

LOITA

INDUSTRIAL CREDIT COMPANY

SPEECH BY MAX HONDE, ‘OUTGOING’ CEO OF INDUSTRIAL CREDIT COMPANY (ICC), MADE AT THE FAREWELL AND WELCOMING COCKTAIL FUNCTION IN LUSAKA, 5 APRIL 2006.

The representative of the Bank of Zambia governor; the chairman of the board of directors of the Industrial Credit Company (ICC) Mr Neil Molver, who is also the company’s executive chairman; our valued customers; distinguished guests; the master of ceremonies; members of the media; ladies and gentlemen. Let me also take recognition of the presence of the Malawi High Commissioner to Zambia, Dr Chrissie Chawanje Mughogho.

We are greatly honoured to have you all here tonight at this function, which is to officially introduce the management changes at ICC. As you are aware, I have completed my five year term at ICC as General Manager & Chief Executive Officer and I will be moving on to take up new challenges. I came to ICC in January, 2001 on secondment from the Loita Group.

As said earlier by Frank, the master of ceremonies, Loita is a pan-African corporation, registered in Mauritius, and with operating offices in several countries on the African continent. The group’s business includes: investment banking, financial services, and business and IT solutions. ICC was established in 1965 has grown to be a premier leasing company amongst Zambian financial institutions. In the year 2000, the Loita Group bought 100% shares in ICC from CDC (Commonwealth Development Corporation) at which point its authorised capital was increased to make ICC one of the most capitalised non-bank financial firms in Zambia. Loita’s vision was to leverage on the strong product and corporate brand of ICC, and the group regional business network to make ICC a leader and innovator in the financial services sector of Zambia and the region.

Indeed in line with this vision, ICC has under the Loita management managed to excel in several areas of its business. Some of the notable achievements are as follows:

- Renovation and refurbishment of its Ndola and Lusaka offices to standards befitting a modern and up-market finance house;
- Deepening and broadening of the management team, which included: introduction of a stand-alone Treasury Department; introduction of new credit and risk policies and procedures to enhance the company's asset quality; and introduction of Customer Relationship Management processes and IT systems to enhance service delivery;
- I am pleased to mention that under my watch, ICC's balance sheet grew from US\$5.0 million to over US\$35 million;
- The company's market share grew from 43 percent to 64 percent in terms of the leasing sector;
- The company's funding base, under the new ownership and management, was broadened and diversifying as ICC secured new Lines of Credit from international lending institutions;
- In keeping with international trends, ICC pioneered the introduction of specialised Off Balance Sheet Operating Leases at a time when the local industry was only concentrating on Finance Leases;
- ICC also initiated the introduction of leasing products which are meant to benefit the small-scale businesses and individuals in the employment sector;
- The company also introduced a whole range of non-lease financial products such as Insurance Premium Financing, Structured Property Financing, Treasury and Capital Market instruments in response to the positive developments going in the country's financial sector;
- ICC pioneered the setting up of the Zambia Leasing Association ('Zamlease') which facilitates the regulation of the industry and coordination amongst all industry players to benefit the Zambia economy;

- For the first time in Zambia the annual convention of ‘Afrolease’ which is the Africa Leasing Association and is headquartered in Ghana, was held in Lusaka, Zambia under the initiative of ICC and the Zambia Leasing association;
- ICC has also been a very active participant in the on-going Financial Sector Development Programme (FSDP), which is government initiative to ensure that the financial service sector of Zambia continues to grow;
- Finally, ICC has been active in the national social-economic programmes and, inter alia, funded the Dag Hammarskjold Chair of Peace, Regional Integration and Human Rights at the Copperbelt University.

These are just some of the successes that ICC has recorded over the past five years. I am very positive under the continued umbrella of the Loita group and the able leadership of my brother, Geoff Silwizya, the company will continue to grow into new heights.

Distinguished ladies and gentlemen, at this point, I wish to thank all our valued customers and business counterparts, the regulatory authority (Bank of Zambia), relevant government bodies including the Zambia Revenue Authority and Ministries of Finance, the commercial banks (in particular Stanbic Bank, Standard Chartered Bank, Citibank, Finance Bank, and Barclays Bank), various suppliers of equipment, Insurance Companies (especially Madison, Professional Insurance, Alexander Forbes to mention a few), members of the media, and many other parties that have given ICC valuable support during my successful tenure of office at ICC.

I can not forget to thank the staff and management of ICC, who have been very hardworking and offered dedicated service to the company and myself. I sincerely thank each one of them for this as you know no company can succeed without its people. I also thank the Chairman of ICC board, Neil Molver, who has been a source of inspiration, guidance and great support to me all along. Directors and shareholders of the company have also very instrumental in ensuring that we stay on the path of good governance and success at ICC. I thank them all; I thank you all from the bottom of my heart.

As you have heard from the chairman the new CEO of ICC is Geoff Silwizya, who has not only taken over from me but will also take over this microphone from me very shortly. Geoff is a fellow Zambia, who was born in Mufulira. I am sure he is not only a good finance executive but also a football star! The time I have come to know Geoff he has struck me to be an intelligent, honest, and down-to-earth person. He is so committed to the welfare of all including customers such that I believe that under his leadership, you will all find him to be accessible and very helpful. I wish Geoff all the success and ICC and all its partners continued success.

I thank you.

Max Honde