |
| Other assets   | 395.7                | 363.8         | 360.1                   |
| Inventories  | 1.6                  | 2.4           | 2.0                     |
| Investments in associates                            | 29.8                 | 28.0          | 24.9                    |
| Equipment  | 462.9                | 582.7         | 556.3                   |
| Right-of-use assets                                  | 173.1                | 192.2         | 189.3                   |
| Post employment benefits assets                      | 0.1                  | 0.7           | -                       |
| Deferred tax assets                                  | 222.8                | 89.7          | 188.8                   |
| Intangible assets                                    | 102.8                | 97.6          | 109.8                   |
| <b>Total Assets</b>                                  | <b>16,304.5</b>      | 15,739.9      | 15,908.3                |
| <b>LIABILITIES</b>                                   |                      |               |                         |
| Other borrowed funds                                 | 9,668.8              | 9,874.9       | 9,836.6                 |
| Other liabilities                                    | 1,618.7              | 1,316.8       | 1,372.0                 |
| Lease liabilities                                    | 189.9                | 211.3         | 209.3                   |
| Income tax liabilities                               | 177.5                | 47.7          | 115.6                   |
| Deferred tax liabilities                             | 3.2                  | 95.0          | 16.4                    |
| Post employment benefit liabilities                  | 158.8                | 1.3           | 158.9                   |
| <b>Total Liabilities</b>                             | <b>11,816.9</b>      | 11,547.0      | 11,708.8                |
| <b>EQUITY</b>  |                      |               |                         |
| Stated capital                                       | 680.5                | 680.5         | 680.5                   |
| Retained earnings                                    | 3,343.3              | 3,002.8       | 3,053.7                 |
| Other reserves                                       | 463.8                | 509.6         | 465.3                   |
| <b>Total Equity</b>                                  | <b>4,487.6</b>       | 4,192.9       | 4,199.5                 |
| <b>Total Equity and Liabilities</b>                  | <b>16,304.5</b>      | 15,739.9      | 15,908.3                |

**STATEMENT OF PROFIT OR LOSS**

|   | Unaudited<br>Quarter ended<br>30 June |               | Unaudited<br>9 months ended<br>30 June |               | Audited<br>Year ended<br>30 September |
|---|---------------------------------------|---------------|--|---------------|---------------------------------------|
|   | 2021<br>MUR M                         | 2020<br>MUR M | 2021<br>MUR M                          | 2020<br>MUR M | 2020<br>MUR M                         |
| Interest income                               | 491.5                                 | 430.4         | 1,411.4                                | 1,284.7       | 1,714.7                               |
| Interest expense                              | (94.0)                                | (108.6)       | (303.4)                                | (323.0)       | (431.4)                               |
| <b>Net interest income</b>                    | <b>397.5</b>                          | 321.8         | <b>1,108.0</b>                         | 961.7         | 1,283.3                               |
| Fee and commission income                     | 137.3                                 | 126.9         | 391.8                                  | 418.1         | 569.2                                 |
| Other operating income                        | 31.3                                  | 41.2          | 100.2                                  | 159.4         | 229.5                                 |
|   | <b>168.6</b>                          | 168.1         | <b>492.0</b>                           | 577.5         | 798.7                                 |
| <b>Net operating income</b>                   | <b>566.1</b>                          | 489.9         | <b>1,600.0</b>                         | 1,539.2       | 2,082.0                               |
| Operating expenses                            | (303.5)                               | (279.8)       | (893.2)                                | (899.7)       | (1,176.1)                             |
| <b>Operating profit before impairment</b>     | <b>262.6</b>                          | 210.1         | <b>706.8</b>                           | 639.5         | 905.9                                 |
| Allowance for credit impairment               | (124.9)                               | (168.7)       | (349.0)                                | (433.7)       | (652.6)                               |
| <b>Operating profit</b>                       | <b>137.7</b>                          | 41.4          | <b>357.8</b>                           | 205.8         | 253.3                                 |
| Foreign exchange gain                         | 2.0                                   | 0.4           | 3.7                                    | 0.9           | 0.9                                   |
| Net gain on derecognition of subsidiaries     | -                                     | -             | -                                      | -             | 13.5                                  |
| Net gain on share buy back of associate       | -                                     | -             | -                                      | -             | 6.2                                   |
| Share of results of associates                | 3.5                                   | (2.3)         | (0.7)                                  | (2.8)         | (5.7)                                 |
| <b>Profit before tax</b>                      | <b>143.2</b>                          | 39.5          | <b>360.8</b>                           | 203.9         | 268.2                                 |
| Income tax expense                            | (28.2)                                | (31.8)        | (71.2)                                 | (65.5)        | (77.4)                                |
| <b>Profit for the period/year</b>             | <b>115.0</b>                          | 7.7           | <b>289.6</b>                           | 138.4         | 190.8                                 |
| Basic and diluted earnings per share          | MUR 0.17                              | 0.01          | MUR 0.43                               | 0.20          | 0.28                                  |
| Dividends per share                           | MUR -                                 | -             | MUR -                                  | 0.16          | 0.16                                  |
| Number of ordinary shares used in calculation | 680,522,310                           | 680,522,310   | 680,522,310                            | 680,522,310   | 680,522,310                           |

### STATEMENT OF COMPREHENSIVE INCOME

|  | Unaudited<br>Quarter ended<br>30 June |              | Unaudited<br>9 months ended<br>30 June |              | Audited<br>Year ended<br>30 September<br>2020 |
|--|---------------------------------------|--------------|--|--------------|---|
|  | 2021                                  | 2020         | 2021                                   | 2020         | 2020  |
|  | MUR M                                 | MUR M        | MUR M                                  | MUR M        | MUR M   |
| Profit for the period/year   | 115.0                                 | 7.7          | 289.6                                  | 138.4        | 190.8   |
| <b>Other comprehensive income/ (loss)</b>                                |                                       |              |  |              |   |
| <b>Items that will not be reclassified to profit or loss</b>             |                                       |              |  |              |   |
| Remeasurement of post employment benefit, net of tax                     | -                                     | -            | -                                      | -            | (53.1)  |
| <b>Items that may be reclassified subsequently to profit or loss</b>     |                                       |              |  |              |   |
| Exchange difference on translation of foreign entities                   | (7.8)                                 | (2.8)        | (7.1)                                  | 3.5          | 11.1  |
| Movement in reserves of associates                                       | 2.7                                   | 1.0          | 5.6                                    | 1.3          | 2.9   |
| <b>Other comprehensive (loss)/income for the period/year, net of tax</b> | <b>(5.1)</b>                          | <b>(1.8)</b> | <b>(1.5)</b>                           | <b>4.8</b>   | <b>(39.1)</b>                                 |
| <b>Total comprehensive income for the period/year, net of tax</b>        | <b>109.9</b>                          | <b>5.9</b>   | <b>288.1</b>                           | <b>143.2</b> | <b>151.7</b>                                  |
| <b>Attributable to:</b>  |                                       |              |  |              |   |
| Owners of the parent   | 109.9                                 | 5.9          | 288.1                                  | 143.2        | 151.7   |

### STATEMENT OF CASH FLOWS

|  | Unaudited<br>9 months ended<br>30 June |           | Audited<br>Year ended<br>30 September<br>2020 |
|--|--|-----------|---|
|  | 2021                                   | 2020      | 2020  |
|  | MUR M                                  | MUR M     | MUR M   |
| Net cash flow generated from/ (used in) operating activities | 74.4                                   | (1,831.5) | (450.3)                                       |
| Net cash flow (used in)/generated from investing activities  | (19.0)                                 | 27.7      | (30.1)  |
| Net cash flow (used in)/generated from financing activities  | (187.2)                                | 1,844.7   | 512.7   |
| Net (decrease)/increase in cash and cash equivalents         | (131.8)                                | 40.9      | 32.3  |
| Cash and cash equivalents - opening                          | 460.7                                  | 428.0     | 428.0   |
| Effect of exchange rate changes on cash and cash equivalents | 7.0                                    | -         | 0.4   |
| Cash and cash equivalents - closing                          | 335.9                                  | 468.9     | 460.7   |

## SEGMENT ANALYSIS

|                   | Net Operating Income  |        |                        |         | Profit After Tax      |        |                        |        |
|-------------------|-----------------------|--------|------------------------|---------|-----------------------|--------|------------------------|--------|
|                   | Quarter ended 30 June |        | 9 months ended 30 June |         | Quarter ended 30 June |        | 9 months ended 30 June |        |
|                   | 2021                  | 2020   | 2021                   | 2020    | 2021                  | 2020   | 2021                   | 2020   |
|                   | MUR M                 | MUR M  | MUR M                  | MUR M   | MUR M                 | MUR M  | MUR M                  | MUR M  |
| Finance           | 544.2                 | 467.1  | 1,535.0                | 1,461.3 | 121.7                 | 26.0   | 315.1                  | 216.1  |
| Investments       | 40.5                  | 39.4   | 119.8                  | 212.0   | (6.7)                 | (18.3) | (25.5)                 | (77.7) |
| Group elimination | (18.6)                | (16.6) | (54.8)                 | (134.1) | -                     | -      | -                      | -      |
|                   | 566.1                 | 489.9  | 1,600.0                | 1,539.2 | 115.0                 | 7.7    | 289.6                  | 138.4  |

## STATEMENT OF CHANGES IN EQUITY

|   | Attributable to owners of the parent |                |                   |                |
|---|--------------------------------------|----------------|-------------------|----------------|
|   | Stated capital                       | Other reserves | Retained earnings | Total Equity   |
|   | MUR M                                | MUR M          | MUR M             | MUR M          |
| At 1 October 2020                         | 680.5                                | 465.3          | 3,053.7           | 4,199.5        |
| Profit for the period                     | -                                    | -              | 289.6             | 289.6          |
| Other comprehensive income for the period | -                                    | (1.5)          | -                 | (1.5)          |
| Total comprehensive income for the period | -                                    | (1.5)          | 289.6             | 288.1          |
| <b>At 30 June 2021</b>                    | <b>680.5</b>                         | <b>463.8</b>   | <b>3,343.3</b>    | <b>4,487.6</b> |
|   |                                      |                |                   |                |
|   | Attributable to owners of the parent |                |                   |                |
|   | Stated capital                       | Other reserves | Retained earnings | Total Equity   |
|   | MUR M                                | MUR M          | MUR M             | MUR M          |
| At 1 October 2019                         | 680.5                                | 511.3          | 2,983.7           | 4,175.5        |
| As previously stated                      | -                                    | -              | (10.4)            | (10.4)         |
| Impact of adopting IFRS 16                | 680.5                                | 511.3          | 2,973.3           | 4,165.1        |
| As restated                               | -                                    | -              | 138.4             | 138.4          |
| Profit for the period                     | -                                    | 4.8            | -                 | 4.8            |
| Other comprehensive income for the period | -                                    | 4.8            | 138.4             | 143.2          |
| Total comprehensive income for the period | -                                    | -              | (108.9)           | (108.9)        |
| Dividends                                 | -                                    | (6.5)          | -                 | (6.5)          |
| Disposal of investment in associates      | -                                    | (6.5)          | (108.9)           | (115.4)        |
| Total transactions with owners of parent  | -                                    | (6.5)          | (108.9)           | (115.4)        |
| At 30 June 2020                           | 680.5                                | 509.6          | 3,002.8           | 4,192.9        |