

Future Plans

The Group's future activities centre on its Regional Expansion Plan developed in 2004. Through the EEVF Caribbean Trust, managed by DFL, the Group will be able to support a wider range of needs in SME development and expansion needs in the Caribbean. This includes seed funding of SME ventures in innovation and technology through INTEQ Venture Fund Ltd, a company registered in St Lucia.

In view of the need to ensure a dedicated focus in each sphere of operations, given the expansion of the Group's activities, it is necessary to operate each cluster of activities separately. This will be done through the holding company concept. This will further strengthen the effectiveness of Board oversight and direction, will facilitate oversight by regulators and will develop a wider base of management. The new parent company, DFL Caribbean Holdings Ltd, will not carry on any business of its own other than the management of its investments in subsidiaries including provision of services that cannot be more effectively and efficiently provided in one of the subsidiaries.

Many aspects of the Regional Expansion Plan are currently being implemented through the subsidiaries.

- DFL has begun arranging multi-bank transactions for funding SME in the Caribbean. This involves funded and as well as non-funded loan participations by commercial banks and international financial institutions. DFL has the software capability, the international reputation, credit rating and market reach that is required to offer this service for SME transactions.
- In 2005, DEVCAP will make investments of at least US\$ 2.0 Million based on its existing deal flow and by 2007, would have invested, in total, at least US\$ 6.0 Million in CARICOM countries other than Trinidad & Tobago.
- DFLSA Incorporated registered in Guyana and in Suriname, will begin lending operations in June 2005. That company has already begun its SME consulting services and will also provide management development and training facilities in Guyana. DFLSA Incorporated has funding of US\$ 10.5 Million to start its lending operations.
- Microfin Caribbean Holdings Ltd will establish microfinance operations in Guyana and Suriname and hopefully, will include other OECS countries in addition to existing operations in Grenada and St Lucia.
- In support of these initiatives, the capital and the resources of CDN Management Services Ltd have been expanded and its General Manager has a mandate to expand its operations. CDN Management Services Ltd is dedicated to the

expansion of SME in the Caribbean and also offers Private Sector Development Services.