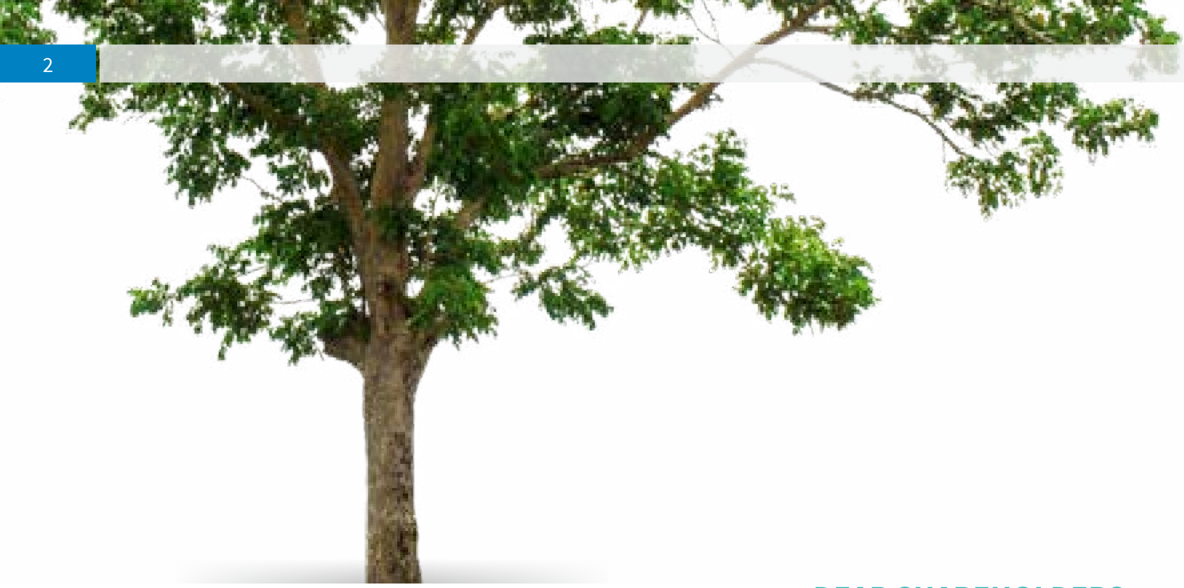
Cim finance
La vie avance

Building bridges
to brighter futures

Annual Report
2024



DEAR SHAREHOLDERS,

The Board of Directors is pleased to present the Annual Report of CIM Financial Services Ltd for the year ended 30 September 2024.

This report was approved by the Board on 16 December 2024.

Aïsha C. Timol

Independent Director & Chairperson

Tioumitra (Ambrish) Maharahaje

Executive Director & Group Chief Executive Officer

About this Report

Reporting Boundary and Scope

This annual report aims to offer a comprehensive and connected overview of CIM Financial Services Ltd's ('CFSL') performance covering the period 1 October 2023 to 30 September 2024. Any material events after this date, and up to the date of approval of this report, have also been included.

We report on the primary activities of CFSL and its subsidiaries, collectively referred to as 'Cim Finance' or 'the Group' throughout the report. Our report extends beyond financial information and also includes information about our business model, strategy, operational performances, risks and opportunities, stakeholder relationships and corporate governance practices to give stakeholders a more well-rounded view of how we create value.

Theme of this Report

Through life's defining moments – when it matters most – Cim Finance is there. From the smallest victories, to the greatest milestones, Cim Finance is there. We do not just provide solutions – we offer a lifeline; a steady hand to guide you. A way to overcome challenges, look beyond obstacles, and believe in the possibilities ahead. Suddenly, no ambition seems too bold, no aspiration too distant.

Everything we do works seamlessly together to support you at every stage of life. Each effort, each connection, comes together to form a greater whole – a system of trust and empowerment to help you take the next step forward. This foundation gives you the freedom to dream bigger, push further, and achieve what once felt out of reach. With the right partner, progress has no limits.

Reporting Principles

The preparation of this report is guided by several international and local frameworks, including:

- The International Financial Reporting Standards (IFRS)
- The International Integrated Reporting Council (IIRC)
- International <IR> Framework
- The National Code of Corporate Governance 2016
- The Mauritian Companies Act 2001
- The United Nations' Sustainable Development Goals (UN SDGs)

FINANCIAL CAPITAL

HUMAN CAPITAL

INTELLECTUAL CAPITAL

RELATIONSHIP CAPITAL

MANUFACTURED CAPITAL

SOCIAL & NATURAL CAPITAL

Forward-looking Statements

We aim to ensure that our report is meaningful to our readers and offers the material information that allows them to effectively assess Cim Finance's ability to sustain value over the short, medium and long term. However, it contains certain statements regarding the Group's performance, financial standing and future prospects based on the information available to us at the time of publication. These statements are inherently subject to risks and uncertainties that are beyond our control and do not guarantee future performance or outcomes. Investors and readers are advised to exercise caution and not place undue reliance on these projections.

Feedback and Comments

We are committed to improving our reporting practices and highly value your input in helping us better serve our stakeholders. We welcome any feedback and suggestions you may have and encourage you to share them with us at **communications@cim.mu.**

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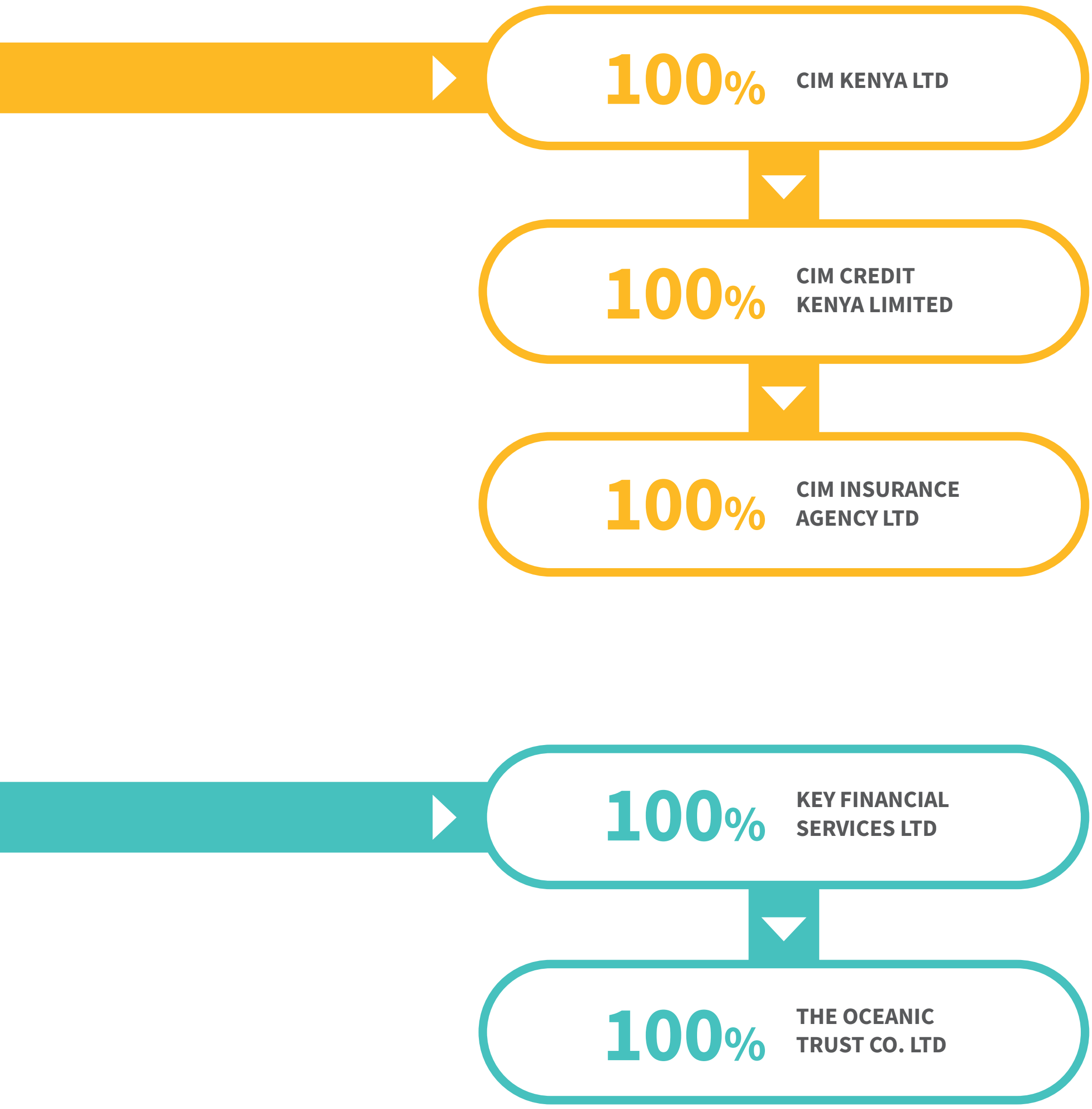
Group Structure

as at 30 September 2024

CIM Financial Services Ltd

100%	CIM INTERNATIONAL HOLDINGS LTD	100%	CIM CSR FUND LTD
100%	CIM ADMINISTRATORS LTD	40%	LI & FUNG (MAURITIUS) LTD
100%	CIM LEARNING CENTRE LTD	30.51%	FUNDKISS TECHNOLOGIES LIMITED
75%	LOINETTE CAPITAL LIMITED		

Note: Excluding dormant companies and companies under liquidation.


100% CIM KENYA LTD
100% CIM CREDIT KENYA LIMITED
100% CIM INSURANCE AGENCY LTD
100% KEY FINANCIAL SERVICES LTD
100% THE OCEANIC TRUST CO. LTD

Making life's moments simple,

effortless and enjoyable.

By making important purchases possible, we transform dreams into reality, easing life's complexities and creating space to celebrate successes and joys. With each step forward, confidence grows, making the journey ahead feel effortless.

Cim Finance At A Glance

276,000+ Clients

906 Permanent Employees

Male **27%**

Female **73%**

100+ Counters

9 Sub-Offices

700 Merchants

Our activities

- Consumer Finance
- Factoring
- Leasing
- Credit Cards
- POS Services
- SME Loans
- Ecommerce Service
- Insurance

Our Touchpoints

WhatsApp for Business

mofinans by Cim finance

noubiznes by Cim finance

mopay by Cim finance

Our Purpose-Driven Approach

We firmly believe that all Mauritians deserve a level playing field and the freedom to build a better future for themselves.

Driven by this purpose, Cim Finance develops innovative products and flexible financing solutions designed to meet the various needs of individual and corporate consumers and enhance their financial wellbeing.

Through our agile and customer-centred approach, we help households finance everyday purchases that improve their quality of life; we empower entrepreneurs to start, grow and sustain their businesses; we partner with SMEs so they can fulfil their role as powerful engines of growth and employment; and we strive to help underserved communities break free of their financial constraints. In rising to achieve our mission, we have established ourselves as a reliable alternative to traditional lenders and as the leading non-banking financial institution in the country.

OUR BRAND PILLARS

Our brand pillars guide us in all that we do and help us build authentic and trusting relationships with our employees, customers, partners and community members.

LEADING EDGE

We remain at the forefront of a fast-changing world by harnessing digital technologies and nurturing a growth mindset that values continuous learning and improvement above all.

CARING

We care about building a world in which everyone has access to the things they need. We vow to be warm, transparent and supportive as we guide you on your path to financial freedom.

CONNECTED

We operate as one team, one Cim, as we strive to help you meet your financial obligations. We break down the silos and bring together our various teams, areas of expertise and ideas so we can focus on offering you the best solution and the best experience.

AGILE

We understand that your financial needs are constantly changing. As your trusted financial partner, we adapt our solutions to your unique circumstances and grant you greater flexibility and freedom over your spending.

Our Milestones

1987
Introduction of Hire Purchase/
Retail Credit activities

1996
One of the pioneering
Non-Banking Financial
Institutions (NBFI)

2004
Launch of
Recourse Factoring

2005
The first NBFI
in sub-Saharan Africa to
receive the MasterCard
accreditation

2006
Launch of Non-Recourse
Factoring

2016
Launch of Cim Fidelity Card
(MoKart)

FIDELITY

2018
Launch of Travel Loan
(Cim Voyage)

2019
Launch of
International Factoring

2020
Launch of MoFinans
and Web Portal

2008
Launch of Credit Cards & Acquiring activities for Mastercard

2010
Started Debit & Credit Card Acquiring activities for VISA

2011
Launch of VISA Credit Cards: Classic, Gold & Business

2014
Launch of UPI

2015
Launch of Personal Loans (Cim MoCrédit)

2021
Launch of WhatsApp for Business

2022
- Launch of Green Lease
- Investment in Fundkiss
- Launch of Green Funding Programme
- Acquisition of Tsusho Capital (Mauritius) Limited

2023
New Investment in Loinette Capital Limited

2024
Reached the MUR 1bn profit mark

Value Creation Model

CAPITAL INPUTS

FINANCIAL CAPITAL

Strategic management of shareholders' equity and debt, and disciplined financial management to drive growth, maintain financial stability and generate dividends.

HUMAN CAPITAL

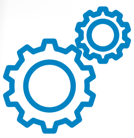
The collective know-how, skills and knowledge of our 1,000+ employees, through continuous investments in training, development and wellbeing.

INTELLECTUAL CAPITAL

Our proprietary processes and scorecard, mobile apps, innovation capacity and relationships that lend us a competitive advantage.

RELATIONSHIP CAPITAL

Mutually beneficial relationships with our partners, network of merchants, suppliers and customers, rooted in trust and respect.



MANUFACTURED CAPITAL

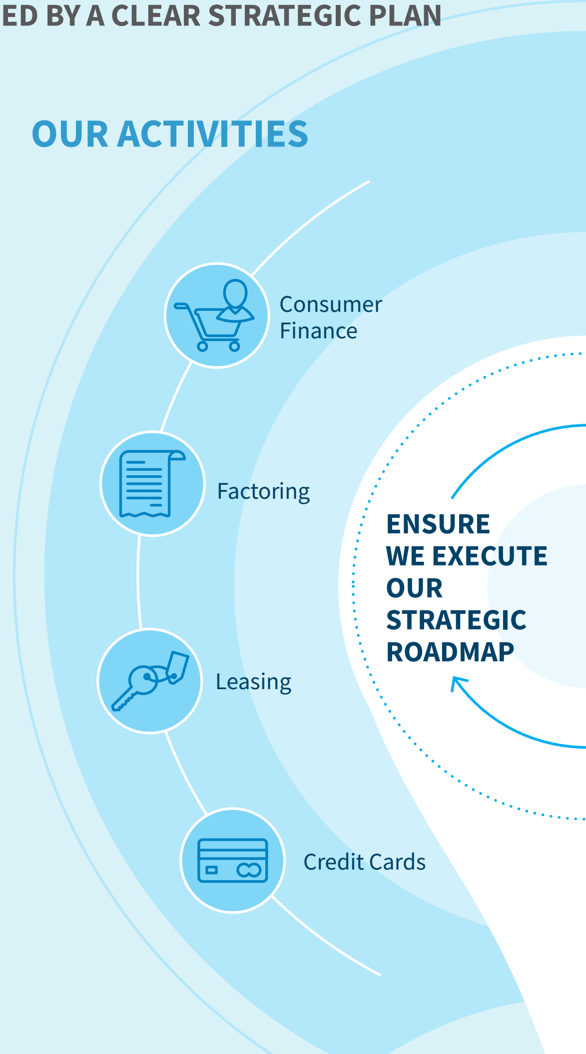
Our portfolio of assets, including our network of counters and buildings, increasingly moving towards Leadership in Energy and Environmental Design (LEED) standards.

SOCIAL & NATURAL CAPITAL

Strong relationships with community members and NGOs, the responsible use of resources and integration of sustainable practices to minimise our carbon emissions and contribute positively to society.

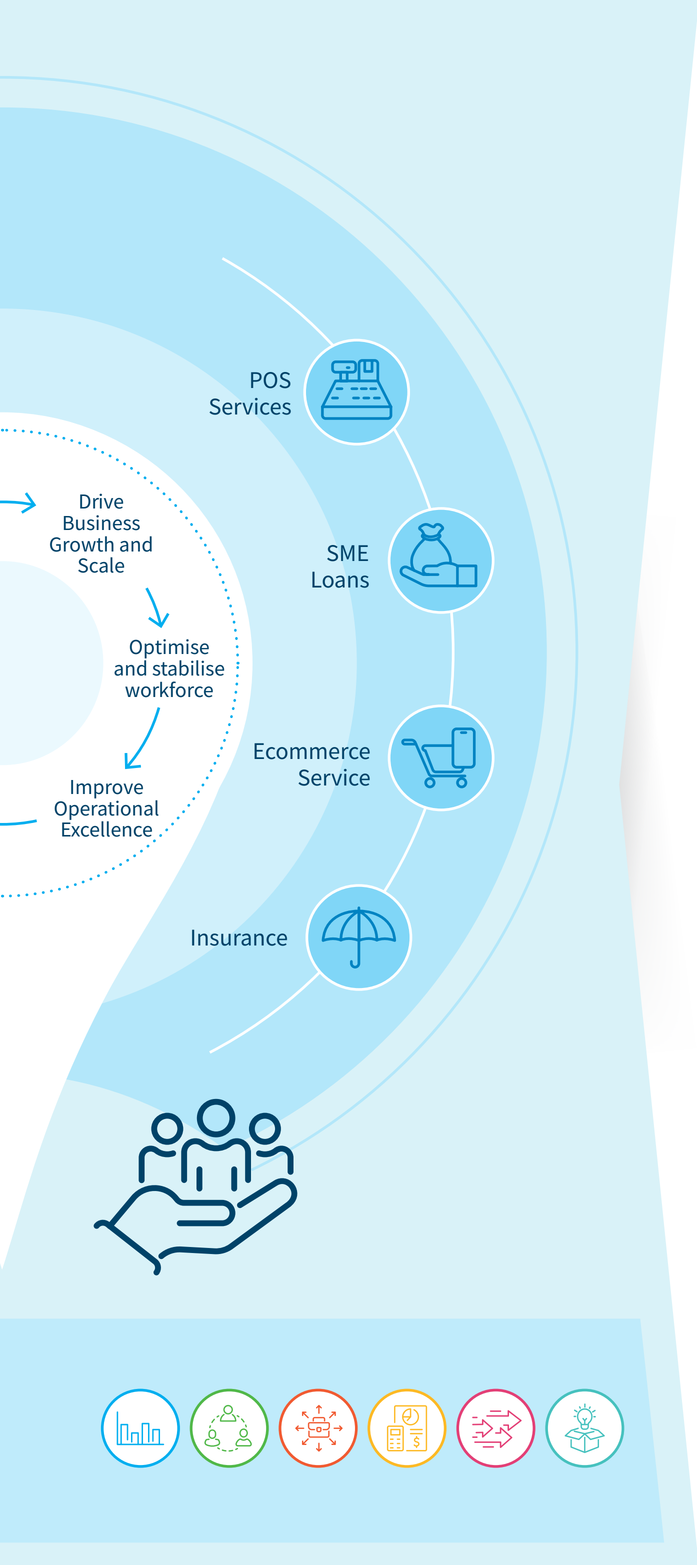
OUR DIVERSIFIED ACTIVITIES ARE GUIDED BY A CLEAR STRATEGIC PLAN

OUR ACTIVITIES



UNDERPINNED BY SOUND GOVERNANCE AND RISK MANAGEMENT PRACTICES

To deliver on our purpose of levelling the playing field for all Mauritians, ensuring they have the freedom to build a better future for themselves.



OUTPUTS AND OUTCOMES

FINANCIAL CAPITAL

- Increased turnover and highest profit after tax recorded in spite of volatile macroeconomic environment.
- Increased dividends distributed.

HUMAN CAPITAL

- Collaborative and high-performing teams.
- Engaged and productive employees.
- A work culture that valorises diversity, equity and inclusion.

INTELLECTUAL CAPITAL

- Streamlined processes and operations.
- Highest payment acquirer in Mauritius on Instant Payment System (IPS).
- Omnichannel solutions/services
- Customer satisfaction.
- Well-known brand and strong reputation.

RELATIONSHIP CAPITAL

- Growth in SME businesses, driven by personalised service, Noubiznes network and the newly introduced Booster Programme.
- Long-term supplier and partner relationships.

MANUFACTURED CAPITAL

- Cost and energy savings through the pursuit of Leadership in Energy and Environmental Design (LEED) certification.
- Well-maintained and increasingly green buildings.

SOCIAL & NATURAL CAPITAL

- A leading group in sustainable finance through the Green Bond and responsible lending practices.
- Reduction in energy, water and waste consumption.
- A caring partner to NGOs and communities, with targeted plans for positive impact.

What We Do

OUR SERVICES

	Consumer Finance	Factoring	Leasing	Credit Cards
ACTIVITY	Consumer Finance	Factoring	Leasing	Credit Cards
DESCRIPTION	Flexible financing solution to help individuals break down the cost of their purchases (consumer goods, electronics, and other household necessities) into convenient monthly instalments, tailored to their needs.	A solution that helps businesses manage their cash flow and improve their working capital by converting their outstanding invoices (or accounts receivable) into immediate cash.	An affordable solution allowing individuals and businesses to acquire vehicles or equipment through periodic instalments, without large upfront costs.	Credit cards offer individuals and businesses with the flexibility to manage their expenses, allowing for easier payment tracking, access to short-term credit and improved maintenance of their cash flow.
STRENGTHS	• Access to 700+ approved partners across Mauritius, with 9 sub-offices. • Streamlined application process.	• Multi-sector financing solution, supporting a wide range of industries, including manufacturing, trading, services, and advertising. • Export factoring capabilities. • Real-time client portal.	• In-house presence at partners to accelerate the process. • A Green Lease was designed to support the purchase of environmentally friendly vehicles/ equipment.	• Integration with other payment systems, allowing customers seamless access to their funds. • Exclusive rewards and loyalty programmes, including a 1% cashback initiative.

POS Service

Our Point of Sale (POS) terminals make it easy for merchants/ service providers to accept card payments at their physical location, enhancing customer convenience and streamlining business transactions.

- Fast and secure way to authorise transactions, with merchant bank accounts credited directly to banks.
- Dynamic QR Codes are integrated in traditional POS machines, enabling transactions from other bank apps, with merchants receiving real-time confirmation.

SME Loans

Tailored financial solutions specifically designed for small and medium enterprises, providing funding for their expansion, upgrade of equipment or even day-to-day operations.

- Access to resources, mentoring and networking opportunities through Noubiznes.

Ecommerce Service

Online payment gateway that seamlessly integrates with online retail platforms, offering secure digital transactions for customers, and tools for merchants to monitor their online sales in real time.

- A dedicated team of professionals to support customers.
- Strong data protection and compliance with global security standards.

Insurance

Tailored insurance offering financial protection to individuals against unforeseen events or liabilities.

- Partnering with trusted insurance companies to offer protection on credit purchases and motor insurance through Cim Finance.

Stakeholder Engagement

SHAREHOLDERS

We aim to create and deliver long-term value for our shareholders and investors, who provide the essential capital needed for our growth and enduring success.

How we engage

- Annual report
- Annual Meeting of Shareholders (AMS)
- Investors' briefings
- Press communiqués
- 'Investors corner' section on the Group website
- Quarterly unaudited financial statements

Their needs and expectations

- Sustained profitability
- Dividends distribution and sustainable shareholder value
- Compliance with relevant laws and regulations
- Strong governance and risk management practices
- A competent Board and leadership team
- Environmental and social responsibility

Our response

- Timely and transparent communication on the Company's financial position
- Adherence to laws and regulations
- Strong internal controls
- Improved ESG communication and disclosures
- A diverse Board and executive team with relevant capabilities
- Establishment of an ESG sub-committee

ESG Report ***page 62*** | *Corporate Governance Report* ***page 94*** | *Financial Statements* ***page 116***

EMPLOYEES

Our people are the backbone of our business, driving innovation, customer satisfaction and efficiency.

How we engage

- Internal communication and task management platform
- Townhall meetings
- Workshops and training sessions
- Ad hoc meetings and gatherings
- Team-building events
- Internal newsletter
- Annual employee engagement survey
- Performance reviews

Their needs and expectations

- Fair remuneration
- A safe and supportive work environment
- Career advancement opportunities
- Learning and development
- A fulfilling job
- Rewards and recognition
- Ethical leadership

Our response

- Market-aligned compensation and benefits
- Continuous investments in training and development for skill enhancement at all levels
- A holistic wellbeing programme
- Flexible work arrangements, where applicable
- Emphasis on Diversity, Equity and Inclusion (DEI)
- Annual Moment of Recognition programme

Human Capital Report ***page 53***

CLIENTS AND CUSTOMERS

(Individuals, SMEs and Corporations)

Clients drive our revenue and growth. Their feedback shapes our products, services and strategies, helping us maintain our competitiveness.

How we engage

- Customer surveys
- Focus groups
- Group website and social media platforms
- Press communiqués
- Email and the mobile App
- Call centres and customer hotlines
- Roadshows

Their needs and expectations

- Easy access to financial services and facilities
- Quick and transparent processing
- A positive customer experience and personalised service
- Prompt resolution of complaints
- Trust
- Data privacy
- Environmental and social responsibility

Our response

- Omnichannel delivery of services (digital channels and in-branch interactions)
- Flexible financing solutions, tailored to customer needs
- Continuous review of products/solutions to reflect evolving needs
- Investments in technology to streamline processing and approval times
- Emphasis on data security and privacy
- A Green Bond to finance sustainable projects

Business Review ***page 48*** | *ESG Report* ***page 62***

REGULATORS AND THE GOVERNMENT

Regulators provide the frameworks and standards within which we operate. Compliance is crucial to maintain a sustainable business and foster trust.

How we engage

- Annual report
- Annual Meeting of Shareholders (AMS)
- Investors' briefings
- Press communiqués
- 'Investors corner' section on the Group website
- Quarterly unaudited financial statements
- Meetings

Their needs and expectations

- Sustained profitability
- Dividends distribution and sustainable shareholder value
- A clear growth strategy
- Compliance with relevant laws and regulations
- A diverse and competent Board and leadership team
- Environmental and social contributions that align with national goals

Our response

- Frequent updates on the Company's financial position
- Adherence to laws and regulations
- Improved ESG communication and disclosures
- Appointment of new independent Directors with relevant skill sets
- Establishment of an ESG sub-committee
- Listing of green bonds on the SEM

ESG Report ***page 62*** | *Corporate Governance Report* ***page 94*** | *Financial Statements* ***page 116***

Stakeholder Engagement (continued)

SUPPLIERS

Our key partners that contribute to efficiency and reliability in providing services, allowing Cim Finance to deliver value to its customers.

How we engage

» Ongoing meetings, calls, and emails to ensure alignment on expectations, timelines, and quality standards.
» Periodic assessments of supplier performance, quality, and compliance.
» Clear and transparent negotiations for mutually beneficial terms and conditions.
» Opportunities for feedback on processes, quality, and collaboration.

Their needs and expectations

- Fair payment terms
- Consistent demand
- Reliable partnerships
- Transparent procurement and tender processes
- Responsible business conduct
- Transparency on requirements, timelines, and potential challenges

Our response

- Clear communication regarding procurement needs
- Timely payments
- Encouragement of sustainable practices in supply chain management
- Regular updates and clear communication on orders, timelines, and changes
- Providing fair, transparent, and mutually beneficial contract negotiations
- Ensuring suppliers understand and meet regulatory and quality standards

SOCIETY AT LARGE

Society forms the broader environment in which Cim Finance operates. The wellbeing of our community contributes to a stable country and business ecosystem.

How we engage

» Press communiqués
» Social media platforms
» Website
» Volunteering and active involvement in CSR activities
» Events
» Collaborating with NGOs and other social organisations to address societal challenges
» ACE graduate programme and the Capability Academy
» Participation in external events

Their needs and expectations

- Community support
- Financial inclusion
- Job creation
- Responsible and ethical business conduct
- Environmental stewardship

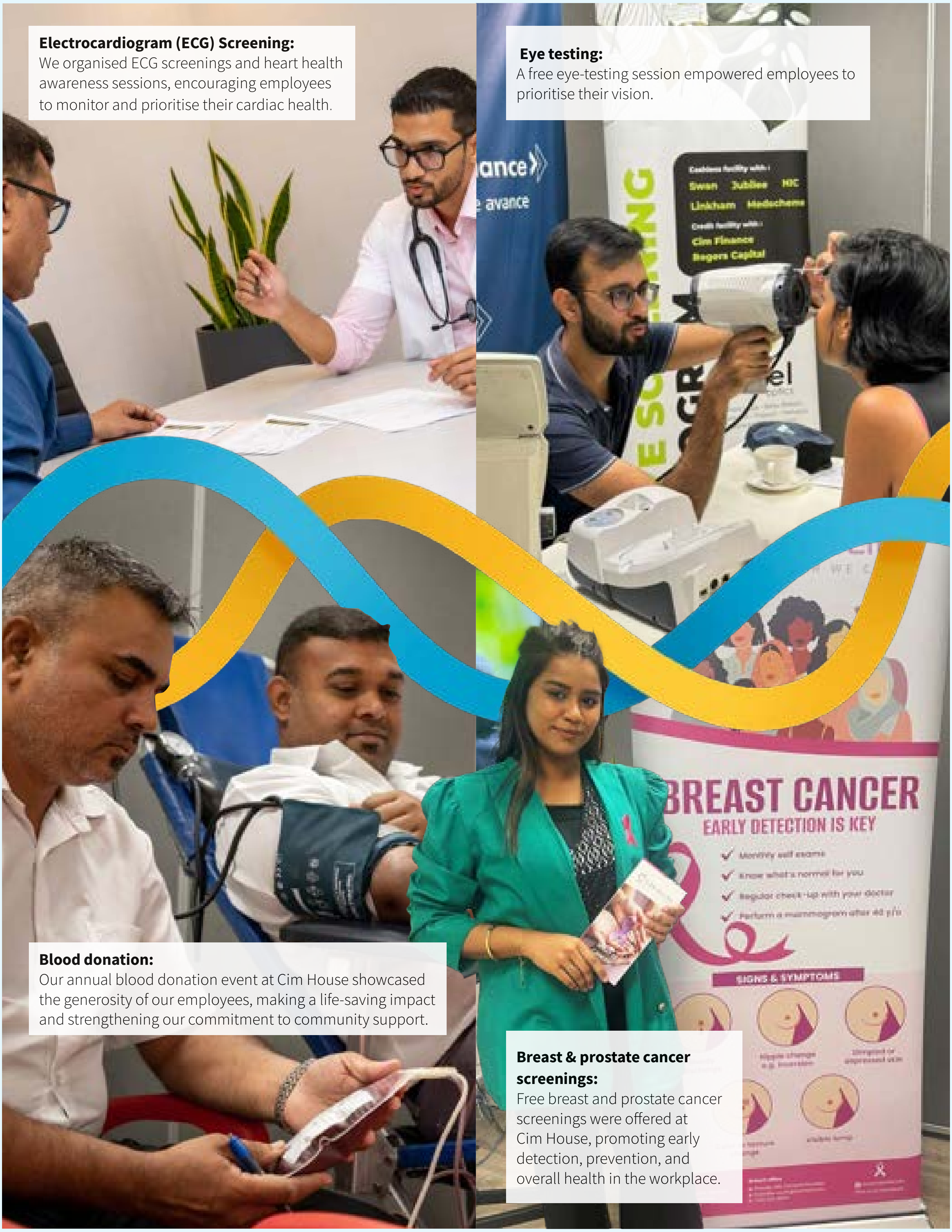
Our response

- Continuous investments and engagement in CSR activities, focusing on education, financial literacy and environmental projects
- Close collaboration with NGOs
- Tailored financial products that cater to underserved communities
- Community-building and empowerment (Cité CIM)

*Human Capital Report **page 53** | ESG Report **page 62** | Corporate Governance Report **page 94***

Wellness Activities of the Year

Prioritising health and wellbeing at work



Electrocardiogram (ECG) Screening:
We organised ECG screenings and heart health awareness sessions, encouraging employees to monitor and prioritise their cardiac health.

Eye testing:
A free eye-testing session empowered employees to prioritise their vision.

Blood donation:
Our annual blood donation event at Cim House showcased the generosity of our employees, making a life-saving impact and strengthening our commitment to community support.

Breast & prostate cancer screenings:
Free breast and prostate cancer screenings were offered at Cim House, promoting early detection, prevention, and overall health in the workplace.

Financial Highlights
as at 30 September 2024

NET OPERATING INCOME

14 %

TO REACH MUR 3,333.1m
(2023: MUR 2,915.6m)

GROUP PROFIT AFTER TAX

15 %

TO REACH MUR 1,107m
(2023: MUR 961m)

NET ASSET VALUE PER SHARE

MUR 9.30

(2023: MUR 8.23)

TOTAL ASSETS

19 %

TO REACH MUR 25,623m
(2023: MUR 21,583m)

RETURN ON EQUITY

18.5 %

(2023: 18.2%)

DIVIDEND PER SHARE

MUR 0.59

(2023: MUR 0.42)

EARNINGS PER SHARE

MUR 1.62

(2023: MUR 1.41)

SHARE PRICE

MUR 11.90

(2023: MUR 11.00)

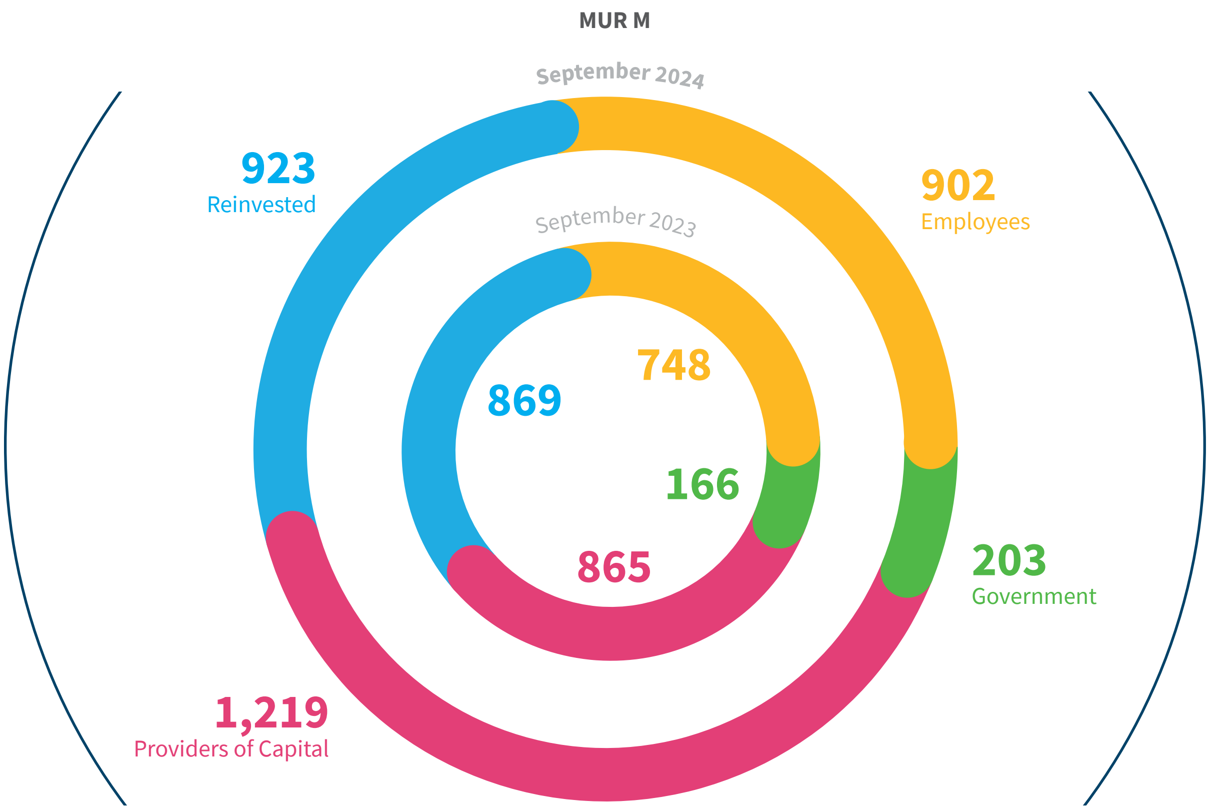
DIVIDEND YIELD

5.0 %

(2023: 3.8%)

Consolidated Value Added Statement

	GROUP			
	September 2024		September 2023	
	MUR m	%	MUR m	%
Value Added Statement				
Income	**3,333**		**2,916**	
Bought-in materials & services	**(86)**		**(268)**	
Total value added	**3,247**		**2,648**	
Applied as follows:				
EMPLOYEES				
Wages, salaries, bonuses, pensions & other benefits	**902**	28	**748**	28
GOVERNMENT				
Income Tax	**203**	6	**166**	6
PROVIDERS OF CAPITAL				
Dividends paid to Shareholders of CIM Financial Services Ltd	**402**	12	**286**	11
Interest expense paid to Banks and Lenders	**817**	25	**579**	22
	1,219	37	**865**	33
REINVESTED				
Depreciation	**171**	5	**158**	6
Amortisation	**46**	1	**36**	1
Retained Profit	**706**	23	**675**	26
	923	29	**869**	33
	3,247	100	**2,648**	100



Interview with the Chairperson

Aïsha C. Timol

Independent Director & Chairperson

What were the key performance highlights for Cim Finance over the past year?

This year has been a milestone in Cim Finance's journey, defined by reaching the MUR 1bn profit mark – a symbol of our collective efforts and strategic direction. Despite the challenges of previous years, our traditional businesses in consumer finance and leasing have continued to deliver strong results, reaffirming our role as a partner of choice for businesses and individuals. This achievement has also reinforced a sense of pride and shared accomplishment among our teams, inspiring us to push further in driving financial inclusion and supporting economic progress.

Cim Finance recently experienced a leadership transition. Could you provide some insight into how the company is navigating this change?

Our leadership transition reflects the stability and continuity valued at Cim Finance, with Ambrish Maharahaje, a trusted in-house leader, stepping into the role of Group CEO in April 2024. Having served as Group Chief Operating Officer since 2019, Ambrish has been a key figure in strengthening the foundations of our business. His appointment reflects our confidence in homegrown leadership, ensuring the continuation of a strategy carefully built over the years. On behalf of the Board, I congratulate Ambrish on this well-deserved appointment and look forward to the progress we will achieve together under his leadership.

How do you view the evolution of the financial services industry?

Rapid advancements in technology, a competitive labour market, and rising sustainability imperatives are guiding the evolution of the financial services industry, requiring agility and continuous innovation. Cim Finance is well-geared to navigate these shifts, both financially and operationally. We have been proactive in advancing our digital strategy, embedding responsible practices in our operations, and fostering an environment that motivates and retains talent.

How is Cim Finance positioned to adapt to this landscape?

Our governance framework, designed to be dynamic and future-ready, has been strengthened significantly to support these IT- and people-related risks and transformations. This year, we appointed Mrs Jenny Chan to the Board, bringing valuable IT expertise to strengthen our digital backbone. We also formed an IT & Digitalisation Committee to ensure proactive and effective technology integration. Complementing these efforts, we further consolidated the leadership team in key areas such as Human Resources and Sustainability by bringing in seasoned professionals to drive progress.

The diversity of our Board of Directors, and their eagerness to deepen their understanding of complex issues, further strengthens our ability to approach issues with a broad and informed perspective. This year, training on key topics such as cybersecurity, sustainability, and AML/CFT was a priority, ensuring all Board members have the necessary skills and controls to address emerging challenges.

The recent acquisition of Loinette has opened up prospects for growth in East, Southern, and West Africa, particularly in leasing. While expansion in this region presents its own complexities, we believe it is an avenue worth exploring with experienced teams in place and carefully aligned partnerships. While our operations in Kenya have encountered some challenges, we are still refining our approach and drawing on our learnings to find the right path forward.

These past years have been uncertain, but we have remained steadfast in our commitment to delivering shareholder value, as evidenced in the increased dividends distributed this year. Looking ahead, we will continue to do everything in our remit to ensure our shareholders see meaningful returns on their trust.

You mentioned that the financial services sector is facing labour challenges, likely to intensify in the year ahead. How is Cim Finance addressing this?

The labour market is indeed increasingly challenging, with rising costs, talent shortages and heightened competition for skilled professionals – particularly acute in the financial services sector. At Cim Finance, our caring approach underpins everything we do, ensuring we prioritise the needs and aspirations of our workforce. In addition to the many engagement and retention initiatives outlined in the Human Capital Report (page 53), we extended the Employee Share Options Scheme (ESOS) to include senior managers, determined to recognise the contributions of our teams and nurture a culture where our people feel valued and fulfilled. In line with our 'Phygital' strategy, we are also increasingly adopting digital technologies to streamline operations, enhance productivity, and fill workforce gaps.

How is Cim Finance driving social impact and advancing its environmental agenda?

Sustainability and inclusivity are central to our mission and business model. Cim Finance's business is deeply rooted in the Mauritian economy, with a strong focus on retail and SME financing to serve the needs of the mass market. This focus reflects who we are – a business born to serve people, facilitating their progress at key stages of their life, from purchasing their first car to starting a business, or even supporting life's unexpected expenses. We have expanded our support to SMEs through Fundkiss and Noubiznes, providing entrepreneurs with resources and opportunities to scale.

Housing and education remain key focus areas in our community-driven activities. Our Cité CIM project has already helped numerous families by providing safe and stable housing, allowing them to take an active role in shaping their futures. Additionally, inspired by our work with Ecole Renganaden Seeneevassen, we are initiating an education-focused project in Rodrigues to empower the youth in underserved communities to create better opportunities for themselves.

The past year also marked genuine progress toward elevating sustainability as a central priority. A dedicated ESG sub-committee, chaired by a Board member, was established to ensure alignment between policies and their practical implementation. Our green bond, an industry first, has been highly successful, driving demand for green loans and sustainable products, and paving the way for further impact in sustainable finance.

What are Cim Finance's prospects looking ahead?

The year ahead is filled with opportunities to strengthen Cim Finance's position. Building on solid foundations in consumer finance and leasing, we are now focused on consolidating our operations in Mauritius, leveraging the acquisition of Loinette, and expanding our footprint across the region.

I would like to express my deepest appreciation to our shareholders for their continued confidence, to our Board of Directors for their steadfast guidance, and to our team members for their dedication in navigating a pivotal year.

With our growing engagement in ESG principles, and with continued support from all our stakeholders, we are committed to supporting the broader economic development of the country and the region, striving to make financial growth as accessible as possible, and remaining a positive force for the society we represent.

Board of Directors

Aïsha C. Timol – G.O.S.K

INDEPENDENT DIRECTOR AND CHAIRPERSON

Committees

Member of the Corporate Governance and Conduct Review Committee and of the Board Investment Committee.

Experience

Aïsha C. Timol holds various academic qualifications, notably from the University of St Andrews in Scotland, Université d'Aix Marseille in France, and the Institute of Social Studies of The Hague, Netherlands. Before her appointment in her current role as Independent Director and Chairperson of CFSL in July 2020, she led Cim Finance Ltd (CFL) as Chairperson from April 2018 until its amalgamation into CFSL in October 2020.

Aïsha has over four decades of experience spanning the public sector, private industry, and academia. In the public sector, she held directorial roles at the Ministry of Finance and Ministry of Financial Services, providing her with a strong foundation and experience in economic and financial management and governance. She also contributed to the private sector as the CEO of the Mauritius Bankers Association, and to academia as a Senior Lecturer at the University of Mauritius.

Today, Aïsha continues her involvement in governance and board matters, serving as a fellow member and consultant with the Mauritius Institute of Directors, and holding board positions with domestic and international entities.

Expertise

Corporate Governance and Compliance (private and public sectors), Strategic Leadership, Banking and Financial Services, Economic and Budgetary Policies, Academia and Education.

Directorship in other listed companies: CIEL Limited

Ambrish Maharahaje

GROUP CEO AND EXECUTIVE DIRECTOR

Committees

Member of the Risk Management Committee, Member of the Corporate Governance and Conduct Review Committee, Member of the ESG sub-committee, Member of the IT & Digitalisation Committee and Member of the Board Investment Committee.

Experience

Ambrish Maharahaje was appointed as Group CEO and Executive Director of CFSL in April 2024, following his tenure as Interim Group CEO from January 2024. He has served as Chief Operating Officer of the Group since December 2019, contributing significantly to the operational efficiency of the Group.

A seasoned executive with a career spanning over 20 years, Ambrish brings a wealth of leadership expertise to the Group. Prior to joining Cim Group, Ambrish held prominent roles including Corporate Manager for Legal Compliance at Rogers and Company Limited and Executive Secretary at the Mauritius Institute of Directors. These positions equipped him with a diverse set of skill sets that have shaped his strategic vision for CFSL, enabling him to effectively guide the Group forward. Ambrish holds a BSc in Management from the University of Mauritius and is an Associate of The Chartered Governance Institute, further underscoring his commitment to effective governance practices.

Expertise

Strategic and Operational Leadership, Corporate Governance, Risk Management, Compliance, Legal Advisory, Operational Efficiency.

Directorship in other listed companies: None

Jenny (Lee Min) Chan Ah Song

INDEPENDENT DIRECTOR

Committees

Member of the Risk Management Committee, Member of the Corporate Governance and Conduct Review Committee, and Member of the IT & Digitalisation Committee.

Experience

Jenny Chan Ah Song currently serves as the Managing Director of Astek Mauritius, specialising in digital services and transformation. She is also the President of OTAM, an association for businesses in the ICT/BPO industry. She holds a BCom in Business Information Systems from the University of the Witwatersrand, South Africa, and several professional certifications.

Jenny brings over 30 years of experience in the IT industry. She began her professional journey with a four-year tenure in South Africa before returning to Mauritius to further establish herself in the ICT field. Over her career, she has worked across multiple sectors, including Textiles, Manufacturing, Insurance, Logistics and ICT/BPO, bringing invaluable contributions to the Mauritian ICT landscape.

Expertise

Strategic Leadership, IT and Digital Transformation, Process and Change Management, Talent and Organisational Management, Governance.

Directorship in other listed companies: None

Louis Amédée Darga

NON-EXECUTIVE DIRECTOR

Committees

Chairperson of the IT & Digitalisation Committee, Member of the Audit and Compliance Committee, and Member of the Board Investment Committee.

Experience

Louis Amédée Darga has a long and rich career combining public sector management experience, private sector involvement, and business experience, as well as academic and applied political economy research. He is a Fellow of the Royal Society of Arts (FRSA) U.K. and the Chairperson of the Mauritius Africa Business Club. He is also the Managing Partner of StraConsult, a management and economic development consulting firm, and the National Partner of Afrobarometer for Mauritius.

Amédée served as the Chairperson of Enterprise Mauritius until December 2014. Additionally, he is an Honorary Fellow of the Institute of Engineers in Mauritius and a Fellow of the Mauritius Institute of Directors. A former member of parliament and Minister in Mauritius, he also served as the Mayor of Curepipe.

He has been an active member of the African Association of Political Science since 1977, and is a former executive member. From 2005 to 2011, he served as a Member of the Bureau of the Committee on Human Development and Civil Society of the U.N. Economic Commission for Africa.

Expertise

Strategic Economic Development, Political Economy, African Affairs, Economic and Public Governance, Public Policy.

Directorship in other listed companies: None

Board of Directors (continued)

Denis Motet

INDEPENDENT DIRECTOR

Committees

Chairperson of the Risk Management Committee, Member of the Audit and Compliance Committee, and Member of the IT & Digitalisation Committee.

Experience

Denis Motet was appointed as an Independent Director of CFSL in July 2020. Prior to that, he held the position of Chairperson of the Risk Management Committee of Cim Finance Ltd, a wholly owned subsidiary of CFSL, for two years until its amalgamation with and into CFSL on 1 October 2020.

Before his early retirement in 2015, Denis held the role of Chief Risk Officer of The Mauritius Commercial Bank Ltd, overseeing Credit Management, Credit Risk, Information Risk Management, Market Risk, Operational Risk, and Security & Recovery. Prior to this, he worked in various divisions within the MCB Group, including in International, Corporate and Credit Risk, as well as in its overseas subsidiaries in Mozambique and Seychelles.

Denis holds a 'BTS Action Commerciale' and a 'Diplôme d'Enseignement Supérieur Commercial Administratif et Financier'.

Expertise

Risk Management, Credit Risk, Financial Services, Corporate Governance, Operational Risk, International Banking, Strategic Risk Analysis, and Regulatory Compliance.

Directorship in other listed companies: None

Fareed Jaunbocus

INDEPENDENT DIRECTOR

Committees

Chairperson of the Audit and Compliance Committee, Member of the Risk Management Committee, and Member of the IT & Digitalisation Committee.

Experience

Fareed Jaunbocus is the CEO of Strategos Co. Ltd, a leading management consulting firm with over 31 years of experience in the field. He has been a partner at DCDM/Arthur Andersen/BDO for 31 years, heading Strategic Consulting services.

Fareed has a unique width of experience in consulting assignments, and in capacity-building, and a recognised track record of high delivery. His consulting experience spans more than fifty countries, working with blue-chip companies and top CEOs in Mauritius and globally. He has been the Engagement Partner and Lead Consultant on numerous strategic consulting projects at DCDM/BDO up to July 2017. He is also a specialist in structured and strategic thinking, having carried out more than a thousand stakeholder assignments for leading organisations, both locally and overseas. He adheres to the highest standards of professional excellence and ensures a positive memorable experience for his clients. In addition to his consulting career, Fareed has also served as a part-time lecturer for ACCA and MBA students.

Fareed has been a regular spokesperson in international conferences. A skilled facilitator, he has also been a resource person in different international teams from the USA and also for International Organisations like WORLD BANK, UNDP among others. He also serves as Board Director and has been a Director on the United Nations Advisory Board in New York as well some public bodies.

Fareed has earned numerous awards, including the Africa Most Respected CEO Award in Management Consultancy in July 2022, and the Global Respected CEOs in Management Consulting in Singapore in 2023.

Expertise

Strategic Planning, Strategic Thinking, Climate Change, Renewable Energy, Effective Brainstorming, Organisational Review and Restructuring, Family Business Consulting, Implementation of Balanced Scorecard, Change Management, Team Building and 360 degree Analysis, Facilitation Services, Customer Service Excellence, Risk Management, Coaching and Capacity Building amongst others.

Directorship in other listed companies: None

David Somen

NON-EXECUTIVE DIRECTOR

Committees

Chairperson of the Corporate Governance and Conduct Review Committee.

Experience

David Somen holds a Law Degree from Oxford University and an MBA from Harvard Business School.

He is the co-founder and Managing Director of Virtual IT Limited, a UK-based IT managed services and security provider. He also co-founded and serves as Chairperson of Eldama Technologies Limited, one of Kenya's leading cloud and IT services providers. Additionally, David is the co-founder and director of Serenity Spa, Kenya's leading spa and wellness organisation, and the co-founder and Chairman of Jani Beauty, a manufacturer of African-sourced sustainable body and facial products.

Prior to his work with Eldama and Virtual IT, David was the co-founder and Executive Deputy Chairperson of AccessKenya Group, Kenya's leading corporate Internet Services Provider, which was later listed on the Nairobi Stock Exchange and sold to Dimension Data Group. He was also the co-founder and CEO of the LCR Telecom Group, which was sold to NASDAQ-listed PRIMUS Telecommunications.

David has several years of experience working for McKinsey & Co in London and Hong Kong. He currently serves on the board of Enasoit Ranch and is a trustee of May Measurement Month, an international hypertension charity. David is currently the Chairperson of Cim Credit Kenya Ltd (Aspira), Cim Finance's Kenyan financial services business.

Expertise

Strategy, Finance, Financial Services, Fintech, Technology, Governance, Africa/Emerging Markets, Family Businesses.

Directorship in other listed companies: None

Sharona Ramdoss

INDEPENDENT DIRECTOR

Committees

Chairperson of the ESG sub-committee, Member of the Audit and Compliance Committee and Member of the Board Investment Committee.

Experience

Sharona Ramdoss is a CFA Charterholder with a master's degree in economics & management from the University of Science and Technology of Lille and a master's degree in International Financial Analysis from École Supérieure des Affaires de Lille.

Sharona is the co-founder of Adaptiv Global Partners, a boutique advisory firm. She has previously served as a director on the boards of Ascencia and private equity firms.

Sharona volunteers with Les Restos du Coeur in Paris.

Expertise

Strategy, Financial Analysis, ESG, Project Management, People Management and Communication.

Directorship in other listed companies: None

Board of Directors (continued)

Colin Taylor

NON-EXECUTIVE DIRECTOR

Committees

Member of the Board Investment Committee.

Experience

Colin Taylor was appointed as a Non-Executive Director of CFSL in March 2010 and served as Chairperson of the Board from January 2017 to July 2020.

He is currently the Chairperson and CEO of Taylor Smith Investment Ltd, a diversified group of companies operating in Marine Services, Logistics and Distribution, Manufacturing, Services and Property. Colin is also the Chairperson of Lavastone Ltd, a company which acquires, develops, leases and manages a portfolio of commercial and industrial properties in Mauritius and Rodrigues.

Colin holds an MSc in Management from Imperial College, London and a BSc (Hons) in Engineering with Business Studies from Portsmouth Polytechnic.

Expertise

Strategic Management, Investment, Real Estate, Marine Services, Manufacturing.

Directorship in other listed companies:
Non-Executive Director of Lavastone Ltd

Matthew Taylor

NON-EXECUTIVE DIRECTOR

Committees

Member of the Risk Management Committee and Member of the IT & Digitalisation Committee.

Experience

Matthew Taylor holds a BSc (Hons) in Retail Management from the University of Surrey. He began his career with Rogers in 2000 as a Project Manager in the Planning and Development Department. From 2007 to January 2013, he served as the Executive Director of Retail at Scott and Company Limited, and currently holds the position of CEO at the firm.

Matthew is also the Honorary Consul of Norway in Mauritius as of April 2024.

Expertise

Retail Management, Project Management, Corporate Strategy, Business Development, Leadership, Operational Efficiency.

Directorship in other listed companies: None

Philip Taylor

NON-EXECUTIVE DIRECTOR

Committees

Member of the Corporate Governance and Conduct Review Committee.

Experience

Philip Taylor graduated from the University of Surrey in 1989 after studying Hotel Management and later completed his MBA in England in 1994.

After returning to Mauritius, Philip joined the Rogers Group, where he headed the Group's diversified international development. In 2004, he left Rogers to establish his own businesses, focusing on the Indian Ocean Islands and Africa.

His diverse experience over the past few years have been focused on the region's hospitality and tourism industry. He currently heads the development of a fast-growing hospitality and tourism technology service company by the name of www.hospitality-plus.travel.

In addition to his business ventures, Philip serves as the Honorary Consul of Finland in Mauritius.

Expertise

Hospitality and Tourism Management, International Business Development, Regional Strategy, Technology Solutions for Hospitality, Leadership, Diplomatic Relations.

Directorship in other listed companies:
Non-Executive Director of Lavastone Ltd.

Tim Taylor

NON-EXECUTIVE DIRECTOR

Committees

Chairperson of the Board Investment Committee, Member of the Corporate Governance and Conduct Review Committee, and Member of the ESG sub-committee.

Experience

Tim Taylor holds a BA (Hons) in Industrial Economics from Nottingham University. He worked in the United Kingdom until 1972, before returning to Mauritius and joining Rogers & Co. He became Chief Executive of Rogers in 1999 and retired in December 2006. He was then appointed Non-Executive Chairperson of Rogers from 2007 to October 2012.

Tim serves as the Chairperson of Scott and Company Limited, one of Mauritius' oldest commercial concerns. He is a former Chairperson of the National Committee on Corporate Governance and a former President of the Mauritius Chamber of Commerce and Industry. He was also the Honorary Consul of Norway in Mauritius from 2007 to 2023. Having always had a keen interest in environmental and conservation issues, he has been an active member of the Council of the Mauritian Wildlife Foundation since 2006 and became President of the Foundation in 2009.

Expertise

Corporate Governance, Business Strategy, Environmental Conservation, Leadership, Corporate Leadership, Investment Management, Diplomatic Relations.

Directorship in other listed companies: None

Insights from the Group CEO

Ambrish Maharahaje

Executive Director &
Group Chief Executive Officer

Could you provide an overview of the company's performance over the past year?

This has been a year of remarkable results for Cim Finance, underscored by disciplined execution and strong operational fundamentals. Achieving MUR 1bn in profit after tax is a testament to our ability to balance growth with sound risk management. Our balance sheet remains robust, supported by a reduction in provision requirements and our net NPLs are now near pre-COVID levels – all indicators of a well-managed portfolio and effective operations.

Assuming the role of Group CEO in April 2024 has been a privilege. It has been a smooth transition, made possible by the sound foundations already in place, the support of our talented ExCo and ManCo teams, and a well-guided strategy that has brought us to this point of success. My first few months into this role have been shaped by a balance of continuity and progress, remaining faithful to the values and principles that have served us well, while driving forward innovation and adaptability to meet the challenges of tomorrow.

What were some of the biggest challenges faced by the company this year? How did Cim Finance respond?

The environment was marked by regulatory changes and persistently high interest rates, exerting significant pressures on our cost of funding, and in particular on the consumer finance segment. Leveraging our flexible funding approach and making selective interest rate adjustments has allowed us to minimise the impact on our business.

Amid these challenges, we also seized opportunities. In the leasing segment, the increasing demand for green financing has become a major driver of growth, supported by the issuance of our green bond. This initiative has positioned Cim Finance as a leader in sustainable finance, allowing us to meet the growing demand for environmentally conscious solutions while advancing our broader ESG goals.

As consumer preferences lean further toward digital platforms, we have made significant progress in building a robust and secure digital infrastructure, while innovating continuously to meet customer expectations at every touchpoint.

How is Cim Finance's strategy evolving to address these shifts?

Cim Finance's strategy is built around three core pillars: scaling our business, achieving operational excellence, and empowering our workforce. These priorities are guided by clear initiatives and measurable KPIs, including deepening our digital capabilities, diversifying our product offerings, and embedding ESG principles into our operations and investment strategies.

To help these efforts forward, we recently welcomed a Group Chief Human Resources Executive, responsible for steering our human resource strategy, and for championing our dual focus on technology and talent. By aligning our digital transformation strategy with a people-focused approach, we aim to create a 'phygital' workplace that leverages technology not only to enhance efficiency, but also to boost employee engagement and wellbeing. This balance is crucial as we navigate a very competitive talent market, particularly in attracting and retaining digital natives who value flexibility and meaningful work.

How is the company approaching technological innovation and digital transformation?

Digital transformation remains central to our strategy. We continuously automate and modernise our operations to enhance both the employee and customer experience. A cornerstone of this effort is the migration to a new core lending system – our largest digital project yet – which will serve as the backbone of our operations. This upgrade, slated for completion by the end of next year, is designed to offer greater scalability, efficiency, and service responsiveness.

We have also enhanced our digital platforms and mobile applications to meet the growing demand for convenience and accessibility. Innovations like the e-loan feature in the MoFinans app, now enabling customers to apply, get approval, sign their contract, and repay loans instantly. There is also high uptake of customers repaying their credit facilities via IPS on the MoFinans app and we have crossed MUR 100m in IPS monthly transactions.

Internally, the past few years' digital investments are bearing fruit and have allowed us to generate productivity gains in our leasing operations. Our efforts are now focused on automation and efficiency gains across departments to boost operational excellence and customer centricity.

Can you discuss the company's approach to risk management and regulatory compliance?

A disciplined and forward-looking approach to risk management and compliance has been key to maintaining the health of our portfolio, as reflected in a steadily decreasing NPLs rate. Our risk framework is dynamic, continuously adapting to align with regulatory changes and incorporating regular assessments of processes, products, clients, and channels to mitigate risks effectively.

Accountability is embedded across all levels of the organisation. Our compliance team works closely with business units to foster a culture of vigilance and adherence, while we invest heavily in training our people to stay ahead in a complex regulatory landscape, aligning their expertise with the company's priorities.

This year, we reinforced our capabilities with the introduction of an automated screening tool, enhancing our ability to flag, monitor, and escalate potential risks. Looking ahead, the addition of real-time customers' screening will mark a significant leap, enabling the near-instant detection and response to emerging threats.

What is your outlook for the financial services sector in the coming year?

The financial services sector stands at a turning point, with digitalisation, AI, regulatory shifts, and labour market challenges defining the agenda. Consumer expectations for more convenience and personalisation are also opening new opportunities for digital solutions and financial advisory services – the hallmarks of our business. Despite ongoing economic uncertainties, Cim Finance remains well-positioned and confident in our ability to build on our strong market presence, strategic focus, and the momentum gained this past year. This foundation provides a springboard for diversifying our revenue streams, and exploring new market segments and strategic partnerships that will drive our next phase of growth.

What final message would you like to share with the company's stakeholders?

I would like to express my sincere gratitude to our Board of Directors for the trust they have placed in me. To our stakeholders, thank you for your continued support and confidence. Our achievements are a reflection of the invaluable contributions of our employees, partners, and customers who continue to believe in our vision.

As we look to the year ahead, we remain committed to delivering meaningful and sustainable value. Our ESG strategy, whilst a work in progress, is increasingly guiding how we operate, ensuring that profitability and responsibility go hand-in-hand. Together, we will continue building a future that benefits us all, and that we can take pride in.

Senior Executive Team

Nick Chin

Group Chief Financial Officer

Prior to joining the Group, Nick occupied the position of Head of Finance at ABC Banking Corporation Ltd for nearly 7 years, and previously held senior roles at RBS Insurance, UK and Barclays Capital, UK. His experience in the financial sector spans more than 15 years.

Nick holds a BSc. First Class Honours in Actuarial Science and an MSc. in Applied Statistics (Oxon). He is a fellow of the Institute of Chartered Accountants (England & Wales) and has been the Chief Financial Officer of Cim Group since January 2019.

Kannen Packiry Poullé

Group Chief Human Resources Executive

Kannen joined Cim Finance in August 2024 as the Group Chief Human Resource Executive. With a robust background in the hospitality industry, Kannen brings over 19 years of extensive HR experience to his new role.

Kannen previously served as Chief Human Resources Officer at Attitude Hospitality Management Ltd, where he was overseeing nine properties. During his tenure, Kannen achieved several notable accomplishments, including leading the organisation to be labelled as Great Place to Work since 2016 and ranked 1st in 2022, 2023 and 2024 as the Best Workplace in Mauritius. He was also awarded the title of “Most Influential HR in the Hospitality Sector – Mauritius” in 2020 and “Best Employer Brand Awards” in 2022.

Kannen’s previous roles include key HR positions at prestigious hospitality establishments, such as St Regis Mauritius, The Grand Mauritian Resort/Westin, and Four Points by Sheraton. In the early stages of his career, he spent over two years at Rogers Outsourcing Solutions Ltd, which was part of Cim Finance at the time.

Kannen holds a Master of Business Administration (MBA) specialized in HR and Systems, a Bachelor of Science (B.Sc.) in Computer Science, and a Diploma in IT (DNIIT).

Sudheer Prabhu

Group Chief Technology Officer

Sudheer is a seasoned technologist with over 33 years of experience in banking and non-banking Technology and Operations. His career spans working with large international banks like ABN AMRO and The Royal Bank of Scotland, in addition to working in the public sector, private sector, and the MNC and banking environments in India.

Sudheer has been driving the Technology and Digital Strategy along with Cyber Security Strategy of Cim Finance since 2019. Prior to joining Cim Finance, he served as the Chief Information & Digital Officer at MauBank. There, he played a key role in developing and executing MauBank’s digital strategy, and established market-first products like chatbots and Online Leasing Lending, amongst others.

Sudheer holds a Bachelor’s degree in Commerce (First Class) from the Karnataka University, India, and a Diploma in Software Technology from NIIT. He has also completed his Post Graduate Diploma in Digital Business from Emeritus in collaboration with MIT Sloan and Columbia Business School.

Sudheer is also a junior associate of the Indian Institute of Bankers and a Certified Information Systems Auditor (ISACA, Illinois, USA).

Management Team

Pravesh Bacorisen

Head of Analytics

Pravesh joined Cim Finance in 2016 as Risk Manager and was promoted to Senior Risk Manager in 2018. In 2020, he transitioned from risk management into a full-fledged data strategist role, after successfully setting up the Data & Analytics team. In his current role as Head of Data & Analytics, Pravesh guides business strategies by harnessing advanced analytics and business intelligence capabilities.

With a career spanning 16 years in the banking and financial services industry, Pravesh formerly worked in the research department at the Bank of Mauritius, and as an executive to the Second Deputy Governor, before taking up business strategy and risk management positions at State Bank of Mauritius.

Pravesh holds a PhD in Mathematics from Loughborough University (UK), an MBA in Financial Risk Management, and a first class BSc (Hons) in Mathematics from the University of Mauritius.

Shaheen Bundhoo

Interim Head of Internal Audit

Shaheen joined CFSL in July 2018 as Manager in the Internal Audit Department. She was then promoted to Senior Manager and is currently the Interim Head of Internal Audit of CFSL. She is responsible to oversee the Internal Audit Department of CFSL and provide independent assurance that the organisation's processes, internal controls and governance are operating effectively.

Earlier in her career, Shaheen served as Operational Audit Coordinator at MCB, and prior to joining MCB, she worked at PwC Mauritius as a Senior Consultant, where she provided internal audit and advisory services to various clients across industries both in Mauritius and Africa. Through her career, she acquired significant experience in auditing and risk management.

Shaheen holds a Bachelor's degree in Law and Management from the University of Mauritius, and is a Fellow Member of the Association of Chartered Certified Accountants (UK). She is also a member of The Institute of Internal Auditors Mauritius.

Valerie Houbert

Head of Compliance

She has over 18 years of experience in the financial services industry. She has worked in the Banking industry for 12 years, with extensive experience as Senior Officer in the Legal and Compliance fields at Standard Chartered Bank Mauritius Limited and Banque des Mascareignes Ltée (now known as BCP Bank Mauritius Ltd).

Valerie holds a Master's Degree in Law from the University of Aix-Marseille III in France. Throughout her career, Valerie has acquired expertise in Banking Law, Corporate Finance, Company Law, Commercial Law, Operations, Credit, Risk Management, Financial Crime Risk and Compliance. She is also a certified compliance professional accredited by the Financial Services Institute of Mauritius.

Valerie's technical expertise coupled with her leadership skills has helped in shaping a compliance culture and establishing a robust enterprise-wide compliance framework at Cim Finance.

Stephan Vee Foung How Poo

Head of IT

Stephan is the Head of IT. He initially joined the Group as a software analyst programmer and gradually climbed the corporate ladder until he attained his current position in 2008.

He ensures the alignment of the IT strategy with the Group's strategy, defines the roadmap for IT systems and infrastructure, and puts in place the disaster recovery systems and processes. He also participates in research, evaluation and recommendation of new technologies to improve processes and tap into business opportunities.

Stephan holds a Master of Business Administration with a specialisation in Finance and a Bachelor's Degree (Hons) in Computer Science and Engineering from the University of Mauritius.

Management Team

Anielle Jia Young Ching

Head of SME

Since joining the Group in 2017, Anielle has been leading the Group's factoring activities. She is a seasoned factoring professional, certified by the FCI (previously known as Factors Chain International), who brings over 19 years of experience in the field. Prior to joining Cim Finance, Anielle was the Marketing and Sales Executive at MCB Factors Ltd and part of the Senior Executive team.

Under her leadership, Cim Finance was admitted as an associate member of FCI and successfully launched the 'import and export' factoring services.

In 2021, she was appointed in her current role as Head of SME, with responsibilities that include overseeing the Group's Business to Business segment, as well as its leasing and factoring business and business sales activities.

Pravesh Jugun

Head of Business Process Re-engineering - IT

Pravesh Jugun was appointed Head of Business Process Re-engineering in January 2023. With over 15 years of experience in the IT and Transformation field, he has played key roles in optimising and innovating process strategies. Prior to his current position, Pravesh served as Senior Manager BPR - IT from July 2019 to January 2023 at CFSL. His previous roles include Senior Manager Project Execution at MauBank Ltd from August 2017 to December 2018, and IT Officer positions at MPCB Ltd and MauBank Ltd from 2006 to August 2015.

Pravesh is a Certified Lean Six Sigma Black Belt (since 2018), and holds a Bachelor's degree in Computer Science and Project Leadership Certification.

Anne Sophie Lan Hew Wah

Head of Operations

Anne Sophie has been appointed as Head of Operations in January 2024. Before assuming this role, she was a Senior Manager, where she was responsible for leading the shared service management and delivery unit which provides professional services for internal operations and customer request processing.

With over 10 years of experience in the leasing and credit operations services sectors, Anne Sophie has honed her skills in overseeing critical operational functions as Operations Manager at Mauritian Eagle Leasing Co. Ltd, and Leasing Officer and Senior Credit Analyst at La Prudence Leasing Finance Co. Ltd.

Anne Sophie holds a Master's Degree in Management & Finance and a Bachelor in Business Management from the University of Montpellier Business School, France, as well as an Advanced Diploma in Management, with specialisation in Finance and Accounting from the "Institut Universitaire de Technologie" of Montpellier, France.

Roger Li

Head of Consumer Finance

Roger joined the Group in 1989 and now leads the Consumer Finance sector at CFSL. With over 35 years of expertise spanning Finance, Operations, Collections and Recovery, Leasing, Factoring, Money Lending, Credit Cards, and Hire Purchase, Roger brings a wealth of knowledge and a proven track record of achievements. His dynamic leadership style and in-depth industry expertise inspire his team to exceed departmental and corporate targets while promoting a vibrant, collaborative work culture.

Roger plays a pivotal role in driving Cim Finance's growth through a strategic expansion of new outlets across Mauritius and Rodrigues, while also optimising the potential of existing locations. His approach further extends to broadening the company's range of product offerings, enhancing customer satisfaction and diversifying revenue streams. Focused on creating a seamless customer experience, he leverages digital innovation to strengthen both customer engagement and Cim Finance's financial performance. His deep understanding of the retail market has been instrumental in forging resilient partnerships with merchants and customers, built on trust, respect, and open communication, fuelling sustained sales growth.

Roger holds a Diploma in Management Accounting (CIMA Dip MA).

Management Team

Kwon Li Pak Man

Chief Risk Officer

Kwon joined Cim Finance as Chief Risk Officer in 2019. He is a seasoned risk professional with a deep understanding of risk discipline. He has over 24 years of experience in the banking and financial services industry.

With a track record of building resilient and future ready risk framework, Kwon leads the risk management function within the Group, overseeing all risk-related activities including credit, market, liquidity, and operational risks), as well as risk related strategies, policies and processes.

Before joining Cim Finance, Kwon was the Head of Risk at SBM Group, where he was instrumental in implementing an industry-leading risk management framework, which enhanced the Group's resilience across several countries. He also held various senior positions in Compliance and Treasury Management, providing him with a well-rounded perspective on the evolving risk landscape.

Kwon holds an MSc in Business Finance from Brunel University London and the ACI Dealing Certificate.

Steeve Low

General Manager Collection and Recovery

Steeve joined Cim Finance Ltd in 1996 and has held his current position as General Manager Collection and Recovery since November 2018.

Over the years, he has led various departments within the Group namely, Leasing, Finance, Factoring, Card and Customer Accounts. He also served as an Executive Director of Cim Finance Ltd from October 2014 to October 2017.

Steeve is a Fellow Member of the Association of Chartered Certified Accountants.

Diane Maurel

Head of Credit Underwriting

Diane joined Cim Finance in January 2015 as a Senior Analyst for Cim Management Services Ltd and was appointed to the position of Manager of Corporate Credit of Cim Finance Ltd in February 2016. In 2018, Diane was appointed as the Head of Corporate Credit, and later in the same year, she was called upon to take over the retail credit underwriting department as Head of Credit Underwriting.

Prior to joining the Group, Diane worked in the Macquarie Corporate Asset Finance Division of The Macquarie Bank in Melbourne for two years. Before that, she worked at Ford Credit Ltd in roles including Credit Risk and Recovery and Legal.

Diane holds a Bachelor of Business Commerce in Marketing and Economics from Melbourne University and a Master's in applied Commerce from Melbourne University.

Kaamil Nakhasi

Head of Cards and Payments

Kaamil joined Cim Group in July 2023 as Head of Cards and Payments.

Prior to occupying this position, he worked at one of the largest Card issuing Banks RBL Bank in India from June 2017 to June 2023, where he was responsible for end to end Unsecured lending business (Cards, Personal Loans, EMI and Insurance) and also headed the digital channels (MyCard Mobile App, Chatbot, WhatsApp Banking).

From June 2014 to June 2016, Kaamil worked as Senior Manager for Snapdeal – which is one of the largest E-commerce companies in India. He contributed in the shaping up of multiple business categories within his stint at Snapdeal.com.

After obtaining his MBA, he started his career with the Times group in the Media sales domain. He was entrusted with the responsibility of handling Sales for 3 major categories – Consumer Durables, IT and Telecom, and also handled/closed sales deals for major clients like Olx, Airtel, Idea, Quikr, Flipkart, Samsung and more.

Kaamil holds a Master of Business Administration (MBA), Marketing from the Institute of Management Technology, Ghaziabad and a degree in Computer Science Engineering from Jaypee University of Engineering and Technology, India.

Management Team

Jean-Noel Nanapragassen

Head of Digital Channels & Products

Jean-Noel was appointed as Head of Digital Channels & Products in January 2024. Prior to this position, he was Senior Manager of the Digital Centre of Excellence (DCoE) where he successfully drove the digital related strategies of Cim Finance.

Before being appointed to this role, Jean-Noel spearheaded initiatives within the Cards & Payments Team, advancing from Manager to Senior Manager of the eCommerce Acquiring team and later assuming the role of Cards Operations Manager.

Prior to joining Cim Finance in 2014, he was at Bardo Mauritius Ltd, a Payment Service Provider, where he ascended from Sales Manager to Sales and Business Development Manager. In 2013, he led the establishment of Bardo Kenya in Nairobi, Kenya, overseeing operations.

Jean-Noel holds a BA International Business Administration from the University of Northumbria (UK) – Malaysian Campus. He is certified as a Product Development Specialist, holds a Project Leadership Certification and is qualified as an Ecommerce Acquiring Specialist.

Pradeep Rawa

Head of Treasury

Pradeep joined Cim Finance in September 2009 as Treasurer, where he successfully set up the Treasury Function. He was promoted to Manager, followed by Senior Manager, before being appointed as Head of Treasury of the Group.

As the current Head of Treasury, Pradeep is responsible for leading the Group's relationships with its banking partners and investors in Mauritius.

Pradeep has more than 22 years of experience in the banking and financial services sector. Before joining Cim Finance, he worked at Deutsche Bank Mauritius, prior to which he worked at State Bank of Mauritius Lease Ltd.

Pradeep holds a BSc (Hons) in Accounting & Finance from the University of Mauritius and is a Fellow Member of the Association of Chartered Certified Accountants (FCCA) (UK). He is also a member of MIPA and a Fellow of the Mauritius Institute of Directors.

Vincent Valéran

Head of Insurance

Vincent was appointed as Head of Insurance in January 2024.

Prior to occupying this position, he was successively Senior Manager from January 2021 to July 2022 and Insurance Designated Officer from July 2022 to January 2024 where he successfully led the Insurance Integration strategies of Cim Finance.

With over 15 years of diverse experience in insurance, automobile, banking, and strategic execution, Vincent held key positions at ABC Group of Companies before joining Cim Finance, where he led Retail Operations, Corporate affairs and Aftersales Service in the financial cluster up to December 2020. He also worked at AI Broker & Consultant Ltd as Underwriting Manager from January 2017 to November 2018 and Commercial Underwriter at Swan General Ltd from April 2014 to December 2016.

Vincent holds a Certificate in Frontline Management and a Diploma in Business Management from the Challenger Institute of Technology, Western Australia, and a Master 2 Professionnel Gestion de l'Entreprise à l'International from Paris 1, Panthéon-Sorbonne University. He is also a Certified Insurance Professional accredited by the Chartered Insurance Institute, London and a member of the Insurance Institute of Mauritius.

Strategic Plan

Our Strategic Plan

Cim Finance's strategy is anchored in a clear long-term vision, while remaining adaptable to shifts in the economic, market, labour, consumer, and digital landscapes. While these dynamic forces present challenges, we view them as opportunities to continuously innovate and strengthen our capabilities, agility and quick decision-making. This approach has directed our focus toward three key strategic areas – built on a foundation of good governance and regulatory compliance – that enable us to address both immediate challenges and long-term trends, positioning us for continued, responsible growth.

Drive Business Growth and Scale

- New products
- New markets
- Cross selling

Improve Operational Excellence

- Streamline and optimise processes.
- Prioritise investments in key technological solutions, and ensure the successful implementation of ongoing technology projects.
- Enhance data analytics capabilities.

Empower our Workforce

- Making our employees feel valued, motivated and invested in the organisation's success.

GOOD GOVERNANCE AND REGULATORY COMPLIANCE

Engagement Activities of the Year

Strengthening communities and social impact

Ile aux Aigrettes:
Our employees worked alongside the Mauritian Wildlife Foundation for the biannual monitoring of Aldabra giant tortoises on Île aux Aigrettes, contributing to the preservation of this endangered species.

Food donation:
In partnership with local Force Vive groups in Canal Dayot, we distributed essential food boxes to families in need, providing immediate relief and supporting vulnerable households with dignity and security.

Ile de la Passe:
On World Environment Day, Cim Finance employees partnered with the Mauritian Wildlife Foundation to collect waste on Île de la Passe. This effort helped preserve the ecological and historical integrity of the island while reinforcing our sustainability commitment.

Christmas at Renganaden Seeneevasen SSS:
We celebrated Christmas with the children at the school and proudly inaugurated the newly renovated library—a project we were honoured to support.

Business Review

Consumer Finance

8% INCREASE IN MERCHANT BASE

Product Portfolio

- Credit purchase
- Personal loans
- Insurance product

Performance Highlights

Consumer Finance remained the largest contributor to Cim Finance's turnover, supported by an expanded merchant network spanning over 700 and the introduction of new products eligible for refinancing.

- We introduced tailored longer term products offering lower monthly instalments to help address affordability challenges.
- By continuously optimising our credit scorecard, we maintained a healthy loan book and ensured consistent recovery rates.
- NPLs returned to pre-COVID-19 levels, at 4%, reflecting diligent credit decision-making and responsible lending practices. Customer repayment rates remained strong, reflecting the success of our risk management strategies and client support initiatives.
- We continued to provide unsecured loans, supported by robust credit assessments and tailored repayment solutions, balancing risk and client needs.
- We enhanced our credit protection insurance plans and onboarded two new insurance partners, namely SICOM and Swan Life.

2025 Priorities

- Implement our new core lending system.
- Refine product offerings and continue expanding merchant network, aligning with emerging market needs and consumer demands.
- Further optimise the scorecard to maintain low NPL rates.
- Leverage on digitalisation to streamline loan approval processes.

Leasing

Product Portfolio

- Vehicle leasing
- Equipment leasing

376 GREEN VEHICLES DEPLOYED

Performance Highlights

Growth was supported by operational improvements from a system introduced in 2022 that has delivered measurable productivity gains, allowing for increased efficiency.

- The renewed green bond drove substantial growth in green leases, financing hybrid and electric vehicles, as well as photovoltaic (PV) systems for solar energy. Special schemes with attractive interest rates for green leases drove a significant uptick in contracts.
- Strengthened in-house presence at key dealerships, including Toyota Mauritius, CFAO Mobility, and Bamyris Motors, providing comprehensive support and a one-stop service for customers, including motor insurance. On-the-spot customer service and insurance solutions contributed to higher leasing contract volumes. Joint marketing initiatives with dealerships also bolstered visibility and customer engagement.
- Expanded leasing options to include second-hand and reconditioned vehicles, providing comprehensive support for registration and National Land Transport Authority (NLTA) procedures.
- Continued refining leasing processes, including introducing a business credit rule engine for faster approvals.

2025 Priorities

- Pursue digital initiatives to enable a more seamless leasing experience for customers with instant approval. Effective change management will also be a focus to support employees during the transition.
- Further streamline leasing processes to reduce turnaround times and introduce instant approval mechanism.
- Continue refining the Green Lease product to expand its scope. We aim to build on the momentum of green financing initiatives by focusing on eco-friendly leasing products and strengthening partnerships with car dealerships and suppliers of equipment & machinery, including photovoltaic systems.

Business Review (continued)

Factoring

Managing over

7,000

DEBTORS FOR OUR CUSTOMERS SINCE INCEPTION

Product Portfolio

- Domestic factoring
- Export factoring
- Recourse and non-recourse factoring

Performance Highlights

Factoring remained a key financing tool for SMEs, offering a flexible and fast solution, with up to 90% financing provided within 24 hours, without requiring collateral.

- Provided a comprehensive suite of services, including sales ledger administration, debt collection, and credit insurance, ensuring SMEs were able to focus on their business operations while maintaining healthy cash flow.
- Expanded support to multiple sectors, including manufacturing, trading, services, and advertising, amongst others, demonstrating the industry-agnostic applicability of factoring.
- Enhanced client experience by giving customers real-time access to their factoring accounts through the Client Manager Portal, allowing them to monitor debt collection processes, debtor limits, and account performance.
- Strengthened credit assessment processes with enhanced alignment between risk, credit and sales teams.
- Reinforced export factoring to support SMEs engaged in international trade, ensuring cash flow stability even when dealing with foreign clients.
- Credit insurance, offering up to 90% (excluding VAT) coverage in the event of debtor defaults, offers greater security to SME clients, helping them mitigate the financial risks associated with non-payment and maintain stability.

2025 Priorities

- Build stronger relationships with clients by enhancing communication, education, and support to help SMEs better understand the benefits and processes of factoring.
- Drive further adoption of the Client Manager Portal to ensure clients fully leverage real-time data access for better financial management and decision-making.
- Strengthen the sales team to improve outreach and tailor solutions to meet the diverse needs of SMEs.
- Continue refining credit assessment and risk management processes, while maintaining robust protection against debtor defaults.

SME

98% INCREASE IN BOOK

Product Portfolio

- Working capital facilities (short-term to meet immediate cash flow needs)
- Term loans (long-term financial for capital expenditures)
- Leasing
- Factoring
- POS machines
- Credit cards

Performance Highlights

Continued efforts to help SMEs improve their foundational competencies through Noubiznes, offering one-stop-shop approach. Through quarterly meet-ups and bi-monthly workshops, we provide insights on relevant topics and address the specific challenges faced by entrepreneurs: employment of foreign workers, national budget measures and implications, tax filing, compliance, marketing strategies and people management.

- Launched the Cim Booster Programme in collaboration with the Mauritius Research and Innovation Council (MRIC) to encourage innovation among SMEs and foster the development of new business ideas.
- Strengthened our investment in Fundkiss, a peer-to-peer lending platform, enabling increased funding for SME projects across diverse sectors.
- Access to valuable resources via the Noubiznes website, offering expert articles, videos and business templates designed to support and guide SMEs through their entrepreneurial journey.

2025 Priorities

- Launch a new financial product aimed at supporting micro-enterprises and self-employed individuals, addressing their specific needs for flexible and short term financing.
- Expand the scope of the Cim Booster Programme to include more collaborative projects with MRIC and other partners, providing SMEs with access to innovation-focused resources and mentorship.
- Strengthen the Fundkiss partnership to facilitate increased funding for SMEs in underserved sectors.
- Deepen engagement with SMEs by fostering a stronger feedback loop.

Business Review (continued)

Cards and Payments

45,000 ACTIVE CREDIT CARDS

Product Portfolio

- Credit cards (retail and corporate)
- Shell card (specialised card for fuel purchases)
- POS terminals
- Merchant services

Performance Highlights

Achieved a threefold increase in new credit card customers and a 1.5x growth in new merchants over the last FY.

- Enhanced customer engagement through targeted campaigns, such as the Mother's Day campaign and a 1% merchant discount, aimed at boosting customer spending while simultaneously promoting Cim Finance's merchants.
- Onboarded customers for e-statements for credit cards, reducing both costs and our environmental footprint.
- Strengthened strategic partnerships and collaboration with non-acquiring banks and fintech players to extend acquiring services to their merchant networks, both online and in-store.
- Launched Dynamic MauCas QR code payments on Cim POS, providing an additional payment solution for merchants and their customers.

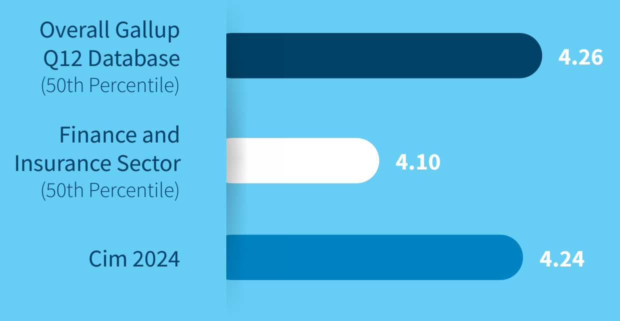
2025 Priorities

- Enhance convenience for customers by rolling out digital servicing options such as card applications via WhatsApp, limit increase requests, and simplified balance checks, reducing reliance on physical branch visits.
- Launch a new credit card revolving around enhanced benefits for customer spending.
- Provide merchants with a comprehensive solution through a range of offerings, including POS, merchant business cards, Soft POS and MauCAS.

Human Capital Report

Cim Finance's purpose is to serve people, a commitment which begins with how we care for our own people. Our employees are the backbone of our organisation, applying their skills, knowledge and motivation to carry out our daily activities and deliver exceptional service to our customers. This is why we make it our mission to place their needs and expectations at the centre of our employee value proposition, nurturing a workplace environment that supports their growth and helps them thrive.

Engagement Index



70%
Of our workforce was required to do mandatory trainings

12
Graduates
Embarked on the ACE graduate programme

Employees trained through the Cim Capability Academy
106

76%
Promotions were awarded to women

3,948
Total training hours

Human Capital Report (continued)

The evolution of the role of Human Capital at Cim Finance

The strategic role of Human Resources at Cim Finance has transformed significantly over the years, shaped by shifting employee expectations and a competitive talent landscape. Collaboration, belonging, and a caring approach have always been central to our culture – principles that have consistently served us well. However, the pandemic accelerated certain trends, highlighting a greater need for flexibility and digital literacy, and a stronger focus on purpose and wellbeing. Adding to these challenges is a growing talent shortage, particularly acute in the financial services sector, making robust retention and engagement strategies crucial for attracting and retaining talent. Guided by four strategic pillars, our human resource strategy provides a clear roadmap to align employee aspirations with organisational goals and compliance requirements, ensuring our workforce thrives while driving Cim Finance forward.

Contribution to SDGs

Engagement

At Cim Finance, engagement is more than just a metric. It reflects how connected, committed and motivated employees are in their work. We actively engage with our people through regular surveys, feedback loops, and open dialogue, ensuring their voices shape our priorities and strategies. Since formalising our engagement journey three years ago, we have continuously evolved our priorities to meet our employees' changing needs. Investing in them not only builds a stronger, more collaborative workplace culture and instills a sense of purpose, but it also leads to better business outcomes. Employees who are invested in their roles are not only more fulfilled, but they also deliver more meaningful outcomes for our customers and Cim Finance's strategic objectives.

Voice of the employee

Meaningful engagement begins with listening. Through our annual Employee Engagement survey, we encourage our people to express their ideas, concerns and expectations anonymously. Their feedback shapes our Employee Value Proposition, ensuring their voices directly influence our priorities.

Digitalisation

Digitalisation is key to engaging employees, particularly with digital natives entering the workforce. By equipping our people with tools that streamline workflows, enhance collaboration, and make daily tasks more efficient and rewarding, we foster a more motivated team.

Recognition and appreciation

Fostering a culture of recognition is integral to driving engagement and morale. Through a performance management system, regular feedback, and events, we celebrate achievements of employees across all levels, ensuring they feel valued for all their contribution.

How we delivered on this pillar in FY 2024

Voice of the employee

In 2024, we conducted our fourth Employee Engagement Survey, maintaining a high participation rate – a testament to our employees' confidence in management's ability to act on their feedback. With a score of 4.24, exceeding averages in Europe and sub-Saharan Africa, the results highlight areas of strength, while also presenting opportunities to address key employee priorities.

The survey results have driven several key initiatives, including enhanced career development plans that align with employees' ambitions, and greater transparency in internal communications and recognition. Additionally, the Cim Capability Academy was introduced as part of our recruitment strategy, aimed at bringing in trained and equipped talent to strengthen our business. We remain committed to building on these efforts, ensuring our actions align with the evolving needs of our people.

Digitalisation

In FY 2024, we advanced our HR digitalisation journey by integrating performance management and E-learning to our new best in class talent management platform, fully digitalising HR operations including salary increases and bonus cycles. These enhancements have improved transparency, accountability, and alignment with organisational goals. Additionally, digital recruitment and onboarding modules will create a seamless experience from hiring to integration.

Our Green HR approach has also advanced the organisation's sustainability goals. Over the past three years, by eliminating printed documents as far as possible we have saved 233,000 sheets of paper, equivalent to 30.8 trees, 104,099 litres of water, and 9,577 kWh of energy – enough to power an average household for three months.

Our environmental performance on page 62 highlights our outcomes on paper reduction

Recognition and appreciation

The 2nd edition of our annual recognition programme, **Cim MoRecognition**, highlighted the exceptional achievements and milestones of our employees. A growing number of nominations in FY 2024 reflects enthusiasm for the programme, as well as the depth of talent at Cim Finance. The year's standout performances included:

- **26 Achievers** who exceeded expectations, going above and beyond in their roles.
- **14 Rising Stars**, the future leaders and innovators at Cim Finance.
- **23 employees** were honoured for over 10 years of dedication, six individuals for 20+ years of unwavering commitment, and five remarkable employees for 30 years of service.
- **the CEO Award,** recognising one high-performing individual whose contributions set a new benchmark for excellence
- **129 Promotions**, reflecting growth and progress.

Human Capital Report (continued)

Learning and Development

Our Cim Finance culture is built on core values of collaboration, customer centricity, integrity, and innovation. These values are not just guiding principles – they define who we are, shape our identity, and underpin our commercial success. In line with our motto, La Vie Avance, learning and development remain at the heart of our strategy to cultivate a skilled, agile, and collaborative workforce. We are committed to equipping employees with evolving industry knowledge, regulatory training for compliance, and opportunities to upskill at all levels – from fresh graduates to seasoned professionals. This focus ensures that our teams are aligned with Cim Finance's mission and best practices while giving them the tools, confidence, and support to achieve their personal and professional goals.

Growth at Cim Finance is a shared journey, rooted in teamwork, respect and the exchange of ideas, fostering a sense of belonging and shared purpose. Apprenticeship plays a key role, as experienced employees guide new colleagues in business practices, client engagement, and career progression. These relationships ensure that our people grow individually, together, and alongside the business.

ACE Graduate Programme

The ACE Graduate Programme is a one-year initiative designed to Accelerate, Cultivate, and Excel the professional ambitions of fresh graduates. By offering tailored training, hands-on experience, and mentorship from seasoned professionals, we aim to enhance their skills and unlock their potential. This programme not only builds a sustainable talent pipeline for Cim Finance, but also contributes to the broader Mauritian knowledge hub.

Management and Leadership series

Our Management and Leadership Series provides targeted sessions annually for middle and senior management. aligning practices and fostering shared understanding. These training sessions equip our leaders with the tools to effectively manage and engage their teams, ensuring a consistent and cohesive approach to driving performance and engagement.

Cim Capability Academy

Our Academy is dedicated to equipping new hires with essential business knowledge and practical skills to smoothly transition from the classroom to the front-line bench. This approach helps new team members adapt quickly and contribute effectively from the outset, while building a strong foundation for them to advance in their professional ambitions.

How we delivered on this pillar in FY 2024

ACE Graduate Programme

During the financial year 2023/2024, twelve fresh university graduates joined the inaugural cohort of the ACE programme, having expressed strong interest in joining Cim Finance workplace. Participants embarked on a rotational journey focusing on key themes such as Technology, Control, Business Development, or Operations. These carefully curated pathways, led by our internal thought leaders, provided graduates with hands-on experience, cross-departmental learning opportunities, and exposure to diverse projects, equipping them with the skills to become future technical experts and leaders. ACE also serves as a gateway to understanding the broader business landscape of Cim Group's companies, including Aspira, which operates in Kenya. Through this initiative, we aim to cultivate a talent pipeline that is both technically proficient and strategically aligned with Cim Finance's long-term vision.

Refer to pages 61 for testimonials and personal stories from our graduates.

Management and Leadership series

Management development: The middle management bench, representing 12% of our workforce, underwent strengths-based assessments and training in FY 2024, in continuation of the strengths-based journey launched in 2021, we resumed the Manager Bootcamp in partnership with Gallup Certified Coaches. 12 newly appointed and promoted managers received training on how to leverage their unique strengths, deepen their managerial skills, and better lead their teams to deliver on Cim Finance's strategy. The 65 managers trained in previous bootcamps participated in refresher sessions, focusing on alignment with current workplace demands, including better understanding and effectively engaging Generation Z colleagues.

Leadership development: The appointment of our new Group CEO reshaped the dynamics of the senior leadership team, leading to a retreat designed to align the team around a shared vision to drive the business forward. Beyond strategic discussions, interactive workshops and wellness activities, the retreat provided opportunities to strengthen bonds.

Cim Capability Academy

We onboarded and trained 106 new recruits to strengthen our front-line workforce. We introduced an innovative selection process, evaluating candidates through Assessment Centres, attracting a diverse range of profiles. This initiative was a collaborative effort, with our frontliners, our Consumer Finance team and HR co-designing the selection process to identify and nurture top talent, while other stakeholders contributed technical expertise to ensure impactful, role-specific training.

Regulatory capacity-building

Keeping employees updated on regulatory requirements is critical for Cim Finance, given our role as a key player in the financial services industry. All employees undergo mandatory training to ensure compliance with evolving frameworks. Each session includes an assessment, with a minimum pass rate of 80%, ensuring that our teams are well-equipped to navigate the complexities of our industry.

Professional development

We strongly believe in encouraging our employees to grow professionally through continued education. By supporting their aspirations for further studies, we equip them with the skills and knowledge needed to thrive in a rapidly changing environment. This commitment serves as a stepping stone toward achieving their career ambitions while aligning with Cim Finance's value of continuous learning.

Regulatory capacity-building

Our annual mandatory training programme aims to go above and beyond compliance, aligning our people around best practices in Cybersecurity Awareness, Safety and Health Awareness, MCIB (Mauritius Credit Information Bureau) Guidelines.

In FY 2024, over 750 employees across frontlines and back-office roles, representing 70% of our workforce, participated in sessions designed to strengthen their knowledge and adapt to recent legal amendments. Management teams engaged in targeted Data Protection workshops, focusing on mitigating risks tied to client data and implementing new frameworks. For back-office and support employees, e-learning modules provided accessible training options.

Professional development

In FY 2024, we continued to provide financial assistance to employees in their pursuit of self-development. While some attended prestigious global forums like the Gartner Data & Analytics Conference in London, others enrolled in postgraduate studies and professional certifications. Employees are also supported with study and exam leave, ensuring they are able to focus on their academic aspirations.

Development journeys spanned diverse fields, including Data & Analytics, Product Development, Financial Modelling, Cybersecurity, and Compliance. Employees pursuing part-time studies in Accounting, Management, Law, and Finance also received tailored support, enabling them to balance work and education effectively.

Human Capital Report (continued)

Safety and Holistic Wellbeing

Safety and wellbeing are integral to our human capital strategy, rooted in the belief that supported and engaged employees are essential to organisational success. Recognising that employees perform at their best when they feel secure and valued, Cim Finance has prioritised initiatives that address physical safety, mental health, and resilience. Since embarking on our wellbeing journey in 2021, we have continuously enhanced these efforts, fostering an environment where individuals can thrive and collaborate effectively. In 2024, we strengthened our commitment by amplifying our focus on diversity, equity, and inclusion, understanding that different perspectives fuel innovation, strengthen collaboration, and unlock our collective potential.

Safety

Safety remains a priority at Cim Finance, reflected in our proactive measures to protect and empower our employees. These safety sessions go beyond workplace protocols, fostering a culture of responsibility and preparedness that benefits our team members in their roles and their everyday lives.

Whole-person wellbeing

Our wellbeing initiatives are rooted in a caring approach, understanding that our people's physical, mental, and emotional health directly impacts their ability to thrive at work and lead fulfilling lives beyond the workplace. Through our medical insurance scheme, employees also benefit from 'Médecin à Domicile' services, ensuring convenient access to healthcare.

How we delivered on this pillar in FY 2024

Safety

This year, 41 employees participated in defensive driving sessions, vital for our on-the-road workforce ensuring their safety while performing essential fieldwork responsibilities.

Whole-person wellbeing

In FY 2024, we launched various initiatives to promote whole-person wellbeing, addressing all dimensions of health. We introduced a free sanitary pad dispenser – the first of its kind in Mauritius while yoga sessions, cervical cancer screenings and dengue awareness campaigns further reinforced our commitment to physical health.

Mental health awareness remained a priority, with 143 employees attending sessions conducted by our clinical psychologist, both in-person and online. To make support accessible, we also introduced an on-site clinical psychologist, available weekly, as part of our Employee Assistance Programme.

Our Work-From-Home initiative allows employees to work remotely one day per week, empowering them to balance personal and professional responsibilities more flexibly and effectively.

Diversity, Equity and Inclusion

At Cim Finance, diversity is more than just a value – it is our strength. Bringing together individuals from diverse regions, backgrounds, genders, age groups, and cultures enriches our perspectives, enabling us to approach challenges with broader insights and foster innovative solutions. Strongly endorsed by our Executive team, our Diversity, Equity and Inclusion (DEI) journey is deeply embedded in our mission to uplift lives and build better futures. This commitment starts within our walls, with initiatives designed to ensure every employee is treated with dignity and respect, and given equal opportunities for growth. From health awareness campaigns to cultural celebrations, our programmes are tailored to promote inclusivity, foster collaboration, and empower individuals to express their most authentic selves.

Inclusive work environment

We foster an inclusive work environment, providing equal opportunities and support for career advancement to ensure every employee thrives and contributes to our collective success.

Cultural awareness and celebrations

In a multicultural country like Mauritius, with a rich tapestry of religions, traditions and cultures, we honour this diversity through meaningful events and awareness initiatives that strengthen workplace relationships.

How we delivered on this pillar in FY 2024

Inclusive work environment

In 2024, gender equity remained a key focus for Cim Finance. In June 2024, we became the first company in Mauritius to introduce free sanitary pad dispensers, advancing workplace equity and inclusivity. Installed across three main buildings, this initiative ensures female employees have access to essential hygiene products without stigma. Tokens, distributed by departmental representatives, make the process seamless. We also made notable progress in closing the gender gap in senior leadership. Women now comprise 42% of our management team and 76% of promotions this year were awarded to women, underscoring our dedication to career advancement and equal opportunities for all.

Cultural awareness and celebrations

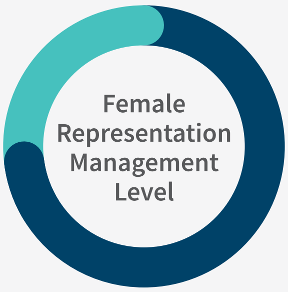
In 2024, we marked key religious festivals in Mauritius, including Eid, Chinese New Year, Diwali, and Easter. As part of our commitment to inclusivity, we continued the tradition of providing festive cakes for employees, creating opportunities to share and connect. These celebrations reinforce a sense of community and respect for the diverse traditions represented within our workplace.

Human Capital Report (continued)

Cim Finance's People

We value diversity across multiple dimensions, reflecting the communities we serve and operate in.

Male Staff	20%
Female Staff	67%
Male Manager	8%
Female Manager	5%

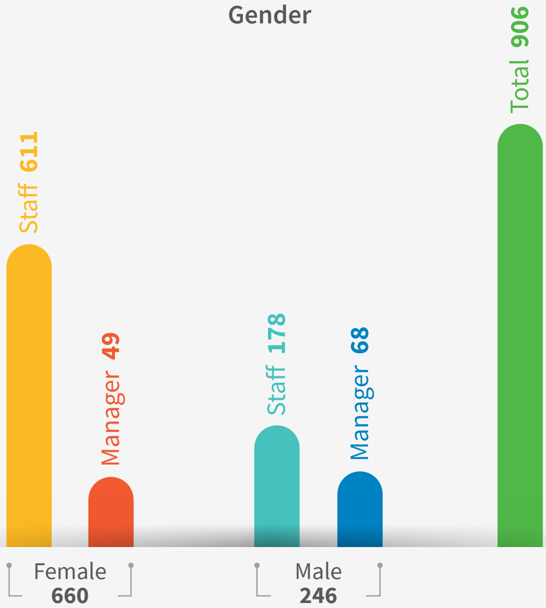


Senior Management	27%
Mid Management	73%

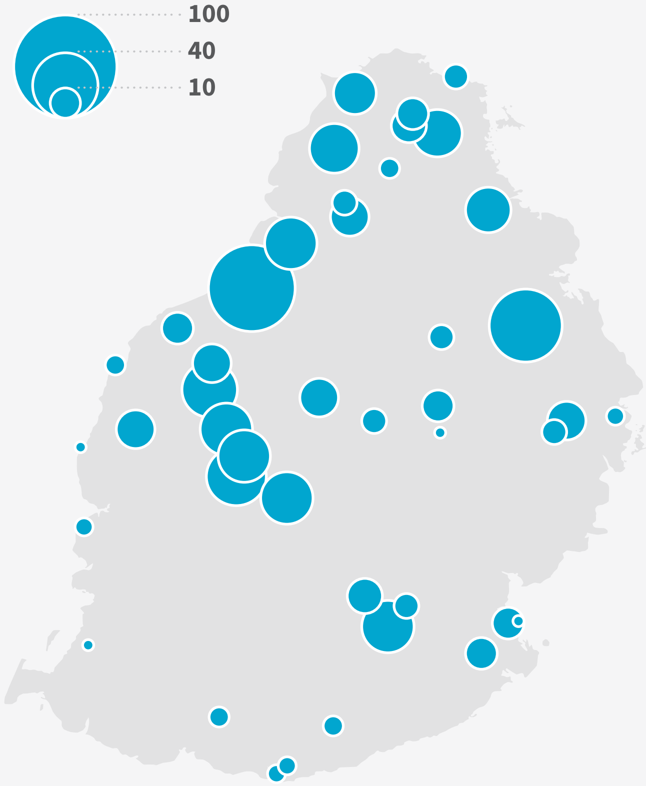
Baby Boomers	3%
Gen X	16%
Gen Z	40%
Millennials	41%

<1 Year	27%
1-5 Years	24%
5-10 Years	20%
10-20 Years	19%
20-30 Years	5%
30-40 Years	5%

Gender



Workforce Location FY24



ACE Graduates' Testimonials

The ACE Graduate Programme has been a standout experience. I have thoroughly enjoyed my time in the Cards department, working across both Issuing and Acquiring divisions, as well as with the Payments Projects team. My work has been stimulating, engaging, and, above all, meaningful.

From my very first day, I felt valued and respected by my colleagues, particularly our Head of Department, Kaamil, whose coaching, mentorship, and thoughtful assignment of impactful tasks have significantly accelerated my growth as a young professional.

The transition from university to the workforce is undoubtedly challenging, but the ACE programme has made this process seamless, exciting, and, most importantly, enjoyable. I've had the opportunity to develop resilience by tackling challenging tasks and to pursue excellence in key areas, always supported by my team's guidance and encouragement.

What truly sets the ACE programme apart is its expert and thoughtful design. Even as an expat unfamiliar with the Mauritian corporate environment, I was able to immerse myself in meaningful projects and gain invaluable knowledge. In moments of challenge, I always felt supported – whether by my team or HR – who were there to listen and guide me.

Overall, I am incredibly grateful for this opportunity and the growth it has enabled.

– Samkeliso Malwande Dlamini

I was truly happy with how well we were integrated into the company. We were treated like everyone else, with our coaches and mentors trusting and believing in us enough to seek our input on projects and events. This hands-on learning experience allowed us to build and refine our skills while growing through challenges.

We had the opportunity to participate in meetings, share our feedback, and network, making valuable connections. Overall, this programme has been a two-way learning experience, where we, as young professionals, gained knowledge through real-world work, while the company benefited from our fresh ideas and suggestions. The diverse work methods and perspectives I encountered during my rotations across various departments have shaped my own approach. One of the key drivers for me was my determination to create a meaningful experience, staying resilient and adaptable throughout.

– Tamira Nobin

This journey so far has been an incredibly enriching experience for me. The opportunity to rotate through multiple departments has given me invaluable exposure to different aspects of the job, broadening my understanding of the organisation while allowing me to apply my academic knowledge in real world scenarios. Each rotation offered unique learning opportunities, allowing me to develop new skills and gain deeper insights into various roles. Ultimately, this programme has been instrumental in helping me discover where my true passion lies, empowering me to make informed career choice like what I want and need to work on. Furthermore, I believe I am enhancing my communication, teamwork and interpersonal skills.

This is thanks to the friendly environment here whereby everyone integrates me and encourages me to participate in Cim events (music day, motor show, etc.). I also benefited being mentored by experienced Head of departments. They provided guidance and insights, essential to navigate myself and learn maximum from them. Overall, I must say my journey has been a great and valuable one.

– Hanshini Nuckcheddy

Environmental and Social Report

Our vision for long-term value creation is rooted in our responsibility toward the people we serve and the planet we share. The United Nations Sustainable Development Goals (SDGs) guide our approach to environmental stewardship, social inclusion, and governance practices, ensuring our impact goes beyond financial performance. From reducing our environmental footprint and promoting greener practices, to fostering financial inclusion, our initiatives align with global priorities, contributing to a more sustainable and inclusive future. This Environmental and Social report is a work in progress, reflecting our efforts to use resources efficiently, while continuing to listen, learn, and gather data to drive greater impact in the years ahead.

Some of the key environmental data and metrics presented in this report were gathered as part of the LEED certification process for our headquarters, Cim House. Achieving this certification requires the implementation of robust policies, processes, and tracking mechanisms to monitor and minimise our environmental footprint through the responsible use of natural resources. The data specific to Cim House has been normalised to ensure consistency, comparability, and more accurate benchmarking against industry standards.

4,977kg
Waste diverted from landfill

28%
Reduction in energy consumption per employee

Paper saved through digitalisation
6,990kg

Contracts generated were paperless and delivered digitally
84%

MUR **3,800,000**
Spent in social-driven actions across Engagement, Education and Environment

21%
Reduction in direct CO_2 emissions from Cim Finance's vehicle fleet (Scope 1)

21%
Reduction in water consumption per employee at Cim House

Environmental Stewardship

Strengthening Environmental Commitments

As a financial institution, we take our responsibility to promote environmental stewardship seriously, leveraging our resources and influence to create meaningful change. This commitment transcends internal operations, encompassing the products we offer, the way we engage with stakeholders, and the transparency of our reporting – even in areas where improvement is needed. The introduction of Mauritius' first green bond exemplifies a bold step and major milestone toward advancing sustainable finance.

In 2024, this journey advanced further with the creation of an ESG sub-committee, dedicated to embedding environmental, social, and governance principles into every aspect of our decision-making. Reporting to the Corporate Governance and Conduct Review Committee, the ESG sub-committee ensures oversight and a forward-thinking approach. While we currently focus on five key areas to create meaningful impact, sustainability demands agility and continuous adaptation. As we deepen our understanding through improved data collection, we are prepared to adjust and refine our priorities to better meet the needs of our stakeholders and the planet.

Environmental and Social Report
(continued)

ENERGY

KEY INSIGHTS

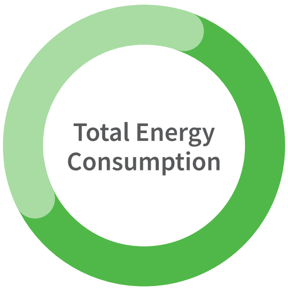
28%
Decrease in energy consumption per employee

ENERGY CONSUMPTION TRENDS

Total energy consumption decreased from 1,274,674.26 kWh in FY 2023 to 1,105,650.37 kWh in FY 2024, achieving a notable reduction in overall energy use, despite expanding our workforce by 18% from 311 to 377 employees. This decrease in energy consumption is primarily attributed to reductions in electricity and fuel usage across our operations.

EFFICIENCY GAINS

Average energy consumption per employee dropped from 4,098.63 kWh in FY 2023 to 2,932.76 kWh in FY 2024.



FY 2023	**53.6%**	■
FY 2024	**46.4%**	■

FY 2023	**58.3%**	■
FY 2024	**44.1%**	■

NEXT STEPS

In its quest to optimise energy consumption, Cim Finance will appoint an external auditor to conduct a Level 1 energy audit, identifying key areas for improvement. This will form the foundation of an energy management strategy, aligning with international standards, including pursuing the LEED certification.

WATER

KEY INSIGHTS

4.3%

Decrease of water consumption at Cim House

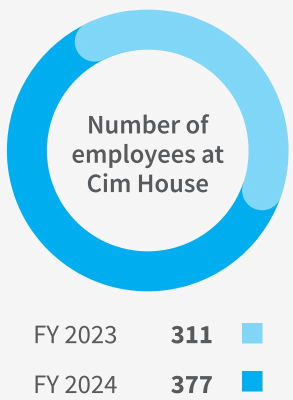
Water consumption is carefully managed across all operations, focusing on drinking water and water used in facilities such as urinals. To further enhance water efficiency, future projects will include the installation of sensor-activated or timed taps with restricted water flow.

TOTAL WATER CONSUMPTION

Total water consumption at Cim House decreased by 4.3% from FY 2023 to FY 2024, despite an increase in the number of employees, indicating a positive trend in water conservation.

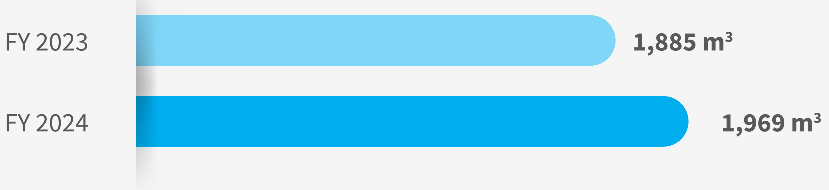
EFFICIENCY PER EMPLOYEE

Average water consumption per employee dropped significantly by 21% from 6.33 m^3 in FY 2023 to 5 m^3 in FY 2024, reflecting improved resource management.



Average Water Consumption per Employee (m3)

Total Water Consumption (Cim House)



Environmental and Social Report
(continued)

PAPER

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

KEY INSIGHTS

32%
Paper saved through digitalisation

In our ongoing efforts to reduce environmental impact, we distinguish between paper used in direct operations and paper related to client services. The quantitative data provided here pertains specifically to client-related paper consumption. For paper used in direct operations, we are actively linking our efforts to Green HR initiatives aimed at reducing waste and promoting sustainable practices within our workforce. While the data presented is partial, we are committed to providing more comprehensive information moving forward.

DIGITAL TRANSFORMATION

Contracts delivered digitally increased from 81% in FY 2023 to 84% in FY 2024, reflecting an ongoing commitment to reducing paper reliance through digitalisation.

TOTAL PAPER CONSUMPTION

Avoided paper consumption from 5,299.11 kg to 6,990.19 kg, translating into an approximate 32% increase across three indicators: avoided CO_2 emissions, energy savings (in kWh), and water conserved (in m^3).

Green HR initiatives also contribute significantly to paper reduction. Read more in the Environmental and Social Report on pages 62 to 68.

FY 2023	**5,299**
FY 2024	**6,990**

FY 2023	**81%**
FY 2024	**84%**

Equivalent environmental savings (annual)

185
Trees saved

62.59 of CO_2
Emissions avoided
Equivalent to **12.6** cars removed from the roads

57.4 kWh
of energy saved
Equivalent to **236** refrigerators running

624.59 m^3
of water saved
Equivalent to **119** washing machine cycles operations

WASTE

KEY INSIGHTS

100% Recycling rate of coffee pods

By nature of our activities as a non-banking financial institution, our generated waste stems primarily from office operations.

This includes:

- **Paper and carton waste** from documentation and administrative processes
- **Electronic waste** (e-waste) from outdated IT equipment such as computers, printers, phones, batteries and access controls.
- **Plastic waste** from packaging, office suppliers and employee consumption (Example: food containers and bottles)
- **General waste** such as food and coffee pods consumed on-site.

Managing this waste effectively and responsibly is essential to minimising our environmental footprint. Given the hazardous nature of e-waste, requiring careful handling and disposal, we collaborate with BEM Recycling to ensure its safe disposal. Similarly, the sensitive nature of our archives waste has led us to partner with WeCycle to securely collect and destroy archives.

RESPONSIBLE RECYCLING

Increased coffee pods recycled from 3,000 units in FY 2023 to 3,850 units in FY 2024, maintaining a 100% recycling rate.

Nearly doubled e-waste units sent for recycling, ensuring their responsible disposal.

Maintained a 100% recycling rate for electronic waste.

Installed waste-sorting bins on each floor and in mess rooms to foster responsible waste segregation and recycling.

CIRCULAR ECONOMY

Compost production grew by 28%, from 16.50 kg to 21.20 kg, with coffee grounds reused in agriculture. Additionally, metal from pods was repurposed into artisanal items.

Strategic partnerships

BiobiN for Organic Waste: Collected organic waste is stored, frozen, and composted, preventing landfill saturation and supporting zero-waste ambitions.

FY 2023	5,580
FY 2024	4,977

25kg Coffee pods

FY 2023: 19.5kg

2,224kg e-Waste

FY 2023: 2,870kg

2,728kg Paper & carton at Archives

FY 2023: 2,691kg

Environmental and Social Report
(continued)

CARBON FOOTPRINT REDUCTION

KEY INSIGHTS

20.8% Reduction in Scope 1 emissions

Calculating our carbon footprint is a crucial step in understanding and reducing greenhouse gas emissions, which significantly contribute to climate change. This year, we focused on measuring our Scope 1 and Scope 2 emissions to identify key areas for improvement. Scope 2 emissions currently focus on electricity consumption at Cim House, implemented as a pilot initiative and serving as a baseline for future actions.

DIRECT EMISSIONS (SCOPE 1)

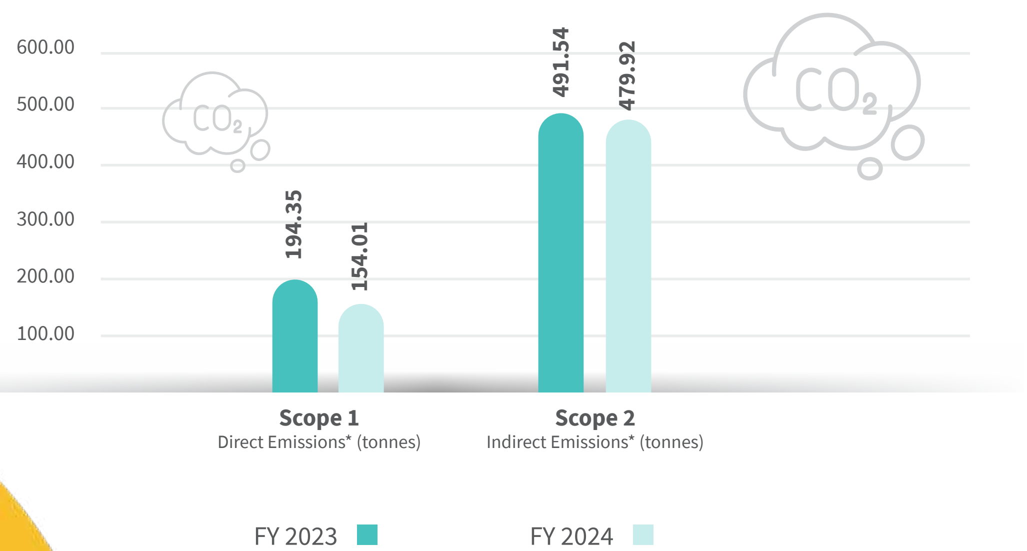
Direct emissions (from Cim Finance's car fleet) decreased from 194.35 tonnes to 154.01 tonnes in FY 2024, reflecting a 20.8% reduction, explained by the partial transition of the company's car fleet from Internal Combustion Engines (ICE) to hybrid cars.

INDIRECT EMISSIONS (SCOPE 2)

Indirect emissions (from purchased electricity consumption) decreased marginally from 491.54 tonnes to 479.92 tonnes, representing a 2.4% reduction.

Scope 3 emissions, which encompass indirect emissions occurring along the value chain—such as those from financed emissions, business travel, and employee commuting – were not included in this year's report due to incomplete data. Measuring Scope 3 emissions is a complex process that requires collaboration with multiple stakeholders and extensive information from across our value chain. Efforts are actively underway to enhance data collection in this area.

CO_2 EMISSIONS



Green Bond Progress Report Extract

Cim Finance's Commitment to sustainable finance

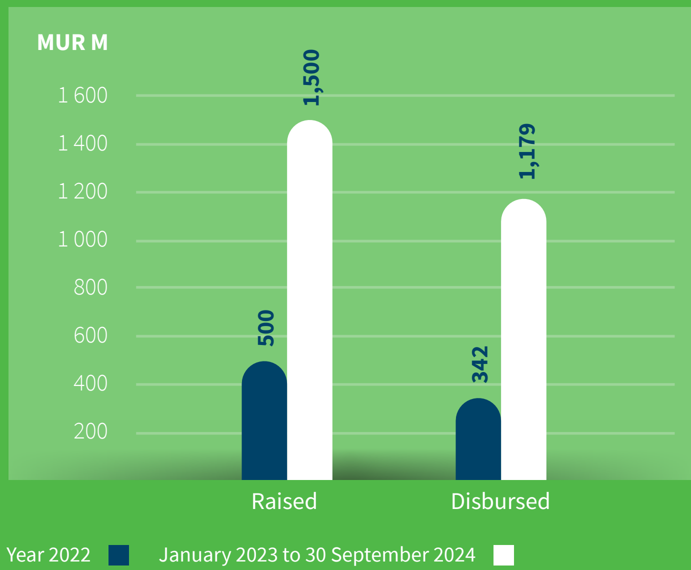
In January 2022, Cim Finance issued the first Green Bond in the Mauritian International Financial Centre (IFC), reinforcing its commitment to driving sustainability through innovative financial instruments. Cim Finance's Green Bond Framework was developed in line with the guidelines published by the Financial Services Commission (FSC), which are in line with the International Capital Market Association (ICMA) Green Bond Principles.

What is a Green Bond?

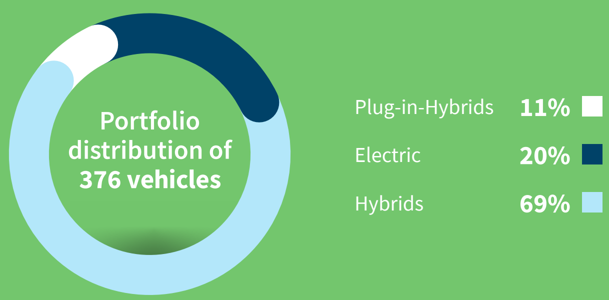
A Green Bond is a financial instrument designed to raise funds for projects that deliver clear environmental benefits, such as reducing greenhouse gas (GHG) emissions, promoting renewable energy, or supporting sustainable transport. The funds raised are earmarked exclusively for environmentally beneficial projects, with transparent reporting and accountability mechanisms. Cim Finance's Green Bonds have so far financed projects such as electric and hybrid vehicles and renewable energy systems, demonstrating how sustainable finance can directly contribute to reducing carbon emissions and promoting clean energy.

As of 30 September 2024, CFSL has raised MUR 2.0bn under this framework, marking significant milestones, including being the first company to list a Green Bond on the Stock Exchange of Mauritius (SEM). This move not only set a precedent for green financing in Mauritius but also demonstrated growing investor confidence in aligning investments with environmental and social priorities.

Amount Raised & Disbursed



From January 2024 to September 2024



Key Environmental Performance Indicators - January 2024 to September 2024

Project Category per CFSL Green Bond Framework	GHG emissions avoided (KgCO2e) per year	Carbon intensity of the bond (KgCO2e/Rs) using disbursement	# of projects sold per category
Renewable Energy	15,250	0	3
Energy Efficiency	N/A	N/A	N/A
Clean Transportation	547,171	0.00092	376
Green Buildings	N/A	N/A	N/A
Sustainable Agriculture	N/A	N/A	N/A

The table represents the GHG avoided in CO2e and the Carbon Intensity of the Green Bond. The carbon emissions are calculated only for the stage of use of the funded projects. The carbon intensity serves as a key indicator in lease approval decisions.

Environmental and Social Report
(continued)

Green Bond Progress Report Extract (Continued)

Clean transportation summary table - January 2024 to September 2024

Clean transportation projects	Share of total disbursement %	No of clean Vehicles deployed	Total estimated annual Kms	Total annual GHG emissions avoided in KgCO2e	Average GHG emissions avoided per car in KgCO2e	Carbon intensity (+CO2e/ MUR) per year (Based on Disbursement)
Electric vehicles	37.2	76	1,133,000	36,133	475	0.00092
Hybrids	33.1	260	3,810,000	436,215	1,678	0.00155
Plug-in hybrids	29.7	40	590,000	74,824	1,871	0.00022
TOTAL	**100**	**376**	**5,533,000**	**547,172**	**–**	**0.00092**

The total impact results of the Green Bond in the clean transportation category are positive, translating into:

61,570
gallons of gasoline avoided

53,750
gallons of diesel avoided

603,025
pounds of coal avoided

1,267
barrels of oil avoided

Source: https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator#results

Renewable energy summary table - January 2024 to September 2024

	Number of projects	Expected annual generation in kWh	GHG emissions avoided (KgCO2e)
Photovoltaic panels	3	15,972	15,250

The above highlights the total impact results of the Green Bond in the renewable energy category, which is still overwhelmingly positive. This is equivalent to:

1,498
gallons of diesel avoided

35.3
barrels of oil avoided

1,006,754
number of smartphones charged

The following table presents the Mapping of the Green Bond Framework's project categories to their corresponding environmental objectives:

	ENVIRONMENTAL OBJECTIVES				
GBF- project categories	Climate change mitigation	Climate change adaptation	Biodiversity	Natural resource conservation	Pollution prevention and control
Renewable energy	●●●			●●	●●
Energy efficiency	●●●	●●		●	●●
Clean transportation	●●●			●●	●●
Green buildings	●●●			●●	●
Sustainable agriculture			●●	●●●	●

Contribution to objective: Primary objective ●●● Secondary objective ●● Tertiary objective ●

Reference and adapted from https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/Green-Project-Mapping-June-2021-100621.pdf

Social Inclusion

Advancing Social Inclusion

Corporate Social Responsibility (CSR) at Cim Finance embodies the humanity at the heart of our business – a meaningful way to connect with our community members. Our commitment extends beyond compliance; it is deeply woven into our values and culture, guiding our actions to address pressing societal challenges, particularly within underprivileged areas. These efforts align with the UN's principles of leaving no one behind, ensuring that our initiatives promote inclusive development and a just transition, particularly for those most vulnerable. A testament to this dedication is our ongoing engagement with the residents of Cité Coeur Immaculé de Marie (CIM) since 2015. In the aftermath of the devastating floods in 2016, which left several families homeless, we initiated housing projects to provide stable and secure living conditions for those affected.

Despite the past year's complex economic landscape, we have intensified our community-driven efforts via Cim CSR Fund Ltd, from sponsorships and employee-driven projects, all rooted in three core pillars: Education, Environment, and Engagement. In FY 2024, we successfully recouped 25% of the mandatory contributions to the Mauritius Revenue Authority (MRA), allowing us to reinvest into our own projects aimed at fostering more resilience, empowerment and autonomy in our communities.

COMMUNITY

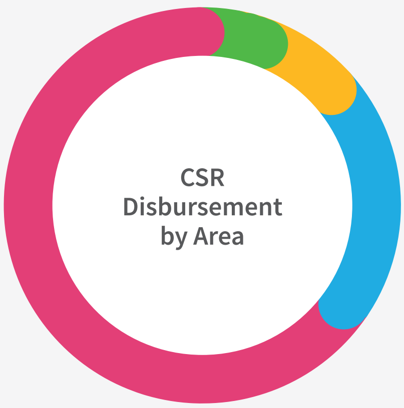
We work hand-in-hand with social groups to drive large-scale, impactful initiatives. Our focus is on building stronger, more resilient communities, especially for children, teenagers, and women. By promoting sports and its associated values, we contribute to community wellbeing and social cohesion.

EDUCATION

Education is a fundamental right that shapes the quality of an individual's life, empowering people to contribute to their community and country. We emphasise the importance of financial literacy in driving people towards smarter decision-making, self-sufficiency, and economic empowerment.

ENVIRONMENT

Environmental sustainability is about taking thoughtful, responsible actions that go beyond mitigation to create a lasting positive impact on the environment. Guided by a vision for long-term progress, we leverage our resources to support essential environmental and social infrastructure.



Environment	5%	
Education	10%	
Engagement	32%	
Other	53%	

Social inclusion (continued)

Community

Total Amount Disbursed

MUR 7,2m

Project:

Housing support in Cité Coeur Immaculé de Marie (CIM), Rivière Du Rempart

Background: Severe flooding in February 2016 devastated the Cité CIM community, leaving families in precarious living conditions and with limited resources.

Our response: We built and renovated 30 homes for vulnerable families, aiming to enhance their living conditions and quality of life. A well-built, secure home enhances the quality of life for families in vulnerable conditions, helps break the cycle of poverty through affordable housing solutions, and provides a solid foundation for families to focus on life skills, employment, and the education of their children.

Lives impacted

30

Families

Lives impacted

30

Households

Project:

Emergency food aid during Cyclone Belal

Background: In April 2024, flash floods caused by Cyclone Belal deeply affected the Canal Dayot and Sable Noir regions, leaving many families without basic necessities. The affected households faced urgent needs for food and essential supplies.

Our response: Working alongside the local Force Vive groups, we distributed boxes of essential food items to families in need. This initiative aimed to provide immediate relief, ensuring that vulnerable households could recover from the crisis with dignity and security.

Project:

Supporting education at Oasis De Paix, Pointe aux Sables

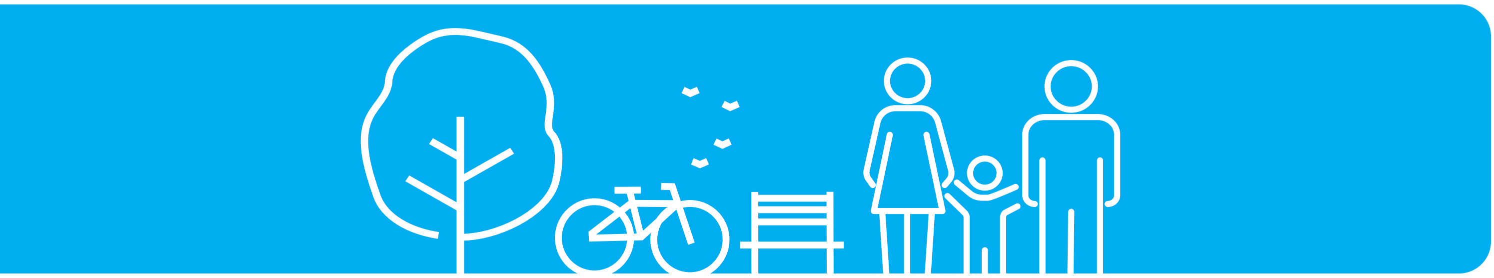
Background: Founded in 2006, Oasis De Paix is a non-profit organisation dedicated to supporting vulnerable children, particularly school dropouts, in Pointe aux Sables. The NGO provides structured educational programmes to help these children develop the skills they need to become responsible citizens. In 2024, the NGO faced funding gaps and resource shortages for its students.

Our response: We stepped in to cover the NGO's operational shortfalls for the year and provided shoes for the students. These contributions aimed to sustain the NGO's vital work and improve the students' access to education.

Lives impacted

90

Students



Project:

Rehabilitation support with Association Kinouété, Beau Bassin

Background: Since 2011, Association Kinouété has been working on reducing recidivism in Mauritius through rehabilitation programmes in prison institutions across the island. Through its collaboration with the Mauritius Prison Services, the NGO has delivered impactful programmes between 2021 and 2023, including health prevention sessions for 3,292 people, social support for 3,510 inmates and their families, and vocational training through 44 peer educators. It also created a Health Committee in prisons. In 2024, the organisation launched a project targeting detainees nearing the end of their incarceration, many of whom were homeless or lacked family support.

Our response: We supported the project by funding rehabilitation programmes designed to help the detainees avoid re-offending and reintegrate society, rebuilding their lives positively and with more autonomy. These included counselling, education, vocational training, and social reintegration support.

Lives impacted

24

Detainees with under 2 years of incarceration remaining

(9 males aged 24-36 and 15 females aged 21-43)

Lives impacted

300

Participants trained

Project:

First-aid development programme with St John Ambulance, Curepipe

Background: St John Ambulance, established in 1947, is a registered NGO under the National Social Inclusion Foundation (NSIF). The NGO organised its Annual First Aid Development Programme in July 2024 at Pointe Jerome Training Centre, targeting around 100 members per day over three days. The objective was to equip members with essential lifesaving skills to better serve their communities.

Our response: We contributed to the successful execution of this programme, supporting St John Ambulance's mission to empower its members with advanced first aid knowledge, enhancing their ability to assist in emergencies.

Project:

Infrastructure support for Lacaz A, Port Louis

Background: Lacaz A provides counselling and food support to individuals recovering from drug addiction, reaching on average 60 beneficiaries per month. The NGO operates from a building owned by the Diocèse of Port Louis, and recently received approval to proceed with renovations. While the roof structure is complete, additional work remains ongoing.

Our response: We supported Lacaz A's mission by funding essential infrastructure work, including the installation of electricity systems, plumbing and repainting of walls to ensure a safe and functional space for beneficiaries.

Lives impacted

60

Individuals recovering from substance abuse (per month)

Social inclusion (continued)

Education

Total Amount Disbursed

MUR 2,5m

Project:

Supporting Education at Ecole Renganaden Seeneevassen, Cassis

Background: Our support to Ecole Renganaden Seeneevassen spans five years, addressing challenges such as high absenteeism, resource shortages, and low pass rates in collaboration with Clavis International School. Past initiatives included training educators in innovative teaching methods such as the Leader in Me and Jolly Phonics programmes, donating school supplies, and organising remedial classes and educational exchanges. In 2024, the support evolved into a more systematic approach to increase the school's pass rate, which stood at 44.4% in 2023, and improve student outcomes by the end of the 2024 academic year.

Our response: This year, our support went towards introducing after-school remedial classes for Grades 5 and 6 with the help of existing school educators, taking the form of smaller groups for more personalised attention. A liaison officer was also hired to address the high absenteeism rate, reaching 50% on Mondays and Fridays, through regular home visits and stronger parent engagement. Additional support included appointing a psychologist to assist children with learning and personal challenges, three dedicated resources to offer students personalised attention in underperforming subjects, and a van to ensure safe transportation for students. A Christmas party was also organised in December 2023, providing lunch and gifts for all students.

Lives impacted

147

Students

Lives impacted

370 students and **30** educators in two schools

Project:

Supporting education in Rodrigues

Background: The Rodrigues Regional Assembly is leaving no stone unturned in improving student performance, ensuring that all students on the island have access to nine years of quality basic education. The Commission For Education approached Cim Finance for a project focused on two schools: J Marioline Speville Grand La Fourche Corail Government School, the lowest-performing school with a 52% pass rate, and Ste Thérèse de L'Enfant Jesus RCA School, a ZEP school.

Our response: Our intervention addressed literacy, numeracy, and engagement challenges through targeted actions designed to improve teaching quality and the learning environment. Teachers for Grades 5 and 6 from both schools participated in specialised coaching sessions at Mourouk Hotel, equipping them with modern strategies to better support low-performing pupils. To enhance the school environment, we facilitated the renovation of key areas to make it more conducive to learning and worked to strengthen parental involvement in their children's education. Additionally, we organised educational tours for students of La Fource Corail Government School, providing enriching experiences beyond the classroom to broaden their perspectives and inspire learning. At Ste Therese de L'Enfant Jesus RCA School we supported students by donating shoes and a printer.

Environment

14 LIFE BELOW WATER
15 LIFE ON LAND
17 PARTNERSHIPS FOR THE GOALS

Total Amount Disbursed
MUR 1,2m

Project:

Conservation efforts with Mauritius Wildlife Foundation

Background: Cim Finance reaffirms its commitment to environmental preservation by supporting the Mauritian Wildlife Foundation (MWF), the largest NGO in Mauritius dedicated to conserving and restoring the nation's endangered plant and animal species. MWF plays a critical role in saving native species through the restoration of entire ecosystems.

Our response: Cim Finance contributed to the MWF's conservation projects, engaging staff in meaningful activities. These included participating in the lifting and weighing of tortoises on Île Aux Aigrettes and cleaning activities in Mondrain and Île de la Passe.

Lives impacted

42

Employees participated, deepening their awareness and engagement

Lives impacted

Visitors, scientists, and conservationists from around the globe will benefit from an enriched experience, while Mauritians can take pride in the preservation of this heritage site for generations to come.

Project:

Rehabilitation of SSR Botanical Garden, Pamplemousses

Background: The Sir Seewoosagur Ramgoolam (SSR) Botanical Garden, established in 1729, is the oldest in the Southern Hemisphere and a globally recognised botanical landmark. Home to 823 plant species, it attracts 300,000 annual visitors, 275,000 of whom are international. However, due to years of decline, this national treasure requires rehabilitation to preserve its heritage and modernise its infrastructure. Strategic goals have been outlined to manage the garden scientifically, infrastructurally, and culturally, ensuring its conservation and public appeal.

Our response: Cim Finance supported this ambitious project by sponsoring key infrastructural works and restoration efforts. This included repairing key infrastructure such as benches, bridges, and canals, rejuvenating the shade house for plant exchange, and revitalising the historic Pont des Soupirs. Landscaping efforts focused on pruning, removing dead trees, and introducing new decorative species, ensuring the garden's continued role as a vibrant space for conservation, education, and cultural enrichment. Additionally, the historic Château de Mon Plaisir was transformed into an exhibition space, celebrating the garden's botanical history while enriching its cultural and educational value.

Project:

Preserving national heritage at Western Cemetery, Port Louis

Background: The Western Cemetery, established in 1771, is the oldest functioning cemetery in Mauritius and home to 25 declared national monuments – making it the site with the highest concentration of national heritage in the country. Sauvegarde du Cimetière de l'Ouest Ltée (SCO), a nonprofit established in 2018, works to preserve the historic environment of this heritage site. The cemetery is an invaluable part of the nation's patrimony, but it faces challenges related to vegetation management, security, and infrastructure upkeep.

Our response: Cim Finance supported SCO's initiative by funding three key aspects of the project: routine vegetation control, planting and nourishment of new vegetation, and landscaping of pathways within the cemetery.

Lives impacted

The Mauritian population at large, through a more welcoming environment and the preservation of a site with deep historical and cultural value for future generations to cherish

Risk Management Report

"Embracing progress through the interconnectedness of our people, processes, and technology enhances risk management and ensures sustainable growth."

Highlights of the year from a risk lens

Effective risk management is central to Cim Finance's ability to achieve its strategic objectives, while also safeguarding its financial and operational stability. The Group's robust risk management framework ensures that risks are identified, assessed, and mitigated proactively, enabling us to navigate an evolving economic landscape with agility and confidence.

Throughout the year, volatile market trends and growing cybersecurity threats prompted us to focus on strengthening the credit portfolio, enhancing operational resilience, and expanding our cybersecurity measures to respond to increasingly sophisticated digital threats. Guided by a disciplined and prudent approach, we enhanced the credit quality and strengthened operational integrity across our portfolio, achieving positive outcomes despite challenging market conditions. Overall, the Group's risk profile has improved compared to the last financial year, and remains within our defined risk appetite levels.

While the economic outlook remains stable, the Group continues to monitor changes in the risk landscape. We continuously review and strengthen our risk management framework to ensure it remains adaptable and responsive to emerging challenges and supports sustainable growth.

The **'Key Achievements of 2024'** below highlight the progress made across critical areas.

Key Achievements of 2024

Enhanced Risk Culture

We further embedded risk awareness across all levels of the organisation through **phygital learning** (a combination of digital and in-person learning initiatives) and investing in upskilling courses for our employees. Our people are now more empowered and better prepared to identify, assess, and escalate risks, leading to a more proactive risk management approach.

Strengthening Operational Resilience

We have strengthened our **business continuity planning** to ensure we are prepared to manage disruptions effectively. Additionally, we reviewed our business processes to enhance efficiency, ensure compliance, and address any gaps in controls while remaining adaptable to evolving market and regulatory conditions.

Credit Asset Book Quality

Our credit asset book experienced **healthy growth** this year, supported by disciplined risk management. We achieved improvements in both our Non-Performing Loans (NPLs) ratio and Expected Credit Losses (ECL). With a strong Tier 1 capital ratio, we remain well-positioned to navigate potential economic downturns or market challenges.

Cyber-security Resilience

We expanded our **cybersecurity initiatives** by aligning our technology and cybersecurity risk framework with the Bank of Mauritius guidelines. Investments in robust protection systems were complemented by employee training on data protection, cyber hygiene, and phishing prevention, further strengthening our defences.

Advancements in Digital Transformation

Continuous and ongoing investments in data analytics and automation have enhanced the speed and accuracy of decision-making. Upgrades to our digital platform were also implemented to improve the **customer experience**, while maintaining risk within controlled thresholds.

Key Financial Metrics 2024

During the year, Cim Finance continued to actively pursue its strategic goals by offering appealing digital solutions that meet the needs of its diversified customer base. By 30 September 2024, the Company delivered a stronger financial performance compared to the same period last year.

16.4%

Y-o-Y
Asset book growth

Y-o-Y Asset book growth

Growth of 16.4% in the credit asset book, primarily driven by consumer finance.

The book grew from MUR 20.5bn as at 30 September 2023 to MUR 23.8bn as at 30 September 2024.

CAR
28.5%

Capital Adequacy Ratio (CAR)

A robust capital adequacy ratio of over 28.5%, underscoring its strong financial health and resilience. In addition, we uphold sound liquidity and funding positions.

NPLs
3.4%

Improved NPLs ratio

The net NPLs ratios stood at 3.4% (30 September 2024) down from 4.7% (30 September 2023), reflecting our commitment to proactive and disciplined risk management of non-performing assets.

Total ECL
7.4%

IFRS 9

We continued to align with the requirements of IFRS 9 'Financial Instruments' within the Credit Risk. The IFRS 9 ECL models have been updated to reflect the current risk level, with a total ECL% of 7.4% in September 2024 (September 2023: 8.1%).

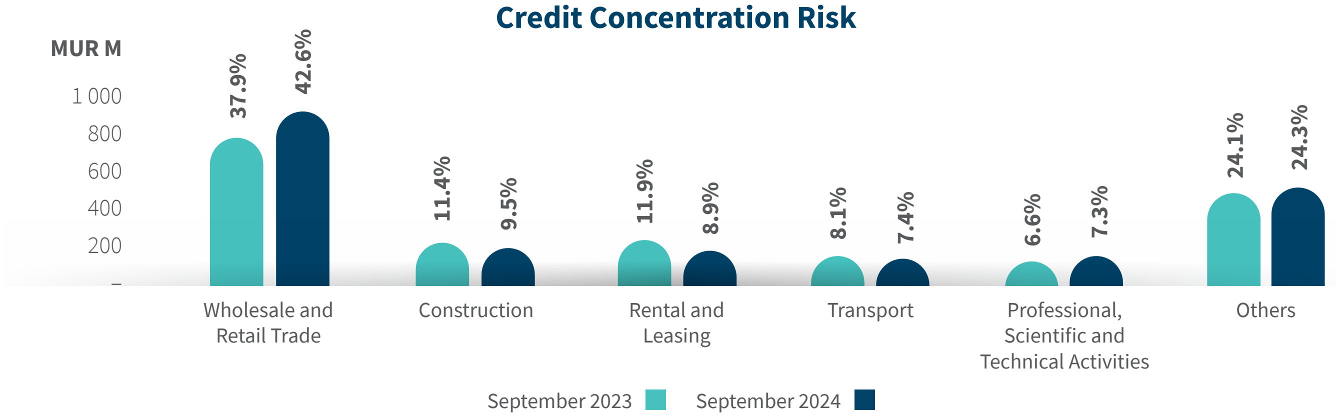
Diversified Portfolio

The Group's portfolio concentration remains consistent with the Group's risk appetite and risk/return expectations. Several controls and measures are in place to minimise undue concentration of exposure in our portfolio:

- We apply strict customer concentration limits, both for single customers and groups of closely related customers which are more prudent/ conservative than local regulatory requirements recommended for banks and non-banks in Mauritius.
- Prudential limits are set at borrower, product, industry and credit quality levels, and are monitored by an independent risk management function.
- Our portfolio is highly diversified, with over 276,000+ customers. The largest single customer and group of closely related customers stood at 2.97% of the Group's Tier 1 Capital as of 30 September 2024 (September 2023: 3.15%). The Top 20 group of closely related customers accounted for 16.1% of the Group's Tier 1 Capital at year-end (September 23: 14.5%).
- With consumer finance as our core business, our exposure to households represented the largest portion of the total credit book at 77% at the end of September 2024 (compared to 81% in September 2023).

Other industry exposures, other than households, are well-diversified as follows:

Credit Concentration Risk



Risk Management Report (continued)

Looking Forward and Emerging Risks

As we look ahead to 2025, we are committed to further enhancing our risk management practices. We aim to carefully balance opportunities for growth and expansion with a robust risk culture across the Group. We recognise the importance of staying vigilant to the emergence of new risks and will continue to proactively identify, monitor, and assess these evolving challenges. These include, but are not limited to:

- **Technology – evolving cyber-risks and AI adoption and threats**
- **Changes in the regulatory landscape**
- **Talent and skills shortage**
- **Economic and geopolitical risks**
- **Climate change and environment risk - including new challenges associated with anticipated new regulations**

Readiness plans are developed and implemented through targeted initiatives, ensuring the Group is equipped to not only address current risks, but also to adapt to emerging challenges and opportunities.

Our Risk Management Framework

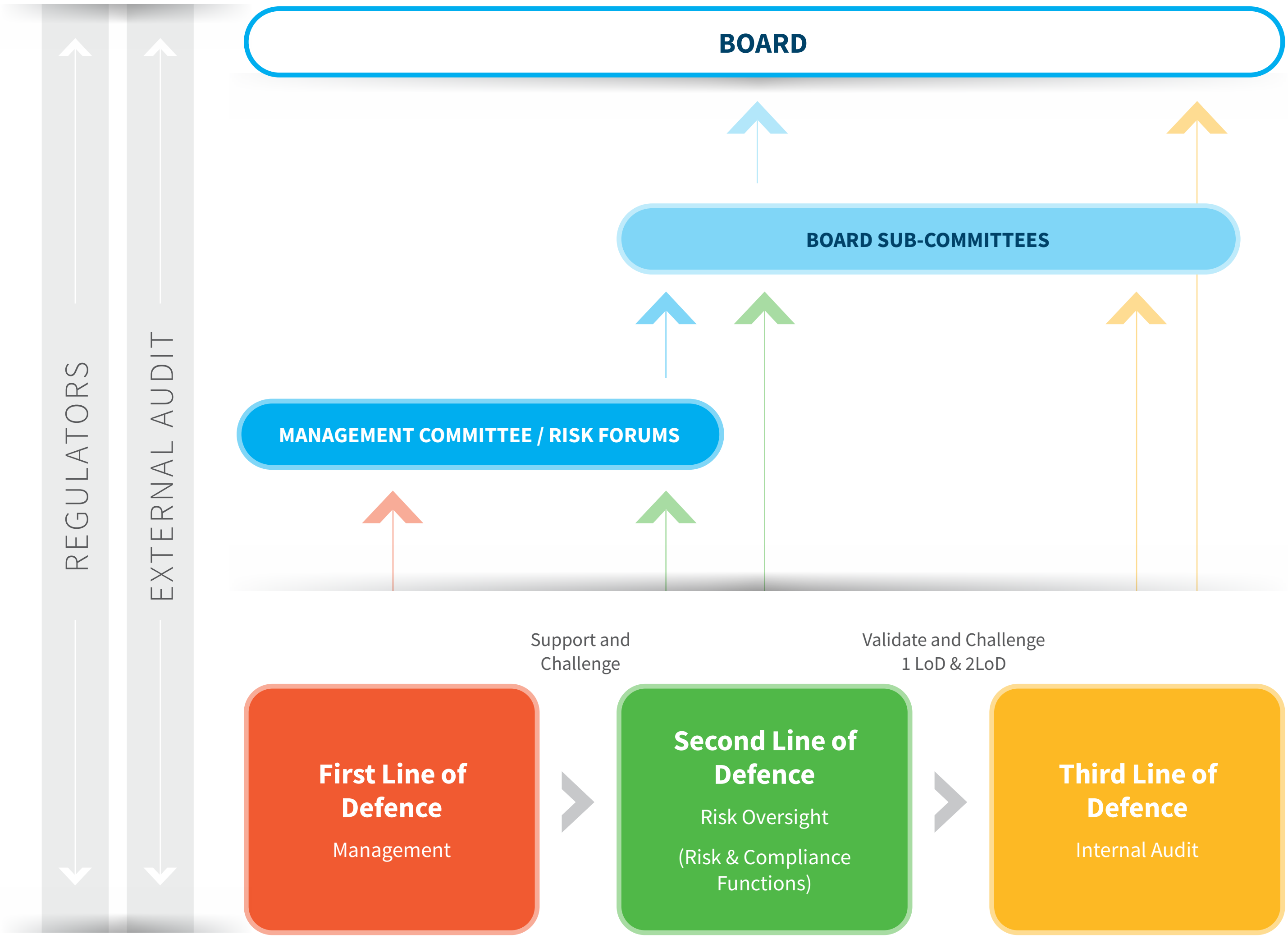
Cim Finance's Enterprise Risk Management (ERM) framework provides a structured and consistent approach to identifying, assessing, managing, and monitoring risks across its various lines of business. By embedding the ERM framework into every facet of the organisation, we ensure that the Group is well-positioned to respond to both opportunities and challenges. The Group is exposed to a range of risks with the potential to impact its financial performance and operational stability.

Risk governance

Recognising that good effective risk management requires a strong governance foundation, the Group implemented a robust risk governance structure based on the three lines model, previously referred to as 'three lines of defence model'. This approach facilitates the identification and escalation of risks, while providing assurance to the Board. Our governance structure is supported by an active and engaged Board of Directors and a dedicated Risk Management team, which operates independently of the Business Units. The Chief Risk Officer reports directly to the Chairperson of the Risk Management Committee.

Roles and Responsibilities – Three Lines Model

To create a robust control environment to manage risks, the Group has adopted the three lines model. The overarching principle of the model is that the risk management capability must be embedded within the business to be truly effective. This ensures clear risk ownership, with each line of defence responsible for identifying, managing, and mitigating risks at their respective levels.



- Management of Business Units
- Management Committee Forums (MANCO)

- Risk Management Function
- Compliance Function

- Internal Audit Function

Our Risk Management Process

The Group has processes in place to identify, assess, monitor, manage and report risks, ensuring we operate within our defined risk appetite. Our risk assessment process combines a 'top-down' and 'bottom-up' approach, to incorporate risks of allowing us to address risks at both strategic and operational levels. This dual approach ensures that all potential risks are considered, from high-level strategic threats to day-to-day operational challenges. The operationalisation of our risk framework is supported by the oversight of the Risk Management Committee, which provides strategic guidance, as well as various Management Committees that focus on specific areas of the business to address risks in a more targeted manner.

Risk Management Report (continued)

STRATEGIC LAYER

L1 — Board of Directors

L2 — Board Committees

- The Group's risk management governance structure begins with oversight by the Board of Directors, either directly or through its Committees to ensure that decision-making is aligned with the Board's approved risk appetite.
- The established Board Committees - Risk Management Committee, Audit & Compliance Committee, Corporate Governance and Conduct Review Committee - drive the overall risk management governance.

Risk Management Committee

4
No. of Meetings

2/4
Independent Directors

MANAGEMENT LAYER

L3 — Management

- The aggregate enterprise-wide risk profile and portfolio appetite are discussed at the respective risk management forums and further reported quarterly to the Risk Management Committee.
- The Executive Management is responsible for translating the high-level overall guidance from the Board into operational aspects and then monitoring and reporting to the Committees.

Management Committees / Risk Forums

- Portfolio & Credit Risk Forum (PCF)
- Debtors Monitoring Committee (DMC)
- Assets & Liabilities Committee (ALCO)
- Policies & Process Review Forum (PPF)
- Operational Risk Forum (ORF)
- Risk Analytics Forum (RAF)

L3 — Risk Management Team

L3 — Compliance Team

The Risk Management Team and Compliance Team are independent of the Business Units.

- The Risk Management Team is responsible for identifying, measuring, monitoring and reporting significant risks across the organisation.
- The Compliance Team ensures that there are appropriate controls in place to comply with applicable laws and regulations, and escalate significant non-compliance matters to Management and to the Audit & Compliance Committee.

UNDERPINNED BY OUR RISK MANAGEMENT PROCESS

IDENTIFY
Key risks to the achievement of business objectives (value growth & value preservation)

ASSESS
The potential impact and likelihood

MITIGATE
Using appropriate controls and management actions

MONITOR
The potential for internal and external changes to risks and the continued efficacy of controls

REPORT & ESCALATE
Regularly and proactively to the Risk Management Forums and the sub-committees of the Board

Our Risk Appetite

In alignment with its strategic objectives, and upon evaluation of threats and opportunities, the Group defined a risk appetite statement that outlines the level of risk it can afford to take, needs to take, and prefers to take in achieving its objectives. This statement guides our approach to balancing risk and reward, particularly in areas such as financial, operational, and reputational risks. While we aim to minimise exposure to these risks, we are willing to accept certain levels of risk in exchange for the potential rewards that support the achievement of our strategic objectives.

Throughout the year, the risk appetite, along with the risk tolerance and limits, were reviewed to ensure they reflect the prevailing economic environment. These parameters are independently monitored by the Risk Management team, which then reports them to the Risk Management forums and to the Risk Management Committee.

Cim Finance's risk appetite is founded on the following pillars.

- Portfolio and Credit Risk
- Liquidity and Funding Risk
- Capital Adequacy
- IT and Cybersecurity Risk
- Operational Risk
- Reputational Risk
- Business/Strategic Risk
- Market Risk
- ESG Risk
- Legal and Compliance Risk

Risk Policies and Procedures

At the core of our Enterprise Risk Management framework are key policies, standards, guidelines, and processes. These policies provide guidance and set the minimum control requirements for the business. They are reviewed annually or as needed to address changes in the business environment, new products, best practices, and regulatory requirements. All relevant documents are available to staff via an online policy portal.

Risk Management Report (continued)

Our Principal Risks

The table below depicts the principal risks of CFSL including evolution of the risks over the financial year 2024. The description of the principal risks and mitigation strategies is further detailed below.

FINANCIAL RISKS

Credit Risk

The risk of financial loss arising from a borrower's or counterparty's inability to meet contractual obligations as they become due.

Risk Response

Policies and processes:

- Robust credit risk policies, standards and prudential limits are in place, including a set of credit risk metrics.
- A risk-based approach to credit decision-making, with higher-risk or more complex applications escalated to a higher credit authority for approval, incorporating appropriate pricing and securing collateral where applicable.
- Use of risk reduction mechanisms, such as credit insurance, to transfer or offset credit risk.
- A provisioning strategy for credit losses is in place, ensuring sufficient funds are set aside to cover potential future defaults, reflecting the Group's proactive approach.
- A diversification strategy spreads credit exposure across various sectors and borrowers' profiles, minimising dependency on any single segment and enhancing resilience to adverse economic conditions.

Performance Reviews and Monitoring:

- Effective monitoring controls are in place to oversee credit scorecards and enforce policy rules within our credit decisioning tools. This includes closely tracking credit quality, managing concentration, and identifying any exceptions to established policies.
- Ongoing monitoring enables the early identification of potential credit deterioration, allowing for timely interventions.
- A Support programme is in place to assist borrowers facing temporary financial difficulties.
- Credit scorecards and IFRS 9 Expected Credit Loss (ECL) models are periodically reviewed to ensure their reliability e and alignment with internal risk management goals.
- The Debtors Monitoring Committee, the Portfolio & Credit Risk Forum and the Risk Analytics Forum assess credit exposures, identify early warning signs and implement treatment strategies as needed.

FINANCIAL RISKS

Model Risk

Potential negative outcomes from decisions based on incorrect or misused model outputs, including design errors and data limitations.

Risk Response

Policies and processes:

- Various models are leveraged, such as Credit scorecards, Probability of Default, and Loss Given Default to calculate expected credit loss in compliance with IFRS 9 standards. These models play a crucial role in supporting credit decision-making.
- Models are reviewed and updated to reflect the latest performance data and latest forward-looking macroeconomic variables.
- The Risk Management team independently maintains the IFRS 9 ECL models.

Performance Reviews and Monitoring:

- The performance of credit scorecards is regularly reviewed and reported at the Risk Analytics Forum.
- The performance of the IFRS 9 ECL models is regularly monitored, and issues are reported to the Risk Management Committee for resolution.
- Comprehensive model documentation and ECL standards, along with Board-approved governance frameworks, ensure consistency and accountability.

FINANCIAL RISKS

Liquidity & Funding Risk

Mismatch in the timing of cash inflows and outflows could impact the Group's cashflow management and its ability to meet its financial obligations.

Funding risk may arise from an over-reliance on specific funding source(s), gaps in funding, or concentrated maturity dates.

Risk Response

- A Board-approved funding strategy is in place, providing clear direction.
- A Contingency Funding Plan and Recovery Plan are in place.
- The Treasury team is responsible for the day-to-day management of liquidity.
- Proactive management of the mismatch between asset and liability maturities.
- A diverse yet stable pool of funding sources is maintained, including sufficient liquidity buffers.

FINANCIAL RISKS

Interest rate Risk

The risk arises when the Group's assets and liabilities have differing interest rate structures or maturities, leading to an imbalance.

Risk Response

- An interest rate gap analysis is conducted to understand the sensitivity of assets and liabilities to interest rate changes.
- Interest rate positions, exposures, and market trends are closely monitored, with updates regularly reported to the Asset and Liability Committee (ALCO) and the Risk Management Committee of the Board.
- The maturities and interest rate profiles of assets and liabilities are aligned to reduce exposure.
- Stress testing and scenario analyses are performed to simulate the impact of different interest rate environments on the Group's portfolio and capital adequacy.

Risk Management Report (continued)

NON-FINANCIAL RISKS

Technology & Cyber Risks

Potential disruptions from system failures and reliance on third-party technology.

Cyber risk encompasses threats from attacks, data breaches, and employee misconduct.

Risk Response

First line of defence:

- The effective management of IT risks is essential for achieving strategic objectives and maintaining operational continuity.
- Dedicated IT Security team is responsible for monitoring and reporting on cybersecurity risks.
- IT Operations are responsible for capturing and tracking IT risks associated with core technology services, such as infrastructure risks, failure of the core IT system and cyber-attacks.

Second line of defence:

- An independent Chief Information Security Officer was appointed to oversee IT and cyber risk management.
- A framework has been implemented to measure and monitor the technology and cyber risk profile, alongside the control environment.
- Independent penetration testing and vulnerability assessments are carried out with support of external expertise.
- Cybersecurity maturity is enhanced through the review of policies and implementation of tools, ensuring alignment with the Bank of Mauritius Guideline on Cyber and Technology Risk Management.
- Regular training and awareness sessions are conducted, focusing on emerging trends in cyber-attacks & social engineering.
- Due diligence and well-defined contracts are in place for third-party engagement.
- IT and cyber security risks are independently tracked by the Risk Management team and reported to the Operational Risk Forum and Risk Management Committee.

NON-FINANCIAL RISKS

Operational Risks

Failures and resulting losses from inadequate internal processes, systems, or external events.

Risk Response

Effective risk management programme:

- An effective risk management programme was designed and rolled out, anchored in the three-lines-of-defence model.
- Risks and controls are regularly updated as per the Risk Control Self-Assessment ('RCSA') approach.
- Continuously optimise controls & risk mitigations for various operational risks in line with risk appetite and thresholds.
- Strike the right balance of operational risk management to address key risks effectively while ensuring cost-effective measures.
- Adopt a resilient approach for business processes to ensure sustained operations in the face of disruptions.

Reporting and Oversight:

- Non-financial risk policies and procedures are reviewed periodically in line with evolving business needs and environmental control.
- Ensure timely incident reporting, oversight and independent monitoring by the risk team.
- Periodic reports are provided to the Operational Risk Forum ('ORF') and to the Risk Management Committee ('RMC').

NON-FINANCIAL RISKS

People Risk

People risk is the risk of loss or adverse impact on the Group due to human factors, such as inadequate skills, talent attraction constraints driven by the lack of resources, employee misconduct, lack of succession planning, or insufficient employee engagement.

Risk Response

People-first culture:

- Engagement surveys are carried out to gauge employee satisfaction, identify areas of improvement, and create a supportive work environment.
- Continued focus on developing and delivering initiatives that reinforce appropriate behaviours.
- Strategies are in place to attract, retain and develop high-calibre talent, alongside rigorous succession planning.
- The 'ACE' Cim Graduate Programme was introduced, providing young graduates with a tailor-made programme, and vast opportunities to gain valuable work experience within the Group.
- Foster in-house talent development through the CIM Capability Academy.
- A recognition programme is carried out annually to reward and recognise high performers.
- Promotion of health and wellbeing through awareness sessions, medical check-ups and other wellness initiatives.

HR Operations:

- Process re-engineering and automation are ongoing to enhance operational efficiency.
- Talent management is actively pursued and is underpinned by a revamped performance management tool, coupled with an actionable annual employee engagement survey.
- Attraction, retention and other key HR-related risk indicators are closely monitored and managed proactively.
- Resources are managed effectively to mitigate potential staffing disruptions caused by illness, turnover, or other unforeseen events.

NON-FINANCIAL RISKS

Compliance Risk

The risk of legal or regulatory sanctions, financial loss, or reputational damage the Group may face due to its failure to comply with applicable laws, regulations, rules, internal policies, and standards of good practice.

Risk Response

- An independent compliance function is established within the second line model.
- Active support is provided to the business in terms of customer due diligence, training of employees, and transaction monitoring.
- New regulations/changes in regulations are closely monitored to ensure the Group's compliance with evolving requirements.
- Policies and processes are reviewed periodically to ensure that regulatory requirements and existing and potential risks are addressed.
- Processes, products, clients and channels undergo comprehensive risk assessments to ensure the Group factors in money laundering and terrorist financing risks.
- A robust compliance incident reporting and escalation process is in place.
- Data privacy and protection measures are continuously strengthened to protect sensitive customer information and maintain regulatory compliance.
- Controls and due diligence processes are enhanced for third-party engagement.

Risk Management Report (continued)

STRATEGIC RISKS

Strategic & Business Risks

Risk arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to changes in the business environment.

Risk Response

- Strong governance frameworks are in place to ensure effective oversight by the Board and Management Committee.
- Regular assessments are carried out to align strategic objectives with risk appetite, regulatory requirements, and market conditions.
- The competitive landscape and emerging technologies are closely monitored to ensure the Group proactively adapts to these shifts.
- Sustain the Group's diversification plan and scale up lateral business lines and the client base to broaden revenue streams, while leveraging ESG-related opportunities.
- Pursue the Group's digital journey and leverage innovation in our product offerings, whilst benchmarking against competitors to meet changing customer preferences and demographics.
- Investment in business continuity planning, disaster recovery, and cybersecurity are ongoing to ensure resilience against disruptions.
- Initiatives are in place to streamline processes, reduce costs, and improve efficiency to help mitigate business risks.

STRATEGIC RISKS

Reputational Risk

Reputational risk is the risk of damage to the Group's reputation as a result of negative publicity, regulatory actions, customer dissatisfaction, litigation, or unethical behaviour.

Risk Response

- The media and social media channels are continuously monitored to keep the Group informed about e public sentiment and potential risks.
- A dedicated team responds to misinformation or addresses concerns on social platforms to mitigate any adverse impact.
- Customer complaints are managed effectively and in a timely manner to preserve trust.
- Established due diligence processes for clients and third parties help avoid associations that could tarnish the Group's reputation.
- Enhanced screening processes ensure alignment with the Group's ethical standards and risk appetite, minimising exposure to controversial activities.
- A comprehensive plan was developed and a Crisis Management governance structure was established for dealing with potential disruptions.

Credit Risk

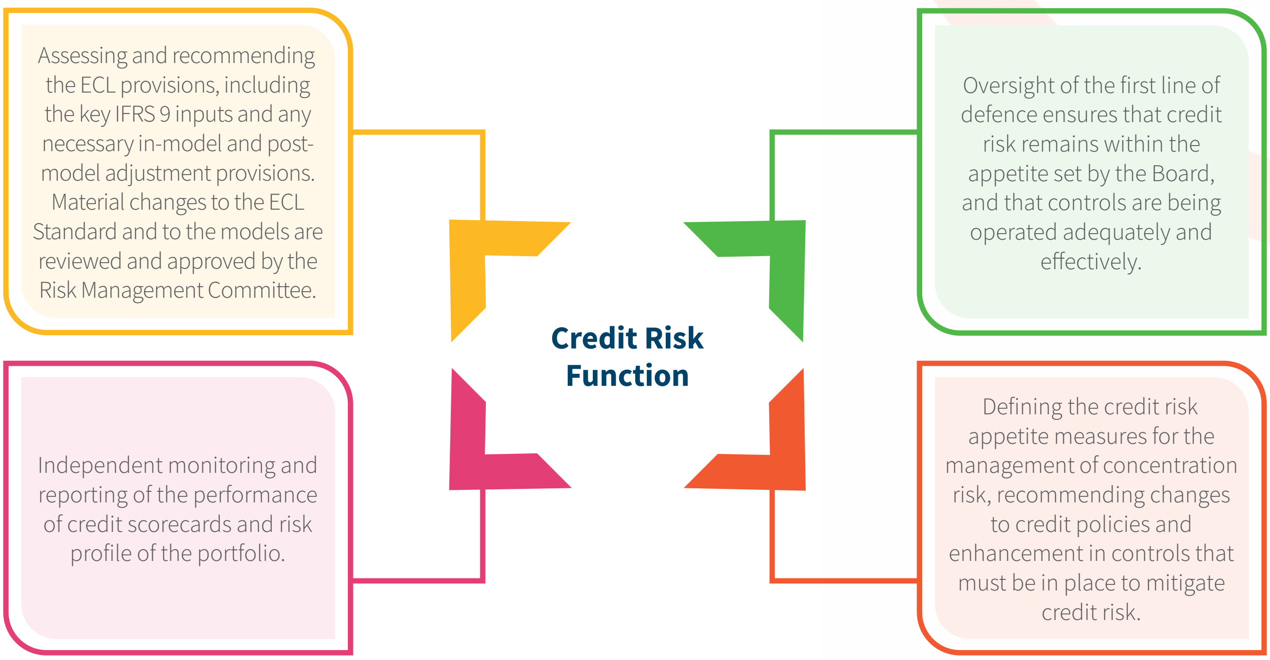
Credit Risk Management Principles

Cim Finance's credit risk management framework is guided by a set of governing principles outlined in credit-related policies and standards. These are further supported by more specific processes and operating procedures applying to each lending segment. The framework's primary objective is to ensure that all material credit risks faced by the Group are identified, measured, managed, monitored, mitigated and reported on a consistent basis.

Achieving this requires the thorough evaluation of proposed credit extensions, setting specific and appropriate limits, continuous monitoring throughout the exposure's lifecycle, the active deployment of credit mitigation tools, and a disciplined approach to recognising credit impairment.

The risk management function provides independent oversight of credit risk, and ensures effective risk reporting to the Risk Management Committee and the Board. This includes tracking developments in credit risk and compliance with specific risk policies and limits. Large credit risk exposures are subject to regular monitoring through the Debtors Monitoring Committee, which facilitates closer attention and timely action, when appropriate.

The Credit Risk function operates independently of the Business Units, offering robust oversight and challenging the credit risk management activities undertaken by these units.



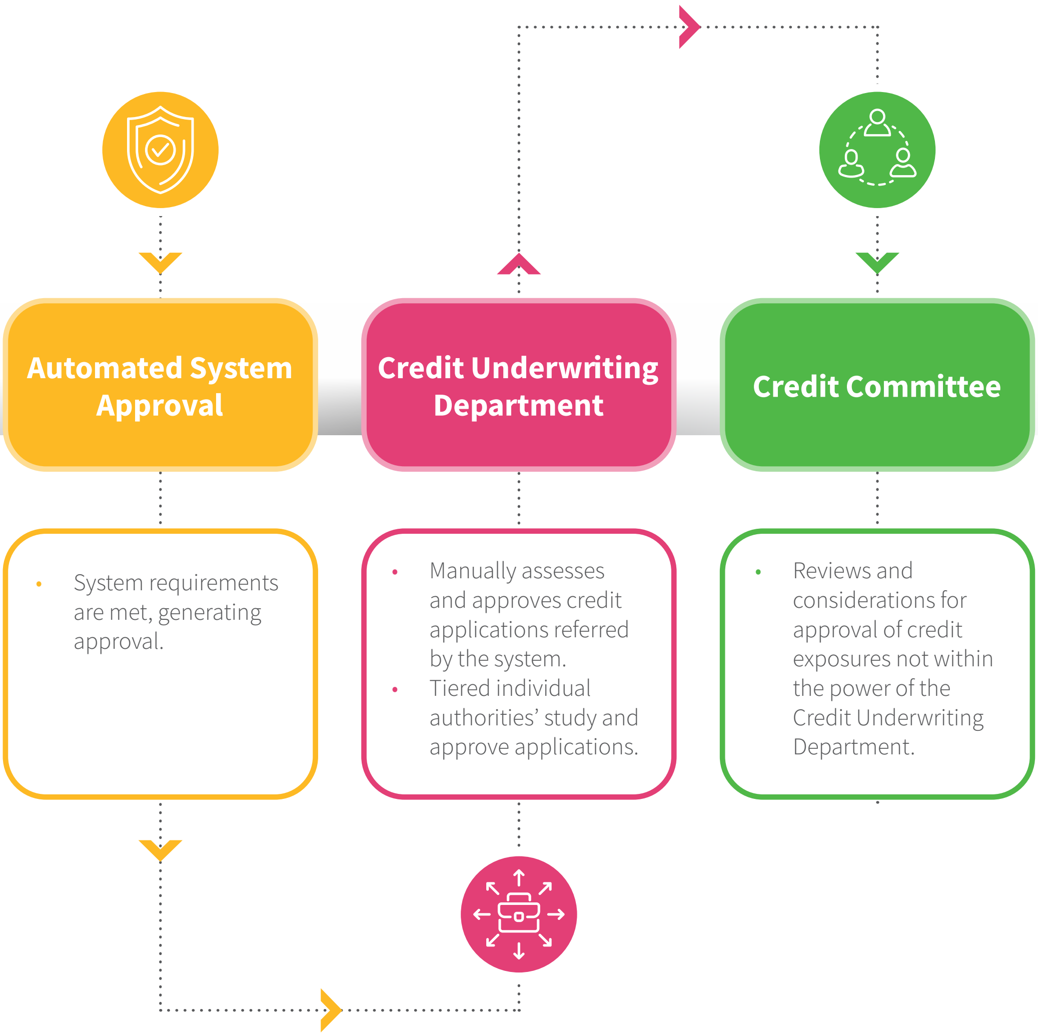
Risk Management Report (continued)

Credit Approval Process

The Group's credit approval processes are designed to balance appropriate authority levels with timely and responsible decision-making. For consumer finance clients, the Group uses a robust credit decisioning tool powered by Experian-developed application and behavioural scorecards. These scorecards assign credit scores to clients and enable the approval of credit applications, within specified thresholds, for eligible borrowers seeking credit finance and personal loans.

The scorecard approach is based on a combination of factors, including the client's historical experience with Cim Finance, and updated information provided by the client. Regular reviews ensure that the predictive variables remain aligned with the current credit quality and are within risk/return expectations. Applications that do not meet these scorecard decisioning requirements may be referred to an independent credit underwriting team for manual assessment.

Credit approvals are granted at various organisational levels, based on the authority delegated by the Board of Directors. These levels are determined by the customer's credit exposure and associated risk.



Measurement of the Expected Credit Loss (‘ECL’)

Cim Finance has adopted the international accounting standards IFRS 9, which integrates past events and historical data, current conditions, and reasonable, supportable and unbiased forward-looking information to measure ECLs over the life of existing exposures. Consistent with the requirements of IFRS 9, the Group has considered both quantitative and qualitative information in the assessment of significant increases in credit risk. The ECL model was most recently updated in 2024.

Governance and Post-Model Adjustments

The Group’s IFRS 9 models for probability of default (‘PD’), exposure at default (‘EAD’) and loss given default (‘LGD’) are governed by the ECL standard, which is approved by the Risk Management Committee and the Board.

Post-model adjustments were applied when deemed necessary by management and/or the Board to ensure an adequate level of overall ECL provisioning.

Stage Classification

CFSL classifies its financial assets into three stages, based on material changes in the credit risk:

Stage 1
(Low credit risk)

Upon the origination or purchase of a financial instrument, 12-month Expected Credit Losses (ECLs) are recognised in profit or loss, with a corresponding loss allowance established as an initial estimate of credit risk. Interest revenue is calculated based on the gross carrying amount of the loan, without adjusting for ECLs.

Stage 2
(Significant increase in credit risk since initial recognition)

If there is a significant increase in credit risk that is not considered low, the recognition shifts to lifetime ECLs, which are also recorded in profit or loss. Interest revenue calculation remains consistent with that of Stage 1.

Stage 3
(Credit impaired)

When a financial asset becomes credit-impaired, it transitions to Stage 3. Interest revenue is calculated based on the asset’s amortised cost (gross carrying amount minus the loss allowance). Lifetime ECLs are recognised, and these assets are assessed individually, reflecting the severity of credit impairment.

The transition from recognising 12-month ECLs (Stage 1) to lifetime ECLs (Stage 2) in IFRS 9 is determined by a significant increase in credit risk relative to the risk at initial recognition. This transition underscores the instrument’s evolving credit profile over its remaining life.

Risk Management Report (continued)

Significant Increase in Credit Risk ('SICR')

CFSL monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If credit risk has significantly increased, the loss allowance will be measured based on lifetime rather than 12-month ECLs.

In making this assessment, Cim Finance considers both quantitative and qualitative information that is reasonable and supportable. This includes historical experience, expert credit assessment, and forward-looking information, ensuring that the process is based on available information without undue cost or effort. At each reporting date, Cim assesses whether the credit risk of a financial asset has increased significantly since its initial recognition, following these steps:

(i) A 30-day past due backstop criterion is used as an indicator of Significant Increase in Credit Risk (SICR)

(ii) The risk of a default is compared at the reporting date based on the remaining maturity of the asset, relative to the risk of default anticipated when the financial asset was first recognised.

(iii) If an asset is considered 'low risk' at the reporting date, the Company may assume that it is not subject to SICR.

(iv) In addition to the above, other qualitative factors showing early signs of warning are considered.

The ECL Calculation

ECLs are calculated as unbiased, probability-weighted amounts, determined by evaluating a range of reasonably possible outcomes. This calculation takes into account the time value of money, and considers all reasonable and supportable information, including forward-looking data. The calculation also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure (the likelihood that loans will recover) and the value of collateral or the potential amount that may be received from selling the asset.

The maximum period for determining credit losses is the contractual life of the financial instrument, unless the Company has the legal right to call it earlier.

The ECL is the product of the following parameters: PD, LGD and EAD. These parameters are derived and are adjusted to reflect forward-looking information as described below:

Probability of default

The **probability of default ('PD')** refers to the likelihood that a borrower will default over a particular time horizon. The PD of an obligor is a fundamental risk parameter in credit risk analysis and depends on obligor-specific characteristics, as well as on macroeconomic risk factors.

PD models are built using logistic regression and the Vasicek approach to model monthly default rates. The modelling phase identifies key variables with significant predictive power for default, using the information value statistics. These variables are shortlisted based on their significance in predictive default, and possible combinations are assessed using multivariate analysis to achieve the best-fit model. The performance of the final models is assessed by comparing the estimated PD curves against the historical default rate.

The PD term structures were updated in 2024 based on the latest available macroeconomic information and any data from external sources, as required by the PD model framework. Different segments use different macroeconomic variables, chosen for their statistical significance in explaining defaults ll and the intuitiveness of the coefficients.

Loss given default

By definition, **loss given default ('LGD')** refers to the magnitude of the likely loss on a given facility in the event of default. It takes into account the loss of principal, interest foregone and workout expenses. The LGD estimation for Cim Finance has been updated with additional data for the recent period. The LGD estimates include the following key elements within the methodology:

(i) **Cure Rate,**
(ii) **Recovery Rate,**
(iii) **Discounting Rate,**
(iv) **Administration Cost.**

The models are derived using the logistic regression technique and yielded to statistically significant estimates. When historical data is insufficient for modelling, Basel estimates of LGD for unsecured exposures are applied.

Exposure at default

The **exposure at default (EAD')** refers to the gross carrying amount of the financial instruments in the event of obligor default.

The period for which cash flows are determined is generally limited to the maximum contractual period for which the Company is exposed to credit risk, except for credit cards, the maximum period for which the credit losses are determined is the contractual life of financial instrument unless the Company has the legal right to call it earlier.

These expected cash flows are discounted using the effective interest rate on the financial instruments.

Incorporation of forward-looking information

In its ECL calculation, the Group incorporates forward-looking information that is available without undue cost and effort. This is used to assess whether the credit risk of an instrument has increased significantly since initial recognition and its measurement of ECL.

Macroeconomic and correlation analyses are performed, along with a sense check, to determine key macroeconomic variables, which are then considered for the purpose of Point-in-Time (PIT) PDs. The Group also incorporates macroeconomic factors from other sources, such as the IMF, into its estimates.

Various economic scenarios are formulated based on different assumptions: the baseline scenario represents the best estimate and most likely outcome, aligning with the information used by the Group for strategic planning and budgeting. The upside and downside scenarios reflect a more optimistic and more pessimistic views, respectively.

An analysis of the Group's credit loss allowances as at 30 September 2024 is set out in note 10, 15 and 16 of the financial statements on page 116.

The roots of our success

lie in nurturing growth, together.

Individually strong yet united in purpose, our people drive the progress that shapes our journey.
Every strength, every idea, every experience contributes to a collective push towards a more meaningful future.

Corporate Governance Report

1. COMPLIANCE STATEMENT

CIM Financial Services Ltd ('CFSL' or the 'Company'), a company listed on the Official Market of The Stock Exchange of Mauritius ('SEM'), is classified as a public interest entity under the Mauritian Financial Reporting Act 2004. In accordance with the National Code of Corporate Governance (2016) (the 'Code'), CFSL is required to adopt and report on its corporate governance practices. This Corporate Governance Report thus sets out how the Code's principles have been applied throughout the Company.

2. GOVERNANCE STRUCTURE

2.1 The Board

A strong governance culture is essential, and at CFSL, its Board of Directors plays an important role in fostering and exemplifying this commitment. The Board of Directors ('Board') of CFSL is fully dedicated to applying the principles of the Code, thus reinforcing the Company's commitment to maintaining and enhancing business resilience, and creating long-term value for its shareholders and other stakeholders. The Board is responsible for embodying and promoting a culture of transparency, accountability and ethics in order to guarantee efficient and ethical decision-making processes and to ensure sustainable growth.

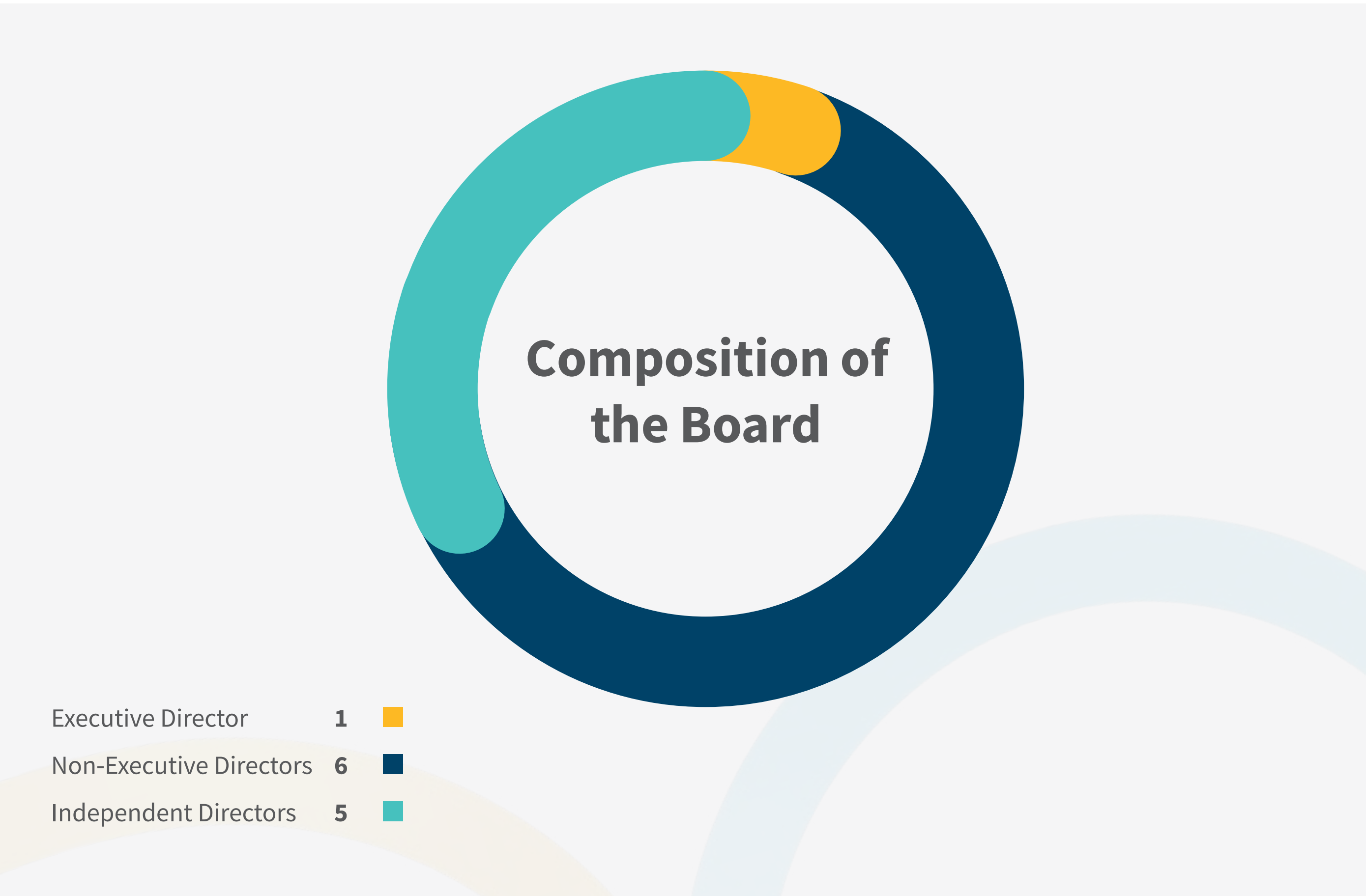
According to the Constitution of the Company, the Board shall consist of a minimum of six and a maximum of twelve directors.

The Company is headed by a unitary board, comprised of twelve members, under the chairpersonship of Mrs Aïsha C. Timol. As the business goes through its digital transformation, the Board considered it important to have a Board member with IT expertise so as to help the Company stay ahead of technological advancements and trends and guide the Company in the implementation and integration of its IT strategies. Mrs Jenny Chan, a seasoned professional with 30 years of experience in the IT industry was thus appointed as Independent Director in February 2024.

Her profile is set out at on page 29.

This year also marked a change in CFSL's leadership team with the replacement of Mr Mark van Beuningen by Mr Ambrish Maharahaje as the Group CEO and Executive Director.

As at 30 September 2024, the Board comprised of six non-executive Directors, one executive Director and five independent Directors, including the Chairperson, who operate collectively within a clearly defined governance framework. The categorisation of each director is set out in the table on page 99.



The Board is of the view that there is an adequate balance between independent, non-executive and executive Directors on the Board and that all Board members have the necessary skills, expertise, experience, independence of opinion and knowledge to discharge their respective duties and responsibilities properly and effectively. The increasing diversity among Board members helps the Board to make constructive criticism and overcome any risk of 'groupthink'.

Although there is only one executive Director on the Board, the Board is of view that the input of the Group Chief Financial Officer, who is in attendance at Board meetings, provides an appropriate balance to Board deliberations. Moreover, the input of other members of the Senior Management Team is sought when needed at Board and Committee meetings.

The composition of the Board meets the requirements of the Code and the Mauritian Companies Act 2001 in terms of gender diversity, with three women directors. The Company aims to move beyond mere gender compliance by fostering a culture that actively promotes and values inclusivity at all levels.

The Board assumes collective responsibility for leading and controlling the organisation, providing strategic guidance and ensuring, in collaboration with Management, the sustainability of CFSL's business model, reviewing strategic plans together with financial plans, monitoring performance, ensuring that a robust risk management system is in place and providing accurate information to shareholders, the public and regulators. It also ensures that the Company adheres to all legal, regulatory requirements, applicable corporate governance practices and relevant sustainability principles.

In recognition of the growing importance of Environmental, Social, and Governance (ESG) factors in the Company's operations and strategic planning, the Board established an ESG sub-committee which is chaired by a Board Director, as a sub-committee of the Corporate Governance and Conduct Review Committee in May 2024. Thus, as at 30 September 2024, six committees have been set up by the Board to assist in the discharge of its duties, as morefully set out on pages 97 to 98.

The profiles and the full directorship list of the members of the Board are set out on pages 28 to 33 of the Annual Report. Except for Mr David Somen, all the Directors reside in Mauritius.

The Board has adopted an Equal Opportunity Policy pursuant to the requirements of the Mauritian Equal Opportunity Act 2008. The Policy provides for the promotion of equal opportunity between persons, and also prohibits discrimination on the grounds of status and by victimisation. The Policy sets out the Company's position on equal opportunity in each and every stage of the employment process, a process that is applied equally to all Board members and employees. The Company will regularly review its procedures and selection criteria to ensure that individuals are selected, promoted and treated solely based on their individual abilities and merits.

The skills set of the members of the Board is set out in their respective profiles on pages 28 to 33.

In accordance with the requirements of the Code, the following documents, as approved by the Board, are available for consultation on the Company's website https://www.cim.mu/governance-cfsl.html.

Corporate Governance Report (continued)

Constitution of CFSL	The Constitution has been drafted in accordance with the provisions of the Mauritian Companies Act 2001 and the Listing Rules established by the Stock Exchange of Mauritius.
Board Charter	Adopted in October 2019, the Board Charter provides the terms of reference of the Board as well as a concise overview of the objectives, role, composition and responsibilities of the Board of the Company. The Board Charter was reviewed at the December 2024 Board meeting.
Code of Ethics	The Code of Ethics highlights areas such as personal conduct, conflicts of interest, personal dealings in securities and related investments, and employment practices which the Company believes are essential in maintaining fair business practices. The Board will regularly monitor and evaluate compliance with the Code of Ethics. Following the review of the Code of Ethics during the previous financial year, a condensed version of the Code of Ethics will be published on the Company's website. All employees and Directors have received a copy of the Code of ethics of the Company, and new employees and Directors are provided with a copy of the Code of Ethics upon their induction.
Position statements of the Chairperson, of the Chief Executive Officer, Company Secretary, Chairperson of the Audit and Compliance Committee, Chairperson of the Risk Management Committee, Chairperson of the Corporate Governance and Conduct Review Committee, Chairperson of the Board Investment Committee and Chairperson of the ESG sub-committee.	The function and role of the Chairperson and that of the Group Chief Executive Officer are separate. These position statements provide a clear definition of the respective roles and duties of the Group Chief Executive Officer, of the Company Secretary, of the Chairperson of the Board as well as of the Chairperson of each committee.
Organisational Chart and Statement of main accountabilities	CFSL operates within a clearly defined governance structure and such framework provides for clear lines of responsibility and delegation of authority while enabling the Board to retain effective control.
Nomination and appointment process for Directors	It highlights the process of identifying candidates, recommending potential Directors to the Board for approval and providing them with an induction programme once their appointment has been approved.

To promote a culture of integrity and to reaffirm its commitment to conducting business in an ethical manner, the Group has adopted a Whistleblowing policy which provides for a channel of effective and safe communication of concerns. Employees are encouraged to report any malpractice of which they become aware, without running the risk of being victimised or discriminated. The policy, which is available on the website of the Group, https://www.cimfinance.mu/en/whistleblowing, outlines the reporting mechanism and the defined process on how reported concerns will be handled and investigated in strict confidentiality.

The Board Charter, the organisation's Code of Ethics, the position statements, the organisational chart and the statement of main accountabilities have already been approved by the Board following the recommendation of the Corporate Governance and Conduct Review Committee. These documents have been reviewed by the Corporate Governance and Conduct Review Committee during the year under review and relevant changes were made where needed.

2.2 Board Committees

The Board of CFSL is assisted in its functions by six main sub-committees: (i) the Audit and Compliance Committee, (ii) the Risk Management Committee, (iii) the Corporate Governance and Conduct Review Committee, which also acts as a Remuneration and Nomination Committee, (iv) the Board Investment Committee (v) the IT & Digitalisation Committee, and (vi) ESG sub-committee which was set up in May 2024.

These Committees, which operate within approved terms of reference/charter, have been set up in line with the Code, to assist the Board in the effective discharge of its duties, as well as to provide support and in-depth focus as well as specialist guidance on particular matters which relate to CFSL's activities. The minutes of each committee's proceedings are recorded and submitted to the Board for their reference and consideration. The Chairperson of each sub-committee provides the members of the Board with a report on important matters which might have an impact on the Company and its activities. For the year under review, the Board is satisfied that all committees have effectively honoured their responsibilities and fulfilled their role of providing oversight to the Board on specific matters while assisting the Board in dealing with existing and new challenges.

The Corporate Governance and Conduct Review Committee ('CGCRC')

The CGCRC oversees all governance issues relating to the business activities of the Company and all its subsidiaries. Following the appointment of Mrs Jenny Chan as member of the CGCRC in May 2024, the CGCRC is now composed of three non-executive Directors, namely Mr David Somen (Chairperson), Mr Tim Taylor and Mr Philip Taylor, two independent directors, namely Mrs Aïsha C. Timol and Mrs Jenny Chan, and one executive Director, namely Mr Ambrish Maharahaje.

"During the year under review, the CGCRC met 4 times. Besides looking at the general corporate governance and remuneration matters, the CGCRC recommended the appointment of Mrs Jenny Chan as Independent Director of CFSL, and that of Mr Ambrish Maharahaje as the Group CEO and Executive Director of CFSL. Additionally, it reviewed the composition of the sub-committees, considered the assessment carried out following the evaluation of the Board, its Committees and its directors and the subsequent action plan extended the allocation mechanism for the Employee Share Options Scheme (ESOS) to Senior Managers as a recognition for their contributions, reviewed the criteria set for the ESOS and approved the setting up of a ESG sub-committee" David Somen, Chairperson.

The Risk Management Committee ('RMC')

The RMC oversees the risk-related issues of the Group and helps in maintaining effective internal control and risk management systems. It is currently composed of three independent Directors, namely Mr Denis Motet (Chairperson), Mr Fareed Jaunbocus and Mrs Jenny Chan, one non-executive Director, namely Mr Matthew Taylor and one executive Director, namely Mr Ambrish Maharahaje.

"During the year under review, the RMC met 4 times. As part of its mandate, the RMC discussed the risk appetite of the Group, the principal risks faced by the Group and the actions taken to mitigate such risks as well as took note of the reports issued by the Risk Management function. During the meetings held, significant emphasis was placed on the mitigation of emerging risks via dedicated analysis. The RMC also monitored the implementation of the various contingency plans set up to ensure business continuity as well as the progress made on the optimisation of the IT Risk Framework in order to address IT and People related risks. The committee also discussed the Company's impact of the interest rates and its impact on the funding strategy. The appointment of a Chief Information and Security Officer was also discussed." Denis Motet, Chairperson.

The Audit and Compliance Committee ('ACC')

The ACC monitors the audit-related and compliance-related issues of the Group. With regard to audit-related matters, the ACC monitors the implementation of the internal audit recommendations as well as the integrity of the annual report and the financial statements. The ACC also makes recommendations to the Board with regard to the appointment or removal of the external auditor. Moreover, it reports to the Board on significant financial reporting issues and judgements relating to financial statements. The ACC also has oversight responsibilities in terms of the management of compliance risks, maintaining internal controls and complying with established policies, procedures controls and relevant laws and regulations. Furthermore, the Committee makes recommendations to the Board concerning the implementation of internal controls and procedures to combat money laundering and the financing of terrorism.

The ACC is composed of three independent Directors, namely, Ms Sharona Ramdoss and Messrs. Fareed Jaunbocus and Denis Motet and one non-executive Director, namely Mr Amédée Darga (Chairperson).

During the year under review Mr Amédée Darga stepped down as Chairperson of the ACC given that he ceased to be an independent director from 2022. Mr Fareed Jaunbocus, was appointed as Chairperson of the ACC in August 2024.

All the members of the ACC are financially literate, with Mr Fareed Jaunbocus being a Chartered Accountant and Ms Sharona Ramdoss being a Chartered Financial Analyst.

"During the year under review, the ACC met 7 times and received reports from the Head of Internal Audit on the various internal audit and investigations carried out by the Internal Audit Team as well as the action plans taken accordingly, and also took note of and approved the internal audit plan for the financial year. The Committee also took note of the external audit plan and received the report of the external auditors on the audited financial statements of CFSL for the year ended 30 September 2023, reviewed the audited accounts, the management letters as well as quarterly financial statements presented by the Group Chief Financial Officer. The ACC also received regular reports from the Head of Compliance who ensures that the Group complies with established internal procedures and policies as well as with standards of good practices and applicable regulations and laws." Fareed Jaunbocus, Chairperson.

The Board Investment Committee ('BIC')

The BIC assists the Board of the Group by recommending investment and/or acquisition decisions within the mandate of the Committee or any other matter delegated to it by the Board. The BIC meets on an ad hoc basis as and when there are investment projects to be considered.

Following a change in the composition of the BIC, Mr Tim Taylor was appointed as Chairperson of the BIC in replacement to Mrs Aïsha C. Timol , and Ms Sharona Ramdoss was appointed as a member on the BIC. Hence as at 30 September 2024, the BIC was composed of Mr Tim Taylor (Chairperson), two non-executive Directors, namely Mr Amédée Darga and Mr Colin Taylor, two independent directors namely Mrs Aïsha C. Timol and Ms Sharona Ramdoss , and one executive Director, namely Mr Ambrish Maharahaje.

During the year under review, the BIC met 3 times to discuss potential strategic investment opportunities.

Corporate Governance Report (continued)

IT & Digitalisation Committee

During the year under review, the Board approved that the IT sub-committee changed its name to the IT & Digitalisation Committee (ITDC) in line with CFSL's commitment to integrate digital transformation initiatives within the Company.

In recognition of the increasing importance of technology in driving our strategic goals and to foster a proactive approach to IT governance, the Board has also suggested that the ITDC becomes a full fledged committee of the Board and meetings be convened on a quarterly basis rather than on an ad hoc basis. This decision was motivated by the need for a dedicated focus on our IT strategy, governance, and oversight, ensuring that technology initiatives align seamlessly with CFSL's business objectives.

During the financial year under review, the IT & Digitalisation Committee met four times and has provided valuable input in assessing Management's proposals for new software acquisitions.

The IT & Digitalisation Committee is composed of Messrs Fareed Jaunbocus, Matthew Taylor, Denis Motet, Ambrish Maharahaje and Mrs Jenny Chan and with Mr Amédée Darga as the Chairperson.

ESG sub-committee

This year the ESG (Environmental, Social, and Governance) sub-committee was set up, a significant step in our commitment to sustainability and responsible governance.

The committee is composed of senior leaders from both management and the Board to ensure that our ESG initiatives are strategically integrated into our overall business objectives. Ms Sharona Ramdoss who is an independent director (Chairperson), Mr Tim Taylor and Mr Ambrish Maharahaje are from the Board side, while Mr Nick Chin (Group Chief Financial Officer), Mrs Valerie Houbert (Head of Compliance) and Mr Pradeep Rawa (Head of Treasury) are from the management's side.

During the financial year under review, the ESG sub-committee met one time to discuss the terms of reference of the ESG sub-committee as well as the road map to implement the various ESG objectives and strategies.

When necessary, other committees are set up by the Board on an ad hoc basis to consider specific matters.

In accordance with the requirements of the Code, the following documents are available for consultation on the Company's website:

(i) Terms of Reference of the Corporate Governance and Conduct Review Committee;

(ii) Audit and Compliance Committee Charter;

(iii) Terms of Reference of the Risk Management Committee;

(iv) Terms of Reference of the Board Investment Committee;

(v) Terms of Reference of the IT & Digitalisation Committee; and

(vi) Terms of Reference of the ESG sub-committee.

The Audit and Compliance Committee Charter, the Terms of Reference of the Risk Management Committee and the Terms of Reference of the IT & Digitalisation Committee were reviewed and approved by the Board on 13 August 2024. The Terms of Reference of the Corporate Governance and Conduct Review Committee were also reviewed and approved by the Board in December 2024. As for the terms of reference of the ESG sub-committee, these were approved this year and will be reviewed on an annual basis.

It is to be noted that for the year under review, no changes were made to the Terms of Reference of the Board Investment Committee.

2.3 Directors' Remuneration and Attendance

The remuneration of independent non-executive Directors consists of a mix of attendance and retainer fees and are aligned with market norms. Non-executive directors have not received remuneration in the form of share options or bonuses associated with organisational performance.

The Executive Director does not receive additional remuneration for serving on the Board of the Company or its committees. His remuneration package as an employee of the Company, including performance bonuses, is in accordance with market rates.

The remuneration of the executive and non-executive Directors is reviewed and recommended for approval to Board on an annual basis by the Corporate Governance and Conduct Review Committee. The non-executive Directors are not paid any performance bonuses.

Directors' attendance at Board and Committee meetings as well as their remuneration from CFSL during the financial year ended 30 September 2024 are as set out in the table below. The frequency of Board meetings is determined in such a way that Directors can consider general matters as well as deal with emerging business opportunities effectively and in a timely manner. The Directors were able to commit sufficient time to their respective Committees and to Board meetings and serve the company effectively.

The Company Secretary ensures that board papers are sent to the Directors in good time to facilitate the decision-making progress and strategic discussions and attends Board and committee meetings in order to take note of the key discussions and decisions taken by the Board.

		ATTENDANCE							INTERESTS		REMUNERATION
	CATEGORY	BOARD MEETINGS	ACC	CGCRC	RMC	BIC	ESGC	ITDC	DIRECT	INDIRECT	MUR
TIMOL, Aïsha	IND	7/7	n/a	4/4	n/a	3/3	n/a	n/a	0.0012	nil	1,630,000
DARGA, Amédée	NED	7/7	7/7	n/a	n/a	3/3	n/a	4/4	0.0013	nil	1,010,000
JAUNBOCUS Fareedooddeen	IND	7/7	7/7	n/a	4/4	n/a	n/a	4/4	nil	nil	1,010,000
MOTET, Denis	IND	7/7	7/7	n/a	4/4	n/a	n/a	4/4	0.015	nil	1,140,000
RAMDOSS, Sharona[1]	IND	7/7	7/7	n/a	n/a	1/1	1/1	n/a	nil	nil	820,000
SOMEN, David	NED	7/7	n/a	4/4	n/a	n/a	n/a	n/a	nil	nil	1,043,475
TAYLOR, Colin	NED	7/7	n/a	n/a	4/4	3/3	n/a	n/a	nil	4.20	470,000
TAYLOR, Matthew	NED	7/7	n/a	n/a	4/4	n/a	n/a	4/4	0.0059	1.64	730,000
TAYLOR, Philip	NED	7/7	n/a	4/4	n/a	n/a	n/a	n/a	nil	4.20	660,000
TAYLOR, Timothy	NED	7/7	n/a	3/4	n/a	3/3	1/1	n/a	0.4108	8.09	840,000
CHAN AH SONG, Jenny[2]	IND	4/4	n/a	1/1	1/1	n/a	n/a	1/1	nil	nil	460,000
MAHARAHAJE, Ambrish[3]	ED	4/4	n/a	1/1	2/2	1/1	1/1	n/a	0.0022	nil	14,867,631
VAN BEUNINGEN, Mark[4]	ED	3/3	n/a	1/2	1/2	1/1	n/a	n/a	nil	nil	20,039,741

Note 1: Ms Sharona Ramdoss was appointed as member of the BIC on 15 May 2024.
Note 2: Mrs Jenny Chan was appointed as director of the Company on 19 February 2024 and as member of the RMC, CGCRC and ITDC on 15 May 2024.
Note 3: Mr Ambrish Maharahaje was appointed as director of the Company on 01 April 2024 and as member of the RMC, CGCRC, ITDC and the BIC on 15 May 2024.
Note 4: Mr Mark van Beuningen stepped down as director of the Company on 12 February 2024.

Key: *IND – Independent Director | NED – Non-Executive Director | ED – Executive Director*

2.4 Appointment

The Board, supported by the CGCRC, assumes the responsibilities for succession planning and for recommending the appointment of new Directors to the shareholders of the Company. Identifying key candidates for leadership positions helps ensure business continuity and enables the continuous execution of the Group's strategy. The process for the appointment of Directors, which is made in a transparent and formal manner, is available on the website of the company (https://www.cim.mu/governance-cfsl.html).

When appointing Directors, the Board considers its needs in terms of size, experience, skills and diversity. The total number of Directors shall not at any time exceed the number fixed in accordance with the constitution. It is to be noted that any Director over the age of 70 is appointed at the Annual Meeting of Shareholders ('AMS') in accordance with section 138(6) of the Companies Act 2001.

All Directors will stand for re-election by way of separate resolutions at the Annual Meeting of Shareholders of the Company scheduled in February 2025.

2.5 Induction and Orientation

The Board is responsible for the induction of new Directors to the Board, a process facilitated by the Company Secretary. The induction programme has been designed to make Directors fully aware of their legal duties and to acquaint them with the Company's structure, strategies, mission and values, thus enabling them to effectively participate in strategic discussion as from the beginning. Mrs Jenny Chan and Mr Ambrish Maharahaje were appointed as Independent Director and Executive Director of CFSL respectively during the financial year under review. Mrs Jenny Chan was given an induction pack and was also given the opportunity to meet the Board Chairperson and some of CFSL's key personnel.

2.6 Professional Development

The Board reviews the professional development needs of Directors during the Board evaluation process and directors are encouraged to develop their skills and expertise on an on-going basis. They also receive regular updates on the latest trends and legislations affecting the business from management and/or other industry experts. A Board evaluation exercise was carried out October 2024 and the results were discussed at the CGCRC in November 2024. A workshop on Essentials of Sustainability for Leadership was organised in collaboration with PwC. In addition, directors followed the AML/CFT self-paced learning through CFSL's SABA portal and attended a training on Cyber Awareness as delivered by BDO IT Consulting.

Corporate Governance Report (continued)

2.7 Board Access to Information and Advice

All Directors have access to the Company Secretary to discuss issues or to obtain information on specific areas or items to be considered at Board meetings or any other area they consider appropriate.

Furthermore, Directors have unrestricted access to the Company's records and the right to request independent professional advice at the Company's expense.

2.8 Company Secretary

Cim Administrators Ltd, through its representative Mr Tioumitra (Ambrish) Maharahaje, provides corporate secretarial services to CFSL and its subsidiaries. The Company Secretary is responsible for ensuring that Board processes and procedures are followed and that all Board decisions are implemented. The Company Secretary is in attendance at all Committee and Board meetings. The profile of Mr Tioumitra (Ambrish) Maharahaje is set out on page 28. Following Mr Tioumitra (Ambrish) Maharahaje's appointment as Group CEO, a new representative was recruited by Cim Administrators Ltd to replace Mr Tioumitra (Ambrish) Maharahaje in January 2025.

2.9 Directors' Duties and Performance

The Directors are aware of their legal duties and may seek independent professional or legal advice, at the expense of the Company, in respect of any aspect of their duties and responsibilities. The Code of Ethics and the Board Charter provide guidance to the Directors in fulfilling their roles.

All Directors have a duty to act in the best interests of the Company and are expected to ensure that his or her other responsibilities do not encroach on his or her responsibilities as a Director of CIM Financial Services Ltd.

2.10 Interests of Directors and Conflicts of Interest

All Directors, including the Chairperson, declare their direct and indirect interests in the shares of the Company as well as their interests in any transaction undertaken by the Company in accordance with the Mauritian Companies Act 2001. They also follow the Model Code for Securities Transactions as detailed in Appendix 6 of the Stock Exchange of Mauritius Listing Rules whenever they deal in the shares of the Company, with the Company Secretary keeping the Directors informed of the closed periods. The interests register of the Company is maintained by the Company Secretary and is available for consultation by shareholders upon written request to the Company Secretary.

Any conflicts-of-interest and related-party transactions are in accordance with the Conflict of interest, Related Party Transactions policy and Code of Ethics. For the year under review, all conflicts of interest were effectively managed.

In addition, the Group has adopted a Related Party Policy which sets out the framework of risk management put in place with regard to the identification, monitoring and reporting of related party transactions. The policy's underlying principles are derived from the Guidelines of the Bank of Mauritius on related party transactions and the Listing Rules.

The Code of Ethics of the Group also sets out instances which could lead to a conflict of interest and the procedure for dealing with such potential conflicts.

For the year under review, no director has dealt in the shares of the Company.

The direct and indirect interests of Directors in the shares of the Company are set out in the table on page 99.

2.11 Information, Information Technology (IT) and Information Security Policy

The Board oversees information governance within the organisation and ensures that the performance of information and information technology (IT) systems leads to business benefits and creates value.

The Group has adopted various IT policies, namely a Firewall Policy, which was implemented to mitigate the risks associated with security threats, and a Data Privacy Policy, which complies with the requirements of the Data Protection Act 2017 and was set up to protect and ensure the confidentiality of personal or sensitive personal data. The Group has also adopted a Data Retention and Disposal Policy to minimise data storage amount and retention time. Matters of importance with regard to information security policies are also taken up by the Risk Management Committee and recommendations are submitted to the Board for approval.

The Board, through its committees, ensures that proper policies have been implemented for the protection of the Company's information assets. Policies have also been set up to protect the integrity, ensure the confidentiality and control the usage of and access to the information essential for the smooth running of the Company's business activities.

Furthermore, awareness sessions are held for staff on cybersecurity risks through Saba, the e-learning platform of the Group, thus contributing to the improvement of the Information Security framework.

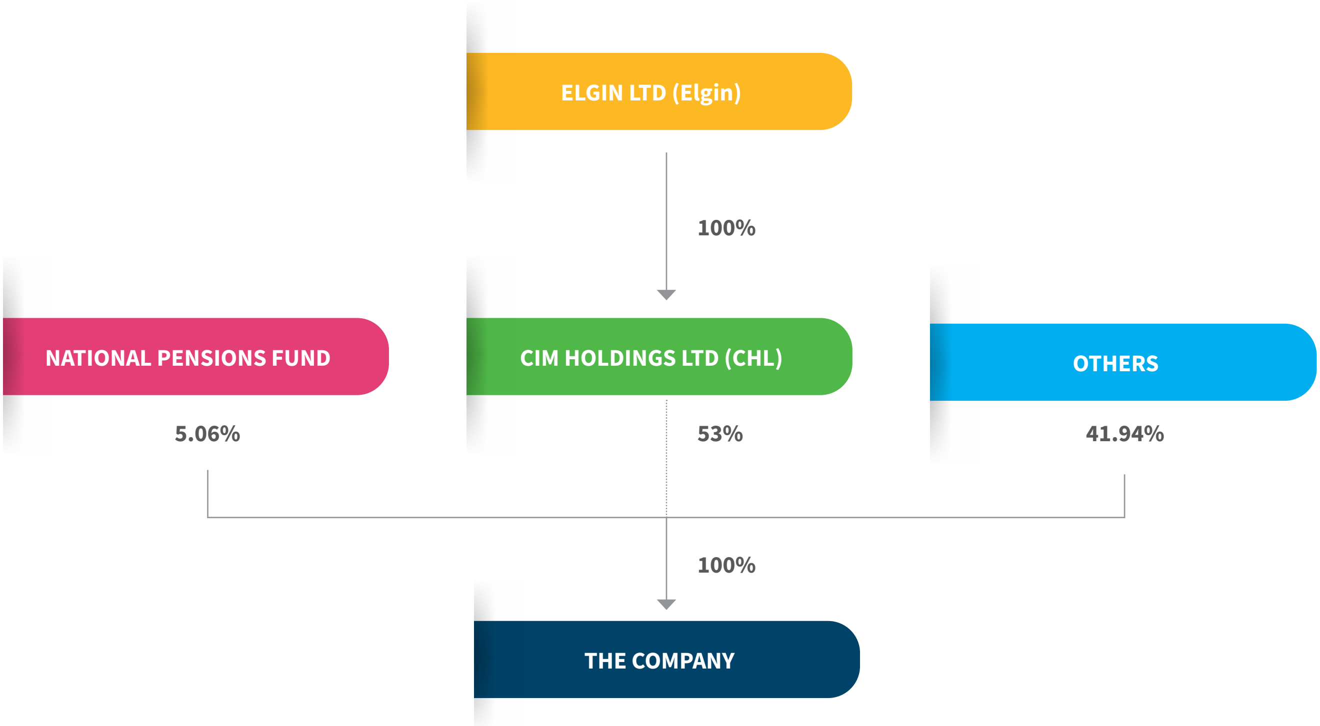
The Board approves material investments in information technology and security, as set out in the annual budget, according to the business needs of the Group.

2.12 Board Performance Review

Following recommendations made by the Corporate Governance and Conduct Review Committee, the Board approved a Board evaluation framework that will allow the Company to transition in a smooth manner from an internally-led board evaluation to an externally led exercise to ensure the Company complies with best practices in terms of Board evaluation. The evaluation for this year was conducted internally and a questionnaire with a set of question was circulated to each Director to obtain their views on the effectiveness of the Board and its sub-committees, to assess their contribution to the Board's performance and to identify areas of improvement. The results have been analysed by the Corporate Governance and Conduct Review Committee and no major issues were noted. The main opportunities for improvement and refinement related to enhancing Board representation to address diversity and increasing the inclusion of ESG initiatives in board-level decision-making. These results were reported at Board level at the Company's Board meeting held in December 2024.

3. Relations with Shareholders and Other Stakeholders

The shareholding structure of CFSL as at 30 September 2024 is as follows:



No shareholders' agreement which could affect the governance of the Company has been disclosed to the Board and/or the Company.

The share ownership analysis per holding percentage and categories of shareholders as at 30 September 2024 is as follows:

Spread	Number of shareholders	Number of shares held	% Holding
1 – 50,000	3,322	23,683,817	3.4803
50,001 – 250,000	294	31,550,072	4.6361
250,001 – 500,000	53	19,117,082	2.8092
Over 500,000	61	606,171,339	89.0745
Total	**3,730**	**680,522,310**	**100**

Category	Number of shareholders	Number of shares held	% Holding
Individuals	3,383	87,704,123	12.8878
Insurance & Assurance	17	84,659,338	12.4403
Investment & Trust	62	48,757,758	7.1648
Pension & Provident	53	70,764,853	10.3986
Other Corporate Bodies	215	388,636,238	57.1085
Total	**3,730**	**680,522,310**	**100**

Corporate Governance Report (continued)

Communication with shareholders and stakeholders is mainly done through the Annual Report, Investors' Briefings, the published unaudited results, the Annual Meeting of Shareholders ('AMS'), dividends declarations, press communiqués and the website. An "Investors Corner" section is available on CFSL's website and such section provides shareholders and stakeholders with information in a timely manner on audited financial statements, interim and final dividends, share price information, communiqués on activities of the Company amongst others, and also includes the digital version of the annual reports of the Company.

The Group interacts with its internal stakeholders namely its employees via its new collaborative platform namely "Cim Connect" which offers social networks features in a corporate environment. Through the platform, employees can communicate with one another via groups.

The external stakeholders of the Group namely its customers, suppliers, shareholders, the Government/Regulators and the public are reached via social media platforms such as Facebook and LinkedIn, as well as via advertisements. As and when required, focus groups are held with clients to assess their expectations from the Group. Regular channels of communication are also maintained with the regulators and the Government.

In addition, shareholders are invited to the AMS on an annual basis to approve the financial statements and vote on the re-appointment/appointment of Directors and the external auditor. The AMS for the year 2024 was held in February 2024. The next AMS of the Company is scheduled in February 2025, and shareholders will receive the notice of the AMS at least 21 days prior to the meeting in accordance with the law.

The Annual Report, which also includes the notice of annual meeting, is published in full on the Company's website. Shareholders also have the option to request a hard copy of the Annual Report.

4. Risk Management

The Group is subject to a number of risks and uncertainties in carrying out its activities. The activities related to Risk Management, the material risks and steps taken to address known weaknesses in internal controls are set out in the Risk Management Report on Page 76.

5. Internal Audit Function

Governance and Structure

During the year under review, the Internal Audit Function performed audit, advisory and investigation engagements for CIM Financial Services Ltd (CFSL) and Cim Credit Kenya Limited (CCKL) as per the Risk-Based Internal Audit Plan approved by the Audit and Compliance Committee (ACC) of CFSL. The goals and objectives of the organisation were taken into consideration while preparing the Risk-Based Internal Audit plan to ensure that no significant areas remain uncovered. The main role of the function is to provide independent, objective assurance and consulting activity designed to add value and improve the company's operations to ensure the progress of the company.

The Internal Audit Function is independent of Executive Management and functionally reports to the ACC on a quarterly basis. The Senior Manager/Interim Head of Internal Audit presents audit reports to the ACC, and discusses key issues contained therein.

The Senior Manager/Interim Head of Internal Audit has a direct reporting line to the Chairperson of the ACC, where regular meetings are held, thereby further establishing Internal Audit's independence.

While devising the Risk-Based Internal Audit plan, the risks of all departments were considered and prioritised. The ACC approves the Risk-Based Internal Audit plan, ensures adequate resources are available to deliver on the plan and evaluates the effectiveness of the Internal Audit Function. In addition, the ACC monitors the progress in achieving the Risk-Based Internal Audit plan on a quarterly basis. Moreover, in the performance of their duties, the Internal Audit Function has unrestricted access to all documents, key personnel, and Management staff. There was no limitation of scope placed on the internal auditors in conducting the audits.

Internal audits are carried out in accordance with the Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA). Internal audit staff also abide by the Code of Ethics established by the IIA and by CFSL.

The Internal Audit Function is segregated into two units, namely the Risk-Based unit and IT unit. The Risk-Based unit performed assurance engagements in line with the definition of the IIA as well as investigations, advisory assignments, etc. The IT unit, for its part, performed engagements where a high reliance on Information Systems and Technology was required as well as reviews of areas of CCKL. Both units use a risk-based approach when devising the Internal Audit Plan for the year. The structure, organisation and qualifications of the key members of the Internal Audit team are listed on the Company's website.

During the year under review, the Internal Audit team carried out 33 internal audit assignments for CFSL and CCKL consisting of risk-based, IT, investigations and advisory engagements in line with the requirements of the businesses and the overall company as well as maximising on the use of analyses during assignments. The Internal Audit team also carried out regular follow-ups to ascertain the implementation status of recommendations throughout the year.

Independence and Objectivity

The Internal Audit Function confirms that independence and objectivity were maintained throughout the year by ensuring the following:

- There was no interference by any element in the company, including matters of audit selection, scope, procedures, frequency, timing, or report content.
- Internal audit staff have no direct operational responsibility or authority over any of the activities audited and hence do not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair judgement.

Internal audit staff also refrained from reviewing specific operations for which they were previously responsible; made proper disclosures if independence or objectivity was impaired, or if there was any conflict of interest; have not accepted anything that may impair or be presumed to impair their professional judgment; and were aware of the threat of over-familiarity.

Internal auditors exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined.

6. External Audit

The external auditor of the Company is BDO & Co Ltd (BDO), first appointed as external auditor at the AMS held in July 2020 in replacement of Ernst and Young following a tender issued by the RMAC in November 2019. BDO was re-appointed as the external auditor by the shareholders of CIM Financial Services Ltd at the annual meeting held in February 2024.

The ACC discusses critical policies, judgements and estimates, and external audit issues with BDO as and when necessary, and meets them at least once a year without management being present.

The ACC assesses the effectiveness of the external audit process via feedback received from the Management team. Areas of improvement are thereafter discussed with the external auditor.

The Group has implemented a policy for the provision of non-audit service by the external auditor. The objectives of the policy are:

- To ensure that neither the nature of service nor the level of reliance placed on it by the Group could be perceived to impair the independence and objectivity of the external auditor's opinion on financial statements.
- To establish a straightforward and transparent process and reporting mechanism to enable the ACC to monitor and control the independence of the external auditor and compliance with this policy.
- To avoid unnecessary restrictions on the purchase of services from the external auditor who are expected to provide a higher quality and a more cost effective service than other providers.

No non-audit work has been provided by external auditor to the Company for the year under review. To guarantee objectivity and independence, the Board ensures that the team providing non-audit services is different from the one providing audit services.

7. Reporting with Integrity

This report has been prepared in line with the principles set out by the International Framework established by the International Integrated Reporting Council (IIRC). It provides key information which allows for the assessment of the strategy, business model, operating context, material risks and opportunities, governance and operational performance of CFSL for the period 1 October 2023 to 30 September 2024.

8. Human Resources

The human resource initiatives of the Group are set out on pages 54 to 59.

9. Profiles of Senior Executive Team

The profiles of the senior executive team can be found on pages 36 to 37.

Corporate Governance Report (continued)

10. Other Matters

10.1 Related Party Transactions

Please refer to page 203 of the Annual Report.

10.2 Management Agreements

The Company has no management contracts.

10.3 Dividend Policy

An interim dividend is usually declared in May and paid in June and a final dividend is declared in December and paid in January. The payment of dividends is subject to the net profits of the Company, its cash flow and its needs with regard to capital expenditure. A final dividend amounting to MUR 0.38 per share was declared in December 2023 and paid in January 2024, while an interim dividend amounting to MUR 0.21 per share was declared in May 2024 and paid in June 2024.

10.4 Donations

Neither the Company nor any of its subsidiaries made any political donations during the year under review.

10.5 Corporate Social Responsibility (CSR) and Environmental Issues

Cim CSR Fund Ltd was set up on 12 April 2016 under the laws of Mauritius pursuant to the Mauritian Companies Act 2001. Cim CSR Fund Ltd receives annual statutory contributions from all entities within the Group for the purposes of corporate social responsibility ('CSR').

The Group's CSR activities, which reflect its commitment to creating sustainable value for the social, environmental and economic well-being of society, are set out on pages 71 to 75.

Information on the major projects undertaken by Cim CSR Fund Ltd is available for consultation on https://www.cim.mu/corporate-engagement.html.

For Cim Administrators Ltd
Company Secretary

16 December 2024

Engagement Activities of the Year

Supporting entrepreneurship and customers

Supporting SMEs through Noubiznes
We held quarterly Noubiznes sessions, providing SMEs with opportunities to connect, exchange ideas with subject matter experts, and network to foster collaboration and innovation.

Salon du Prêt à Partir:
Our teams engaged directly with customers at the Salon du Prêt à Partir event, strengthening relationships and delivering tailored solutions.

Salon de l'automobile:
During this three-day automotive exhibition, we connected with customers to showcase our offerings and provide valuable insights.

ERO Foot Sé Zot!:
We celebrated our EURO lottery winners, where lucky customers walked away with exciting prizes.

Other Statutory Disclosures

Activity of the Company

The activities of CFSL are disclosed on pages 18 to 19.

Group Structure with Activities of Subsidiaries

The Group structure of CFSL has been disclosed on pages 8 and 9.

Directors' Remuneration

The remuneration of directors who have held office as at 30 September 2024 has been disclosed on page 99.

Moreover, the executive and non-executive directors had received remuneration for holding position as directors in subsidiary companies as per the details set out in the table below:

	2024		2023	
	No of directors	**MUR m**	No of directors	MUR m
Directors of Subsidiary companies				
Executive	**3**	**19.5**	4	26.4
Non Executive	**2**	**1.2**	1	1.1
		20.7		27.5

Directors' Interest in Shares

The interests of the directors in the shares of CFSL as at 30 September 2024 are listed on page 99.

Particulars of Entry in the Interest Register

An Interest Register, which is updated on an annual basis, is maintained by the Company Secretary. Any disclosure of interest as required under the Mauritius Companies Act 2001 is recorded in the Interest Register, which is available for inspection during normal office hours upon written request made to the Company Secretary.

Directors of Subsidiary Companies

The list of directorships of subsidiary companies as at 30 September 2024 are listed on page 214.

Audit Fees as at 30 September 2024

For the year under review, the fees incurred for audit services by their respective auditors were as follows:

	30 Sept 2024 MUR' 000	30 Sept 2023 MUR' 000	**Auditors**
CIM Financial Services Ltd	**5,465**	5,000	BDO & CO
Cim Administrators Ltd	**51**	46	BDO & CO
Cim Learning Centre Ltd	**35**	32	BDO & CO
Key Financial Services Ltd	**35**	32	BDO & CO
The Oceanic Trust Co Ltd	**35**	32	BDO & CO
Cim Kenya Ltd	**89**	81	BDO & CO
Cim International Holdings Ltd	**89**	81	BDO & CO
Cim CSR Fund Ltd	**51**	46	BDO & CO
Cim Credit Kenya Limited	**262**	195	BDO & CO KENYA
Cim Insurance Agency Ltd	**121**	90	BDO & CO KENYA
Loinette Capital Limited	**836**	736	2024 - BDO & CO 2023 - Pricewater-houseCoopers

The external auditors have not carried out non-audit activities for the Company and its subsidiaries during the year under review.

Donations

During the year under review, no political donations were made by CFSL and its subsidiaries.

Moreover, as at 30 September 2024, CFSL contributed the following amount to CSR activities:

Company	**Donations (MUR) m**
CFSL	**11.7**

Directors' Service Contracts

None of the directors of the Company and its subsidiaries have service contracts that need to be disclosed under Section 221 of the Mauritius Companies Act 2001.

Major Transactions

During the year under review neither the Company nor its subsidiaries had carried out any major transaction under Section 130 (2) of the Mauritius Companies Act 2001.

Directors' Report

(a) Financial Statements

The Directors of CIM Financial Services Ltd (the 'Company') are responsible for the integrity of the financial statements of the Group and the Company, and the objectivity of the other information presented in these statements.

Company law requires the Directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flow of the Company and the Group.

The Board confirms that, in preparing the financial statements, it has:

(i) selected suitable accounting policies and applied them consistently;

(ii) made judgements they estimate to be reasonable and prudent;

(iii) stated whether "IFRS Accounting Standards" have been followed, subject to any material departures explained in the financial statements;

(iv) kept proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company;

(v) safeguarded the assets of the Company by maintaining internal accounting and administrative control systems and procedures;

(vi) taken reasonable steps for the prevention and detection of fraud and other irregularities;

(vii) ensure that the Code of Corporate Governance (the "Code") has been adhered to and where any material deviation from any guidance contained within the Code has occurred, explanations have been provided accordingly; and

(viii) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy the financial position of the Company and the Group at any time and enable them to ensure that the financial statements are compliant with the Companies Act 2001.

(b) Going Concern Statement

On the basis of current projections, we are confident that the Group and the Company have adequate resources to continue operating for the foreseeable future and consider that it is appropriate that the going concern basis in preparing the financial statements be adopted.

(c) Internal Control and Risk Management

The Board is responsible for the system of Internal Control and Risk Management for the Company and its subsidiaries. The Group is committed to continuously maintain a sound system of risk management and adequate control procedures with a view to safeguarding the assets of the Group.

The Board believes that the Group's systems of internal control and risk management provide reasonable assurance that control and risk issues are identified, reported on and dealt with appropriately.

(d) Donations

The Company did not make any political contributions in this financial year. For details on the charitable donations made by the Company, please refer to page 106.

(e) Governance

The Board strives to apply the principles of good governance within the Company and its subsidiaries.

(f) Financial Statements

The financial statements of the Group and the Company which appear from pages 116 to 213 were approved by the Board on 16 December 2024 and are signed on their behalf by:

Aïsha C. Timol
Independent Director and Chairperson

Tioumitra (Ambrish) Maharahaje
Executive Director and Group Chief Executive Officer

Secretary's Certificate

In our capacity as Company Secretary of CIM Financial Services Ltd (the 'Company'), we hereby confirm that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, for the financial year ended 30 September 2024, all such returns as are required of the Company under the Mauritian Companies Act 2001.

For Cim Administrators Ltd
Company Secretary

16 December 2024

Statement of Compliance

(Section 75 (3) of the Financial Reporting Act)

Name of PIE: CIM Financial Services Ltd (the 'Company')

Reporting Period: FINANCIAL YEAR 2023-2024

CIM Financial Services Ltd is a public interest entity and is, as such, required to adopt corporate governance principles in accordance with the National Code of Corporate Governance (2016) (the 'Code').

Throughout the year ended 30 September 2024, to the best of the Board's knowledge, the Company has complied and applied all the principles set out in the Code and explained how these principles have been applied, except for the following requirement of Principle 2 of the Code:

(i) 'the Board should have an executive management presence with at least two executive directors'.

Although there is only one executive director on the Board of the Company, the Board is aware of the need to have a strong executive management presence in the Company and is of opinion that the attendance of the Group Chief Financial Officer at the meetings and sub-committees of the Board fulfils the spirit of the Code.

SIGNED BY:

Aïsha C. Timol
Independent Director and Chairperson

16 December 2024

Tioumitra (Ambrish) Maharahaje
Executive Director and Group Chief Executive Officer

16 December 2024

Steering your journey
to a stable future.

Our solid leadership and strategic framework provide the stability and direction that drive our growth. Just as a well-tuned engine powers a car, we help you stay on course and make progress at every turn.

Independent Auditor's Report

To the Shareholders of CIM Financial Services Ltd

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Cim Financial Services Ltd (the "Company") and its subsidiaries (together the "Group"), and the Company's separate financial statements set out on pages 116 to 213 which comprise the consolidated and separate statements of financial position as at September 30, 2024, the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity, the consolidated and separate statements of cash flows for the year then ended, and the notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and of the Company as at September 30, 2024, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and comply with the Mauritian Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

IMPAIRMENT OF NET INVESTMENT IN LEASES AND OTHER CREDIT AGREEMENTS AND LOANS AND ADVANCES

Key Audit Matter

As at September 30, 2024, the Group and the Company have net investment in leases and other credit agreements, and loans and advances (collectively referred to as "Facilities") amounting to MUR 22,351m and MUR 21,102m, representing 87% and 84% of the Group's and Company's total assets respectively.

These facilities are measured at amortised costs under IFRS 9, less an allowance for the expected credit loss, amounting to MUR 1,484m and MUR 1,616m for credit impaired facilities and MUR 462m and MUR 449m for non-credit impaired facilities of the Group and Company respectively.

IFRS 9 requires the Group and the Company to recognise expected credit losses (ECL) on financial instruments which involves significant judgements and estimates to be made by the Group and the Company. The determination of ECL on facilities which are not credit impaired involves the highest level of management judgement, thus requiring greater audit attention. Specific areas of judgement and estimation uncertainty include:

- Identification of significant increase in credit risk (SICR), and in particular the selection of criteria to identify a SICR. These criteria are highly judgemental and can materially impact the ECL recognised for certain portfolios where the life of the facilities is greater than 12 months.
- Complexity of the ECL model involving a number of critical assumptions in the determination of probabilities of default (PD), loss given default (LGD) and exposure at default (EAD).
- Use of forward-looking information to determine the likelihood of future losses being incurred.
- Qualitative adjustments made to model driven ECL results raised to address model limitations, emerging risks and trends in underlying portfolios which are inherently judgemental.

Facilities are considered to be credit impaired in accordance with IFRS 9 when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Failure to recognise adequate allowance for credit impairment can result in a potential overstatement of the net investment in leases and other credit agreements, loans and advances balance in the consolidated and separate financial statements. Identification of credit-impaired facilities (i.e. those classified in Stage 3) and determination of the expected credit losses thereon involves significant judgements, estimates and assumptions regarding (i) determination of whether a facility is credit impaired and (ii) estimation of the forecasted cash flows the Group and the Company expect to receive from the obligors. This includes an estimate of what the Group and the Company can realise from the collaterals they hold as security on the impaired facilities.

Given the inherent risk associated, use of the management overlays and the nature of the business and size of the facilities, we deemed the expected credit loss allowance to be a key audit matter.

Related Disclosures

Refer to notes 10, 15, 16 and note 2.7 (accounting policies), 3 (Significant accounting estimates and judgements) and 4.1 (financial risks) of the accompanying financial statements.

Audit Response

- We discussed and understood from management the impairment process, governance, approval and implementation of the ECL model.
- We used our IT Specialist and discussed with management to assess the completeness, accuracy and validity of data and inputs used during the development and application of the ECL models scoped; Consumer Finance Agreements (CFA), Cards, Personal Loans and Finance Leases.
- We obtained and tested loan arrears reports and ensured all those arrears exceeding 90 days past due were included in the impaired portfolio category for specific impairment assessment.
- We assessed proper staging of all financial asset portfolios.
- We obtained explanations for customers on caution lists and assessed their staging.
- We engaged with our credit specialist and:
  - Gained an understanding of the nature of the underlying loans in the loan portfolio.
  - Reviewed and reperformed the management ECL revised model calculations for accuracy.
  - Obtained the appropriate management data and performed the relevant procedures to prepare the management data for the challenger ECL model using independent inputs (PD, LGD, EAD, Cost Conversion Factor (CCF) and forward-looking macro-economic factors).
  - Discussed with management to understand and resolve the differences arrived at based on management's calculations and the challenger model.
- We reviewed the minutes of the Risk Management Committee to identify any matter relating to ECL such as inputs used in calculation of post-model management adjustments.
- We performed an analytical review and analysed year-on-year variances and movement in ECL and linked to movement in facilities and obtained explanations from management.
- Where exposures are collateralised, we evaluated the Company's legal rights to the collateral, as well as the appropriateness of the valuations of the collateral in relation to ECL determination, and the linking of collateral to the corresponding accounts.
- We reviewed and assessed the completeness of the disclosures in the Financial Statements for compliance with IFRS Accounting Standards including disclosures on significant inputs.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, including the Corporate Governance Report, the Statement of Compliance, the Statement of Directors' Responsibilities, the Other Statutory Disclosures and the Secretary's Certificate, but does not include the consolidated and separate financial statements, and our auditor's report thereon. All other information in the Annual Report, except those disclosed above, will be made available to us after the auditor's report date. If we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report

To the Shareholders of CIM Financial Services Ltd

Responsibilities of Directors for the Consolidated And Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and in compliance with the requirements of the Mauritian Companies Act 2001, and for such internal control as the Directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated And Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.
- Conclude on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement confirming that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to have a bearing on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless any law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- We have no relationship with, or interests in, the Company and its subsidiaries, other than in our capacity as auditor and dealings in the ordinary course of business.
- We have obtained all information and explanations required.
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Mauritian Financial Reporting Act 2004

Our responsibility under the Mauritian Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance ("Code") disclosed in the Annual Report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the Annual Report, the Company has, pursuant to section 75 of the Mauritian Financial Reporting Act 2004, complied with the requirements of the Code.

National Payment Systems Act 2018

- In our opinion, the consolidated and separate financial statements have been prepared on a basis consistent with that of the preceding year and are complete, fair and properly drawn up, and comply with the provisions of the National Payment Systems Act 2018 and the regulations and guidelines of the Bank of Mauritius; and
- The explanations or information called for or given to us by the officers or agents of the payment service provider were satisfactory.

Other Matter

This report is made solely to the Company's shareholders, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Port Louis,
Mauritius

Date: 16 December 2024

BDO & CO
Chartered Accountants

Ameenah Ramdin, FCCA, FCA
Licensed by FRC

Consolidated and Separate statements of Profit or Loss

30 September 2024

		GROUP		COMPANY	
	NOTES	**Sep-24 MUR m**	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Interest income	5(a)	**3,544.5**	2,954.6	**3,388.5**	2,899.7
Interest expense	5(b)	**(816.5)**	(579.0)	**(802.1)**	(574.1)
Net interest income	5	**2,728.0**	2,375.6	**2,586.4**	2,325.6
Lending and agency related income	6	**496.3**	430.6	**467.4**	416.5
Other income	7	**108.8**	109.7	**104.3**	103.5
Non interest income		**605.1**	540.3	**571.7**	520.0
Net operating income		**3,333.1**	2,915.9	**3,158.1**	2,845.6
Operating expenses					
Employee benefit expenses	8	**(901.7)**	(748.5)	**(844.9)**	(717.9)
Depreciation	22/23	**(170.7)**	(158.2)	**(168.2)**	(157.1)
Amortisation	24	**(45.8)**	(35.8)	**(30.7)**	(34.6)
Other operating expenses	9	**(628.8)**	(541.7)	**(533.9)**	(502.3)
		(1,747.0)	(1,484.2)	**(1,577.7)**	(1,411.9)
Profit before impairment		**1,586.1**	1,431.7	**1,580.4**	1,433.7
Net impairment losses on financial assets	10	**(270.4)**	(328.2)	**(303.2)**	(509.4)
Profit after impairment		**1,315.7**	1,103.5	**1,277.2**	924.3
Foreign exchange (loss)/gain		**(7.0)**	5.5	**(5.5)**	5.7
Gain on bargain purchase		**–**	18.5	**–**	–
Fair value gain on investment securities	17	**3.3**	2.9	**–**	–
Share of results of associates	21	**(2.0)**	(3.2)	**–**	–
Profit before tax		**1,310.0**	1,127.2	**1,271.7**	930.0
Income tax expense	11(a)	**(203.0)**	(166.2)	**(201.6)**	(165.8)
Profit for the year		**1,107.0**	961.0	**1,070.1**	764.2
Attributable to:					
Equity owners of the parent					
Profit for the year		**1,102.3**	959.9	**1,070.1**	764.2
Non controlling interests					
Profit for the year	31	**4.7**	1.1	**–**	–
		1,107.0	961.0	**1,070.1**	764.2
Basic and diluted earnings per share (MUR)	32	**1.62**	1.41		

The notes on pages 122 to 213 form an integral part of these financial statements.
Independent auditor's report on pages 112 to 115.

Consolidated and Separate statements of Comprehensive Income

30 September 2024

	NOTES	GROUP Sep-24 MUR m	GROUP Sep-23 MUR m	COMPANY Sep-24 MUR m	COMPANY Sep-23 MUR m
Profit for the year		**1,107.0**	961.0	**1,070.1**	764.2
Other comprehensive income/(loss)					
Items that will not be reclassified to profit or loss					
Remeasurement of post employment benefit, net of tax	12	**5.5**	(29.5)	**5.5**	(28.9)
Items that may be reclassified subsequently to profit or loss					
Exchange difference on translation of foreign entities	12	**26.2**	(27.5)	**–**	–
Other comprehensive income/(loss) for the year, net of tax		**31.7**	(57.0)	**5.5**	(28.9)
Total comprehensive income for the year, net of tax		**1,138.7**	904.0	**1,075.6**	735.3
Attributable to:					
Owners of the parent		**1,128.5**	907.0	**1,075.6**	735.3
Non controlling interests	31	**10.2**	(3.0)	**–**	–
		1,138.7	904.0	**1,075.6**	735.3

The notes on pages 122 to 213 form an integral part of these financial statements.
Independent auditor's report on pages 112 to 115.

Consolidated and Separate statements of Financial Position

30 September 2024

	NOTES	GROUP Sep-24 MUR m	GROUP Sep-23 MUR m	COMPANY Sep-24 MUR m	COMPANY Sep-23 MUR m
ASSETS					
Cash and bank balances	13	**514.3**	397.8	**469.3**	304.7
Deposits with banks	14	**727.0**	490.7	**727.0**	490.7
Net investment in leases and other credit agreements	15	**11,645.3**	10,056.6	**11,645.3**	10,056.6
Loans and advances	16	**10,705.9**	8,524.8	**9,456.2**	7,928.7
Other assets	18	**639.5**	618.3	**668.0**	614.4
Investment securities	17	**188.5**	302.5	**120.6**	120.4
Inventories	19	**3.4**	3.4	**3.4**	3.4
Investment in subsidiaries	20	**–**	–	**948.4**	948.4
Investment in associates	21	**15.0**	14.0	**22.7**	19.7
Equipment	22	**515.4**	481.4	**513.5**	480.7
Right-of-use assets	23(a)	**128.2**	170.6	**125.0**	166.9
Deferred tax assets	26	**426.0**	371.5	**418.7**	366.2
Intangible assets	24	**114.7**	151.1	**82.3**	105.0
Total assets		**25,623.2**	21,582.7	**25,200.4**	21,605.8
LIABILITIES					
Bank overdrafts	13	**116.8**	180.3	**13.1**	119.7
Other borrowed funds	27	**15,926.5**	13,212.0	**15,706.4**	13,344.4
Other liabilities	28	**2,295.0**	1,805.1	**2,475.0**	1,975.0
Lease liabilities	23(b)	**167.6**	210.1	**164.1**	206.2
Income tax liabilities	11(b)	**385.4**	184.6	**384.2**	182.6
Post employment benefit liabilities	25	**177.5**	174.8	**176.7**	172.5
Total liabilities		**19,068.8**	15,766.9	**18,919.5**	16,000.4
EQUITY					
Stated capital	30	**680.5**	680.5	**680.5**	680.5
Retained earnings	30	**5,158.3**	4,460.7	**4,592.7**	3,927.3
Other reserves	30	**489.1**	458.3	**1,007.7**	997.6
Equity attributable to owners of the parent		**6,327.9**	5,599.5	**6,280.9**	5,605.4
Non controlling interests	31	**226.5**	216.3	**–**	–
Total equity		**6,554.4**	5,815.8	**6,280.9**	5,605.4
Total equity and liabilities		**25,623.2**	21,582.7	**25,200.4**	21,605.8

These financial statements have been approved for issue by the Board of Directors on 16 December 2024.

Aïsha C. Timol
Independent Director and Chairperson

Tioumitra (Ambrish) Maharahaje
Executive Director and Group Chief Executive Officer

The notes on pages 122 to 213 form an integral part of these financial statements.
Independent auditor's report on pages 112 to 115.

Consolidated statements of Changes in Equity

30 September 2024

	NOTES	Stated capital MUR m	Capital reserves MUR m	Share -based payments reserves MUR m	Other reserves MUR m	Retained earnings MUR m	Actuarial reserves MUR m	Equity attribut-able to owners of the parent MUR m	Non con-trolling interests MUR m	Total equity MUR m
GROUP										
At 1 October 2023		**680.5**	**536.6**	**9.1**	**(24.4)**	**4,460.7**	**(63.0)**	**5,599.5**	**216.3**	**5,815.8**
Profit for the year		**–**	**–**	**–**	**–**	**1,102.3**	**–**	**1,102.3**	**4.7**	**1,107.0**
Other comprehensive income for the year	12	**–**	**–**	**–**	**20.7**	**–**	**5.5**	**26.2**	**5.5**	**31.7**
Total comprehensive income for the year		**–**	**–**	**–**	**20.7**	**1,102.3**	**5.5**	**1,128.5**	**10.2**	**1,138.7**
Dividends	29	**–**	**–**	**–**	**–**	**(401.5)**	**–**	**(401.5)**	**–**	**(401.5)**
Equity-settled share-based payment	37	**–**	**–**	**1.4**	**–**	**–**	**–**	**1.4**	**–**	**1.4**
Transfers		**–**	**–**	**–**	**–**	**(3.2)**	**3.2**	**–**	**–**	**–**
Total transactions with owners of parent		**–**	**–**	**1.4**	**–**	**(404.7)**	**3.2**	**(400.1)**	**–**	**(400.1)**
At 30 September 2024		**680.5**	**536.6**	**10.5**	**(3.7)**	**5,158.3**	**(54.3)**	**6,327.9**	**226.5**	**6,554.4**

	NOTES	Stated capital MUR m	Capital reserves MUR m	Share -based payments reserves MUR m	Other reserves MUR m	Retained earnings MUR m	Actuarial reserves MUR m	Equity attribut-able to owners of the parent MUR m	Non con-trolling interests MUR m	Total equity MUR m
At 1 October 2022		680.5	536.6	–	27.7	3,786.6	(62.2)	4,969.2	–	4,969.2
Profit for the year		–	–	–	–	959.9	–	959.9	1.1	961.0
Other comprehensive loss for the year	12	–	–	–	(23.4)	–	(29.5)	(52.9)	(4.1)	(57.0)
Total comprehensive (loss)/income for the year		–	–	–	(23.4)	959.9	(29.5)	907.0	(3.0)	904.0
Acquisition of subsidiary									219.3	219.3
Dividends	29	–	–	–	–	(285.8)	–	(285.8)	–	(285.8)
Equity-settled share-based payment	37	–	–	9.1	–	–	–	9.1	–	9.1
Transfers		–	–		(28.7)	–	28.7	–	–	–
Total transactions with owners of parent		–	–	9.1	(28.7)	(285.8)	28.7	(276.7)	219.3	(57.4)
At 30 September 2023		680.5	536.6	9.1	(24.4)	4,460.7	(63.0)	5,599.5	216.3	5,815.8

*Refer to note 30 for description of reserves

The notes on pages 122 to 213 form an integral part of these financial statements.
Independent auditor's report on pages 112 to 115.

Separate statements of Changes in Equity

30 September 2024

	NOTES	Stated capital MUR m	Capital reserves MUR m	Share -based payments reserves MUR m	Other reserves MUR m	Actuarial reserves MUR m	Amalgamation reserves MUR m	Retained earnings MUR m	Total equity MUR m
COMPANY									
At 1 October 2023		**680.5**	**519.2**	**9.1**	**0.7**	**(62.1)**	**530.7**	**3,927.3**	**5,605.4**
Profit for the year		**–**	**–**	**–**	**–**	**–**	**–**	**1,070.1**	**1,070.1**
Other comprehensive income for the year	**12**	**–**	**–**	**–**	**–**	**5.5**	**–**	**–**	**5.5**
Total comprehensive income for the year		**–**	**–**	**–**	**–**	**5.5**	**–**	**1,070.1**	**1,075.6**
Dividends	**29**	**–**	**–**	**–**	**–**	**–**	**–**	**(401.5)**	**(401.5)**
Equity-settled share-based payment	**37**	**–**	**–**	**1.4**	**–**	**–**	**–**	**–**	**1.4**
Transfer		**–**	**–**	**–**	**–**	**3.2**	**–**	**(3.2)**	**–**
At 30 September 2024		**680.5**	**519.2**	**10.5**	**0.7**	**(53.4)**	**530.7**	**4,592.7**	**6,280.9**

	NOTES	Stated capital MUR m	Capital reserves MUR m	Share -based payments reserves MUR m	Other reserves MUR m	Actuarial reserves MUR m	Amalgamation reserves MUR m	Retained earnings MUR m	Total equity MUR m
At 1 October 2022		680.5	519.2	–	(0.5)	(32.8)	587.4	3,384.7	5,138.5
Amalgamation adjustment					1.2	(0.4)	(56.7)	64.2	8.3
Profit for the year		–	–	–	–	–	–	764.2	764.2
Other comprehensive loss	12	–	–	–	–	(28.9)	–	–	(28.9)
Total comprehensive income / (loss) for the year		–	–	–	1.2	(29.3)	(56.7)	828.4	743.6
Dividends	29	–	–	–	–	–	–	(285.8)	(285.8)
Equity settled share based Payment	37	–	–	9.1	–	–	–	–	9.1
At 30 September 2023		680.5	519.2	9.1	0.7	(62.1)	530.7	3,927.3	5,605.4

*Refer to note 30 for description of reserves

The notes on pages 122 to 213 form an integral part of these financial statements.
Independent auditor's report on pages 112 to 115.

Consolidated and Separate statements of Cash Flows

30 September 2024

	NOTES	GROUP		COMPANY	
		Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash used in operations	33	**(4,688.9)**	(2,897.3)	**(3,988.2)**	(2,822.0)
Interest paid	5(b)	**(721.7)**	(552.5)	**(721.7)**	(545.3)
Interest received	5(a)	**3,536.1**	2,945.7	**3,380.1**	2,889.0
Income tax refund	11(b)	**7.5**	0.4	**7.5**	0.4
Income tax paid	11(b)	**(65.5)**	(229.2)	**(61.3)**	(228.7)
Net cash flows used in operating activities		**(1,932.5)**	(732.9)	**(1,383.6)**	(706.6)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of financial assets at FVTPL	17(a)	**621.6**	–	**–**	–
Proceeds from sale of financial assets at amortised cost	17(b)	**–**	174.4	**–**	174.4
Purchase of financial assets at FVTPL	17(a)	**(502.9)**	–	**–**	–
Purchase of financial assets at amortised cost	17(b)	**–**	(174.4)	**–**	(174.4)
Purchase of equipment	22	**(194.3)**	(213.7)	**(192.3)**	(213.7)
Proceeds from sale of equipment		**30.6**	34.9	**30.6**	34.9
Purchase of intangible assets	24(a)/(b)	**(8.0)**	(12.3)	**(8.0)**	(12.3)
Acquisition of subsidiary		**–**	(623.6)	**–**	(644.6)
Acquisition of associate	21(a)	**(3.0)**	(4.7)	**(3.0)**	(4.7)
Net cash flows used in investing activities		**(56.0)**	(819.4)	**(172.7)**	(840.4)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from other borrowed funds	27(f)	**18,572.4**	16,232.7	**18,219.0**	16,232.7
Repayment of other borrowed funds	27(f)	**(15,939.5)**	(14,760.0)	**(15,939.6)**	(14,757.6)
Principal paid on lease liabilities	23(b)	**(41.5)**	(33.6)	**(40.0)**	(33.1)
Interest paid on lease liabilities	5(b)/23(b)	**(10.8)**	(12.3)	**(10.4)**	(12.2)
Dividends paid	29	**(401.5)**	(285.8)	**(401.5)**	(285.8)
Net cash flows generated from financing activities		**2,179.1**	1,141.0	**1,827.5**	1,144.0
Net increase/(decrease) in cash and cash equivalents		**190.6**	(411.3)	**271.2**	(403.0)
Cash and cash equivalents at beginning of year		**217.5**	609.1	**185.0**	588.0
Effect of exchange rate changes on cash and cash equivalents		**(10.6)**	19.7	**–**	–
Cash and cash equivalents at year end	13	**397.5**	217.5	**456.2**	185.0

The notes on pages 122 to 213 form an integral part of these financial statements.
Independent auditor's report on pages 112 to 115.

Explanatory Notes

30 September 2024

1. GENERAL INFORMATION

CIM Financial Services Ltd ('CFSL' or the 'Company') is a public company limited by shares, incorporated on 15 July 2005 and domiciled in Mauritius. The principal segments of activities of the Company are Consumer Finance, Cards & Payments, Leasing, Insurance Agency and Factoring. The Company's main place of business is at Cim House, cnr Edith Cavell & Mère Barthélémy Streets, Port-Louis.

As at 30 September 2024, its holding company is Cim Holdings Ltd and its registered address is Taylor Smith House, Old Quay D Road, Port Louis.

These financial statements have been prepared for the year ended 30 September 2024 and will be submitted for consideration and approval at the forthcoming annual meeting of the shareholders of the company.

2. ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of Cim Financial Services Ltd include the consolidated financial statements of the parent company and its subsidiary companies (the "Group") and the separate financial statements of the parent company (the "Company"). The financial statements are presented in Mauritian Rupees and all values are rounded to the nearest one decimal place of million (MUR m), except when otherwise indicated. These policies have been consistently applied to all the years presented, unless otherwise stated and where necessary, comparative figures have been amended to conform to changes in presentation in the current year.

The financial statements are prepared under the historical cost convention except that:

- Relevant financial assets and financial liabilities are stated at their fair value.

The Group and the Company present their statements of financial position in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 41 of the financial statements.

2.2 Going concern

The Group's and the Company's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

2.3 Statement of compliance

The financial statements of CIM Financial Services Ltd comply with the Mauritian Companies Act 2001 and have been prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standard Board ("IFRS Accounting Standards").

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of CIM Financial Services Ltd and its subsidiaries as at 30 September 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary.
- Derecognises the cumulative translation differences, recorded in equity.
- Recognises any surplus or deficit in profit or loss, and
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings as appropriate.

2.5 Impairment of investment in subsidiaries

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators as available.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years unless a longer period can be justified. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

2.6 Changes in accounting policies and disclosures

Application of new and revised IFRS Accounting Standards as issued by International Financial Reporting Standards (IFRS Accounting Standards)

In the current period, the Group and the Company have applied all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to their operations and effective for accounting periods beginning on 1 January 2024.

Standards, Amendments to published Standards and Interpretations effective in the reporting period:

IFRS 17 Insurance contracts

IFRS 17 creates one accounting model for all insurance contracts in all jurisdictions that apply IFRS Accounting Standards. IFRS 17 requires an entity to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and take into account any uncertainty relating to insurance contracts. The financial statements of an entity will reflect the time value of money in estimated payments required to settle incurred claims. Insurance contracts are required to be measured based only on the obligations created by the contracts. An entity will be required to recognise profits as an insurance service is delivered, rather than on receipt of premiums. This standard replaces IFRS 4 – Insurance Contracts. *The amendments have no impact on the Group's and the Company's financial statements.*

IAS 1 Presentation of Financial Statements & IFRS Practice Statement 2 Making Materiality Judgements

Disclosure of Accounting Policies: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material. *These amendments have no effect on the measurement or presentation of any items of the Group's and the Company's financial statements but affect the disclosure of accounting policies of the Group and the Company. During the year, only material accounting policy information is disclosed in the Group's and the Company's financial statements.*

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The requirements for recognising the effect of change in accounting prospectively remain unchanged. *The amendments have no impact on the Group's and the Company's financial statements.*

Explanatory Notes

30 September 2024

2. ACCOUNTING POLICIES continued

2.6 Changes in accounting policies and disclosures continued

IAS 12 Income Taxes

Deferred Tax related to Assets and Liabilities arising from a Single Transaction: The amendment clarifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations, by clarifying when the exemption from recognising deferred tax would apply to the initial recognition of such items. The amendments have no impact on the Group's and the Company's financial statements.

IAS 12 Income Taxes

International Tax Reform — Pillar Two Model Rules: The amendments provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes. *The amendments have no impact on the Group's and the Company's financial statements.*

Standards, Amendments to published Standards and Interpretations issued but not yet effective.

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2024 or later periods, but which the Group and the Company have not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Effective date January 1, 2024

IAS 1 Presentation of Financial Statements

Classification of Liabilities as Current or Noncurrent: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current.

Non-current Liabilities with Covenants: Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-current, the IASB amended IAS 1 further in October 2022. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current.

IFRS 16 Leases

Lease Liability in a Sale and Leaseback: The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.

IAS 7 Statement of Cash Flows & IFRS 7 Financial Instruments: Disclosures

Supplier Finance Arrangements: The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

Effective date January 1, 2025

IAS 21 The Effects of Changes in Foreign Exchange Rates

Lack of Exchangeability: The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

Effective date January 1, 2026

IFRS 9 Financial Instruments & IFRS 7 Financial Instruments: Disclosures

Classification and Measurement of Financial Instruments: The amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. Other clarifications include the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments. Also, additional disclosures have been introduced for financial instruments with contingent features and equity instruments designated at fair value through other comprehensive income.

Effective date January 1, 2027

IFRS 18 Presentation and Disclosure in Financial Statements

Presentation and disclosure in financial statements: IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals presented within the statement of profit or loss within one of the following five categories – operating, investing, financing, income taxes, and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, it brings about consequential amendments to other accounting standards. This standard replaces IAS 1 - Presentation of Financial Statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

Subsidiaries without Public Accountability: Disclosures: IFRS 19 is a non-mandatory standard. It specifies the disclosure requirements that eligible subsidiaries are permitted to apply instead of the disclosure requirements in other IFRS accounting standards. It allows eligible entities to benefit from reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent, intermediate parent or ultimate parent company produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The effective date of this amendment has been deferred indefinitely until further notice

IFRS 10 Consolidated Financial Statements

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

IAS 28 Investments in Associates and Joint Ventures

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The Group is currently assessing the impact of these new accounting standards and amendments. The Group does not believe that the amendments to IAS 1 will have a significant impact on the classification of its liabilities, as the conversion feature in its convertible debt instruments is classified as an equity instrument and therefore, does not affect the classification of its convertible debt as a non-current liability. The Group does not expect any other standards issued by the IASB, but are yet to be effective, to have a material impact on the Group.

2.7 Accounting Policies

(a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred with one exception. The costs to issue debt or equity securities shall be recognised in accordance with IAS 32 and IFRS 9.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed).

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re- assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is thereafter assessed for impairment on an annual basis. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Explanatory Notes

30 September 2024

2. ACCOUNTING POLICIES continued

2.7 Accounting Policies continued

(b) Investments in subsidiaries

Subsidiaries are fully consolidated in the Group's financial statements from the date control is obtained by the Group until the date that control ceases.

Separate financial statements of the investor

In the separate financial statements of the Company, investments in subsidiaries are carried at cost, net of any impairment.

Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognised in profit or loss. Upon disposal of the investment, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

For basis of consolidation, refer to Note 2.4

(c) Investments in associates

An associate is an entity over which the Company has significant influence but not control, or joint control, generally accompanying a shareholding between 20% and 50% of the voting rights.

(i) Separate financial statements of the investor

In the separate financial statements of the investor, investments in associates are carried at cost (which includes transaction costs). Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognised in profit or loss. Upon disposal of the investment, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

(ii) Consolidated financial statements

The Company's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associates.

Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of associates is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associates are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of result of associate' in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss .

(d) IFRS 9 - Financial Instruments

Financial Assets

The Group and the Company classify its financial assets into one of the categories discussed below. The classification of financial asset is based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

(i) Fair value through profit or loss

The Group and the Company classify the following financial assets at fair value through profit or loss (FVTPL):

- Debts investments that do not qualify for measurement at either amortised cost or FVOCI *(ii) Amortised cost*

These assets arose principally from loans to and receivables from customers but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for expected credit losses.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS9 using the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within net impairment on financial assets in the statement of profit or loss and comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward- looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether at each reporting date, there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

From time to time, the Group and the Company elect to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the consolidated statement of comprehensive income (operating profit).

The Group's and Company's financial assets measured at amortised cost comprise trade and other receivables, loans and advances to customers, net investment in leases and other credit agreements and cash and cash equivalents in the consolidated statement of financial position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts.

The Group and the Company derecognise a financial asset when the rights to receive cash flows from the asset have expired or the Group and the Company have transferred substantially all the risks and rewards relating to the assets to a third party.

Financial liabilities

The Group and the Company classify its financial liabilities into one of the two categories discussed below.

(i) Fair value through profit or loss

This category comprises only out-of-the-money derivatives. They are carried in the statement of financial position at fair value with changes in fair value recognised in the profit or loss.

(ii) Amortised cost

Financial liabilities at amortised cost include the following items:

Bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purpose of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Trade payables and other short term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

The Group and the Company derecognise a financial liability when its contractual obligations are discharged or cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Refer to note 2(n) for Initial recognition and subsequent measurement of financial instruments.

Explanatory Notes

30 September 2024

2. ACCOUNTING POLICIES continued

2.7 Accounting Policies continued

Financial Guarantee Contracts

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of the debt instrument. Financial guarantees are initially recognised at fair value on the date that the guarantee was given. Other than where the fair value option is applied subsequent to initial recognition, the Group's and the Company's liabilities under such guarantees are measured under IFRS 9 (2018) at the higher of the initial measurement, less amortisation calculated to recognize in profit or loss any fee income earned over the reporting period, and the amount of the loss allowance expected from the guarantee at the reporting date. Any increase in the liability relating to guarantees is recognised in profit or loss. For financial guarantee contracts, the cash shortfalls are future payments to reimburse the holder for a credit loss that it incurs less any amounts that the entity would expect to receive from the holder, the receivable or any other party.

(e) Recognition of income

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group and the Company recognise revenue when it transfers control over a product or service to a customer.

(i) Lending and agency related income

The Group and the Company earn income from the financial service they provide to their customers being insurance agency services, card related activities (note (f)(ii)) and card related factoring activities (note (f)(iii)). Income related to lending and agency activities is recognised at an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for providing the services. The performance obligations, as well as the timing of their satisfaction, are identified, and determined, at the inception of the contract. The Group's and the Company's revenue contracts do not typically include multiple performance obligations.

Insurance agency services

The Group and the Company act as an agent and sells insurance policies on behalf of some insurance companies. Revenue is recognised, on a net basis, when the distinct performance obligation has been satisfied by the Group and the Company and the service has been rendered. The distinct performance obligation is satisfied over time based on monthly time increment.

(ii) Income related to card activities

The Group and the Company provide its customers with credit card processing services (i.e., authorisation and settlement of transactions) where it is entitled to a fee for each transaction. These services represent a single performance obligation comprised of a series of distinct daily services that are substantially the same and have the same pattern of transfer over the contract period. The fees vary based on the number of transactions processed and are structured as either a fixed rate per transaction processed or at a fixed percentage of the underlying cardholder transaction. The variable income is allocated to each distinct day, based on the number and value of transactions processed that day, and the allocated revenue is recognised as the entity performs. Revenue from these fees is recognised at a point in time.

(iii) Income related to factoring activities

The Group and the Company provide factoring services to its customers and receive fees at a percentage for each transaction agreed with the counterparties. Factoring fees can be with or without recourse. Factoring of assets with full recourse are ones where the risks and rewards of collecting the amount due from the receivables' (end customer) will remain with the transferor. As such the Group and the Company will bear no credit risk towards the end customer since the transferor has given full guarantee to compensate CIM for all credit losses that are likely to occur in relation to the amount disbursed. However, CIM bears credit risk towards the transferor and this is treated separately and accounted as a loan receivable from the transferor.

In a non-recourse factoring arrangement, the transferor does not provide any guarantee about the total receivables performance. As such, the Group and the Company obtain credit insurance on the portfolio of receivables prior to factoring them. On factoring, the Group and the Company become the beneficiary of the credit insurance. The Group and the Company do not disburse any amount higher than the credit insurance received. Furthermore, the Group and the Company take credit insurance and then charge those costs to the transferor within its commission receivables. These costs form part of the commission charge to the transferor.

The performance obligation is satisfied at the acceptance of the invoice for which it provides the factoring service and the revenue is recognised at this point.

(iv) Interest and similar income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Income that the Group and the Company consider to be an integral part of these financial instruments are recognised in the EIR.

Earnings from finance leases are recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return.

Income or discounts received from merchants on financing of credit agreements, commitment fees and signing fees are initially recognised and presented in net investment in leases and other credit agreements, other liabilities in the statement of financial position. The release to profit or loss is recognised in interest income line in the statement of profit or loss.

(v) Rental income

Rental income is derived from operating leases. Rental net of value added tax is recognised on a straight line basis over the lease term.

(vi) Penalty and late payment fees

Penalty and late payment fees on card activities are recognised over the period to which they accrue. Also included in penalty and late payment fees, contingent rent arising on leases and other credit agreements which are recognised as income in the period they are incurred.

(vii) Dividend Income

Dividend Income is recognised when the Group's and the Company's right to receive the payment is established.

(viii) Management and administration fees

Revenue from management and administration services are recognised over time as the services are received and consumed simultaneously, measured at the transaction price as per agreements.

(f) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's and the Company's entities are measured using Mauritian Rupee, the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated and separate financial statements are presented in Mauritian Rupees, which is the Company's functional currency.

(ii) Transactions and balances

Foreign currency transactions are translated into Mauritian Rupees using exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of profit or loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

(iii) Group companies

The results and financial position of the Group entities that have a functional currency different from Mauritian Rupee are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the reporting date;
- income and expenses for each statement representing profit or loss and other comprehensive income are translated at average exchange rates;
- all resulting exchange differences are recognised in other comprehensive income;
- goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate;
- on disposal of foreign entities, such translation differences are recognised in the profit or loss as part of the gain or loss.

Explanatory Notes

30 September 2024

2. ACCOUNTING POLICIES continued

2.7 Accounting Policies continued

(g) Inventories

Inventories are valued at lower of cost and net realisable value. Net realisable value is determined based on the estimated selling price in the ordinary course of business less any estimated costs associated with the sale.

When an inventory item is initially recognised, it is measured at cost. In subsequent periods, inventory is measured at the lower of cost and net realisable value.

(h) Leases

Accounting for leases - where Group and Company is the lessor

Lease income from operating leases where the Group and the Company are a lessor is recognised in income on a straight line basis over the lease term. Initial direct costs incurred in obtaining the lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. On the other hand, lease income from finance leases where the Group and the Company are a lessor is recognised as disclosed in Note 2.8(e)(iv). The respective leased assets are included in the statement of financial position based on their nature. The leased assets are moveable assets (mainly motor vehicles).

Accounting for leases - where Group and Company is the lessee

From 1 October 2019, all leases are accounted for by recognising a right-of-use asset and a lease liability, except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Identifying Leases

The Group and the Company account for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

a) There is an identified asset;

b) The Group and the Company obtain substantially all the economic benefits from use of the asset; and

c) The Group and the Company have the right to direct use of the asset.

The Group and the Company consider whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Group and the Company obtain substantially all the economic benefits from use of the asset, the Group and the Company consider only the economic benefits that arise from the use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Group and the Company have the right to direct use of the asset, the Group and the Company consider whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Group and the Company consider whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Group and the Company apply other applicable IFRSs rather than IFRS 16.

Measuring Leases

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's and the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group and the Company if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group and the Company are contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group and the Company revise its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at a revised discount rate that applied on lease commencement. On the other hand, the carrying value of lease liabilities is revised using same discount rate when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right- of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

When the Group and the Company renegotiate the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- in all other cases where the renegotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is re-measured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the Group and the Company to use an identified asset and require services to be provided to the Group and the Company by the lessor, the Group and the Company have elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

(i) Equipment

Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

An item of equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss. When revalued assets are sold, the amounts previously included in revaluation reserves are transferred to retained earnings.

Depreciation on equipment and vehicles are calculated on the straight line method to write off the costs or revalued amounts of the assets to their residual values as follows:

	%
Equipment	15 – 100
Vehicles	15 – 25

The assets' residual values, depreciation method and useful lives are reviewed and adjusted prospectively, if appropriate, at the end of each reporting period.

Explanatory Notes

30 September 2024

2. ACCOUNTING POLICIES continued

2.7 Accounting Policies continued

(j) Intangible assets (excluding goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised on a straight line basis over their estimated useful economic lives of 2 to 8 years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss.

Expenditure that enhances or extends the benefits of intangible assets beyond their original specifications and lives is recognised as a capital improvement and added to the original cost of the intangible asset.

The amortisation rates on intangible assets vary from 12% to 50% per annum.

Customer portfolio represents the value of the customer list and is being amortised using straight line method over a period of ten years.

An intangible asset is derecognised on disposal or when no future benefits are expected from its use or disposal. The gain or loss on derecognition is the difference between any net disposal proceeds and carrying amount of the asset and is recognised in the statement of profit or loss when the asset is derecognised.

(k) Current and deferred income tax

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group and the Company operate and generate taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- The initial recognition of goodwill.
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit, and
- Investments in subsidiaries and joint arrangements where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

Deferred tax is provided in full at the rate of 19% (2023:17%), using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it becomes probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if, and only if:

(a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

(b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

(i) the same taxable entity; or

(ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(iii) Corporate Social Responsibility (CSR) Tax

Entities in the Group and the Company are required to set up a Corporate Social Responsibility (CSR) Fund of 2% of its taxable profit of the preceding year. If the amount spent on CSR activities is less than the amount provided under the Fund, the difference is payable to the tax authorities as a tax ("CSR tax"). The CSR tax is included in income tax expense and the net amount of CSR fund payable is included in tax liabilities in the statement of financial position.

(iv) Corporate Climate Responsibility Levy

In July 2024, the Finance (Miscellaneous Provisions) Act 2024 was promulgated into law and requires the company to pay a corporate climate responsibility ("CCR") levy equivalent to 2% of its chargeable income. The CCR levy is included in income tax expense and the net amount CCR fund payable is included in tax liabilities in the statement of financial position.

(v) Value Added Tax

Revenue, expenses and assets are recognized net of the amount of value added tax except:

- Where the value added tax incurred on a purchase of asset or service is not recoverable from the taxation authority, in which case, the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- Receivables and payables that are stated with the amount of value added tax included.
- The net amount of value added taxes recoverable from or payable to the taxation authority is included as part of receivables or payables in the statement of financial position.

(l) Impairment of non-financial assets

Impairment of non-financial assets excluding goodwill

The carrying amounts of assets such as investment in subsidiaries and associate, equipment, right-of-use- assets, and intangible assets are assessed at each reporting date to determine whether there is any indication of impairment. Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, the asset is subject to impairment. The recoverable amount of the asset is estimated, being the higher of the asset's net selling price and its value in use, to determine the extent of the impairment loss, if any, and the carrying amount of the asset is reduced to its recoverable amount.

The impairment loss is recognised in profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount.

Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Goodwill

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Explanatory Notes

30 September 2024

2. ACCOUNTING POLICIES continued

2.7 Accounting Policies continued

(m) Post employment benefits

(i) State plan and defined contribution pension plans

A defined contribution plan is a pension plan under which the Group and the Company pay fixed contributions into a separate entity. The Group and the Company have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to the National Pension Scheme and the Group's and the Company's defined contribution pension plan are expensed to profit or loss in the period in which they fall due.

(ii) Defined benefit pension plans and other retirement benefits

The following pension benefits are also in place:

- The Group and the Company contribute to a pension plan in respect of some employees who have a No Worse Off Guarantee (NWOG) that their benefits would not be worse than what they would have earned under a previous defined benefit plan.
- The Group and the Company recognise a net liability for employees whose benefits under the current pension plan are not expected to fully offset the retirement gratuity obligations under the Mauritian Workers Rights Act 2019.
- The Group and the Company recognise a liability in respect of employees who are not members of any supplementary pension plan and are entitled to retirement gratuities under the Mauritian Workers Rights Act 2019.
- The Group and the Company recognise a liability in respect of pensions paid out of the Group's and Company's cashflow for some former employees.

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Remeasurement of the net defined benefit liability, which comprises actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), is recognised immediately in other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income are not reclassified to profit or loss in subsequent period.

The Group and the Company determine the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability, taking into account any changes in the net defined liability during the period as a result of contributions and benefit payments. Net interest expense is recognised in profit or loss.

Service costs comprising current service cost, past service cost, as well as gains and losses on curtailments and settlements are recognised immediately in profit or loss.

For employees who are not covered or who are insufficiently covered by the current pension plan, the net present value of gratuity on retirement payable under the Mauritian Worker's Right Act 2019 is calculated by an actuary and provided for. The obligations arising under this item are funded under the Portable Retirement Gratuity Fund.

(iii) Gratuity on retirement

The net present value of gratuity on retirement payable under the Mauritian Worker's Right Act 2019 has been provided for in respect of those employees who are not covered or who are insufficiently covered by the above retirement benefit plan. The Mauritian Worker's Right Act 2019 stipulates that the gratuity paid on retirement should be based on the remuneration (which is inclusive of payment for extra work, productivity bonus, attendance bonus, commission in return for services and any other regular payment) of the employee instead of the earnings. The amount due per year of service is 15 days remuneration based on a month of 26 days (15/26).

(n) Financial instruments - Initial recognition and subsequent measurement

(i) Date of recognition

Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Group and the Company become a party to the contractual provisions of the instrument. Other borrowed funds are recognised when funds reach the Group's and the Company's account.

(ii) Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. All financial instruments are measured initially at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL transaction costs are added to, or subtracted from, this amount. When the fair value of financial instruments at initial recognition differs from the transaction price, the Group and the Company account for the Day 1 profit or loss, as described below.

(iii) Day 1 profit or loss

When the transaction price differs from the fair value of other observable current market transactions in the same instrument, or based on a valuation technique with the variables including only data from observable markets, the Group and the Company immediately recognise the difference between the transaction price and fair value (a Day 1 profit or loss) in profit or loss. In cases where fair value is determined using data which is not observable, the difference between the transaction price and model value is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

(iv) Measurement categories of financial assets and liabilities

The Group and the Company classify all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- Fair value through profit or loss (FVTPL).

The measurement of amortised cost is explained in note (n)(v) and fair value through profit or loss is explained in note (n)(ix). The Group's and the Company's financial liabilities are measured at amortised cost.

(v) Deposits with banks, loans and advances, and financial assets at amortised cost.

Deposits with banks and loans, advances to customers and receivables consisted of non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial measurement, amounts due from these financial assets are subsequently measured at amortised cost using the EIR methodology, less allowances for expected credit losses. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of EIR. Therefore, the Group and the Company recognise interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of the loan, hence, recognising the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (prepayments, penalty interest and charges).

If expectations are revised, the adjustment is booked as a positive or negative adjustment to the carrying amount in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest and similar income in profit or loss.

The Group and the Company only measure deposits with banks, loans and advances to customers, receivables and financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

(vi) Effective interest rate

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate a shorter period, to the net carrying amount of the financial asset or financial liability. The amortised cost of the financial asset or financial liability is adjusted if the Group and the Company revise its estimates of payments or receipts. The adjusted amortised cost is calculated based on the original or latest re-estimated EIR and the change is recorded as 'interest income' for financial assets and 'interest expense' for financial liabilities.

Explanatory Notes

30 September 2024

2. ACCOUNTING POLICIES continued

2.7 Accounting Policies continued

(n) Financial instruments - Initial recognition and subsequent measurement (continued**)**

(vii) Business model assessment

An assessment of the objective of a business model in which an asset is held at a portfolio level is made because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

(viii) Solely Payments of Principal and Interest (SPPI) test

Assessment of whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group and the Company consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

(ix) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the Statement of Financial Position at fair value with net changes in fair value presented at other operating income in the Statement of Profit or Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(x) Other borrowed funds

Financial instruments issued by the Group and the Company that are not held for trading or designated at FVTPL are classified as liabilities as other borrowed funds, where the substance of the contractual arrangement results in the Group and the Company having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

After initial measurement, other borrowed funds are subsequently measured at amortised cost using the EIR. Amortised cost is calculated by taking into account any discount or premium on the issue and costs that are an integral part of the EIR.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(i) Derecognition of financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired. The Group and the Company also derecognise the assets if it has both transferred the asset, and the transfer qualifies for derecognition. The Group and the Company have transferred the asset if, and only if, either it has transferred its contractual rights to receive cash flows from the asset or it retains the rights to the cash flow.

It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions when the Group and the Company retain the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- the Group and the Company have no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances by the entity with the right of full recovery of the amount lent plus accrued interest at market rates.
- the Group and the Company cannot sell or pledge the original asset other than as security to the eventual recipients for the obligation to pay them cash flows.
- the Group and the Company have to remit any cash flows they collect on behalf of the eventual recipients without material delay. In addition, the Group and the Company are not entitled to reinvest such cash flows, except for investments in cash or cash equivalent during the short settlement period from the collection date to the date of required remittance to the eventual recipients, and interest earned on such investments is passed to the eventual recipients.

A transfer only qualifies for derecognition if:

- The Group and the Company have transferred substantially all the risks and rewards of the asset.
- The Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

In relation to the above, the Group and the Company consider the control to be transferred if, and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

When the Group and the Company have transferred its rights to receive cash flows from an asset or has entered into a pass– through arrangement, and have neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's and the Company's continuing involvement in it. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

The Group and the Company also derecognise a financial asset, in particular, a loan to customer when the terms and conditions have been renegotiated to the extent that it substantially became a new loan, with the difference, i.e. difference between the original loan's carrying amount and the new loan's carrying amount (present value), recognised as impairment in the profit or loss.

(ii) Derecognition of financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

Explanatory Notes

30 September 2024

2. ACCOUNTING POLICIES continued

2.7 Accounting Policies continued

(o) Determination of fair value

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments − Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group and the Company have access to at the measurement date. The Group and the Company consider markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available at the reporting date.

Level 2 financial instruments −Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group and the Company will classify the instruments as Level 3.

Level 3 financial instruments −Those that include one or more unobservable inputs that are significant to the measurement as whole.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(p) Impairment of financial assets

The Group and the Company recognise loss allowances for Expected Credit Losses (ECL) on the following financial instruments that are not measured at fair value through profit or loss (FVTPL);

- Loans and advances
- Deposits with banks
- Net investment in leases and other credit agreements
- Investment securities at amortised cost
- Other assets

No impairment loss is recognised on debt investments designated at FVOCI.

a. Overview of ECL principles

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Group's and Company's policy for grouping financial assets measured on a collective basis.

The Group and the Company have established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

b. The calculation of ECLs

For financial assets for which the Group and the Company have no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a derecognition or partial derecognition of the financial asset respectively.

Expected Credit losses are computed to measure the expected cash shortfalls, discounted at the original effective interest rates (EIR). A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

PD The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The concept of PDs is further explained in Note 4.1 (d).

EAD The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities and accrued interest from missed payments. The EAD is further explained in Note 4.1 (d).

LGD The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The LGD is further explained in Note 4.1 (d).

Expected Credit losses are computed as unbiased, probability weighted amounts which are determined by evaluating a range of reasonably possible outcomes, the time value of money and considering all reasonable and supportable information including that which is forward-looking. It also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

The maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Group and the Company have the legal right to call it earlier.

The maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Group and the Company have the legal right to call it earlier.

The mechanics of the ECL method are summarised below:

Stage 1	The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group and the Company calculate the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.
Stage 2	When a loan has shown a significant increase in credit risk since origination, the Group and the Company record an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.
Stage 3	For loans considered credit-impaired, the Group and the Company recognise the lifetime expected credit losses for these loans and interest is computed on the net carrying amount of the loan. The method is similar to that for Stage 2 assets, with the PD set at 100%.
Undrawn commitments	When estimating LTECLs for undrawn commitments, the Group and the Company estimate the expected portion of the commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the facility is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

c. Credit card and other revolving facilities

For credit card facilities and other revolving facilities that include both a loan and an undrawn commitment component, the Group and the Company measure ECL over a period longer than the maximum contractual period if the Group and the Company and the contractual ability to demand repayment and cancel the undrawn commitment does not limit the Group and the Company and the exposure to credit losses to the contractual notice period. These facilities do not have a fixed term or repayment structure and are managed on a collective basis. The Group and the Company can cancel them with immediate effect but this contractual right is not enforced in the normal day-to-day management, but only when the Group and the Company become aware of an increase in credit risk at the facility level. This longer period is estimated taking into account the credit risk management actions that the Group and the Company expect to take and that serve to mitigate ECL. These may include a reduction in limits, cancellation of the facility and/or turning the outstanding balance into a loan with fixed repayment terms and set-offs against balances in case of factoring. For revolving facilities that include both a loan and an undrawn commitment, ECLs are calculated and presented together with the loan. A capped lifetime approach of 12 months is used on credit card and other revolving facilities.

d. Forward looking information

In its ECL models, the Group and the Company rely on a broad range of forward-looking information as macroeconomic factors inputs using weighted average forward projection scenarios which are adjusted in the base model.

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material. Detailed information about these inputs is provided in Note 4.1 (d).

Explanatory Notes

30 September 2024

2. ACCOUNTING POLICIES continued

2.7 Accounting Policies continued

(p) Impairment of financial assets continued

e. Collateral valuation

The Group and the Company seek to use collateral, where possible, to mitigate its risks on financial assets. The collateral comes in various forms such as cash, securities, guarantees, real estate, receivables, other non-financial assets and credit enhancements such as netting agreements. The fair value of collateral is generally assessed, at a minimum, at inception and when the Group and the Company determine there is a requirement to do so.

To the extent possible, the Group and the Company use active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by independent surveyors.

f. Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date.

The Group and the Company renegotiate loans to customers in financial difficulties to maximise collection and minimize the risk of default. Indicators of financial difficulties include default on covenants, bankruptcy, or significant concerns raised. Once the terms have been renegotiated, any impairment is measured using the original interest rates as calculated before the modification of terms.

In the case where the financial asset is derecognised, the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. If modifications are substantial either quantitatively or qualitatively, the loan is derecognised as explained under write-offs.

g. Write-offs

Financial assets are written off either partially or in their entirety only when the Group and the Company have no reasonable expectations of recovering the financial assets. This is the case when the Group and the Company determine that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

(q) Stated capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of taxes, from proceeds. When the Company purchases its equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. When such shares are subsequently reissued, any net consideration received is included in equity attributable to the Company's equity holders.

(r) Segment reporting

Segment information presented relates to operating segments that engage in business activities for which revenues are earned and expenses incurred.

(s) Dividend distribution

Dividend distribution to the Group's and the Company's shareholders is recognised as a liability in the financial statements and deducted from equity in the period in which the dividends are declared.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

(t) Contingent liabilities

Contingent liabilities are possible obligations whose existence will be confirmed by uncertain future events that are not wholly within the control of the entity. The Group and the Company record a contingent liability if the contingency is likely and the amount of the liability can be reasonably estimated. Where the contingency loss cannot be estimated, the contingent liability is disclosed in the notes to the financial statements.

(u) Share-based payments

The Group and the Company operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on grant date.

At each balance sheet date, the Group and the Company revise its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognise the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to the share capital account.

In the event an employee ceases to be employed by the Group and the Company, the employee retains the ownership of the shares already subscribed to. Any share options which are not yet exercised at the date of the cessation of employment lapse within 60 days of such date and are treated as forfeited.

(v) Non-controlling put options

Put option liability issued to non-controlling interest, to be settled in cash by the Company, which do not grant present access to ownership interest to the Group is recognised at present value of the redemption amount. At the end of each reporting period, the put option liability with non-controlling interest is accounted for at fair value with changes to the put option liability being recognised in profit or loss (refer to Note 20).

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's and the Company's financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group's and the Company's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Group's and the Company's control and are reflected in the assumptions if and when they occur.

Items with the most significant effect on the amounts recognised in the financial statements with substantial management judgement and/or estimates are collated below:

(a) Incremental Borrowing rate

The Group and the Company apply a number of significant judgements to estimate the Incremental Borrowing Rate for leases, such as:

a. the credit risk,

b. the term of the lease, and

c. the economic environment (the country, the currency and the date that the lease is entered into) in which the transaction occurs.

Refer to note 23

(b) Calculation of ECL allowance

The Group and the Company apply a number of significant judgements in applying the accounting requirements for the calculation of ECL, such as:

- Determining criteria for significant increase of credit risk:

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group and the Company take into account qualitative and quantitative reasonable and supportable forward-looking information.

- Choosing appropriate models and assumptions used:

The Group and the Company use model and assumptions in measuring fair value of financial assets as well as in estimating ECL.

Refer to note 10, 15 ,16, 17 and 18.

Judgement is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

Explanatory Notes

30 September 2024

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS continued

(b) Calculation of ECL allowance continued

- Establishing groups of assets with similar credit risk characteristics:

When ECLs are measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics. The Group and the Company monitor the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. This is required in order to ensure that, should credit risk characteristics change, there is appropriate re-segmentation of the assets. This may result in new portfolios being created or assets moving to an existing portfolio that better reflects the similar credit risk characteristics of that group of assets. Re-segmentation of portfolios and movement between portfolios is more common when there is a significant increase in credit risk (or when that significant increase reverses) and so assets move from 12-month to lifetime ECLs, or vice versa, but it can also occur within portfolios that continue to be measured on the same basis of 12-month or lifetime ECLs but the amount of ECL changes because the credit risk of the portfolios differs.

There has been a refresh in historical data used for ECL methodology (refer to Risk and Capital management report).

(c) Fair value estimation

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

(d) Effective Interest Rate (EIR) method

The Group’s and the Company’s EIR methodology, recognise interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans and deposits and recognises the effect of potentially different interest rates charged at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behaviour and life cycle of the instruments, as well expected changes in the base rate and other fee income/ expense that are integral parts of the instrument.

(e) Impairment of non-financial assets

Goodwill is considered for impairment at least annually. Investment in subsidiaries and associate, equipment, right- of-use- assets and intangible assets are considered for impairment if there is a reason to believe that impairment may be necessary.

Future cash flows expected to be generated by an asset or cash-generating assets are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current net asset value and, if lower, the assets are impaired to the present value. The impairment loss is first allocated to goodwill and then to the other assets of a cash- generating unit.

Information about the specific techniques and inputs is disclosed in note 20, 21 and 24.

(f) Pension Benefits

The cost of the defined benefit pension plan and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these. Any changes in these assumptions will impact the carrying amount of pension obligations.

Refer to note 25

(g) Deferred tax assets

Deferred tax assets are recognised in respect of deductible temporary differences to the extent that it is probable that future taxable profit will be available which these temporary differences can be utilised. Judgment is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits, together with future tax-planning strategies.

(h) Asset lives and residual values

Equipment are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

(i) Classification of lease

The extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee determined the classification of the lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. The major considerations that the Group and the Company take into account in determining the classification of a lease as a finance lease include:

a. the transfer of ownership to the lessee at the end of the lease,
b. the option to purchase the asset at a price significantly lower than the fair value,
c. the present value of minimum lease payment is almost the fair value of the leased asset,
d. and the lease term covers the major part of the economic life of the asset.

(j) Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is correlation between the assumptions and other factors. It should be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Group's and the Company's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Group's and the Company's view of possible near-term market changes that cannot be predicted with any certainty.

(k) Uncertainty over income tax treatments

The Group and the Company are subject to income tax in several jurisdictions and significant judgement is required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the Group and the Company recognise tax liabilities based on estimates of whether additional taxes and interest will be due.

These tax liabilities are recognised when, despite the Group's and the Company's belief that their tax return positions are supportable, the Group and the Company believe it is more likely than not that a taxation authority would not accept its filing position. In these cases, the Group and the Company record their tax balances based on either the most likely amount or the expected value, which weights multiple potential scenarios. The Group and the Company believe that its accruals for tax liabilities are adequate for all open audit years based on its assessment of many factors including past experience and interpretations of tax law.

No material uncertain tax positions exist as at 30 September 2024. This assessment relies on estimates and assumptions and may involve a series of complex judgments about future events. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made.

(l) Leases – Estimating the incremental borrowing rate

The Group and the Company cannot readily determine the interest rate implicit in leases where it is the lessee, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group and the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group and the Company 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group and the Company estimate the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Explanatory Notes

30 September 2024

4. FINANCIAL RISK MANAGEMENT

Whilst risks are inherent in the Group's and the Company's activities, they are managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Group and the Company are accountable for the risk exposures relating to his or her responsibilities. The Group and the Company operate a three-line of defence risk management model whereby front office functions, risk management oversight and assurance roles are played by functions independent of one another.

The Group and the Company are exposed to financial risks including credit risk, market risk, funding risk, liquidity risk and these risks are managed through established risk management processes in line with Board approved internal policies. The assessment of current risks is complemented by a view on emerging risks applying on a forward-looking perspective.

The Group and the Company regularly review their risk management policies and systems to reflect changes in markets, products and emerging best practices. In addition, whilst the identified risks are closely monitored, assessed and reported to risk management forums and to the Board / Risk Management Committee on periodical basis by the Risk Management team, the emerging risks applying a forward looking perspective are also considered whilst performing stress testing on the book based on various scenarios.

A description of the significant risk factors is given below together with the risk management policies applicable.

4.1 Financial risk factors

The Group's and Company's activities expose it to a variety of financial risks, which consist of market risk, credit risk and liquidity risk. Market risk includes foreign currency risk, interest rate risk and equity price risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Written principles have been established throughout the Group for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, equity price risk, credit risk and liquidity risk.

(a) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to certain major currencies. Entities in the Group use forward contracts to mitigate their exposure to foreign currency risk. Each subsidiary is responsible for managing the net position in each currency by using the relevant strategy, under advice from the Group's Treasury.

The currency profile of the Group's and the Company's financial assets and financial liabilities is set out below:

	Equivalent in MUR m GROUP					Equivalent in MUR m COMPANY			
	EUR	USD	MUR / OTHERS	KES	TOTAL	EUR	USD	MUR / OTHERS	TOTAL
30 SEPTEMBER 2024									
FINANCIAL ASSETS									
Cash and bank balances	0.8	71.4	440.7	1.4	514.3	4.7	35.2	429.4	469.3
Deposits with banks	–	300.4	426.6	–	727.0	–	300.4	426.6	727.0
Net investment in leases and other credit agreements	0.1	0.4	11,644.8	–	11,645.3	0.1	0.4	11,644.8	11,645.3
Loans and advances	2.1	1,173.3	9,441.2	89.3	10,705.9	2.1	12.9	9,441.2	9,456.2
Investment securities	–	73.6	114.9	–	188.5	–	–	120.6	120.6
Other assets*	6.5	17.4	456.9	9.7	490.5	6.5	7.5	508.3	522.3
	9.5	1,636.5	22,525.1	100.4	24,271.5	13.4	356.4	22,570.9	22,940.7
FINANCIAL LIABILITIES									
Bank overdrafts	13.1	–	–	103.7	116.8	13.1	–	–	13.1
Other borrowed funds	102.9	645.1	15,178.5	–	15,926.5	–	530.5	15,175.9	15,706.4
Other liabilities	7.9	25.6	2,247.2	14.3	2,295.0	7.9	9.3	2,457.8	2,475.0
Lease liabilities	–	–	166.0	1.6	167.6	–	–	164.1	164.1
	123.9	670.7	17,591.7	119.6	18,505.9	21.0	539.8	17,797.8	18,358.6
Net exposure	(114.4)	965.8	4,933.4	(19.2)	5,765.6	(7.6)	(183.4)	4,773.1	4,582.1
30 SEPTEMBER 2023									
FINANCIAL ASSETS									
Cash and bank balances	2.8	96.9	295.8	2.3	397.8	2.8	6.9	295.0	304.7
Deposits with banks	–	265.8	224.9	–	490.7	–	265.8	224.9	490.7
Net investment in leases and other credit agreements	0.4	0.4	10,055.8	–	10,056.6	0.4	0.4	10,055.8	10,056.6
Loans and advances	2.4	595.8	7,856.1	70.5	8,524.8	2.4	16.2	7,910.1	7,928.7
Investment securities	–	177.7	120.4	4.4	302.5	–	–	120.4	120.4
Other assets*	2.7	16.1	478.1	5.9	502.8	2.7	15.1	486.9	504.7
	8.3	1,152.7	19,031.1	83.1	20,275.2	8.3	304.4	19,093.1	19,405.8
FINANCIAL LIABILITIES									
Bank overdrafts	2.7	–	117.0	60.6	180.3	2.7	–	117.0	119.7
Other borrowed funds	0.5	388.9	12,822.6	–	13,212.0	0.5	523.7	12,820.2	13,344.4
Other liabilities	3.3	36.6	1,758.8	6.4	1,805.1	3.3	9.4	1,962.3	1,975.0
Lease liabilities	–	2.8	206.4	0.9	210.1	–	–	206.2	206.2
	6.5	428.3	14,904.8	67.9	15,407.5	6.5	533.1	15,105.7	15,645.3
Net exposure	1.8	724.4	4,126.3	15.2	4,867.7	1.8	(228.7)	3,987.4	3,760.5

* Other assets exclude prepayments

Explanatory Notes

30 September 2024

4. FINANCIAL RISK MANAGEMENT continued

4.1 Financial risk factors continued

(a) Foreign exchange risk continued

The sensitivity of the profit before tax with regards to the Group's and the Company's financial assets and liabilities and the EURO to Mauritian Rupee, USD to Mauritian Rupee and KES to Mauritian Rupee's exchange rate is shown below.

If Mauritian Rupee had weakened/strengthened by 3% against EURO, USD and KES respectively, the financial impact would be as follows:

	GROUP				COMPANY		
	EUR MUR m	USD MUR m	KES MUR m	TOTAL	EUR MUR m	USD MUR m	TOTAL
SEP-24							
Effect on profit before tax (+/-)	**(3.5)**	**29.0**	**(0.6)**	**24.9**	**(0.2)**	**(5.6)**	**(5.8)**
Equity (+/-)	**(2.9)**	**24.1**	**(0.5)**	**20.7**	**(0.2)**	**(4.6)**	**(4.8)**
SEP-23							
Effect on profit before tax (+/-)	0.1	29.0	0.6	29.7	0.1	(9.1)	(9.0)
Equity (+/-)	0.1	24.1	0.5	24.7	0.1	(7.6)	(7.5)

In 2024 the 3% change in rates used (2023: 4%) above is derived from the average fluctuation in the respective foreign currencies for the last 3 years (2023: 3 years).

Due to high volatility in the foreign exchange rates, in 2024 the average fluctuation rate in foreign currencies has been calculated using three years of historic data.

(b) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair value of financial instruments. The Group's and Company's exposure to interest rate risk (IRR) and positive balances relate primarily to its borrowings and lendings with floating interest rates.

The Group and Company mitigate its interest rate risk by having a mixed portfolio of fixed and variable interest bearing lendings and borrowings.

For those lendings and borrowings with floating interest rates, the Group and Company ensure that the losses that may be created or reduced following interest margins change are not significant by setting limits on the level of mismatch in interest rate repricing that may be undertaken.

The sensitivity of the profit before tax to a reasonably possible change in interest rate of + or - 72basis points (2023: +/- 88 basis points), with all other variables held constant is shown below. The sensitivity has been based on the net exposure of financial assets and liabilities at the reporting date. These changes are considered to be reasonably possible based on observations of current market conditions.

	GROUP		COMPANY	
	SEP-24 MUR m	SEP-23 MUR m	SEP-24 MUR m	SEP-23 MUR m
Effect on profit before tax (+/-)	**1.0**	11.3	**1.0**	11.3

(c) Equity price risk

Equity price risk is the risk that the fair value of equity securities fluctuates as a result of the changes in the prices of those securities. The Group and Company are not exposed to significant equity price risks as they do not have any significant equity financial assets.

(d) Credit risk

Credit risk is defined as the potential that a borrower or counterparty will fail to meet its obligations in accordance with agreed terms. Credit Risk at the Group and Company arises mainly from various forms of lending covering all the credit portfolios; credit facilities, money lending, credit cards, factoring, and leasing as well as deposits and balances held with banks. The effective management of credit risk is a critical component of risk management and essential to the long-term success of the organisation. The Risk Management Committee has oversight of the management of the credit risk framework.

The Group and Company regularly monitor any significant concentration of credit risk, to single or group of connected customers, to industry sectors, and customer segments. The analysis of concentration by industry sector is disclosed in the Risk Management section of the annual report.

Leases and other credit agreements granted are also effectively secured as the rights to the leased assets revert to the lessor in the event of default. The majority of the assets financed under lease are motor vehicles with the remaining being various types of equipment. The period is normally up to 10 years for leases and up to 5 years for other credit agreement; and the interest are a mix of both fixed and floating rates.

The risk associated with any rights retained under operating lease arrangements in the underlying assets being leased are reduced through buy-back agreements, residual value guarantees and variable lease payments for use in excess of specified limits.

The Group and Company also make the calculations of credit impairment, in line with the IFRS 9 Financial Instruments standard. In light of the macro economic uncertainties, CIM has adopted a probabilistic approach on forward looking scenarios incorporated in the base model so as to cater for the higher level of uncertainty in the economy, represented by three severities (baseline /most likely, upside and downside) with assigned weights suggesting the likelihood of such event occurring based on assessments of economic and market conditions.

Various stress tests are conducted on the ECL to ensure adequacy of provision so as to withstand any loss arising from significant exposure to a sector, single customer and group of closely-related customers. With the revised models, the adequacy of provision has been reassessed for the three stages considering the macroeconomic environment.

The Group and Company maintain a credit risk rating based on the days past due and qualitative factor as explained above. The obligor is categorised as follows:

RISK RATING	Description
Performing (0-30 days)	None of the facilities of the obligor have been due for more than 30 days.
Watchlist (31-90 days)	Any one of the facilities granted to the obligor has been in arrears for more than 30 days but is not considered to be credit-impaired.
Non-performing (>90 days)	Any one of the facilities granted to the obligor has been in arrears for more than 90 days or the obligor is unlikely to pay its credit obligations in full, without recourse to actions such as realising security.

For financial assets within stage 2, these can only be transferred to stage 1 when they no longer considered to have experienced a significant increase in credit risk. Where significant increase in credit risk was determined using quantitative measures, the instruments will automatically transfer back to stage 1 when the criteria is no longer met. Where instruments were transferred to stage 2 due to assessment of qualitative factors, the issues that led to the reclassification must be cured before the instruments can be reclassified to stage 1.

For financial assets within the Non-Performing category, it is the Group's and the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of stage 3 when none of the default criteria have been present for at least six consecutive months. The decision whether to classify an asset as stage 2 or stage 1 once cured depends on the updated credit score, reliable information on the client on the outlook for the client at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Once an account has been classified as forborne, it will remain forborne for a minimum probation period of 6 months. In order for the accounts to be reclassified out of the forborne category, the customer has to meet all of the following criteria:

- All of its facilities have to be considered performing;
- The minimum probation of period of 6 months has passed; and
- The company's regular payments have been made in accordance with the terms and conditions agreed

If modifications are substantial either quantitatively or qualitatively, the loan is derecognised as explained under write-offs (note 2.7(p) g).

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4. FINANCIAL RISK MANAGEMENT continued

4.1 Financial risk factors continued

(d) Credit risk continued

The Group's and Company's maximum exposure to credit risk at the reporting date was as follows:

	GROUP		COMPANY	
	2024 MUR m	2023 MUR m	**2024 MUR m**	2023 MUR m
Cash and bank balances	**514.3**	397.8	**469.3**	304.7
Deposits with banks	**727.0**	490.7	**727.0**	490.7
Net investment in leases and other credit agreements	**11,645.3**	10,056.6	**11,645.3**	10,056.6
Loans and advances	**10,705.9**	8,524.8	**9,456.2**	7,928.7
Other assets*	**490.5**	502.8	**522.3**	504.7
	24,083.0	19,972.7	**22,820.1**	19,285.4

** Other assets exclude prepayments*

The Group and Company held collaterals on finance lease which include heavy equipment, vehicles and other equipment. The fair value of collaterals of impaired lease facilities is estimated at MUR 217.8m (2023: MUR 220.5m).

The Group and Company may recover amounts not settled by the debtors from the customers for factoring facilities with recourse while the non-recourse factoring facilities are insured. Other credit agreements and loans with exposure of MUR 18,316m (2023: MUR 14,414m) are mitigated by insurance covers which are directly linked to the facilities and entered at the same time of the credit origination. Other credit agreements also contain the right for the Group and Company to recover the collateral which the Group and Company estimated not to be significant at recovery. Other credit agreements also contain the exposure in respect of credit cards not backed by collaterals.

(e) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group and Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Group and Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources including corporate bonds and keeping committed credit facilities with banks. The Group and Company also maintain a certain level of cash and deposits with banks to cater for its liquidity needs.

Contractual maturities of undiscounted cash flows of financial assets and liabilities

	Up to 3 months MUR m	3 - 6 months MUR m	6 - 12 months MUR m	1 to 5 years MUR m	Over 5 years MUR m	Total MUR m
GROUP						
30 September 2024						
Assets						
Cash and bank balances	**514.3**	**–**	**–**	**–**	**–**	**514.3**
Deposits with banks	**337.6**	**–**	**160.5**	**220.0**	**–**	**718.1**
Net investment in leases and other credit agreements	**1,861.2**	**1,614.9**	**2,889.0**	**8,153.7**	**504.4**	**15,023.2**
Loans and advances	**2,226.5**	**1,390.5**	**2,875.9**	**8,272.5**	**–**	**14,765.4**
Investment securities	**67.9**	**–**	**–**	**119.8**	**0.8**	**188.5**
Other assets*	**490.5**	**–**	**–**	**–**	**–**	**490.5**
Total assets	**5,498.0**	**3,005.4**	**5,925.4**	**16,766.0**	**505.2**	**31,700.0**
Liabilities						
Bank overdrafts	**116.8**	**–**	**–**	**–**	**–**	**116.8**
Other borrowed funds	**4,143.0**	**1,527.9**	**2,469.7**	**8,275.0**	**280.8**	**16,696.4**
Other liabilities	**1,026.3**	**85.8**	**13.0**	**34.0**	**–**	**1,159.1**
Lease liabilities	**13.5**	**13.6**	**27.0**	**132.2**	**0.3**	**186.6**
Total liabilities	**5,299.6**	**1,627.3**	**2,509.7**	**8,441.2**	**281.1**	**18,158.9**
Net liquidity surplus	**198.4**	**1,378.1**	**3,415.7**	**8,324.8**	**224.1**	**13,541.1**

** Other assets exclude prepayments*

	Up to 3 months MUR m	3 - 6 months MUR m	6 - 12 months MUR m	1 to 5 years MUR m	Over 5 years MUR m	Total MUR m
GROUP						
30 September 2023						
Assets						
Cash and bank balances	397.8	–	–	–	–	397.8
Deposits with banks	136.7	–	130.4	220.0	–	487.1
Net investment in leases and other credit agreements	1,777.3	1,459.4	2,574.5	6,908.0	369.4	13,088.6
Loans and advances	2,307.1	1,136.9	1,947.2	6,502.7	2.3	11,896.2
Investment securities	177.8	–	–	119.7	0.8	298.3
Other assets*	502.8	–	–	–	–	502.8
Total assets	5,299.5	2,596.3	4,652.1	13,750.4	372.5	26,670.8
Liabilities						
Bank overdrafts	180.3	–	–	–	–	180.3
Other borrowed funds	5,903.7	454.1	426.9	6,309.8	280.8	13,375.3
Other liabilities	925.1	51.0	24.2	228.9	–	1,229.2
Lease liabilities	12.1	12.0	23.4	191.7	2.5	241.7
Total liabilities	7,021.2	517.1	474.5	6,730.4	283.3	15,026.5
Net liquidity gap	(1,721.7)	2,079.2	4,177.6	7,020.0	89.2	11,644.3

The Group manages the net negative liquidity gaps through its undrawn bank facilities.

	Up to 3 months MUR m	3 - 6 months MUR m	6 - 12 months MUR m	1 to 5 years MUR m	Over 5 years MUR m	Total MUR m
COMPANY						
30 September 2024						
Assets						
Cash and bank balances	**469.3**	**–**	**–**	**–**	**–**	**469.3**
Deposits with banks	**337.6**	**–**	**160.5**	**220.0**	**–**	**718.1**
Net investment in leases and other credit agreements	**1,861.2**	**1,614.9**	**2,889.0**	**8,153.7**	**504.4**	**15,023.2**
Loans and advances	**2,053.0**	**1,239.6**	**2,129.6**	**8,373.0**	**–**	**13,795.2**
Investment securities	**–**	**–**	**–**	**119.8**	**0.8**	**120.6**
Other assets*	**522.3**	**–**	**–**	**–**	**–**	**522.3**
Total assets	**5,243.4**	**2,854.5**	**5,179.1**	**16,866.5**	**505.2**	**30,648.7**
Liabilities						
Bank overdrafts	**13.1**	**–**	**–**	**–**	**–**	**13.1**
Other borrowed funds	**4,143.0**	**1,516.4**	**2,584.2**	**7,954.8**	**280.8**	**16,479.2**
Other liabilities	**1,010.3**	**85.8**	**13.0**	**250.2**	**–**	**1,359.3**
Lease liabilities	**13.0**	**13.0**	**26.0**	**130.3**	**0.3**	**182.6**
Total liabilities	**5,179.4**	**1,615.2**	**2,623.2**	**8,335.3**	**281.1**	**18,034.2**
Net liquidity surplus	**64.0**	**1,239.3**	**2,555.9**	**8,531.2**	**224.1**	**12,614.5**

** Other assets exclude prepayments*

Explanatory Notes

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4. FINANCIAL RISK MANAGEMENT continued

4.1 Financial risk factors continued

(e) **Liquidity risk** continued

	Up to 3 months MUR m	3 - 6 months MUR m	6 - 12 months MUR m	1 to 5 years MUR m	Over 5 years MUR m	Total MUR m
COMPANY						
30 September 2023						
Assets						
Cash and bank balances	304.7	–	–	–	–	304.7
Deposits with banks	136.7	–	130.4	220.0	–	487.1
Net investment in leases and other credit agreements	1,777.3	1,459.4	2,574.5	6,908.0	369.4	13,088.6
Loans and advances	1,872.2	969.9	1,858.3	6,739.7	4.8	11,444.9
Investment securities	–	–	–	119.7	0.8	120.5
Other assets*	504.7	–	–	–	–	504.7
Total assets	4,595.6	2,429.3	4,563.2	13,987.4	375.0	25,950.5
Liabilities						
Bank overdrafts	119.7	–	–	–	–	119.7
Other borrowed funds	5,903.7	454.1	557.3	6,309.8	280.8	13,505.7
Other liabilities	891.4	50.0	14.2	228.2	–	1,183.8
Lease liabilities	11.7	11.6	22.6	188.7	2.6	237.2
Total liabilities	6,926.5	515.7	594.1	6,726.7	283.4	15,046.4
Net liquidity gap	(2,330.9)	1,913.6	3,969.1	7,260.7	91.6	10,904.1

The Company manages the net negative liquidity gaps through its undrawn bank facilities.
* Other assets exclude prepayments

4.2 Capital risk management

The primary objective of the Group's and the Company's capital management is to maximise shareholders' value. The Company aims at distributing an adequate dividend whilst ensuring that sufficient resources are maintained to continue as a going concern and for expansion.

The Group and the Company manage their capital structure and make adjustments in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The ratio of net debt to equity is used to monitor capital and the ratio is kept at a reasonable level. For the purpose of capital management, net debt includes other borrowed funds net of cash and bank balances. Equity consists of stated capital, retained earnings and other reserves.

The Group monitors its Capital Adequacy Ratio (CAR) on a regular basis and uses the latter as a key metric to assess its robustness to sustain economic shocks in the period under review, despite this significant increase in the impairment charges, the Capital Adequacy Ratio remained at a very reasonable level.

The Company, being licenced by the regulatory authority as a payment service provider is exposed to externally imposed capital requirement. The Company is required to maintain at all times a minimum capital requirement of MUR5m after deducting its accumulated losses. As at reporting date, the Company is in adherence to the externally imposed capital requirement.

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Debt (note 13, 23 and 27)	**16,210.9**	13,602.4	**15,883.6**	13,670.3
Less: Cash balances (note 13)	**(514.3)**	(397.8)	**(469.3)**	(304.7)
	15,696.6	13,204.6	**15,414.3**	13,365.6
Equity	**6,554.4**	5,815.8	**6,280.9**	5,605.4
Net debt/equity ratio	**2.4**	2.3	**2.5**	2.4

The net debt to equity ratio has increased from 2.3 times in 2023 to 2.4 times in 2024 for the Group and increased from 2.4 times in 2023 to 2.5 times in 2024 for the Company.

5. NET INTEREST INCOME

(a) Interest income

		GROUP		COMPANY	
	NOTES	**Sep-24 MUR m**	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Credit facilities		**1,678.6**	1,314.1	**1,509.1**	1,270.4
Corporate credit facilities		**27.5**	32.9	**41.0**	35.3
Credit cards		**67.6**	67.0	**67.6**	67.0
Factoring		**8.9**	10.3	**8.9**	10.3
Placements with financial institutions		**42.1**	27.8	**42.1**	27.8
Finance leases		**295.2**	267.1	**295.2**	267.1
Other credit agreements		**1,424.6**	1,235.4	**1,424.6**	1,221.8
		3,544.5	2,954.6	**3,388.5**	2,899.7
Analysed as follows:					
Recognised in the Cash Flow as received		**3,536.1**	2,945.7	**3,380.1**	2,889.0
Accrued		**8.4**	8.9	**8.4**	10.7
		3,544.5	2,954.6	**3,388.5**	2,899.7

(b) Interest expense

		GROUP		COMPANY	
	NOTES	**Sep-24 MUR m**	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Bank overdrafts		**8.8**	8.3	**1.4**	1.1
Bank loans		**533.1**	343.6	**522.4**	342.2
Other loans		**1.4**	–	**5.5**	3.8
Bond		**262.4**	214.8	**262.4**	214.8
Leases	23(b)	**10.8**	12.3	**10.4**	12.2
		816.5	579.0	**802.1**	574.1

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5. NET INTEREST INCOME continued

	NOTES	GROUP Sep-24 MUR m	GROUP Sep-23 MUR m	COMPANY Sep-24 MUR m	COMPANY Sep-23 MUR m
Analysed as follows:					
Recognised in the Cash Flow as paid		**732.5**	564.8	**732.1**	557.5
Accrued		**84.0**	14.2	**70.0**	16.6
		816.5	579.0	**802.1**	574.1
Net interest income		**2,728.0**	2,375.6	**2,586.4**	2,325.6

6. LENDING AND AGENCY RELATED INCOME

	GROUP Sep-24 MUR m	GROUP Sep-23 MUR m	COMPANY Sep-24 MUR m	COMPANY Sep-23 MUR m
Income for services provided over time				
Income relating to merchant and agency activities	**363.8**	318.6	**363.8**	318.6
Income for services provided at a point in time				
Income relating to factoring activities	**9.2**	10.7	**9.2**	10.7
Others	**13.8**	7.3	**13.8**	7.3
Other income provided at a point in time				
Other fees*	**109.5**	94.0	**80.6**	79.9
	496.3	430.6	**467.4**	416.5

**Other fees include late payment fees and fees related to other credit agreements.*

7. OTHER INCOME

	GROUP Sep-24 MUR m	GROUP Sep-23 MUR m	COMPANY Sep-24 MUR m	COMPANY Sep-23 MUR m
Operating lease income	**89.0**	86.9	**89.0**	86.9
Leasing residual value	**8.6**	9.1	**8.6**	9.1
Others*	**11.7**	12.5	**7.2**	6.3
(Loss)/profit on disposal of equipment	**(0.5)**	1.2	**(0.5)**	1.2
	108.8	109.7	**104.3**	103.5

**Main components of others include secretarial fees and administration fees.*

8. EMPLOYEE BENEFIT EXPENSES

	GROUP Sep-24 MUR m	GROUP Sep-23 MUR m	COMPANY Sep-24 MUR m	COMPANY Sep-23 MUR m
Wages, salaries and related expenses	**837.3**	710.1	**780.6**	680.7
Pension and other retirement benefit costs	**64.4**	38.4	**64.3**	37.2
	901.7	748.5	**844.9**	717.9

9. OTHER OPERATING EXPENSES

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Administration	**464.3**	428.4	**434**	399.1
Professional fees	**107.3**	59.4	**48.9**	53.6
Advertising and marketing	**57.2**	53.9	**51.0**	49.6
	628.8	541.7	**533.9**	502.3

10. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

		GROUP		COMPANY	
	NOTES	**Sep-24 MUR m**	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Provision for expected losses allowance					
- Finance leases	15	**(24.5)**	(0.8)	**(24.5)**	(0.8)
- Other credit agreements	15	**106.4**	113.0	**106.4**	113.0
Loans and advances					
- Credit facilities	16	**204.1**	245.8	**184.3**	233.0
- Corporate credit facilities	16	**27.2**	(7.7)	**68.7**	203.6
- Factoring receivables	16	**0.8**	(1.4)	**0.8**	(1.4)
- Card receivables	16	**2.9**	8.2	**2.9**	8.2
Others		**(1.3)**	15.7	**11.6**	4.7
Bad debts written off		**19.8**	16.1	**15.9**	9.8
Bad debts recovered					
- Finance leases		**(0.4)**	(16.5)	**(0.4)**	(16.5)
- Other credit agreements		**(37.0)**	(23.8)	**(37.0)**	(23.8)
- Credit facilities		**(17.2)**	(12.1)	**(15.1)**	(12.1)
- Factoring receivables		**(0.5)**	–	**(0.5)**	–
- Card receivables		**(9.9)**	(8.3)	**(9.9)**	(8.3)
		270.4	328.2	**303.2**	509.4

Explanatory Notes

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11. TAXATION

(a) Income tax expense

	NOTES	GROUP Sep-24 MUR m	GROUP Sep-23 MUR m	COMPANY Sep-24 MUR m	COMPANY Sep-23 MUR m
Current income tax at 15%-30% (2023:15%-30%)		**203.4**	183.4	**200.6**	178.0
Corporate social responsibility tax at 2% (2023 : 2%)		**27.1**	23.7	**26.7**	23.7
Corporate climate responsibility tax at 2% (2023: n/a)		**26.7**	–	**26.7**	–
Under/(over) provision in previous year		**1.6**	0.4	**1.4**	(0.8)
Deferred tax credit	26	**(55.8)**	(41.3)	**(53.8)**	(35.1)
Income tax expense		**203.0**	166.2	**201.6**	165.8

The tax charge shown in profit or loss differs from the tax charge that would apply if all profits had been charged at the Company's statutory rate. A reconciliation between the tax expense and the accounting profit at 19% (2023:17%) is as follows:

	GROUP Sep-24 MUR m	GROUP Sep-23 MUR m	COMPANY Sep-24 MUR m	COMPANY Sep-23 MUR m
Accounting profit before tax	**1,310.0**	1,127.2	**1,271.7**	930.0
Statutory income tax rate of 15% (2023: 15%)	**196.5**	169.1	**190.8**	139.5
Corporate social responsibility tax at 2% (2023: 2%)	**27.1**	23.7	**26.7**	23.7
Corporate climate responsibility tax at 2% (2023 : n/a)	**26.7**	–	**26.7**	–
Effect of temporary difference on CSR	**(15.0)**	(4.8)	**(15.0)**	(4.8)
Under/(over) provision in previous year	**1.6**	0.4	**1.4**	(0.8)
Income not subject to tax	**(67.7)**	(39.4)	**(52.8)**	(4.0)
Non–deductible expenses	**16.6**	6.7	**6.6**	6.7
Other adjustments	**17.2**	10.5	**17.2**	5.5
Income tax expense	**203.0**	166.2	**201.6**	165.8

Main items of non deductible expense include unrealised exchange losses, fair value loss on financial asset and expense attributable to exempt income.

Income not subject to tax includes mainly lease payments for right-of-use assets and foreign exchange gain on translation of other borrowed funds.

(b) Income tax liabilities

	GROUP Sep-24 MUR m	GROUP Sep-23 MUR m	COMPANY Sep-24 MUR m	COMPANY Sep-23 MUR m
At 1 October	**184.6**	210.0	**182.6**	209.4
Amalgamation adjustment	**–**	–	**–**	0.6
Acquisition of subsidiary	**–**	0.9	**–**	–
Paid during the year	**(65.5)**	(229.2)	**(61.3)**	(228.7)
Refund for the year	**7.5**	0.4	**7.5**	0.4
Charge for the year	**257.2**	202.1	**254.0**	201.7
Under/(over) provision in previous year	**1.6**	0.4	**1.4**	(0.8)
	385.4	184.6	**384.2**	182.6

12. OTHER COMPREHENSIVE INCOME/(LOSS)

	Other Reserves MUR m	Actuarial Reserves MUR m	Total MUR m
GROUP			
Year ended 30 September 2024			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit (note 25)	–	6.8	6.8
Deferred tax on remeasurement of post employment benefit (note 26)	–	(1.3)	(1.3)
	–	5.5	5.5
Items that may be reclassified subsequently to profit or loss			
Exchange difference on translation of foreign entities	26.2	–	26.2
Other comprehensive loss for the year, net of tax	**26.2**	**5.5**	**31.7**
Equity owners of the parent	20.7	5.5	26.2
Non controlling interest	5.5	–	5.5
	26.2	**5.5**	**31.7**
Year ended 30 September 2023			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit (note 25)	–	(31.6)	(31.6)
Deferred tax on remeasurement of post employment benefit (note 26)	–	2.1	2.1
	–	(29.5)	(29.5)
Items that may be reclassified subsequently to profit or loss			
Exchange difference on translation of foreign entities	(27.5)	–	(27.5)
Other comprehensive loss for the year, net of tax	**(27.5)**	**(29.5)**	**(57.0)**
Equity owners of the parent	(23.4)	(29.5)	(52.9)
Non controlling interest	(4.1)	–	(4.1)
	(27.5)	**(29.5)**	**(57.0)**

	Actuarial Reserves MUR m
COMPANY	
Year ended 30 September 2024	
Items that will not be reclassified to profit or loss	
Remeasurement of post employment benefit (note 25)	**6.8**
Deferred tax on remeasurement of post employment benefit (note 26)	**(1.3)**
Other comprehensive income for the year, net of tax	**5.5**
Year ended 30 September 2023	
Items that will not be reclassified to profit or loss	
Remeasurement of post employment benefit (note 25)	(31.0)
Deferred tax on remeasurement of post employment benefit (note 26)	2.1
Other comprehensive loss for the year, net of tax	**(28.9)**

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12. OTHER COMPREHENSIVE INCOME/(LOSS) continued

Other reserves

Other reserves include all foreign currency differences arising from the translation of the financial statements.

Actuarial reserves

The actuarial reserve represents the cumulative remeasurement of defined benefit obligation recognised.

13. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Cash and bank balances	**514.3**	397.8	**469.3**	304.7
Bank overdrafts	**(116.8)**	(180.3)	**(13.1)**	(119.7)
Cash and cash equivalents	**397.5**	217.5	**456.2**	185.0

Cash in bank held with banks having the following credit ratings:

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
A+	**263.0**	300.4	**225.8**	207.3
AAA	**1.2**	1.6	**1.2**	1.6
Ba1	**27.4**	6.3	**27.4**	6.3
Baa3	**162.9**	71.6	**155.1**	71.6
BB	**1.8**	3.1	**1.8**	3.1
BBB	**5.1**	1.3	**5.1**	1.3
Baa1-Baa3	**51.7**	12.0	**51.7**	12.0
	513.1	396.3	**468.1**	303.2

The Assets and Liabilities Committee (ALCO) oversees the credit ratings of counterparties on a regular basis and at the reporting date does not expect any losses from non-performance by the counterparties.

The bank overdrafts are secured by floating charges on the assets of the borrowing companies.

The rate of interest varies between 4.8% and 20.7% (2023: 4.8% and 17.1%) for the bank overdrafts.

14. DEPOSITS WITH BANKS

	GROUP & COMPANY	
	Sep-24 MUR m	Sep-23 MUR m
Deposit with banks	**727.6**	491.1
Expected credit loss	**(0.6)**	(0.4)
	727.0	490.7
The deposit with banks is analysed as follows:		
Current	**505.6**	269.8
Non current	**221.4**	220.9
	727.0	490.7

	GROUP & COMPANY	
	Gross carrying amount Stage 1 MUR m	ECL Stage 1 MUR m
At 1 October 2023	491.1	0.4
Additions	2,552.8	–
Recovered/ matured	(2,317.6)	–
Movement in ECL	–	0.2
Exchange difference	1.3	–
At 30 September 2024	**727.6**	**0.6**
At 1 October 2022	483.3	0.4
Additions	157.0	–
Recovered/ matured	(147.0)	–
Movement in ECL	(2.2)	–
At 30 September 2023	491.1	0.4

The credit rating of the banks with which the Group and the Company have deposits are BBB for a total deposit of MUR 515.5m (2023: MUR 313.7m), BB for a total deposit of MUR 212.1m (2023: MUR 50.4m) and no deposit with banks having rating Baa3 (2023: MUR 127.1m).

The Group Assets and Liabilities Committee (ALCO) discuss the credit ratings of counterparties on a regular basis and at the reporting date does not expect any losses from non-performance by the counterparties.

The above deposits carry interest rates ranging between 2.80% and 5.30% and have maturity dates ranging from October 2024 to November 2026. All the deposits are performing and classified under stage 1.

Explanatory Notes

30 September 2024

15. NET INVESTMENT IN LEASES AND OTHER CREDIT AGREEMENTS

	Finance leases MUR m	Other credit agreements MUR m	Total MUR m
GROUP AND COMPANY			
30 September 2024			
Gross investment			
Within one year	1,218.4	5,049.3	6,267.7
After one year and before two years	1,050.5	3,274.0	4,324.5
After two years and before five years	2,125.1	1,586.9	3,712.0
After five years	500.7	–	500.7
	4,894.7	9,910.2	14,804.9
Unearned future finance income	(767.9)	(1,568.3)	(2,336.2)
	4,126.8	8,341.9	12,468.7
Expected credit loss	(130.2)	(693.2)	(823.4)
	3,996.6	**7,648.7**	**11,645.3**
Present value of lease payments before impairment analysed as follows:			
Within one year	951.8	4,070.4	5,022.2
After one year and before two years	852.4	2,815.8	3,668.2
After two years and before five years	1,849.9	1,455.7	3,305.6
After five years	472.7	–	472.7
	4,126.8	**8,341.9**	**12,468.7**
Representing:			
Current receivables	951.8	4,070.4	5,022.2
Non current receivables	3,175.0	4,271.5	7,446.5
	4,126.8	**8,341.9**	**12,468.7**
Net Amount represented by:			
Current receivables	886.9	3,533.6	4,420.5
Non current receivables	3,109.7	4,115.1	7,224.8
	3,996.6	**7,648.7**	**11,645.3**

The Group and Company have no unguaranteed residual value as at 30 September 2024 (2023: Nil)

	GROUP & COMPANY	
	Sep-24 MUR m	Sep-23 MUR m
Guaranteed residual amount receivable under Finance lease agreements		
Year 1	**3.7**	13.4
Year 2	**8.5**	4.9
Year 3 to 5	**32.8**	25.4
Onwards	**31.9**	19.1
	76.9	62.8

	Finance leases MUR m	Other credit agreements MUR m	Total MUR m
GROUP AND COMPANY			
30 September 2023			
Gross investment			
Within one year	1,203.4	4,520.0	5,723.4
After one year and before two years	949.3	2,748.4	3,697.7
After two years and before five years	1,751.9	1,362.0	3,113.9
After five years	366.7	–	366.7
	4,271.3	8,630.4	12,901.7
Unearned future finance income	(647.9)	(1,302.6)	(1,950.5)
	3,623.4	7,327.8	10,951.2
Expected credit loss	(159.4)	(735.2)	(894.6)
	3,464.0	6,592.6	10,056.6
Present value of lease payments before impairment analysed as follows:			
Within one year	966.1	3,707.3	4,673.4
After one year and before two years	779.6	2,371.9	3,151.5
After two years and before five years	1,529.5	1,248.6	2,778.1
After five years	348.2	–	348.2
	3,623.4	7,327.8	10,951.2
Representing:			
Current receivables	966.1	3,707.3	4,673.4
Non current receivables	2,657.3	3,620.5	6,277.8
	3,623.4	7,327.8	10,951.2
Net Amount represented by:			
Current receivables	856.6	3,147.2	4,003.8
Non current receivables	2,607.4	3,445.4	6,052.8
	3,464.0	6,592.6	10,056.6

Explanatory Notes

30 September 2024

15. NET INVESTMENT IN LEASES AND OTHER CREDIT AGREEMENTS continued

Net investment in leases

Credit quality

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 4.1 (d).

GROUP AND COMPANY

2024	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
Performing	**3,849.5**	**–**	**–**	**3,849.5**
Watchlist	**–**	**124.6**	**–**	**124.6**
Non-performing	**–**	**–**	**152.7**	**152.7**
	3,849.5	**124.6**	**152.7**	**4,126.8**

GROUP AND COMPANY

2023	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
Performing	3 205.6	–	–	3 205.6
Watchlist	–	163.6	–	163.6
Non-performing	–	–	254.2	254.2
	3 205.6	163.6	254.2	3 623.4

Gross carrying amount

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to finance leases is as follows:

GROUP AND COMPANY

2024	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2023	3,205.6	163.6	254.2	3,623.4
New assets originated or purchased	1,615.9	46.6	11.8	1,674.3
Assets derecognised or repaid (excluding write offs)	(1,016.6)	(46.3)	(102.9)	(1,165.8)
Transfers to Stage 1	127.9	(100.0)	(27.9)	–
Transfers to Stage 2	(69.0)	90.7	(21.7)	–
Transfers to Stage 3	(13.6)	(30.0)	43.6	–
Amounts written off	(0.7)	–	(4.4)	(5.1)
At 30 September 2024	**3,849.5**	**124.6**	**152.7**	**4,126.8**

GROUP

	2023			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2022	2,693.5	299.1	252.1	3,244.7
New assets originated or purchased	1,559.1	–	–	1,559.1
Transfers on new assets originated or purchased	(74.4)	43.6	30.8	–
Assets derecognised or repaid (excluding write offs)	(961.4)	(83.5)	(130.1)	(1,175.0)
Transfers to Stage 1	147.2	(114.0)	(33.2)	–
Transfers to Stage 2	(83.1)	103.1	(20.0)	–
Transfers to Stage 3	(75.1)	(84.3)	159.4	–
Amounts written off	(0.2)	(0.4)	(4.8)	(5.4)
At 30 September 2023	3,205.6	163.6	254.2	3,623.4

COMPANY

	2023			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2022	1,819.4	232.7	189.5	2,241.6
Amalgamation adjustment	862.0	65.9	60.6	988.5
New assets originated or purchased	1,573.7	–	–	1,573.7
Transfers on new assets originated or purchased	(76.9)	44.1	32.8	–
Assets derecognised or repaid (excluding write offs)	(961.4)	(83.5)	(130.1)	(1,175.0)
Transfers to Stage 1	147.2	(114.0)	(33.2)	–
Transfers to Stage 2	(83.1)	103.1	(20.0)	–
Transfers to Stage 3	(75.1)	(84.3)	159.4	–
Amounts written off	(0.2)	(0.4)	(4.8)	(5.4)
At 30 September 2023	3,205.6	163.6	254.2	3,623.4

Expected credit loss

GROUP AND COMPANY

	2024			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2023	39.0	11.1	109.3	159.4
New assets originated or purchased	30.8	3.1	13.1	47.0
Assets derecognised or repaid (excluding write offs)	(3.9)	(0.3)	(43.2)	(47.4)
Transfers to Stage 1	16.8	(8.1)	(8.7)	–
Transfers to Stage 2	(0.3)	7.3	(7.0)	–
Transfers to Stage 3	–	(0.3)	0.3	–
Impact of year end ECL of exposures transferred between stages	(16.5)	(6.4)	5.4	(17.5)
Changes to estimates and assumptions used for ECL calculations	(6.3)	(0.3)	–	(6.6)
Amounts written off	(0.3)	–	(4.4)	(4.7)
At 30 September 2024	**59.3**	**6.1**	**64.8**	**130.2**

Explanatory Notes

30 September 2024

15. NET INVESTMENT IN LEASES AND OTHER CREDIT AGREEMENTS continued

GROUP — 2023

	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2022	37.1	18.5	109.8	165.4
New assets originated or purchased	36.8	–	–	36.8
Transfers on new assets originated or purchased	(17.0)	0.5	16.5	–
Assets derecognised or repaid (excluding write offs)	(15.2)	(4.3)	(35.8)	(55.3)
Transfers to Stage 1	12.2	(2.9)	(9.3)	–
Transfers to Stage 2	(0.8)	6.1	(5.3)	–
Transfers to Stage 3	(0.9)	(1.8)	2.7	–
Impact of year end ECL of exposures transferred between stages	(11.8)	(4.9)	35.6	18.9
Changes to estimates and assumptions used for ECL calculations	(1.2)	–	–	(1.2)
Amounts written off	(0.2)	(0.1)	(4.9)	(5.2)
At 30 September 2023	39.0	11.1	109.3	159.4

COMPANY — 2023

	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2022	22.4	16.2	82.1	120.7
Amalgamation Adjustment	14.6	2.3	27.8	44.7
New assets originated or purchased	36.8	–	–	36.8
Transfers on new assets originated or purchased	(17.0)	0.5	16.5	–
Assets derecognised or repaid (excluding write offs)	(15.2)	(4.3)	(35.8)	(55.3)
Transfers to Stage 1	12.2	(2.9)	(9.3)	–
Transfers to Stage 2	(0.8)	6.1	(5.3)	–
Transfers to Stage 3	(0.9)	(1.8)	2.7	–
Impact of year end ECL of exposures transferred between stages	(11.8)	(4.9)	35.6	18.9
Changes to estimates and assumptions used for ECL calculations	(1.2)	–	–	(1.2)
Amounts written off	(0.2)	(0.1)	(4.9)	(5.2)
At 30 September 2023	38.9	11.1	109.4	159.4

Included in Finance leases an amount of repossessed assets of MUR 8.3m (2023: MUR 24.3m). During the year, a loss of MUR 0.9m (2023: MUR 1.3m) was incurred on sale of MUR 5.2m (2023: MUR 4.9m) of repossessed assets.

Other credit agreements

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 4.1(d).

GROUP AND COMPANY — 2024

	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
Performing	**7,047.6**	**–**	**–**	**7,047.6**
Watchlist	**–**	**423.4**	**–**	**423.4**
Non-performing	**–**	**–**	**870.9**	**870.9**
	7,047.6	**423.4**	**870.9**	**8,341.9**

GROUP AND COMPANY

	2023			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
Performing	5,965.5	–	–	5,965.5
Watchlist	–	458.6	–	458.6
Non-performing	–	–	903.7	903.7
	5,965.5	458.6	903.7	7,327.8

Gross carrying amount

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to finance leases and other credit agreements is as follows:

GROUP AND COMPANY

	2024			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
At 1 October 2023	5,965.5	458.6	903.7	7,327.8
New assets originated or purchased	4,843.7	244.6	255.1	5,343.4
Transfers on new assets originated or purchased	(3,574.0)	(228.7)	(372.9)	(4,175.6)
Transfers to Stage 1	271.4	(162.2)	(109.2)	–
Transfers to Stage 2	(213.1)	249.9	(36.8)	–
Transfers to Stage 3	(245.2)	(137.2)	382.4	–
Amounts written off	(0.7)	(1.6)	(151.4)	(153.7)
At 30 September 2024	**7,047.6**	**423.4**	**870.9**	**8,341.9**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to finance leases and other credit agreements is as follows:

GROUP AND COMPANY

	2023			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
At 1 October 2022	5,116.0	460.9	1,032.2	6,609.1
New assets originated or purchased	4,786.1	–	–	4,786.1
Transfers on new assets originated or purchased	(602.9)	284.4	318.5	–
Assets derecognised or repaid (excluding write offs)	(3,179.1)	(253.4)	(470.3)	(3,902.8)
Transfers to Stage 1	204.3	(162.9)	(41.4)	–
Transfers to Stage 2	(201.9)	237.5	(35.6)	–
Transfers to Stage 3	(154.5)	(105.7)	260.2	–
Amounts written off	(2.5)	(2.2)	(159.9)	(164.6)
At 30 September 2023	5,965.5	458.6	903.7	7,327.8

Explanatory Notes

30 September 2024

15. NET INVESTMENT IN LEASES AND OTHER CREDIT AGREEMENTS continued

Expected credit loss

GROUP AND COMPANY	2024			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
At 1 October 2023	149.4	25.6	560.2	735.2
New assets originated or purchased	125.2	17.6	167.2	310.0
Assets derecognised or repaid (excluding write offs)	(61.0)	(5.9)	(87.1)	(154.0)
Transfers to Stage 1	42.8	(8.3)	(34.5)	–
Transfers to Stage 2	(4.2)	16.0	(11.8)	–
Transfers to Stage 3	(4.8)	(6.1)	10.9	–
Impact of year end ECL of exposures transferred between stages	(39.0)	(10.5)	94.1	44.6
Changes to estimates and assumptions used for ECL calculations	(72.1)	(8.0)	(14.1)	(94.2)
Amounts written off	–	(0.1)	(148.3)	(148.4)
At 30 September 2024	**136.3**	**20.3**	**536.6**	**693.2**

GROUP AND COMPANY	2023			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
At 1 October 2022	77.4	19.9	681.2	778.5
New assets originated or purchased	166.2	–	–	166.2
Transfers on new assets originated or purchased	(118.9)	3.6	115.3	–
Assets derecognised or repaid (excluding write offs)	(30.2)	(2.7)	(109.5)	(142.4)
Transfers to Stage 1	15.2	(3.3)	(11.9)	–
Transfers to Stage 2	(2.0)	12.0	(10.0)	–
Transfers to Stage 3	(1.6)	(2.4)	4.0	–
Impact of year end ECL of exposures transferred between stages	(13.7)	(9.0)	66.5	43.8
Changes to estimates and assumptions used for ECL calculations	57.0	7.6	(19.2)	45.4
Amounts written off	–	(0.1)	(156.2)	(156.3)
At 30 September 2023	149.4	25.6	560.2	735.2

The contractual amount outstanding which were written off and are still subject to enforcement activity amounted to MUR 40.4m (2023: MUR 84.8m).

Interest income on the net investment in the lease is disclosed in Note 5(a).

The changes in the loss allowance are mainly explained by a robust credit policy and an effective collection and recovery.

16. LOANS AND ADVANCES

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Credit facilities (a)	**9,716.8**	8,232.3	**9,596.1**	8,143.7
Corporate credit facilities (b)	**1,627.4**	909.3	**668.1**	546.0
Factoring receivables (c)	**127.6**	81.0	**127.6**	81.0
Card receivables (d)	**306.4**	321.3	**306.4**	321.3
	11,778.2	9,543.9	**10,698.2**	9,092.0
Expected credit loss	**(1,072.3)**	(1,019.1)	**(1,242.0)**	(1,163.3)
	10,705.9	8,524.8	**9,456.2**	7,928.7

Expected credit loss is analysed as follows:

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Credit facilities (a)	**896.9**	864.7	**865.6**	846.7
Corporate credit facilities (b)	**146.6**	120.2	**347.6**	282.4
Factoring receivables (c)	**9.5**	8.7	**9.5**	8.7
Card receivables (d)	**19.3**	25.5	**19.3**	25.5
	1,072.3	1,019.1	**1,242.0**	1,163.3

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
(a) Credit facilities				
(i) Credit facilities receivables breakdown before impairment:				
Within one year	**3,451.3**	3,085.7	**3,330.6**	2,997.1
After one year and before five years	**6,265.5**	5,146.6	**6,265.5**	5,146.6
	9,716.8	8,232.3	**9,596.1**	8,143.7

(ii) Credit quality - Credit facilities

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 4.1 (d).

GROUP	2024			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
Performing	**8,077.6**	**–**	**–**	**8,077.6**
Watchlist	**–**	**584.0**	**–**	**584.0**
Non-performing	**–**	**–**	**1,055.2**	**1,055.2**
	8,077.6	**584.0**	**1,055.2**	**9,716.8**

Explanatory Notes

30 September 2024

16. LOANS AND ADVANCES continued

(ii) Credit quality - Credit facilities continued

COMPANY	2024			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
Performing	**8,015.3**	**–**	**–**	**8,015.3**
Watchlist	**–**	**567.7**	**–**	**567.7**
Non-performing	**–**	**–**	**1,013.1**	**1,013.1**
	8,015.3	**567.7**	**1,013.1**	**9,596.1**

GROUP	2023			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
Performing	**6,504.5**	**–**	**–**	**6,504.5**
Watchlist	**–**	**607.6**	**–**	**607.6**
Non-performing	**–**	**–**	**1,120.2**	**1,120.2**
	6,504.5	**607.6**	**1,120.2**	**8,232.3**

COMPANY	2023			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
Performing	**6,456.3**	**–**	**–**	**6,456.3**
Watchlist	**–**	**601.1**	**–**	**601.1**
Non-performing	**–**	**–**	**1,086.3**	**1,086.3**
	6,456.3	**601.1**	**1,086.3**	**8,143.7**

(iii) Gross carrying amount - Credit facilities

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to credit facilities is as follows:

GROUP	2024			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2023	6,504.5	607.6	1,120.2	8,232.3
New assets originated	4,619.3	267.9	242.2	5,129.4
Assets derecognised or repaid (excluding write offs)	(2,893.5)	(252.3)	(329.7)	(3,475.5)
Transfers to Stage 1	341.9	(217.8)	(124.1)	–
Transfers to Stage 2	(280.9)	347.0	(66.1)	–
Transfers to Stage 3	(227.0)	(167.7)	394.7	–
Amounts written off	(1.7)	(1.7)	(185.0)	(188.4)
Exchange difference	15.0	1.0	3.0	19.0
At 30 September 2024	**8,077.6**	**584.0**	**1,055.2**	**9,716.8**

COMPANY

	2024			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
At 1 October 2023	6,456.3	601.1	1,086.3	8,143.7
New assets originated	4,548.4	255.6	231.6	5,035.6
Assets derecognised or repaid (excluding write offs)	(2,836.6)	(248.4)	(324.1)	(3,409.1)
Transfers to Stage 1	341.5	(217.4)	(124.1)	–
Transfers to Stage 2	(276.6)	342.5	(65.9)	–
Transfers to Stage 3	(217.7)	(165.6)	383.3	–
Amounts written off	–	(0.1)	(174.0)	(174.1)
At 30 September 2024	**8,015.3**	**567.7**	**1,013.1**	**9,596.1**

GROUP

	2023			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
At 1 October 2022	5,564.6	523.5	1,255.1	7,343.2
New assets originated	4,304.2	–	–	4,304.2
Transfers on new assets originated	(643.1)	322.4	320.7	–
Assets derecognised or repaid (excluding write offs)	(2,534.4)	(245.2)	(453.4)	(3,233.0)
Transfers to Stage 1	249.5	(177.1)	(72.4)	–
Transfers to Stage 2	(251.5)	314.4	(62.9)	–
Transfers to Stage 3	(171.6)	(126.7)	298.3	–
Amounts written off	(2.8)	(2.7)	(163.0)	(168.5)
Exchange difference	(10.4)	(1.0)	(2.2)	(13.6)
At 30 September 2023	6,504.5	607.6	1,120.2	8,232.3

COMPANY

	2023			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
At 1 October 2022	5,526.5	515.7	1,224.7	7,266.9
New assets originated	4,225.6	–	–	4,225.6
Transfers on new assets originated	(624.7)	317.7	307.0	–
Assets derecognised or repaid (excluding write offs)	(2,488.4)	(247.0)	(460.2)	(3,195.6)
Transfers to Stage 1	235.5	(173.6)	(61.9)	–
Transfers to Stage 2	(250.7)	313.6	(62.9)	–
Transfers to Stage 3	(167.5)	(125.2)	292.7	–
Amounts written off	–	(0.1)	(153.1)	(153.2)
At 30 September 2023	6,456.3	601.1	1,086.3	8,143.7

Explanatory Notes

30 September 2024

16. LOANS AND ADVANCES continued

(iv) Expected credit loss - Credit facilities

GROUP

	2024			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2023	150.9	40.7	673.1	864.7
New assets originated	146.9	27.6	233.7	408.2
Assets derecognised or repaid (excluding write offs)	(50.4)	(8.6)	(89.8)	(148.8)
Transfers to Stage 1	51.5	(11.8)	(39.7)	–
Transfers to Stage 2	(5.1)	26.9	(21.8)	–
Transfers to Stage 3	(4.6)	(9.9)	14.5	–
ECL Impact on transfer	(45.7)	(16.3)	107.9	45.9
Changes to estimates and assumptions used for ECL calculations	(77.1)	(10.0)	(14.1)	(101.2)
Exchange difference	0.7	0.4	2.8	3.9
Amounts written off	(0.2)	(0.7)	(174.9)	(175.8)
At 30 September 2024	**166.9**	**38.3**	**691.7**	**896.9**

COMPANY

	2024			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2023	147.5	36.6	662.6	846.7
New assets originated	142.8	22.5	224.8	390.1
Assets derecognised or repaid (excluding write offs)	(47.9)	(8.0)	(88.4)	(144.3)
Transfers to Stage 1	51.4	(11.7)	(39.7)	–
Transfers to Stage 2	(4.9)	26.6	(21.7)	–
Transfers to Stage 3	(3.9)	(9.0)	12.9	–
ECL impact on transfer	(45.5)	(16.8)	102.0	39.7
Changes to estimates and assumptions used for ECL calculations	(77.1)	(10.0)	(14.1)	(101.2)
Amounts written off	–	(0.1)	(165.3)	(165.4)
At 30 September 2024	**162.4**	**30.1**	**673.1**	**865.6**

GROUP	2023			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2022	89.9	30.5	661.0	781.4
New assets originated	258.6	–	–	258.6
Transfers on new assets originated	(208.2)	12.2	196.0	–
Assets derecognised or repaid (excluding write offs)	(34.4)	(2.0)	(61.2)	(97.6)
Transfers to Stage 1	27.2	(6.2)	(21.0)	–
Transfers to Stage 2	(2.6)	15.7	(13.1)	–
Transfers to Stage 3	(2.1)	(4.0)	6.1	–
Impact of impairment losses and year end ECL of exposures transferred between stages	(14.3)	(10.0)	75.8	51.5
Changes to estimates and assumptions used for ECL calculations	37.5	6.1	(7.8)	35.8
Exchange difference	(0.4)	(0.3)	(1.8)	(2.5)
Amounts written off	(0.3)	(1.3)	(160.9)	(162.5)
At 30 September 2023	150.9	40.7	673.1	864.7

COMPANY	2023			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2022	87.1	26.5	653.2	766.8
New assets originated	242.3	–	–	242.3
Transfers on new assets originated	(195.1)	9.5	185.6	–
Assets derecognised or repaid (excluding write offs)	(22.8)	(3.4)	(70.4)	(96.6)
Transfers to Stage 1	17.2	(4.4)	(12.8)	–
Transfers to Stage 2	(2.6)	15.7	(13.1)	–
Transfers to Stage 3	(1.8)	(3.4)	5.2	–
Impact of impairment losses and year end ECL of exposures transferred between stages	(14.3)	(10.0)	75.8	51.5
Changes to estimates and assumptions used for ECL calculations	37.5	6.1	(7.8)	35.8
Amounts written off	–	–	(153.1)	(153.1)
At 30 September 2023	147.5	36.6	662.6	846.7

The contractual amount outstanding were written off and are still subject to enforcement activity amounted to MUR140.0m (2023: MUR84.2m)

(b) Corporate credit facilities

(i) Corporate loans receivables breakdown before impairment:

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Within one year	**1,336.4**	787.1	**587.5**	474.4
After one year and before five years	**291.0**	117.8	**80.6**	71.6
After five years	**–**	4.4	**–**	–
	1,627.4	909.3	**668.1**	546.0

Explanatory Notes

30 September 2024

16. LOANS AND ADVANCES continued

(b) Corporate credit facilities continued

(ii) Credit quality - Corporate credit facilities

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 4.1 (d).

GROUP

2024	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
Performing	**1,288.9**	**–**	**–**	**1,288.9**
Watchlist	**–**	**169.3**	**–**	**169.3**
Non-performing	**–**	**–**	**169.2**	**169.2**
	1,288.9	**169.3**	**169.2**	**1,627.4**

GROUP

2023	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
Performing	737.1	–	–	737.1
Watchlist	–	9.9	–	9.9
Non-performing	–	–	162.3	162.3
	737.1	9.9	162.3	909.3

COMPANY

2024	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
Performing	**308.4**	**–**	**–**	**308.4**
Watchlist	**–**	**25.6**	**–**	**25.6**
Non-performing	**–**	**–**	**334.1**	**334.1**
	308.4	**25.6**	**334.1**	**668.1**

COMPANY

2023	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
Performing	199.6	–	–	199.6
Watchlist	–	4.4	–	4.4
Non-performing	–	–	342.0	342.0
	199.6	4.4	342.0	546.0

(iii) Gross carrying amount - Corporate credit facilities

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Corporate Credit facilities is as follows:

GROUP — 2024

	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2023	737.1	9.9	162.3	909.3
New assets originated	1,370.7	2.8	5.7	1,379.2
Assets derecognised or repaid (excluding write offs)	(666.3)	(5.8)	(6.6)	(678.7)
Transfers to Stage 1	2.5	(0.3)	(2.2)	–
Transfers to Stage 2	(165.1)	165.8	(0.7)	–
Transfers to Stage 3	(7.1)	(3.3)	10.4	–
Amounts written off	–	–	(3.6)	(3.6)
Exchange difference	17.1	0.2	3.9	21.2
At 30 September 2024	**1,288.9**	**169.3**	**169.2**	**1,627.4**

GROUP — 2023

	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2022	112.1	1.6	88.8	202.5
Acquisition of subsidiary	545.0	16.3	116.0	677.3
New assets originated	434.5	–	–	434.5
Transfers on new assets originated	(7.1)	2.0	5.1	–
Assets derecognised or repaid (excluding write offs)	(341.8)	(11.1)	(48.6)	(401.5)
Transfers to Stage 1	0.2	(0.2)	–	–
Transfers to Stage 2	(2.9)	2.9	–	–
Transfers to Stage 3	(2.9)	(1.6)	4.5	–
Amounts written off	–	–	(3.5)	(3.5)
At 30 September 2023	737.1	9.9	162.3	909.3

COMPANY — 2024

	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2023	199.6	4.4	342.0	546.0
New assets originated	181.0	2.8	16.0	199.8
Assets derecognised or repaid (excluding write offs)	(61.7)	(5.8)	(6.6)	(74.1)
Transfers to Stage 1	2.5	(0.3)	(2.2)	–
Transfers to Stage 2	(5.9)	27.8	(21.9)	–
Transfers to Stage 3	(7.1)	(3.3)	10.4	–
Amounts written off	–	–	(3.6)	(3.6)
At 30 September 2024	**308.4**	**25.6**	**334.1**	**668.1**

Explanatory Notes

30 September 2024

16. LOANS AND ADVANCES continued

(b) Corporate credit facilities continued

(iii) Gross carrying amount - Corporate credit facilities continued

COMPANY	2023			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2022	1,233.3	2.4	89.2	1,324.9
Amalgamation adjustment	(886.2)	–	–	(886.2)
New assets originated	237.7	–	–	237.7
Transfers on new assets originated	(72.0)	2.0	70.0	–
Assets derecognised or repaid (excluding write offs)	(71.9)	(1.1)	(53.9)	(126.9)
Transfers to Stage 1	0.2	(0.2)	–	–
Transfers to Stage 2	(2.9)	2.9	–	–
Transfers to Stage 3	(238.6)	(1.6)	240.2	–
Amounts written off	–	–	(3.5)	(3.5)
At 30 September 2023	199.6	4.4	342.0	546.0

(iv) Expected credit loss - Corporate credit facilities

GROUP	2024			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2023	12.2	0.2	107.8	120.2
New assets originated	8.5	0.5	1.6	10.6
Assets derecognised or repaid (excluding write offs)	(2.5)	–	(0.8)	(3.3)
Transfers to Stage 1	1.0	–	(1.0)	–
Transfers to Stage 2	(0.1)	11.0	(10.9)	–
Transfers to Stage 3	(0.1)	(0.1)	0.2	–
Impact of impairment losses and year end ECL of exposures transferred between stages	(1.0)	(1.9)	27.0	24.1
Amounts written off	–	–	(3.5)	(3.5)
Changes to estimates and assumptions used for ECL calculations	(4.1)	(0.1)	–	(4.2)
Exchange difference	–	–	2.7	2.7
At 30 September 2024	**13.9**	**9.6**	**123.1**	**146.6**

GROUP	2023			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
At 1 October 2022	8.6	0.6	47.0	56.2
Effect of acquisition of subsidiary	–	0.5	73.9	74.4
New assets originated	(2.7)	–	–	(2.7)
Transfers on new assets originated	11.3	(0.4)	(10.9)	–
Assets derecognised or repaid (excluding write offs)	(4.1)	(0.5)	(9.8)	(14.4)
Impact of impairment losses and year end ECL of exposures transferred between stages	–	–	0.5	0.5
Amount written off	–	–	(2.7)	(2.7)
Changes to estimates and assumptions used for ECL calculations	(0.9)	–	9.8	8.9
At 30 September 2023	12.2	0.2	107.8	120.2

COMPANY	2024			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
At 1 October 2023	11.9	–	270.5	282.4
New assets originated	8.5	0.5	1.6	10.6
Assets derecognised or repaid (excluding write offs)	(2.3)	–	(0.8)	(3.1)
Transfers to Stage 1	1.0	–	(1.0)	–
Transfers to Stage 2	(0.1)	11.0	(10.9)	–
Transfers to Stage 3	(0.1)	(0.1)	0.2	–
Impact of impairment losses and year end ECL of exposures transferred between stages	(1.0)	(1.9)	3.9	1.0
Amounts written off	–	–	(3.5)	(3.5)
Changes to estimates and assumptions used for ECL calculations	(4.0)	(0.1)	64.3	60.2
At 30 September 2024	**13.9**	**9.4**	**324.3**	**347.6**

COMPANY	2023			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
At 1 October 2022	34.9	0.6	46.8	82.3
New assets originated	217.5	–	–	217.5
Transfers on new assets originated	(208.9)	(0.6)	209.5	–
Assets derecognised or repaid (excluding write offs)	(4.1)	–	(9.8)	(13.9)
Transfers to Stage 3	(26.2)	–	26.2	–
Impact of impairment losses and year end ECL of exposures transferred between stages	–	–	1.3	1.3
Amounts Written off	–	–	(3.5)	(3.5)
Changes to estimates and assumptions used for ECL calculations	(1.3)	–	–	(1.3)
At 30 September 2023	11.9	–	270.5	282.4

Explanatory Notes

30 September 2024

16. LOANS AND ADVANCES continued

(c) Factoring receivables

(i) Factoring receivables breakdown before impairment:

	GROUP & COMPANY	
	Sep-24 MUR m	Sep-23 MUR m
Receivable from customers	**197.4**	175.0
Fund of guarantee	**(69.8)**	(94.0)
	127.6	81.0

Fund of guarantee represents the portion of the receivables from customers for which the Company has not financed.

(ii) Credit quality - Factoring receivables

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 4.1 (d).

GROUP AND COMPANY	2024			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
Performing	**120.8**	**–**	**–**	**120.8**
Non-performing	**–**	**–**	**6.8**	**6.8**
	120.8	**–**	**6.8**	**127.6**

GROUP AND COMPANY	2023			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
Performing	73.8	–	–	73.8
Non-performing	–	–	7.2	7.2
	73.8	–	7.2	81.0

(iii) Gross carrying amount - Factoring debtors

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to credit facilities is as follows:

GROUP AND COMPANY	2024			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
At 1 October 2023	**73.8**	**–**	**7.2**	**81.0**
New assets originated or purchased	**68.5**	**–**	**–**	**68.5**
Assets derecognised or repaid (excluding write offs)	**(21.5)**	**–**	**(0.4)**	**(21.9)**
At 30 September 2024	**120.8**	**–**	**6.8**	**127.6**

GROUP AND COMPANY	2023			
	Stage 1 MUR m	**Stage 2 MUR m**	**Stage 3 MUR m**	**Total MUR m**
At 1 October 2022	90.1	–	7.9	98.0
New assets originated or purchased	40.8	–	–	40.8
Assets derecognised or repaid (excluding write offs)	(57.1)	–	(0.7)	(57.8)
At 30 September 2023	73.8	–	7.2	81.0

(iv) Expected credit loss - Factoring receivables

GROUP AND COMPANY — **2024**

	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2023	1.5	–	7.2	8.7
New assets originated	0.9	–	–	0.9
Assets derecognised or repaid (excluding write offs)	–	–	(0.4)	(0.4)
ECL impact on transfer	0.3	–	–	0.3
At 30 September 2024	**2.7**	**–**	**6.8**	**9.5**

GROUP AND COMPANY — **2023**

	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2022	2.1	–	8.0	10.1
New assets originated	(0.1)	–	–	(0.1)
Assets derecognised or repaid (excluding write offs)	(0.5)	–	(0.8)	(1.3)
At 30 September 2023	1.5	–	7.2	8.7

(d) Card receivables

Card receivables are receivable within 3 months.

(i) Credit quality - Card receivables before impairment

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 4.1 (d).

GROUP AND COMPANY — **2024**

	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
Performing	**279.6**	**–**	**–**	**279.6**
Watchlist	**–**	**8.6**	**–**	**8.6**
Non-performing	**–**	**–**	**18.2**	**18.2**
	279.6	**8.6**	**18.2**	**306.4**

Explanatory Notes

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16. LOANS AND ADVANCES continued

(d) Card receivables continued

(i) Credit quality - Card receivables before impairment continued

GROUP AND COMPANY

	2023			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
Performing	288.7	–	–	288.7
Watchlist	–	8.7	–	8.7
Non-performing	–	–	23.9	23.9
	288.7	8.7	23.9	321.3

(ii) Gross carrying amount - Card receivables

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to credit facilities is as follows:

GROUP & COMPANY

	2024			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2023	288.7	8.7	23.9	321.3
New assets originated or purchased	86.4	3.3	6.4	96.1
Assets derecognised or repaid (excluding write offs)	(96.5)	(0.6)	(3.4)	(100.5)
Transfers to Stage 1	12.1	(5.6)	(6.5)	–
Transfers to Stage 2	(4.5)	5.7	(1.2)	–
Transfers to Stage 3	(5.6)	(2.4)	8.0	–
Amounts written off	(1.0)	(0.5)	(9.0)	(10.5)
At 30 September 2024	**279.6**	**8.6**	**18.2**	**306.4**

GROUP & COMPANY

	2023			
	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2022	268.0	16.8	22.2	307.0
New assets originated or purchased	101.4	–	–	101.4
Transfers on new assets originated or purchased	(8.8)	2.4	6.4	–
Assets derecognised or repaid (excluding write offs)	(70.0)	(0.8)	(9.4)	(80.2)
Transfers to Stage 1	10.9	(9.7)	(1.2)	–
Transfers to Stage 2	(5.2)	5.8	(0.6)	–
Transfers to Stage 3	(6.8)	(5.6)	12.4	–
Amounts written off	(0.8)	(0.2)	(5.9)	(6.9)
At 30 September 2023	288.7	8.7	23.9	321.3

(iii) Expected credit loss - Card receivables

GROUP & COMPANY — **2024**

	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2023	6.8	3.1	15.6	25.5
New assets originated or purchased	0.2	(0.7)	0.1	(0.4)
Assets derecognised or repaid (excluding write offs)	(0.2)	–	3.9	3.7
Transfers to Stage 1	4.0	(0.8)	(3.2)	–
Transfers to Stage 2	–	0.5	(0.5)	–
Transfers to Stage 3	–	(0.3)	0.3	–
Impact of impairment losses and year end ECL of exposures transferred between stages	(3.9)	0.1	3.4	(0.4)
Amounts written off	–	(0.1)	(9.0)	(9.1)
At 30 September 2024	**6.9**	**1.8**	**10.6**	**19.3**

GROUP & COMPANY — **2023**

	Stage 1 MUR m	Stage 2 MUR m	Stage 3 MUR m	Total MUR m
At 1 October 2022	5.7	0.7	16.8	23.2
New assets originated or purchased	(1.5)	–	–	(1.5)
Transfers on new assets originated or purchased	2.7	1.5	(4.2)	–
Assets derecognised or repaid (excluding write offs)	(0.1)	–	1.9	1.8
Transfers to Stage 1	0.4	–	(0.4)	–
Impact of impairment losses and year end ECL of exposures transferred between stages	(0.4)	0.6	7.4	7.6
Changes to estimates and assumptions	–	0.3	–	0.3
Amounts written off	–	–	(5.9)	(5.9)
At 30 September 2023	6.8	3.1	15.6	25.5

The contractual amount outstanding were written off and are still subject to enforcement activity amounted to MUR2.0m (2023: MUR6.6m).

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17. INVESTMENT SECURITIES

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Financial assets at FVTPL (a)	**68.7**	182.9	**0.8**	0.8
Financial assets at amortised cost (b)	**119.8**	119.6	**119.8**	119.6
	188.5	302.5	**120.6**	120.4

(a)

	GROUP		COMPANY	
	MUR m	MUR m	**MUR m**	MUR m
Financial assets at FVTPL	Level 3	TOTAL	Level 3	TOTAL
Non current				
At 1 October 2022	0.8	0.8	0.8	0.8
Acquisition of subsidiary	174.9	174.9	–	–
Additions	4.3	4.3	–	–
Fair value Adjustment	2.9	2.9	–	–
At 30 September 2023	182.9	182.9	0.8	0.8
Disposal	(621.6)	(621.6)	–	–
Fair value gain	3.3	3.3	–	–
Additions	502.9	502.9	–	–
Forex adjustment	1.2	1.2	–	–
At 30 September 2024	**68.7**	**68.7**	**0.8**	**0.8**

The Company has an investment in a company based in India. Each year a fair value assessment of the investment is done using the net assets approach which as per management reflects as fair value. There has been no fair value movement in years 2024 and 2023. The Financial assets at FVTPL are classified as Level 3.

The Net Assets Approach uses the following technique. The value of the investee is determined on the basis of the value of the assets and liabilities as disclosed in its financial statements as at the reporting date. The carrying amount is adjusted for the increase or decrease in the net asset value of the investee.

The following table sets out the valuation techniques used in the determination of fair values within level 3 including the key unobservable inputs used and the relationship between unobservable inputs to fair value.

Item	Valuation approach	Key unobservable inputs	Relationship and sensitivity of unobservable inputs to fair value
Unquoted shares	Net Assets Value	Net asset value per share of the investee company	The expected fair value will increase/decrease by Rs 45m(2023: Rs 43m) if the Net asset value per share will be higher or lower by 5%.

(b)

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Financial assets at amortised cost				
At 1 October	**119.6**	119.6	**119.6**	119.6
Additions	**–**	174.4	**–**	174.4
Maturity/Disposal	**–**	(174.4)	**–**	(174.4)
Interest accrued	**3.3**	0.6	**3.3**	0.6
Interest received	**(3.1)**	(0.6)	**(3.1)**	(0.6)
At 30 September	**119.8**	119.6	**119.8**	119.6

The financial assets at amortised cost comprise of Bank of Mauritius Bills amounting to MUR119.8m with a yield of 2.59% per annum. These assets are risk free and performing. As the bills carry stable ratings, management has determined that there is no significant increase in credit risk.

18. OTHER ASSETS

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Prepayments	**149.0**	115.5	**145.7**	109.7
Other receivables	**490.5**	502.8	**501.5**	494.0
	639.5	618.3	**647.2**	603.7
Receivables from subsidiaries (a)	**–**	–	**48.1**	28.1
Loan at call to subsidiaries (b)	**–**	–	**42.3**	40.6
Expected credit loss	**–**	–	**(69.6)**	(58.0)
	–	–	**20.8**	10.7
	639.5	618.3	**668.0**	614.4

The carrying amount of other assets approximate their fair values due to their short term nature.

Included in other receivables are card debtors, lease receivables and agency related income.

Included in receivables from subsidiaries are current accounts for expenses paid on behalf of a subsidiary.

(a) Receivables from subsidiaries

Receivables from subsidiaries and related companies are unsecured and carry an interest rate of 4.8% (2023: 4.8%). An analysis of the changes in the gross carrying amounts and the corresponding ECL allowance is as follows :

	Gross carrying amount MUR m	**ECL Stage 3 MUR m**
At 1 October 2022	20.4	14.6
Additions	7.7	2.8
At 30 September 2023	28.1	17.4
Additions	20.0	11.6
At 30 September 2024	**48.1**	**29.0**

(b) Loan at call to subsidiaries

	Gross carrying amount MUR m	**ECL Stage 3 MUR m**
At 1 October 2022	38.5	38.5
Additions	2.1	2.1
At 30 September 2023	40.6	40.6
Additions	1.7	–
At 30 September 2024	**42.3**	**40.6**

As at 30 September 2024, the Company is applying the IFRS9 general approach to measuring expected credit losses which uses a lifetime expected loss allowance for receivables from subsidiaries and thus the Company recognises a loss allowance based on a lifetime ECL at the end of the reporting period. The amount of impairment charged to profit or loss for 2024 is MUR 11.6m (2023:MUR 4.9m).

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19. INVENTORIES

	GROUP & COMPANY	
	Sep-24 MUR m	Sep-23 MUR m
Cost		
Consumables	**3.4**	3.4

20. INVESTMENT IN SUBSIDIARIES

(a)

	COMPANY	
	Sep-24 MUR m	Sep-23 MUR m
At 1 October	**948.4**	236.2
Addition	**–**	859.4
Release of deferred consideration	**–**	1.4
Amalgamation adjustment	**–**	(148.6)
At 30 September	**948.4**	948.4

(i) **Put option over non-controlling interest**

Included in addition are the put options in favour of Loinette Capital Limited. The non-controlling shareholders of the company have an option to offload their shareholding to the Company in accordance with the terms mentioned in the Share Purchase Agreement at fair value of shares on the date of Put for cash. Put option liability with non-controlling interest is accounted for at fair value. Subsequent changes to the put option liability are recognised in profit or loss.

(ii) **Impairment of investments**

In preparing the financial statements, the directors make an assessment regarding the recoverability of its investment in subsidiaries to determine if any impairment is required. In cases where the carrying amounts are greater than the recoverable amounts, the carrying amounts are reduced to their recoverable amounts.

As at 30 September 2024, the Company assessed for impairment of its investments in subsidiaries, in accordance with IAS 36 - Impairment of Assets where a value in use approach has been used, with a pre-tax rate of 5.71% (2023: 5.3%). No impairment was recognised for the year ended 30 September 2024 and 2023.

(b) **Details pertaining to the subsidiaries**

			Proportion of direct ownership (%)		Proportion of indirect ownership (%)			
Name of subsidiaries	Principal activity	Stated Capital (MUR 000s)	Sep-24	Sep-23	Sep-24	Sep-23	Year end	Non Controlling Interest (%)
Investments								
Cim International Holdings Ltd	Investment holding	195,943	**100.0**	100.0	**–**	–	30 September	–
Cim Kenya Ltd	Holding company	–	**100.0**	100.0	**–**	–	30 September	–
Cim Credit Kenya Ltd	Provision of retail credit	3	**–**	–	**100.0**	100.0	30 September	–
Cim Insurance Agency Ltd	Insurance agent	37	**–**	–	**100.0**	100.0	30 September	–
Cim Administrators Ltd	Secretarial services	25	**100.0**	100.0	**–**	–	30 September	–

Name of subsidiaries	Principal activity	Stated Capital (MUR 000s)	Proportion of direct ownership (%) Sep-24	Sep-23	Proportion of indirect ownership (%) Sep-24	Sep-23	Year end	Non Controlling Interest (%)
Cim Learning Centre Ltd	Investment holding	1,000	**100.0**	100.0	**–**	–	30 September	–
Key Financial Services Ltd	Investment holding	300	**–**	–	**100.0**	100.0	30 September	–
The Oceanic Trust Co. Ltd	Corporate trustee	426	**–**	–	**100.0**	100.0	30 September	–
Cim Investments Ltd	Dormant	–	**100.0**	100.0	**–**	–	30 September	–
Cim CSR Fund Ltd	Charitable institution	–	**100.0**	100.0	**–**	–	30 September	–
Loinette Capital Limited	Asset based finance provider SME	422,511	**75.0**	75.0	**–**	–	30 September	25.0

All the companies have only ordinary shares, except for Cim CSR Fund Ltd which has management shares.

The Company has provided letters of support in favour of subsidiaries having financial difficulties.

The above subsidiaries are incorporated in Mauritius except for Cim Credit Kenya Ltd and Cim Insurance Agency Ltd which are incorporated in Kenya.

Excluding companies under liquidation and dormant companies.

On 16 February 2024, Loinette Capital Limited changed its financial year end from 31 December to 30 September.

21. INVESTMENT IN ASSOCIATES

(a) Movement in investment in associates

	GROUP Sep-24 MUR m	GROUP Sep-23 MUR m	COMPANY Sep-24 MUR m	COMPANY Sep-23 MUR m
At 1 October	**14.0**	12.5	**19.7**	15.0
Addition (i)	**3.0**	4.7	**3.0**	4.7
Share of loss	**(2.0)**	(3.2)	**–**	–
At 30 September	**15.0**	14.0	**22.7**	19.7

(i) The addition relates to the additional stakeholding in Fundkiss Technologies Ltd.

In August 2024, CIM Financial Services Ltd acquired an additional 0.94% stake in Fundkiss Technologies Ltd increasing the shareholding to 30.51% in the digital lending platform.

(ii) Impairment of investments

The Group tested for impairment for its investment in associates. Impairment tests were done in accordance with IAS 36 - Impairment of Assets where a value in use approach has been used, with a pre-tax rate of 5.71% (2023: 5.01%). As a result of the assessments, the directors have recognised no impairment for the year ended 30 September 2024 (2023: Nil).

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21. INVESTMENT IN ASSOCIATES continued

(b) Details of the associates

Details of the associates at the reporting date are as follows:

Name of associates	Principal activity	Principal place of business	Country of incorporation	Proportion of direct ownership (%) Sep-24	Proportion of direct ownership (%) Sep-23	Proportion of indirect ownership (%) Sep-24	Proportion of indirect ownership (%) Sep-23	Year end
Li & Fung (Mauritius) Ltd	Buying agent	Mauritius	Mauritius	**40.0**	40.0	**–**	–	31 December
Dodwell (Mauritius) Ltd(ii)	Buying agent	Mauritius	Hong Kong	**40.0**	40.0	**–**	–	31 December
Fundkiss Technologies Ltd (iii)	Digital lending platform	Mauritius	Mauritius	**30.5**	29.6	**–**	–	30 June

(i) All of the above associates are accounted for using the equity method in the consolidated financial statements.

(ii) Dodwell (Mauritius) Ltd is in process of voluntary liquidation.

(iii) Acquisition of additional stake of 0.94% in Fundkiss Technologies Ltd during the year. The associate's activities are strategic to CFSL activities as it is concentrated in the money lending sector.

(iv) For the purposes of applying the equity method of accounting, the financial statements of Fundkiss Technologies Ltd for the year ended 30 September 2024 have been used.

(v) For the purposes of applying the equity method of accounting, the financial statements of Li & Fung (Mauritius) Ltd and Dodwell (Mauritius) Ltd for the year ended 30 September 2024 have been used.

(c) Summarised financial information in respect of the Group's material associate

2024	Fundkiss Technologies Ltd MUR m
Current assets	**29.9**
Non current assets	**3.4**
Current liabilities	**(3.9)**
Non current liabilities	**(27.3)**
Net assets	**2.1**
Ownership interest	**30.51%**
Share of net assets	**0.6**
Goodwill on acquisition	**14.4**
Carrying value of associates	**15.0**
Revenue	**18.2**
Loss for the year	**(6.9)**
Other comprehensive income for the year	**–**
Total comprehensive loss for the year	**(6.9)**
Group's share of loss for the year	**(2.0)**
Group's share of total comprehensive income for the year	**–**

2023	Fundkiss Technologies Ltd MUR m
Current assets	**20.6**
Non current assets	**2.8**
Current liabilities	**(2.8)**
Non current liabilities	**(19.1)**
Net assets	**1.5**
Ownership interest	**30%**
Share of net assets	**0.4**
Goodwill on net assets	**13.6**
Carrying value of associates	**14.0**
Revenue	**9.6**
Loss for the year	**(11.9)**
Other comprehensive income for the year	**–**
Total comprehensive loss for the year	**(11.9)**
Group's share of loss for the year	**(3.2)**
Group's share of total comprehensive income for the year	**–**

22. EQUIPMENT

GROUP

Cost	Equipment MUR m	Vehicles owned MUR m	Vehicles leased MUR m	Total MUR m
At 1 October 2022	379.5	28.1	579.0	986.6
Additions	37.6	13.6	162.5	213.7
Acquisition of subsidiary	0.5	–	–	0.5
Disposals	(1.3)	(7.8)	(110.1)	(119.2)
Foreign exchange movements	(0.4)	–	–	(0.4)
At 30 September 2023	415.9	33.9	631.4	1,081.2
Additions	44.9	5.9	143.5	194.3
Scrapped assets	(11.0)	–	–	(11.0)
Disposals	(5.4)	(1.8)	(103.1)	(110.3)
Foreign exchange movements	0.5	–	–	0.5
At 30 September 2024	**444.9**	**38.0**	**671.8**	**1,154.7**

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22. EQUIPMENT continued

Depreciation and impairment	Equipment MUR m	Vehicles owned MUR m	Vehicles leased MUR m	Total MUR m
At 1 October 2022	268.2	14.4	286.4	569.0
Charge for the year	51.3	4.7	61.1	117.1
Acquisition of subsidiary	0.3	–	–	0.3
Disposal adjustment	(0.9)	(6.5)	(79.2)	(86.6)
At 30 September 2023	318.9	12.6	268.3	599.8
Charge for the year	59.5	5.8	63.6	128.9
Scrapped assets	(10.9)	–	–	(10.9)
Disposal adjustment	(3.9)	(1.4)	(73.2)	(78.5)
At 30 September 2024	**363.6**	**17.0**	**258.7**	**639.3**
Carrying value				
At 30 September 2024	**81.3**	**21.0**	**413.1**	**515.4**
At 30 September 2023	97.0	21.3	363.1	481.4

COMPANY

Cost	Equipment MUR m	Vehicles owned MUR m	Vehicles leased MUR m	Total MUR m
At 1 October 2022	370.7	28.1	565.1	963.9
Additions	37.6	13.6	162.5	213.7
Amalgamation adjustment	5.2	1.0	16.3	22.5
Disposals	(1.3)	(8.8)	(110.1)	(120.2)
At 30 September 2023	412.2	33.9	633.8	1,079.9
Additions	43.4	5.9	143.0	192.3
Scrapped assets	(11.0)	–	–	(11.0)
Disposals	(5.4)	(1.8)	(103.1)	(110.3)
At 30 September 2024	**439.2**	**38.0**	**673.7**	**1,150.9**

Depreciation and impairment	Equipment MUR m	Vehicles owned MUR m	Vehicles leased MUR m	Total MUR m
At 1 October 2022	264.1	14.3	275.8	554.2
Charge for the year	50.9	4.7	61.1	116.7
Amalgamation adjustment	4.2	0.8	10.6	15.6
Disposal adjustment	(0.9)	(7.2)	(79.2)	(87.3)
At 30 September 2023	318.3	12.6	268.3	599.2
Charge for the year	58.8	5.8	63.5	128.1
Scrapped assets	(10.9)	–	–	(10.9)
Disposal adjustment	(4.4)	(1.4)	(73.2)	(79.0)
At 30 September 2024	**361.8**	**17.0**	**258.6**	**637.4**
Carrying value				
At 30 September 2024	**77.4**	**21.0**	**415.1**	**513.5**
At 30 September 2023	93.9	21.3	365.5	480.7

Bank borrowings are secured by floating charges on all the assets of the Group (note 27).

23. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) RIGHT-OF-USE ASSETS

	GROUP	COMPANY
	Buildings MUR m	**Buildings MUR m**
At 1 October 2022	176.9	175.7
Variable payment adjustment	24.9	24.9
Remeasurement of lease liability	0.4	0.4
Acquisition of subsidiary	3.2	–
Derecognition	(0.7)	(0.7)
Additions	7.0	7.0
Depreciation	(41.1)	(40.4)
At 30 September 2023	170.6	166.9
Variable payment adjustment	(16.0)	(16.0)
Derecognition	(1.1)	(1.1)
Additions	17.5	16.6
Depreciation	(41.8)	(40.1)
Effect of modification to lease terms	(1.3)	(1.3)
Foreign exchange movements	0.3	–
At 30 September 2024	**128.2**	**125.0**

(b) LEASE LIABILITIES

	GROUP	COMPANY
	Buildings MUR m	**Buildings MUR m**
At 1 October 2022	209.4	207.7
Variable payment adjustment	24.9	24.9
Remeasurement of lease liability	0.4	0.4
Derecognition	(0.7)	(0.7)
Additions	7.0	7.0
Acquisition of subsidiary	3.2	–
Interest expense (note 5(b))	12.3	12.2
Lease payments	(45.9)	(45.3)
Foreign exchange difference	(0.5)	–
At 30 September 2023	210.1	206.2
Variable payment adjustment	(16.0)	(16.0)
Derecognition	(1.2)	(1.2)
Additions	17.5	16.6
Interest expense (note 5(b))	10.8	10.4
Lease payments	(52.3)	(50.4)
Effect of modification to lease terms	(1.5)	(1.5)
Foreign exchange difference	0.2	–
At 30 September 2024	**167.6**	**164.1**

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23. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES continued

(b) LEASE LIABILITIES continued

	GROUP		COMPANY	
Maturity analysis	**Sep-24 MUR m**	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Minimum lease payments				
Current	**54.1**	47.5	**52.0**	45.9
Up to 3 months	**13.5**	12.1	**13.0**	11.7
3-6 months	**13.6**	12.0	**13.0**	11.6
6-12 months	**27.0**	23.4	**26.0**	22.6
Non current	**132.5**	194.2	**130.6**	191.3
After one year and before two years	**50.1**	50.1	**48.9**	48.1
After two years and before five years	**82.1**	141.6	**81.4**	140.6
After five years	**0.3**	2.5	**0.3**	2.6
	186.6	241.7	**182.6**	237.2
Less Future finance charges on obligation under lease liabilities	**(19.0)**	(31.5)	**(18.5)**	(31.0)
Present value of obligations under lease liabilities	**167.6**	210.2	**164.1**	206.2
Present value analysed as follows				
Current	**45.7**	36.6	**43.9**	35.4
Up to 3 months	**11.2**	9.2	**10.8**	8.9
3-6 months	**11.4**	9.2	**10.9**	8.9
6-12 months	**23.1**	18.2	**22.2**	17.6
Non-Current	**121.9**	173.6	**120.2**	170.8
After one year and before two years	**44.2**	41.3	**43.2**	39.6
After two years and before five years	**77.4**	129.8	**76.7**	128.8
After five years	**0.3**	2.5	**0.3**	2.4
	167.6	210.2	**164.1**	206.2

Nature of leasing activities (in the capacity of lessee)

The Group leases 20 properties in Mauritius, 2 properties in Rodrigues and 2 properties in Kenya. For 19 properties it is customary for the lease contracts to provide for payments to increase each year by inflation. For the remaining 5 properties the lease payments are predetermined as fixed payments.

Administrative buildings are leased for the operations of the Group's activities.

During the year the Group terminated the leasing of 2 properties in Mauritius.

Variable lease payments

The percentages in the table below reflect the current proportions of lease payments that are either fixed or variable. The sensitivity reflects the impact on the carrying amount of lease liabilities and right-of-use assets if there was an uplift of 5% on the reporting date of lease payments that are variable.

	Sensitivity		Number of Lease Contracts		Fixed payments %	
GROUP	**Sep-24 MUR m**	Sep-23 MUR m	**Sep-24**	Sep-23	**Sep-24**	Sep-23
Property leases with payments linked to inflation	**7.5**	9.6	**18**	17	**69%**	93%
Property leases with pre-determined fixed payments	**0.9**	0.8	**8**	6	**31%**	7%
	8.4	10.4	**26**	23	**100%**	100%

COMPANY	Sep-24 MUR m	Sep-23 MUR m	Sep-24	Sep-23	Sep-24	Sep-23
Property leases with payments linked to inflation	7.5	9.6	18	17	78%	81%
Property leases with pre-determined fixed payments	0.7	0.7	5	4	22%	19%
	8.2	10.3	23	21	100%	100%

Extension and termination options

Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

For leases of administrative buildings, the following factors are normally the most relevant:

If there are significant penalties to terminate, the Group is typically reasonably certain not to terminate.

If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend.

Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

As at 30 September 2024, no potential future cash outflows in respect of termination and extension of lease have been recognised.

The lease term is reassessed if an option is actually exercised or the Group becomes obliged to exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	Sep-24 MUR m	Sep-23 MUR m
Interest expense (included in finance cost) (note 5(b))	10.8	12.3	10.4	12.2
Expense relating to short-term leases (included in other operating expenses)	1.0	0.4	1.0	0.4
	11.8	12.7	11.4	12.6

The total cash outflow for leases in Group in 2024 was MUR 52.3m (2023: MUR 45.9m); made of capital MUR 41.5m (2023: MUR 33.6m) and interest MUR 10.8m (2023: MUR 12.3m); and in Company was MUR50.4m (2023:MUR 45.3m); made up of capital MUR 40.0m (2023: MUR 33.1m) and interest MUR 10.4m (2023: MUR 12.2m).

24. INTANGIBLE ASSETS

(a) GROUP

	Customer portfolio MUR m	Goodwill on acquisition MUR m	Dealer relationship MUR m	Software/ others MUR m	Total MUR m
Cost					
At 1 October 2022	31.0	12.8	–	317.3	361.1
Acquisition of subsidiary	–	–	48.5	–	48.5
Additions	–	–	–	12.3	12.3
Forex adjustment	–	–	–	(4.8)	(4.8)
At 30 September 2023	31.0	12.8	48.5	324.8	417.1
Additions	–	–	–	8.0	8.0
Scrapped assets	–	–	–	(0.1)	(0.1)
Forex adjustment	–	–	1.5	5.0	6.5
At 30 September 2024	**31.0**	**12.8**	**50.0**	**337.7**	**431.5**

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24. INTANGIBLE ASSETS continued

	Customer portfolio MUR m	Goodwill on acquisition MUR m	Dealer relationship MUR m	Software/ others MUR m	Total MUR m
Amortisation/Impairment					
At 1 October 2022	1.8	–	–	233.2	235.0
Charge for the year	3.1	–	2.7	30.0	35.8
Forex adjustments	–	–	–	(4.8)	(4.8)
At 30 September 2023	4.9	–	2.7	258.4	266.0
Charge for the year	3.1	–	14.9	27.8	45.8
Forex adjustments	–	–	–	5.0	5.0
At 30 September 2024	**8.0**	**–**	**17.6**	**291.2**	**316.8**
Carrying value					
At 30 September 2024	**23.0**	**12.8**	**32.4**	**46.5**	**114.7**
At 30 September 2023	26.1	12.8	45.8	66.4	151.1

(b) COMPANY

Cost	Customer portfolio MUR m	Goodwill on acquisition MUR m	Software/ others MUR m	Total MUR m
At 1 October 2022	–	–	271.7	271.7
Amalgamation adjustment	31.0	12.8	0.3	44.1
Additions	–	–	12.3	12.3
At 30 September 2023	31.0	12.8	284.3	328.1
Additions	–	–	8.0	8.0
Scrapped assets	–	–	(0.1)	(0.1)
At 30 September 2024	31.0	12.8	292.2	336.0
Amortisation				
At 1 October 2022	–	–	188.2	188.2
Amalgamation adjustment	–	–	0.3	0.3
Charge for the year	4.9	–	29.7	34.6
At 30 September 2023	4.9	–	218.2	223.1
Charge for the year	**3.1**	**–**	**27.6**	**30.7**
Scrapped assets	**–**	**–**	**(0.1)**	**(0.1)**
At 30 September 2024	**8.0**	**–**	**245.7**	**253.7**
Carrying value				
At 30 September 2024	**23.0**	**12.8**	**46.5**	**82.3**
At 30 September 2023	26.1	12.8	66.1	105.0

Management believes that any reasonable possible change in the key assumptions on which the CGU's recoverable amount is based would not cause the CGU's carrying amount to exceed its recoverable amount.

25. POST EMPLOYMENT BENEFIT LIABILITIES

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Amount recognised in the Statements of financial position:				
Pension benefits (a)	**52.2**	63.3	**52.2**	63.3
Unfunded pension schemes (b)	**22.5**	23.5	**22.5**	23.5
Other retirement benefits (c)	**91.6**	78.7	**90.8**	76.4
Other long term employee benefit plan (d)	**11.2**	9.3	**11.2**	9.3
	177.5	174.8	**176.7**	172.5
Amount charged/(credited) to profit or loss:				
Pension benefits (a)	**8.4**	6.0	**8.4**	6.0
Unfunded pension schemes (b)	**1.0**	1.0	**1.0**	1.0
Other retirement benefits (c)	**12.3**	(7.4)	**13.8**	(6.9)
Other long term employee benefit plan (d)	**1.9**	(0.3)	**1.9**	(0.3)
Total included in employee benefit expense	**23.6**	(0.7)	**25.1**	(0.2)
Amount charged to other comprehensive income:				
Pension benefits (a)	**(12.5)**	13.3	**(12.5)**	13.3
Unfunded pension schemes (b)	**1.9**	2.7	**1.9**	2.7
Other retirement benefits (c)	**3.8**	15.6	**3.8**	15.0
	(6.8)	31.6	**(6.8)**	31.0

The plans expose the Group to normal risks associated with all pensions schemes such as investment, interest, longevity and salary risks. Except for unfunded pensions which is subject to only interest and longevity risks.

Investment risk

The plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by an increase in the return on the plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

Longevity risk

The plan liability is calculated with reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary risk

The plan liability is calculated with reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

(a) Pension benefits

The Group operates a final salary defined benefit pension plan for some employees. The assets are held separately from the Group under the control of the Management Committee of Rogers Pension Fund (RPF). The Group contributes to the pension plan in respect of some employees who have a No Worse Off Guarantee (NWOG) so that their benefits would not be worse than what they would have earned under a previous defined benefit plan.

Explanatory Notes

30 September 2024

25. POST EMPLOYMENT BENEFIT LIABILITIES continued

(a) Pension benefits continued

		GROUP		COMPANY	
		Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
(i)	**Amount recognised in the Statements of financial position are as follows:**				
	Present value of funded obligations	**119.2**	124.3	**119.2**	124.3
	Fair value of plan assets	**(67.0)**	(61.0)	**(67.0)**	(61.0)
	Liability in the Statements of Financial Position	**52.2**	63.3	**52.2**	63.3
	The reconciliation of the opening balances to the closing balances for the net defined benefit liability is as follows:				
	At 1 October	**63.3**	50.8	**63.3**	50.8
	Charged to profit or loss	**8.4**	6.0	**8.4**	6.0
	Charged to other comprehensive income	**(12.6)**	13.4	**(12.6)**	13.4
	Contributions paid	**(6.9)**	(6.9)	**(6.9)**	(6.9)
	At 30 September	**52.2**	63.3	**52.2**	63.3
(ii)	**Amount recognised in profit or loss and other comprehensive income are as follows:**				
	Current service cost	**4.3**	3.7	**4.3**	3.7
	Past service cost	**1.3**	–	**1.3**	–
	Service cost	**5.6**	3.7	**5.6**	3.7
	Net interest on net defined benefit liability	**2.8**	2.3	**2.8**	2.3
	Components of amount recognised in profit or loss	**8.4**	6.0	**8.4**	6.0
	Return on plan assets below interest income	**(4.7)**	0.5	**(4.7)**	0.5
	Liability experience loss	**9.0**	1.6	**9.0**	1.6
	Liability (gain)/loss due to change in financial assumptions	**(16.8)**	11.2	**(16.8)**	11.2
	Components of amount recognised in OCI	**(12.5)**	13.3	**(12.5)**	13.3
(iii)	**Movements in the defined benefit obligations over the year are as follows:**				
	At 1 October	**124.3**	105.8	**124.3**	105.8
	Current service cost	**4.3**	3.7	**4.3**	3.7
	Past service cost	**1.3**	–	**1.3**	–
	Interest expense	**5.5**	5.2	**5.5**	5.2
	Other benefits paid	**(8.3)**	(3.2)	**(8.3)**	(3.2)
	Liability experience loss	**9.0**	1.6	**9.0**	1.6
	Liability(gain)/loss due to change in financial assumptions	**(16.9)**	11.2	**(16.9)**	11.2
	At 30 September	**119.2**	124.3	**119.2**	124.3
(iv)	**Movements in the fair value of plan assets over the year are as follows:**				
	At 1 October	**61.0**	55.0	**61.0**	55.0
	Interest income	**2.7**	2.8	**2.7**	2.8
	Employer contribution	**6.9**	6.9	**6.9**	6.9
	Benefits paid	**(8.3)**	(3.2)	**(8.3)**	(3.2)
	Return on plan assets excluding interest income	**4.7**	(0.5)	**4.7**	(0.5)
	At 30 September	**67.0**	61.0	**67.0**	61.0

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
(v) **Sensitivity analysis on defined benefit obligation at end of year**				
Increase due to 1% decrease in discount rate	**6.9**	34.9	**6.9**	34.9
Decrease due to 1% increase in discount rate	**6.5**	28.2	**6.5**	28.2
Increase due to 1% increase in salary increase rate	**7.0**	8.3	**7.0**	8.3
Decrease due to 1% decrease in salary increase rate	**6.7**	7.9	**6.7**	7.9

The above sensitivity analysis has been carried out by recalculating the present value of obligation at the end of the period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. The results are particularly sensitive to a change in the discount rate due to the nature of the liabilities being the difference between a minimum defined benefit liability and the projected defined contribution liabilities, the latter being MUR 66.8m as at 30 September 2024. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

	GROUP		COMPANY	
	Sep-24 %	Sep-23 %	**Sep-24 %**	Sep-23 %
(vi) **Allocation of plan assets at end of year:**				
Equity - local quoted	**27**	30	**27**	30
Equity - overseas quoted	**29**	22	**29**	22
Debt - local unquoted	**19**	20	**19**	20
Debt - overseas quoted	**20**	16	**20**	16
Property - local	**2**	2	**2**	2
Investment funds	**2**	2	**2**	2
Cash and other	**1**	8	**1**	8
	100	100	**100**	100

(vii) **Future cash flows**

- The funding policy is to pay contributions to an external legal entity at the rate recommended by the entity's actuary.
- Expected employer contribution for the next year is MUR 15m.
- Weighted average duration of the defined benefit obligations based on a minimum defined benefit liability is 4 years.

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
(viii) **Principal assumptions used at end of year:**				
Discount rate (pre-retirement)	**5.1%**	4.5%	**5.1%**	4.5%
Discount rate (post-retirement)	**3.0%**	2.5%	**3.0%**	2.5%
Rate of salary increases	**4.2%**	4.2%	**4.2%**	4.2%
Average retirement age (ARA)	**60**	60	**60**	60
Average life expectancy for:				
- Male at ARA	**19.5 years**	19.5 years	**19.5 years**	19.5 years
- Female at ARA	**24.2 years**	24.2 years	**24.2 years**	24.2years

Comments on the results:

The liability experience loss of MUR 9.0m is mainly due to the actual average salary increases being higher than expected over the past year and growth of members' PMA being lower than anticipated over the past year, partly offset by a gain due to NWOG injections made in respect of retirees being lower than their past service reserves.

The liability gain due to the change in financial assumptions of MUR 16.9m is due to the increase in the net pre-retirement discount rate (nominal discount rate less salary increase rate) from 0.3% p.a in 2023 to 0.9% p.a in 2024 and the increase in the net post-retirement discount rate from 2.5% p.a in 2023 to 3.0% p.a in 2024.

The 'past service cost' element disclosed MUR 1.3M relates to one employee whose date of entry has been corrected in the data supplied this year.

There have been no other plan amendments, curtailment or settlement during the year, except for the past service costs in respect of employee transfers between entities and data adjustments.

Explanatory Notes

30 September 2024

25. POST EMPLOYMENT BENEFIT LIABILITIES continued

(b) Unfunded pension schemes

Unfunded pension schemes comprise of pensions paid out of cash flow and relates to contribution for retired members.

	GROUP & COMPANY	
	Sep-24 MUR m	Sep-23 MUR m
(i) Amount recognised in the Statements of Financial Position are as follows:		
Present value of unfunded obligation	**22.5**	23.5
Liability in the Statements of Financial Position	**22.5**	23.5
(ii) Amount recognised in profit or loss and other comprehensive income are as follows:		
Net interest on net defined benefit liability	**1.0**	1.0
Components of amount recognised in profit or loss	**1.0**	1.0
Liability experience loss	**2.5**	2.3
Liability (gain)/loss due to change in financial assumptions	**(0.6)**	0.4
Components of amount recognised in other comprehensive income	**1.9**	2.7
(iii) Movements in liability recognised in Statements of Financial Position:		
At 1 October	**23.5**	23.6
Interest expense	**1.0**	1.0
Other benefits paid	**(3.9)**	(3.8)
Liability experience loss	**2.5**	2.3
Liability (gain)/loss due to change in financial assumptions	**(0.6)**	0.4
At 30 September	**22.5**	23.5
(iv) Sensitivity Analysis on defined benefit obligation at end of period		
Increase due to 1% decrease in discount rate	**0.9**	1.1
Decrease due to 1% increase in discount rate	**0.8**	1.0

The above sensitivity analysis has been carried out by recalculating the present value of the obligation at the end of the period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

(v) Future cash flows

- The funding policy is to pay benefits out of the Group's cashflow as and when due.
- Expected employer contributions to post-employment benefit plans for the next year is MUR 4.2m.
- The weighted average duration of the defined benefit obligations is 4 years.

(vi) Principal actuarial assumptions at end of year:	GROUP & COMPANY	
	Sep-24 MUR m	Sep-23 MUR m
Discount rate	**5.1%**	4.5%
Future pension increases	**5.0%**	5.0%
Average life expectancy for:		
- Male at ARA	**19.5 years**	19.5 years
- Female at ARA	**24.2 years**	24.2 years

Comments on the results:

The liability experience loss of MUR 2.5m is mainly due to actual mortality experience being lower than expected over the past year.

The liability gain due to change in financial assumptions of MUR 0.6m is mainly due to the increase in the discount rate from 4.5% p.a in 2023 to 5.1% p.a in 2024.

(c) Other retirement benefits

Other post retirement benefits comprise mainly of gratuity on retirement payable under the Mauritian Workers' Rights Act 2019 and other benefits. Other retirement benefits comprise full and residual retirement gratuities.

		GROUP		COMPANY	
		Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
(i)	**Amount recognised in the Statements of financial position are as follows:**				
	Present value of unfunded obligation	**91.6**	78.7	**90.8**	76.4
	Liability in the Statements of Financial Position	**91.6**	78.7	**90.8**	76.4
(ii)	**Amounts recognised in profit or loss and other comprehensive income are as follows:**				
	Current service cost	**8.8**	7.2	**8.6**	6.9
	Past service cost	**–**	(18.0)	**1.8**	(17.1)
	Service cost	**8.8**	(10.8)	**10.4**	(10.2)
	Net interest on net defined benefit liability	**3.5**	3.4	**3.4**	3.3
	Components of amount recognised in profit or loss	**12.3**	(7.4)	**13.8**	(6.9)
	Liability experience loss	**19.5**	7.8	**19.3**	7.6
	Liability (gain)/loss due to change in financial assumptions	**(15.7)**	7.8	**(15.5)**	7.4
	Components of amount recognised in other comprehensive income	**3.8**	15.6	**3.8**	15.0
(iii)	**Movements in liability recognised in Statements of Financial Position:**				
	At 1 October	**78.7**	71.3	**76.3**	67.2
	Amalgamation adjustment	**–**	–	**–**	1.9
	Current service cost	**8.8**	7.2	**8.6**	6.9
	Past service cost	**–**	(18.0)	**1.8**	(17.1)
	Interest expense	**3.5**	3.5	**3.4**	3.3
	Other benefits paid	**(3.2)**	(0.9)	**(3.2)**	(0.9)
	Liability experience loss	**19.5**	7.8	**19.3**	7.6
	Liability (gain)/loss due to change in financial assumptions	**(15.7)**	7.8	**(15.5)**	7.4
	At 30 September	**91.6**	78.7	**90.7**	76.3
(iv)	**Sensitivity Analysis on defined benefit obligation at end of period**				
	Increase due to 1% decrease in discount rate	**24.4**	25.5	**24.1**	24.5
	Decrease due to 1% increase in discount rate	**19.5**	20.3	**19.2**	19.5
	Increase due to 1% increase in salary increase rate	**24.7**	22.7	**24.4**	21.9
	Decrease due to 1% decrease in salary increase rate	**20.0**	18.2	**19.8**	17.6

The above sensitivity analysis has been carried out by recalculating the present value of obligation at the end of the period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. The results are particularly sensitive to a change in discount rate due to the nature of the liabilities being the difference between the pure retirement gratuities under the Workers Rights Act 2019 and the deductions allowable, being five times the annual pension provided and half the lump sum received by the member at retirement from the pension fund with reference to the Company's share of contributions. The latter amount is MUR 188.7m as at 30 September 2024. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The liability experience loss of MUR 19.3m is mainly due to the actual average remuneration increases being higher than expected over the past year, partly offset by a gain due to the release in liabilities in respect of leavers during the year

The liability gain due to the change in financial assumptions of MUR 15.7m for the Group and MUR 15.5m for the Company is due to the increase in the net pre-retirement discount rate from 0.3% pa in 2023 to 0.9% pa in 2024 and the increase in the net post-retirement discount rate from 2.5% pa in 2023 to 3.0% pa in 2024.

(v) **Future cash flows**

- The funding policy is to pay benefits out of the Group's cash flow as and when due
- The weighted average duration of the defined benefit obligations is 15 years.
- Expected employer contribution for the next year is MUR 1.1m.

Explanatory Notes

30 September 2024

25. POST EMPLOYMENT BENEFIT LIABILITIES continued

(c) Other retirement benefits continued

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
(vi) **Principal actuarial assumptions at end of year:**				
Discount rate (pre-retirement)	**5.1%**	4.5%	**5.1%**	4.5%
Discount rate (post-retirement)	**3.0%**	2.5%	**3.0%**	2.5%
Rate of salary increases	**4.2%**	4.2%	**4.2%**	4.2%
Average retirement age (ARA)	**65**	65	**65**	65
Average life expectancy for:				
- Male at ARA	**15.9 years**	15.9 years	**15.9 years**	15.9 years
- Female at ARA	**20 years**	20 years	**20 years**	20 years

The 'past service cost' element disclosed MUR 1.8m relates to two employees transferred from a subsidiary to the Company.

(d) Other long term employee benefit plan

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
(i) **The reconciliation of the opening balances to the closing balances for the net defined benefit liability is as follows:**				
At 1 October	**9.3**	9.6	**9.3**	9.6
Debited/(Credited) to profit or loss	**1.9**	(0.3)	**1.9**	(0.3)
At 30 September	**11.2**	9.3	**11.2**	9.3
(ii) **Amount recognised in profit or loss and other comprehensive income are as follows:**				
Current service cost	**1.7**	(0.3)	**1.7**	(0.3)
Net interest on net defined benefit liability	**0.2**	–	**0.2**	–
Components of amount recognised in profit or loss	**1.9**	(0.3)	**1.9**	(0.3)
(iii) **Movements in the defined benefit obligations over the year are as follows:**				
At 1 October	**9.3**	9.6	**9.3**	9.6
Current service cost	**1.7**	(0.3)	**1.7**	(0.3)
Interest expense	**0.2**	–	**0.2**	–
At 30 September	**11.2**	9.3	**11.2**	9.3

(iv) **Future cash flows**

- The funding policy is to pay benefits out of the Group's cash flow as and when due.
- The weighted average duration of the defined benefit obligations is 0.51 years.
- Expected employer contribution for the next year is MUR 9.8m.

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
(v) **Principal actuarial assumptions at end of year:**				
Discount rate (pre-retirement)	**2.9%**	N/A	**2.9%**	N/A
Rate of salary increases	**4.2%**	4.2%	**4.2%**	4.2%
Average retirement age (ARA)	**65**	65	**65**	65
(vi) **Sensitivity Analysis on defined benefit obligation at end of period**				
Increase due to 1% decrease in discount rate	**0.1**	–	**0.1**	–
Decrease due to 1% increase in discount rate	**0.1**	–	**0.1**	–
Decrease due to 1% increase in salary increase rate	**0.1**	–	**0.1**	–
Decrease due to 1% decrease in salary increase rate	**0.1**	–	**0.1**	–

As per section 47 (1) of the Mauritian Workers Right Act 2019(WRA 2019), a worker, other than a migrant worker, who remains in continuous employment with the same employer for a period of at least 5 consecutive years shall be entitled to vacation leave of not more than 30 days, whether taken consecutively or otherwise, for every period of 5 consecutive years, to be spent abroad, locally or partly abroad and partly locally. As such, employers have a present obligation to pay entitled employees for absence (vacation leave). This entitlement to paid absences (vacation leave) is an accumulating one over a period of 5 years.

The Group has recognised in the Statement of Profit or Loss the expected costs of the vacation leaves.

The provision for vacation leave does not take into account any period of employment prior to 24 October 2019 to meet the requirement of the WRA 2019.

26. DEFERRED TAXATION

The following amounts are shown in the Statement of Financial Position:

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Deferred tax assets	**449.0**	395.7	**448.8**	397.5
Deferred tax liabilities	**(23.0)**	(24.2)	**(30.1)**	(31.3)
	426.0	371.5	**418.7**	366.2

At the end of the 2024 and 2023, the Group had no unused tax losses.

Deferred tax assets/(liabilities)

GROUP

	Impairment allowance	Post employment benefit	Excess of lease liabilities over right-of-use assets	Accelerated tax depreciation	Share Based Options	Total
At 1 October 2022	310.5	26.0	5.3	(29.6)	–	312.2
Credited/(charged) to profit or loss (note 11)	38.7	1.1	1.4	(1.5)	1.6	41.3
Acquisition of subsidiary	8.6	–	–	7.3	–	15.9
Credited to other comprehensive income (note 12)	–	2.1	–	–	–	2.1
At 30 September 2023	357.8	29.2	6.7	(23.8)	1.6	371.5
Effect of change in deferred tax rate	42.3	3.4	0.8	(3.7)	0.2	43.0
Credit to profit or loss (note 11)	5.6	2.1	–	4.9	0.2	12.8
Credited to other comprehensive income (note 12)	–	(1.3)	–	–	–	(1.3)
At 30 September 2024	**405.7**	**33.4**	**7.5**	**(22.6)**	**2.0**	**426.0**
Deferred tax asset	405.7	33.4	7.9	–	2.0	449.0
Deferred tax liability	–	–	(0.4)	(22.6)	–	(23.0)
	405.7	**33.4**	**7.5**	**(22.6)**	**2.0**	**426.0**

Explanatory Notes

30 September 2024

26. DEFERRED TAXATION continued

COMPANY

	Impairment allowance	Post employment benefit	Right of use	Accelerated tax depreciation	Share Based Options	Total
At 1 October 2022	319.8	25.8	5.3	(29.7)	–	321.2
Amalgamation adjustment	7.6	0.3	–	(0.1)	–	7.8
Credited to profit or loss (note 11)	32.5	1.1	1.4	(1.5)	1.6	35.1
Charged to other comprehensive income (note 12)	–	2.1	–	–	–	2.1
At 30 September 2023	359.9	29.3	6.7	(31.3)	1.6	366.2
Effect of change in deferred tax rate	42.3	3.4	0.8	(3.7)	0.2	43.0
Credited to profit or loss (note 11)	3.6	2.1	–	4.9	0.2	10.8
Charged to other comprehensive income (note 12)	–	(1.3)	–	–	–	(1.3)
At 30 September 2024	**405.8**	**33.5**	**7.5**	**(30.1)**	**2.0**	**418.7**
Deferred tax asset	405.8	33.5	7.5	–	2.0	448.8
Deferred tax liability	–	–	–	(30.1)	–	(30.1)
	405.8	**33.5**	**7.5**	**(30.1)**	**2.0**	**418.7**

27. OTHER BORROWED FUNDS

(a) Non current

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Bank and other borrowings - Secured (d)	**2,641.1**	1,391.9	**2,320.9**	1,391.9
Bank and other borrowings - Unsecured	**5,374.2**	5,006.9	**5,374.2**	5,006.9
	8,015.3	6,398.8	**7,695.1**	6,398.8
Current				
Bank and other borrowings - Secured (d)	**4,672.6**	6,803.1	**4,614.1**	6,803.1
Bank and other borrowings - Unsecured	**3,238.6**	10.1	**3,397.2**	142.5
	7,911.2	6,813.2	**8,011.3**	6,945.6
Total	**15,926.5**	13,212.0	**15,706.4**	13,344.4

(b) Non current borrowings analysed as follows:

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Repayable otherwise than by instalments:				
After one year and before two years	**1,274.9**	2,129.2	**1,045.3**	2,129.2
After two years and before three years	**90.6**	1,045.2	**–**	1,045.2
After three years and before five years	**4,044.9**	1,544.9	**4,044.9**	1,544.9
After five years	**280.5**	280.5	**280.5**	280.5
Repayable by instalments:				
After one year and before two years	**1,538.6**	685.8	**1,538.6**	685.8
After two years and before three years	**670.1**	544.4	**670.1**	544.4
After three years and before five years	**115.7**	168.8	**115.7**	168.8
	8,015.3	6,398.8	**7,695.1**	6,398.8

(c) **The effective interest rates at the end of the reporting period were as follows:**

	GROUP		COMPANY	
	Sep-24 %	Sep-23 %	**Sep-24 %**	Sep-23 %
Bank and other borrowings - Secured	**2.50-8.26**	0.50-8.26	**2.50-8.26**	0.50-8.26
Bank and other borrowings - Unsecured	**3.85-5.80**	2.95-5.80	**3.85-5.80**	2.95-5.80

(d) **The secured bank and other borrowings are secured by floating charges over all the respective assets of the relevant companies of the Group.**

(e) **The carrying amounts of the other borrowed funds are denominated in the following currencies:**

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
MUR	**15,178.5**	12,822.6	**15,175.9**	12,820.2
EUR	**102.9**	0.5	**–**	0.5
USD	**645.1**	388.9	**530.5**	523.7
	15,926.5	13,212.0	**15,706.4**	13,344.4

(f) **Reconciliation of liabilities arising from financing activities:**

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
At 1 October	**13,212.0**	11,735.1	**13,344.4**	11,863.5
Proceeds	**18,572.4**	16,232.7	**18,219.0**	16,232.7
Repayments	**(15,939.5)**	(14,760.0)	**(15,939.6)**	(14,757.6)
	2,632.9	1,472.7	**2,279.4**	1,475.1
Interest movement	**69.1**	17.7	**65.4**	17.7
Foreign exchange difference	**12.5**	(13.5)	**17.2**	(11.9)
	81.6	4.2	**82.6**	5.8
At 30 September	**15,926.5**	13,212.0	**15,706.4**	13,344.4

28. OTHER LIABILITIES

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Trade payables	**664.7**	507.4	**663.9**	513.6
Accruals	**176.5**	185.4	**171.2**	182.4
Other payables*	**1,453.8**	1,112.3	**1,639.9**	1,279.0
	2,295.0	1,805.1	**2,475.0**	1,975.0

The carrying amount of the payables is considered as a reasonable approximation of fair value due to their short term nature.

Trade payables are secured by floating charge on all assets of the Group and Company, interest free and payable within 3 months.

Accruals include mainly amounts for operational expenses such as audit fees, professional fees and employee benefit related expenses.

* Other payables include mainly Credit Agreement dealer/Insurance unearned premium and the put option to the non-controlling interest holder. The put option may be exercised in 2 years time (note 20(a)(i)).

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29. DIVIDENDS

	GROUP & COMPANY	
	Sep-24 MUR m	Sep-23 MUR m
Amounts recognised as distributions to equity holders in the year:		
Final dividend declared in December 2023 for the year ended 30 September 2023 MUR 0.38 (2022: MUR 0.24)	**258.6**	163.3
Interim dividend declared in June 2024 MUR 0.21 (2023: MUR 0.18)	**142.9**	122.5
	401.5	285.8

30. EQUITY

Stated Capital

	COMPANY 2024 & 2023	
	No of shares Million	Ordinary shares MUR m
No par value shares	**680.5**	680.5

The Company has authorised and issued 680,522,310 shares of no par value issued at the reporting date. All shares are fully paid and carry equal voting rights. The ordinary shares are classified as equity.

Capital Reserves

The capital reserves comprise mainly of the previous Statutory Reserve and General Banking Reserve that were set aside for unforeseeable losses under the Mauritian Banking Act for one subsidiary of the Group. As the subsidiary is no longer regulated by the Bank of Mauritius, these reserves are no longer legally required. Nonetheless, the Board would prefer to maintain these reserves separately from retained earnings. These undistributable reserves are available to be freely transferred within equity if management chooses to do so. Otherwise, they are available for distribution on winding up.

Retained Earnings

Retained earnings arise from the accumulation of profits from the profit or loss less any dividends payable for the period.

Actuarial Reserves

Actuarial reserves arise on remeasurement of net defined benefit liability. Remeasurement of the net defined benefit liability, which comprises actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), is recognised immediately in other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income are not reclassified to profit or loss in subsequent periods.

Amalgamation Reserves

The amalgamation reserves comprise of an amount of MUR 530.7m which occurred upon the amalgamation of entities of the Group which were under common control. The Company adopted accounting principles similar to the pooling-of-interest method based on predecessor values and the amalgamation reserve arose as a result of the elimination of the share capital and the investments in the related companies.

Share based Reserves

Share-based payments reserves arise to account for the credit entry for share-based payment arrangements (eg issues of share options) charged to profit or loss.

Other Reserves

Reserves not dealt in above are accounted as other reserves and include mainly Foreign exchange reserves.

31. NON CONTROLLING INTERESTS

GROUP

	Sep-24 MUR m	Sep-23 MUR m
Statement of Profit or Loss and other Comprehensive Income		
Revenue for the year	**146.8**	37.0
Profit for the year	**18.9**	4.4
Other comprehensive gain/(loss) for the year	**22.0**	(16.1)
Total comprehensive gain/(loss) for the year	**40.9**	(11.7)
Profit for the year attributable to Non Controlling Interest	**4.7**	1.1
Other comprehensive gain/(loss) for the year attributable to Non Controlling Interest	**5.5**	(4.1)
Total comprehensive loss for the year attributable to Non Controlling Interest (NCI)	**10.2**	(3.0)
Statement of Financial Position		
Non current assets	**261.7**	290.0
Current assets	**1,051.0**	623.6
Non current liabilities	**(330.0)**	(9.3)
Current liabilities	**(76.7)**	(39.3)
Accumulated NCI	**226.5**	216.3
Statement of Cash Flows		
Net cash flow(used in)/generated from operating activities	**(498.6)**	46.3
Net cash flow generated from/(used in) investing activities	**104.4**	(3.1)
Net cash flow generated from/(used in) financing activities	**359.2**	(0.2)
Net (decrease)/increase in Cash and cash equivalents	**(35.0)**	43.0

The summarised financial information is before any intercompany elimination.

32. EARNINGS PER SHARE

	GROUP	
	Sep-24	Sep-23
Profit for the year (MUR m)	**1,102.3**	959.9
Number of shares used in calculation	**680,522,310**	680,522,310
Basic and diluted earnings per share (MUR)	**1.62**	1.41

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33. NOTES TO THE STATEMENTS OF CASH FLOWS

(a) Cash generated from operations

		GROUP		COMPANY	
		Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Profit before tax		**1,310.0**	1,127.2	**1,271.7**	930.0
Adjustments					
Depreciation of equipment	22	**128.9**	117.1	**128.1**	116.7
Depreciation of right of use asset	23	**41.8**	41.1	**40.1**	40.4
Amortisation	24	**45.8**	35.8	**30.7**	34.6
Interest income	5(a)	**(3,544.5)**	(2,954.6)	**(3,388.5)**	(2,899.7)
Interest expense	5(b)	**816.5**	579.0	**802.1**	574.1
Net impairment losses on financial assets	10	**270.4**	328.2	**303.2**	509.4
Loss/(profit) on disposal of equipment		**0.5**	(1.2)	**0.5**	(1.2)
Foreign exchange loss/(gain)		**7.0**	(5.5)	**5.5**	(5.7)
Share of results of associates	21	**2.0**	3.2	**–**	–
Share-based payment expensed		**1.4**	9.1	**1.4**	9.1
Gain on bargain purchase		**–**	(18.5)	**–**	–
Fair value gain on investment securities		**(3.3)**	(2.9)	**–**	–
Post employment benefit expense	25	**9.6**	(12.3)	**11.1**	(11.8)
		(913.9)	(754.3)	**(794.1)**	(704.1)
(b) Changes in working capital					
Deposit with banks		**(235.2)**	(7.8)	**(235.2)**	(7.8)
Inventories		**–**	(0.4)	**–**	(0.4)
Net investment in finance leases and other credit agreements		**(1,800.6)**	(1,267.7)	**(1,800.6)**	(1,282.2)
Loan and advances		**(2,220.2)**	(1,096.2)	**(1,596.0)**	(1,145.5)
Other assets		**(8.9)**	(121.5)	**(63.5)**	(209.4)
Other liabilities		**489.9**	350.6	**501.2**	527.4
Cash used in operations		**(4,688.9)**	(2,897.3)	**(3,988.2)**	(2,822.0)

(c) Non Cash transactions

During 2024, non cash transactions comprised of an amount of MUR17.5m (2023:MUR7.0m) for the Group and for the Company MUR16.6m (2023:MUR7.0m) arising from additions of building under right-of-use.

34. COMMITMENTS

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Operating lease commitments - where the Group is the lessor				
The future undiscounted lease payments under operating leases are as follows:				
Within 1 year	**89.0**	80.5	**87.7**	80.5
After one year and before two years	**78.7**	70.2	**78.0**	70.2
After two years and before three years	**67.9**	55.1	**67.9**	55.1
After three years and before four years	**48.6**	43.8	**48.6**	43.8
After four years and before five years	**22.4**	26.9	**22.4**	26.9
After 5 years	**14.3**	23.2	**14.3**	23.2
	320.9	299.7	**318.9**	299.7

The Group has entered into operating leases for motor vehicles that include revenue-related rental payments that are contingent on future levels of revenue. These leases have terms ranging from 1 to 7 years.

35. CONTINGENT LIABILITIES AND FINANCIAL GUARANTEE CONTRACTS

(a) CONTINGENT LIABILITIES

The tax assessment raised in 2023 by the Mauritius Revenue Authority ('MRA')and to which the Company has objected has been determined during the year by the Objections, Appeals Dispute Resolutions Department of the Mauritius Revenue Authority. As of 30 September 2024, the case had not been heard by the Assessment Review Committee and the outcome was still unknown. The claim from the MRA amounts to MUR41.2m. The Company maintains that the treatment it has adopted is consistent with the economic characteristics of its transactions and most importantly is consistent with the general accepted principles of tax policy on neutrality.

(b) FINANCIAL GUARANTEE CONTRACTS

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Financial guarantee	**525.4**	90.0	**525.4**	90.0

At 30 September 2024, the Company had contingent liabilities in respect of guarantees from which it is anticipated that no material liabilities would arise.

Financial guarantees relate to bank guarantees of MUR525.4m (2023: MUR90m) given on behalf of subsidiary companies with respect to long term debt contracted by the latter arising in the ordinary course of business from which it is anticipated that no material losses will arise. The Directors consider that no liabilities will arise as the probability for default in respect of the guarantee is remote.

36. EVENTS AFTER REPORTING DATE

Cim Financial Services Ltd issued MUR2.0bn of notes under the MUR9.0bn Medium Term Note programme set out in the listing particulars dated 15 November 2024. The notes qualify as 'Green Bonds' under the Guidelines for Issue of Corporate and Green Bonds in Mauritius of the Financial Services Commission. The funds raised will continue to be used for purposes that align with the UN sustainable development goals stated in CFSL's Green Bond Framework.

On 16 December 2024, the Board of Directors of CFSL has declared a final dividend of MUR 0.52 per share (total amounting to MUR 353.9m) payable in respect of all ordinary shares of CFSL.

37. EMPLOYEE OPTION PLAN

Employees of the CFSL Group are entitled to participate in the ESOS, whereby they are offered the right to buy a certain number of shares at a fixed price and at some period of time in the future. The objectives of the ESOS are as follows:

- Providing targeted incentives to staff;
- Aligning the objectives of staff members with those of the Shareholders;
- Encouraging the adoption of a team environment and business culture; and
- Increasing individual productivity.

The ESOS is designed to provide long-term incentives for the Company's members of its executive committee and management committee (including executive directors) to deliver and create long-term shareholder value. Under the plan, participants are granted options which only vest if certain service conditions standards are met. Participation in the plan is at the board's discretion, and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

The amount of options that will vest depends on the Company's members of Executive Committee and Management Committee have satisfied the service conditions of 3 years. Once vested, the options remain exercisable, in whole or in part, through two (2) specific windows namely (i) a period of 14 days following the publication of the 6 monthly interim reports of the Company and (ii) a period of 14 days following the publication of the preliminary 12 months reports of the Company over a period of 5 years from the vesting date. Beyond this period, the option to subscribe to the option shares shall lapse.

Options are granted under the scheme for no consideration and will rank pari passu in all respects with existing ordinary shares issued, including voting purposes and in full for all dividends and distributions on ordinary shares declared.

When exercisable, each option is convertible into one ordinary share 14 days after the release of the half-yearly and annual financial results of the Company to the market.

The exercise price of options is based on the weighted average price at which the Company's shares are traded on the Stock Exchange of Mauritius over the last 3 months prior to the announcement of the annual performance bonus (adjusted to reflect any change in capital structure), less a discount, which does not exceed 25%.

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37. EMPLOYEE OPTION PLAN continued

Set out below are summaries of options granted under the plan:

	2024		2023	
	Average exercise price per share option MUR m	Number of options	Average exercise price per share MUR m	Number of options
As at 01 October	8.12	2,360,000	–	–
Granted during the year	8.55	3,208,334	8.12	2,571,667.00
Exercised during the year *	–	–	–	–
Forfeited during the year	8.55	1,666,667	8.12	211,667
As at 30 September	8.55	3,901,667	8.12	2,360,000
Vested and exercisable at 30 September	8.55	3,901,667	8.12	2,360,000

* The weighted average share price at the date of exercise of options exercised during the year ended 30 September 2024 was MUR 8.55 (2023 – MUR 8.12).

No options expired during the periods covered by the above tables.

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price MUR	Share options 2024 MUR	Share options 2023 MUR
11 November 2022	11-Nov-27	7.75	5.79	6.50
13 December 2022	13-Dec-27	8.48	2.54	2.63
15 December 2023	15-Dec-28	9.43	2.05	–
Total			10.38	9.13

The weighted average remaining contractual life of options outstanding at end of period is 1.13 years.

Fair value of options granted

The assessed fair value at grant date of options granted during the year ended 30 September 2024 was MUR 1.2 per option (2023 – MUR 3.7). The fair value at grant date is determined using an adjusted form of the Black-Scholes model which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option, and the correlations and volatilities of the peer group companies.

The model inputs for options granted during the year ended 30 September 2024 included:

a. options are granted for no consideration and vest over a three-year period. Vested options are exercisable for a period of five years after vesting
b. exercise price: December 2023: MUR 9.43 (2023 – MUR 8.48)
c. grant date: 15 December 2023 (2023 – 13 December 2022)
d. expiry date: 15 December 2028 (2023 – 13 December 2027)
e. share price at grant date: MUR 10.85 (2023 – MUR10.30)
f. expected price volatility of the company's shares: 18.08% (2023 – 20.21%)
g. expected dividend yield: 5.09% (2023 – 3.48%), and
h. risk-free interest rate: 3.78% (2023 – 3.45%).

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expense were as follows:

	2024 MUR m	2023 MUR m
Options issued under employee option plan	1.4	9.1
Total	1.4	9.1

38. RELATED PARTY TRANSACTIONS

(a) During the year the Group transacted with related parties.

Transactions which are not dealt with elsewhere in the financial statements are as follows:

	GROUP		COMPANY	
	Sep-24 MUR m	Sep-23 MUR m	**Sep-24 MUR m**	Sep-23 MUR m
Interest income from loans				
Subsidiaries	**–**	–	**11.9**	11.6
Directors	**0.2**	–	**0.2**	–
Management fees				
Associates	**–**	1.3	**–**	1.3
Income related to merchant activities				
Companies with common shareholders	**20.0**	6.9	**20.0**	6.9
Purchase of goods & services from				
Companies with common shareholders	**14.8**	17.4	**14.8**	17.4
Sales of goods & services from				
Companies with common shareholders	**1,429.2**	1,422.6	**1,427.5**	1,421.4
Financial charges				
Subsidiaries	**–**	–	**3.8**	3.8
Loans payable to				
Subsidiary	**–**	–	**161.3**	134.8
Loans and leases receivable from				
Companies with common shareholders	**116.8**	101.4	**116.8**	101.4
Subsidiaries	**–**	–	**–**	54.1
Directors	**3.2**	–	**3.2**	–
Amount owed to				
Companies with common shareholders	**76.7**	57.0	**76.7**	57.0
Right-of-use assets				
Companies with common shareholders	**98.7**	138.3	**98.7**	138.3
Lease liabilities				
Companies with common shareholders	**136.3**	175.1	**136.3**	175.1
Remuneration of key management personnel				
Short term employee benefit	**164.8**	144.8	**158.6**	129.4
Post employment benefit	**8.3**	8.3	**8.0**	7.4
	173.1	153.1	**166.6**	136.8

The Company has given guarantees to related companies as per Note 35.

The Company has recorded impairment of loans of MUR 64.3m (2023: MUR 220.5m) and intercompany receivables of MUR 11.5m (2023: MUR 4.7m) relating to amounts owed by related parties. The impairment assessments of these companies were based on ECL.

Leases receivable from companies with common shareholders are unsecured facilities bearing interest from 4.25% to 10.25%, repayable on demand.

The loans receivable from subsidiaries refers to an unsecured loan given to a subsidiary which is repayable to the Lender when the Borrower starts making profits, which is not expected to be realised in the next 12 months. The loan bears interest at a rate of 4% p.a.

Amount owed to companies with common shareholders relate to normal trade creditors which is generally repayable within 3 months.

The loan payable to subsidiary refers to a loan at call bearing variable interest at deposit rate less 0.2% (fees and charges). The loan is unsecured and repayable on demand.

Settlement of amounts outstanding as at September 2024 and 2023 occurs in cash.

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39. BUSINESS SEGMENTS

	Finance MUR m	Investments MUR m	Group elimination MUR m	Total MUR m
Year ended 30 September 2024				
Interest income	3,375.7	500.0	(331.2)	3,544.5
Interest expense	(847.4)	(300.3)	331.2	(816.5)
Net interest income	2,528.3	199.7	–	2,728.0
Lending and agency related income	467.4	28.9	–	496.3
Other income	101.3	83.4	(75.9)	108.8
Non interest income	568.7	112.3	(75.9)	605.1
Net operating income	3,097.0	312.0	(75.9)	3,333.1
Operating expenses	(1,512.8)	(310.1)	75.9	(1,747.0)
Profit before impairment	1,584.2	1.9	–	1,586.1
Net impairment losses on financial assets	(227.3)	(43.1)	–	(270.4)
Profit/(loss) after impairment	1,356.9	(41.2)	–	1,315.7
Foreign exchange gain	(5.0)	(2.0)	–	(7.0)
Fair value gain on investment securities	–	3.3	–	3.3
Share of results of associates	–	(2.0)	–	(2.0)
Profit/(loss) before tax	1,351.9	(41.9)	–	1,310.0
Income tax expense	(200.5)	(2.5)	–	(203.0)
Profit/(loss) for the year	1,151.4	(44.4)	–	1,107.0
Assets	25,627.9	7,371.8	(7,376.5)	25,623.2
Liabilities	19,798.3	6,647.0	(7,376.5)	19,068.8
Capital expenditure	216.8	3.0	–	219.8
Investment in associates	–	15.0	–	15.0
Depreciation and amortisation	195.3	21.2	–	216.5

	Finance MUR m	Investments MUR m	Group elimination MUR m	Total MUR m
Year ended 30 September 2023				
Interest income	2,888.5	347.5	(281.4)	2,954.6
Interest expense	(620.7)	(239.7)	281.4	(579.0)
Net interest income	2,267.8	107.8	–	2,375.6
Lending and agency related income	416.5	14.1	–	430.6
Other income	102.3	106.6	(99.2)	109.7
Net operating income	2,786.6	228.5	(99.2)	2,915.9
Operating expenses	(1,347.7)	(235.7)	99.2	(1,484.2)
Profit/(loss) before impairment	1,438.9	(7.2)	–	1,431.7
Net impairment losses on financial assets	(284.0)	(44.2)	–	(328.2)
Profit/(loss) after impairment	1,154.9	(51.4)	–	1,103.5
Foreign exchange gain	4.6	0.9	–	5.5
Gain on bargain purchase	–	18.5	–	18.5
Fair value on investment securities	–	2.9	–	2.9
Share of results of associates	–	(3.2)	–	(3.2)
Profit/(loss) before tax	1,159.5	(32.3)	–	1,127.2
Income tax expense	(165.8)	(0.4)	–	(166.2)
Profit/(loss) for the year	993.7	(32.7)	–	961.0
Assets	21,576.6	7,323.8	(7,317.7)	21,582.7
Liabilities	16,899.7	6,184.9	(7,317.7)	15,766.9
Capital expenditure	232.2	0.8	–	233.0
Investment in associates	–	14.0	–	14.0
Depreciation & amortisation	186.2	7.8	–	194.0

For management purposes, the Group is organised into two business segments based on the products and services as follows:

Finance - consumer credit, leasing, card acquiring & issuing, insurance and factoring.

Investments - strategy monitoring, support to SBUs, performance monitoring and statutory reporting.

No operating segments have been aggregated to form the above reportable operating segments.

Geographical information

Revenue	**Sep-24 MUR m**	Sep-23 MUR m
- From customers in Mauritius	**4,096.2**	3,447.1
- located in Kenya	**53.4**	47.8
	4,149.6	3,494.9
Non-current assets*		
- located in Mauritius	**630.7**	634.4
- located in Kenya	**2.8**	1.5
	633.5	635.9

* Non-current assets exclude financial instruments, deferred tax assets and post employment benefit assets.

40. IMMEDIATE AND ULTIMATE HOLDING COMPANY

The immediate holding and ultimate holding companies of CIM Financial Services Ltd are Cim Holdings Ltd and Elgin Ltd respectively. Both companies are incorporated in Mauritius.

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41. MATURITY ANALYSIS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The table below shows an analysis of financial assets and financial liabilities based on when they are expected to be recovered or settled.

GROUP	2024 Up to 3 months MUR m	3 - 6 months MUR m	6 - 12 months MUR m	1 to 5 years MUR m	Over 5 years MUR m	Total MUR m
ASSETS						
Cash and bank balances	514.3	–	–	–	–	514.3
Deposits with banks	340.1	2.9	162.6	221.4	–	727.0
Net investment in leases and other credit agreements	1,456.7	1,259.4	1,704.4	6,817.4	407.4	11,645.3
Loans and advances	1,797.3	1,026.6	1,541.0	6,341.0	-	10,705.9
Investments securities	67.9	–	–	119.7	0.9	188.5
Other assets*	490.5	–	–	–	–	490.5
Total assets	4,666.8	2,288.9	3,408.0	13,499.5	408.3	24,271.5
LIABILITIES						
Bank overdrafts	116.8	–	–	–	–	116.8
Other borrowed funds	4,144.2	1,471.1	2,295.9	7,734.8	280.5	15,926.5
Other liabilities	1,135.5	211.0	244.0	704.5	–	2,295.0
Lease liabilities	11.2	11.4	23.1	121.6	0.3	167.6
Total liabilities	5,407.7	1,693.5	2,563.0	8,560.9	280.8	18,505.9

The table below shows an analysis of financial assets and financial liabilities based on when they are expected to be recovered or settled.

COMPANY	2024 Up to 3 months MUR m	3 - 6 months MUR m	6 - 12 months MUR m	1 to 5 years MUR m	Over 5 years MUR m	Total MUR m
ASSETS						
Cash and bank balances	469.3	–	–	–	–	469.3
Deposits with banks	340.1	2.9	162.6	221.4	–	727.0
Net investment in leases and other credit agreements	1,456.7	1,259.4	1,704.4	6,817.4	407.4	11,645.3
Loans and advances	1,623.8	875.7	826.1	6,130.6	–	9,456.2
Investment securities	–	–	–	119.7	0.9	120.6
Other assets*	522.3	–	–	–	–	522.3
Total assets	4,412.2	2,138.0	2,693.1	13,289.1	408.3	22,940.7
LIABILITIES						
Bank overdrafts	13.1	–	–	–	–	13.1
Other borrowed funds	4,144.0	1,459.6	2,407.7	7,414.6	280.5	15,706.4
Other liabilities	1,099.0	211.0	244.0	921.0	–	2,475.0
Lease liabilities	10.8	10.9	22.2	119.9	0.3	164.1
Total liabilities	5,266.9	1,681.5	2,673.9	8,455.5	280.8	18,358.6

**Other assets exclude prepayments*

2023

Up to 3 months MUR m	3 - 6 months MUR m	6 - 12 months MUR m	1 to 5 years MUR m	Over 5 years MUR m	Total MUR m
397.8	–	–	–	–	397.8
138.5	0.8	130.5	220.9	–	490.7
1,255.4	1,020.0	1,728.4	5,744.2	308.6	10,056.6
1,614.1	691.3	1,133.9	5,084.5	1.0	8,524.8
182.1	–	–	119.6	0.8	302.5
502.8	–	–	–	–	502.8
4,090.7	1,712.1	2, 992.8	11,169.2	310.4	20,275.2
180.3	–	–	–	–	180.3
5,865.5	487.8	459.9	6,118.4	280.4	13,212.0
899.5	149.8	316.2	439.6	–	1,805.1
12.9	12.0	23.1	159.6	2.5	210.1
6,958.2	649.6	799.2	6,717.6	282.9	15,407.5

2023

Up to 3 months MUR m	3 - 6 months MUR m	6 - 12 months MUR m	1 to 5 years MUR m	Over 5 years MUR m	Total MUR m
304.7	–	–	–	–	304.7
138.5	0.8	130.5	220.9	–	490.7
1,255.4	1,020.0	1,728.4	5,744.2	308.6	10,056.6
1,268.8	529.5	1,053.9	5,075.5	1.0	7,928.7
–	–	–	119.6	0.8	120.4
504.7	–	–	–	–	504.7
3,472.1	1,550.3	2,912.8	11,160.2	310.4	19,405.8
119.7	–	–	–	–	119.7
5,865.5	487.8	592.4	6,118.3	280.4	13,344.4
815.5	149.8	354.7	655.0	–	1,975.0
11.6	11.7	22.6	157.8	2.5	206.2
6,812.3	649.3	969.7	6,931.1	282.9	15,645.3

Explanatory Notes

30 September 2024

42. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value hierarchy

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Company's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components.

This hierarchy requires the use of observable market data when available. The Group and the Company consider relevant and observable market prices in its valuations where possible.

For financial assets and financial liabilities that have a short-term maturity, the carrying amounts, which are net of impairment, for both Group and Company, represent a reasonable approximation of their fair value. Such instruments include cash and bank balances, deposits with banks, factoring and card receivables, other assets and other liabilities.

The fair value of the net investment in leases and other credit agreements, credit facilities, corporate credit facilities (included in loans and advances) and other borrowed funds are estimated using cash flow models discounted at the relevant discount rate taking into consideration credit risk, foreign exchange risk, of default and loss given default estimates. As a result, these balances fall under Level 3 of the fair value hierarchy. Market observable data is used when appropriate and when such data is not available, the Group and the Company use historical experience. The discount rates used represent the market rates.

Included in investment securities are bonds allocated as level 2 items in the fair value hierarchy, with the significant input in determining fair value being the applicable interest rates. The technique used to determine the fair value is the discounted cash flow method.

Refer to Note 17 for further details regarding financial assets measured at fair value.

Except for financial assets and liabilities at fair value through profit or loss, the Group and the Company do not measure its financial assets and financial liabilities at fair value. The table below shows, by class of financial instruments, the comparison of their carrying amounts with their fair values. These fair values are calculated for disclosure purposes only.

GROUP

30 September 2024	Carrying amounts MUR m	Fair value Level 1 MUR m	Level 2 MUR m	Level 3 MUR m	Total MUR m
Financial assets not measured at fair value					
Net investment in leases and other credit agreements	11,645.3	–	–	12,947.3	12,947.3
Loans and advances:					
Credit facilities	8,819.9	–	–	9,203.4	9,203.4
Corporate credit facilities	1,480.8	–	–	1,432.1	1,432.1
Investment securities	119.8	–	119.8	–	119.8
	22,065.8	–	119.8	23,582.8	23,702.6
Financial assets measured at fair value					
Investment securities	68.7	–	–	68.7	68.7
Financial liabilities not measured at fair value					
Other borrowed funds	15,926.5	–	–	15,926.5	15,926.5

Financial instruments for which the fair value approximates the carrying amount

	GROUP MUR m
Financial assets	
Cash at bank balances	514.3
Deposits with banks	727.0
Loans and advances:	
Factoring receivables	118.1
Card receivables	287.1
Other assets*	490.5
	2,137.0
Financial liabilities	
Bank overdrafts	116.8
Other liabilities	2,295.0
	2,411.8

**Other assets exclude prepayments*

GROUP

30 September 2023	Carrying amounts MUR m	Fair value Level 1 MUR m	Level 2 MUR m	Level 3 MUR m	Total MUR m
Financial assets not measured at fair value					
Net investment in leases and other credit agreements	10,056.6	–	–	11,091.7	11,091.7
Loans and advances:					
Credit facilities	7,367.6	–	–	7,734.6	7,734.6
Corporate credit facilities	789.1	–	–	736.6	736.6
Investment securities	119.6	–	120.5	–	120.5
	18,332.9	–	120.5	19,562.9	19,683.4
Financial assets measured at fair value					
Investment securities	182.9	–	–	182.9	182.9
Financial liabilities not measured at fair value					
Other borrowed funds	13,212.0	–	–	13,212.0	13,212.0

Financial instruments for which the fair value approximates the carrying amount

	GROUP MUR m
Financial assets	
Cash at bank balances	397.8
Deposits with banks	490.7
Loans and advances:	
Factoring receivables	72.3
Card receivables	295.8
Other assets*	502.8
	1,759.4
Financial liabilities	
Bank overdrafts	180.3
Other liabilities	1,805.1
	1,985.4

**Other assets exclude prepayments*

Explanatory Notes

30 September 2024

42. FAIR VALUE OF FINANCIAL INSTRUMENTS continued

COMPANY

30 September 2024	Carrying amounts MUR m	Fair value Level 1 MUR m	Level 2 MUR m	Level 3 MUR m	Total MUR m
Financial assets not measured at fair value					
Net investment in leases and other credit agreements	11,645.3	–	–	12,947.3	12,947.3
Loans and advances:					
Credit facilities	8,730.5	–	–	9,203.4	9,203.4
Corporate credit facilities	320.5	–	–	271.8	271.8
Investment securities	119.8	–	119.8	–	119.8
	20,816.1	–	119.8	22,422.5	22,542.3
Financial assets measured at fair value					
Investment securities	0.8	–	–	0.8	0.8
Financial liabilities not measured at fair value					
Other borrowed funds	15,706.4	–	–	15,706.4	15,706.4

Financial instruments for which the fair value approximates the carrying amount

	COMPANY MUR m
Financial assets	
Cash at bank balances	469.3
Deposits with banks	727.0
Loans and advances:	
Factoring receivables	118.1
Card receivables	287.1
Other assets*	522.3
	2,123.8
Financial liabilities	
Bank overdrafts	13.1
Other liabilities	2,475.0
	2,488.1

**Other assets exclude prepayments*

COMPANY

30 September 2023	Carrying amounts MUR m	Fair value Level 1 MUR m	Level 2 MUR m	Level 3 MUR m	Total MUR m
Financial assets not measured at fair value					
Net investment in leases and other credit agreements	10,056.6	–	–	11,091.7	11,091.7
Loans and advances:					
Credit facilities	7,297.0	–	–	7,734.6	7,734.6
Corporate credit facilities	263.6	–	–	157.0	157.0
Investment securities	119.6	–	120.5	–	120.5
	17,736.8	–	120.5	18,983.3	19,103.8
Financial assets measured at fair value					
Investment securities	0.8	–	–	0.8	0.8
Financial liabilities not measured at fair value					
Other borrowed funds	13,344.4	–	–	13,344.4	13,344.4

Financial instruments for which the fair value approximates the carrying amount

	COMPANY MUR m
Financial assets	
Cash at bank balances	304.7
Deposits with banks	490.7
Loans and advances:	
Factoring receivables	72.3
Card receivables	295.8
Other assets*	504.7
	1,668.2
Financial liabilities	
Bank overdrafts	119.7
Other liabilities	1,975.0
	2,094.7

**Other assets exclude prepayments*

Explanatory Notes

30 September 2024

43. CLASSIFICATION OF FINANCIAL INSTRUMENTS

Categories of financial instruments

The table below shows the financial assets and liabilities of the Group and the Company classified according to the categories under IFRS 9 .

Categories under IFRS 9

	Group			Company		
30 September 2024	**Assets at fair value through profit or loss MUR m**	**Assets at amortised cost MUR m**	**Total MUR m**	**Assets at fair value through profit or loss MUR m**	**Assets at amortised cost MUR m**	**Total MUR m**
Financial assets						
Cash and bank balances	–	514.3	514.3	–	469.3	469.3
Deposits with banks	–	727.0	727.0	–	727.0	727.0
Net investment in leases and other credit agreements	–	11,645.3	11,645.3	–	11,645.3	11,645.3
Loans and advances	–	10,705.9	10,705.9	–	9,456.2	9,456.2
Investment securities	68.7	119.8	188.5	0.8	119.8	120.6
Other assets*	–	490.5	490.5	–	522.3	522.3
	68.7	24,202.8	24,271.5	0.8	22,939.9	22,940.7
	Liabilities at fair value through profit or loss MUR m	**Liabilities at amortised cost MUR m**	**Total MUR m**	**Liabilities at fair value through profit or loss MUR m**	**Liabilities at amortised cost MUR m**	**Total MUR m**
Financial liabilities						
Bank overdrafts	–	116.8	116.8	–	13.1	13.1
Other borrowed funds	–	15,926.5	15,926.5	–	15,706.4	15,706.4
Other liabilities	–	2,295.0	2,295.0	226.5	2,248.5	2,475.0
	–	18,338.3	18,338.3	226.5	17,968.0	18,194.5

Categories under IFRS 9

	Group			Company		
30 September 2023	**Assets at fair value through profit or loss MUR m**	**Assets at amortised cost MUR m**	**Total MUR m**	**Assets at fair value through profit or loss MUR m**	**Assets at amortised cost MUR m**	**Total MUR m**
Financial assets						
Cash and bank balances	–	397.8	397.8	–	304.7	304.7
Deposits with banks	–	490.7	490.7	–	490.7	490.7
Net investment in leases and other credit agreements	–	10,056.6	10,056.6	–	10,056.6	10,056.6
Loans and advances	–	8,524.8	8,524.8	–	7,928.7	7,928.7
Investment securities	182.9	119.6	302.5	0.8	119.6	120.4
Other assets	–	502.8	502.8	–	504.7	504.7
	182.9	20,092.3	20,275.2	0.8	19,405.0	19,405.8

*Other assets exclude prepayments

	Liabilities at fair value through profit or loss MUR m	Liabilities at amortised cost MUR m	Total MUR m	Liabilities at fair value through profit or loss MUR m	Liabilities at amortised cost MUR m	Total MUR m
Financial liabilities						
Bank overdrafts	–	180.3	180.3	–	119.7	119.7
Other borrowed funds	–	13,212.0	13,212.0	–	13,344.4	13,344.4
Other liabilities	–	1,805.1	1,805.1	216.3	1,758.7	1,975.0
	–	15,197.4	15,197.4	216.3	15,222.8	15,439.1

44. FINANCIAL SUMMARY

GROUP		Sep-24 MUR m	Sep-23 MUR m	Sep-22 MUR m
Consolidated Statements of Profit or Loss and Other Comprehensive Income from continuing operations				
Interest income		**3,544.5**	2,954.6	2,502.3
Interest expense		**(816.5)**	(579.0)	(427.5)
Net interest income		**2,728.0**	2,375.6	2,074.8
Lending and agency related income		**496.3**	430.6	396.8
Other income		**108.8**	109.7	101.1
Net operating income		**3,333.1**	2,915.9	2,572.7
Operating expenses		**(1,747.0)**	(1,484.2)	(1,292.7)
Profit before impairment		**1,586.1**	1,431.7	1,280.0
Net impairment losses on financial assets		**(270.4)**	(328.2)	(560.7)
Net gain on disposal of investment in subsidiary		**–**	–	16.4
Share of results of associates		**(2.0)**	(3.2)	(2.5)
Foreign exchange (loss)/gain		**(7.0)**	5.5	1.6
Profit before non-recurring items		**1,306.7**	1,105.8	734.8
Gain on bargain purchase		**–**	18.5	–
Fair value gain on investment securities		**3.3**	2.9	–
Profit before tax		**1,310.0**	1,127.2	734.8
Income tax expense		**(203.0)**	(166.2)	(133.5)
Profit for the year		**1,107.0**	961.0	601.3
Other comprehensive income for the year, net of tax		**31.7**	(57.0)	(2.1)
Total comprehensive income for the year, net of tax		**1,138.7**	904.0	599.2
Basic and diluted earnings per share (MUR)		**1.62**	1.41	0.88
Consolidated Statements of Financial Position				
Assets		**25,623.2**	21,582.7	18,754.6
Stated capital		**680.5**	680.5	680.5
Retained earnings		**5,158.3**	4,460.7	3,786.6
Other reserves		**489.1**	458.3	502.1
Non controlling interests		**226.5**	216.3	–
Liabilities		**19,068.8**	15,766.9	13,785.4
		25,623.2	21,582.7	18,754.6
Stated Capital				
Number of ordinary shares - issued and fully paid	**Units**	**680,522,310**	680,522,310	680,522,310

Directors of Subsidiary Companies

as at 30 September 2024

	Chan Ah Song Lee Min (Jenny)	Crandon Derek Bruce	Darga Louis Amédée	De Marigny Lagesse Pierre Arnaud Marc	Jaunbocus Fareedooddeen	Koon Siw Piang Cheong Chin (Nick Chin)	Lo Fong Audrey	Maharahaje Panday Woogra Tioumitra (Ambrish)	Motet Denis	Ramdoss Itysha Sharona	Ramtoola Ashraf	Sathan Davina	Senanu Kristopher Kris Mawuena	Somen David	Taylor Colin Geoffrey	Taylor Alexander Matthew	Taylor Philip Simon	Taylor Sebastian Callum	Taylor Timothy	Timol Aïsha	van Beuningen Mark	Vaudin Dominique Jane
Cim Administrators Ltd								X				X										
Cim CSR Fund Ltd								X											C		R	
CIM Financial Services Ltd	A		X		X			A	X	X				X	X	X	X	Alt	X	C	R	Alt
Cim Kenya Ltd						A		X													R	
Cim Credit Kenya Limited						X		X					A	C							R	
Cim Insurance Agency Limited						X		X					A	C							R	
Cim International Holdings Ltd						A		X													R	
Cim Investments Ltd*						X		A													R	
Cim Learning Centre Ltd						A	X														R	
Key Financial Services Ltd											X											
Loinette Capital Limited		X		A		A		A							C						R	
The Oceanic Trust Co. Ltd											X											

C Chairperson

X In office as director

A Appointed as director

R Resigned as director

Alt Alternate Director

D Deceased

* Dormant Company

CIM Financial Services Ltd

P.O. Box 297, Cnr Edith Cavell & Mère Barthélemy Streets,
Port Louis, 11302
T: +230 203 6800 | E: info@cim.mu

www.cimfinance.mu