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Table of Contents

		Rating and Valuation Summary	4-6
Section	01.	Overview	7
	02.	Macro-economic review	17
	03.	Hospitality Cluster	24
	04.	Textile Cluster	39
	05.	Finance Cluster	52
	06.	Healthcare Cluster	62
	07.	Property Cluster	69
	08.	Agribusiness Cluster	78
	09.	Environmental, Social and Governance (ESG)	91
	10.	Appendices	100

Recommendation
OVERWEIGHT

Closing Price (31 Jan 2025)
MUR 9.48

Target Price (1-Year)
MUR 12.15 (+28.2%)

Ticker
CIEL.N0000

ISIN
MU0177100025

52-Week High - Low
MUR 10.60 - 6.90

Annual Dividend FY24
MUR 0.32 (3.4% yield)

Market Capitalisation
MUR 16.1 bn

No of Shares in issue
1.694 bn



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CIEL Limited

Poised for propulsion by three main engines: a restructured Hospitality cluster, India's 'Beyond Textile' story and a drive to grow the Financial and Healthcare clusters in Africa.

Investment Summary

We initiate coverage of CIEL Limited ("CIEL") with an **overweight** recommendation and a 12-month target price of **MUR 12.15** which represents an upside of **28.2%** on the closing price at 31 January 2025 (MUR 9.48).

Our valuation and recommendation are based on the following key drivers:

1. CIEL's key business pillar, namely Hospitality, contributes 32% to its PAT and has recently undergone a spin-off of its branded properties into Riveo, a newly incorporated and listed company. The combined value of the shares increased by nearly 30% at 31 January 2025 as compared to Sun's share price as at 30 June 2024. We expect this re-organisation to unlock further value for investors in the medium term as both Sun and Riveo have healthy balance sheets and are expected to generate strong operating margins given their prime position to take advantage of the promising outlook for the Mauritian hospitality sector;
2. As global sanctions and restrictions continue to weigh on China, a long established and successful textile production business in India coupled with management's deep understanding of the Indian business environment should allow the group to expand into other areas and take advantage of the scalability, growth and cost advantages of the Indian economy;
3. Despite a more competitive environment in Mauritius, CIEL Healthcare reinforced its dominant position in the sector, capitalising on operational excellence. The group is focused on replicating the success achieved to new territories in Africa while consolidating its leadership position in Mauritius; and
4. A growing and developing Finance cluster underpinned by BNI's dominance in Madagascar should allow the group to further penetrate the underbanked market in Madagascar and generate strong margins whilst containing NPL.

Valuation Summary: SUM-OF-THE-PARTS APPROACH

Valuation Summary

(Please refer to the Appendices for methodologies and assumptions)

Ciel Textile	7.928	}		
	+			
Ciel Hotels & Resorts	8.814			
	+			
Ciel Finance	3.628			
	+			
Ciel Healthcare	3.921			
	+			
Ciel Properties	2.917			
	+			
Ciel Agro	2.109			
			29.317	
		Less Holdco Debt	2.756	
		Add Holdco Cash	0.007	
		EQUITY VALUE	26.568	
		Conglomerate + Minority Discounts	22.5%	
		Target Valuation	20.591	
		No of Share in issue	1.694	
		Target Price per Share	MUR 12.15	

Our Valuation	}	▶	Potential Upside 28.2%	Based on share price of MUR 9.48 (31 January 2025)
Target Price per Share MUR 12.15				
Implied PE Multiple 7.3x				

All figures in MUR billion except stated otherwise

Initiation Rating: **OVERWEIGHT** (TP: MUR 12.15 – 28.2% upside potential)

6

Recommendation
OVERWEIGHT

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MUR 9.48

Target Price (1-Year)
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Our outlook and valuation may be affected by potential key risks as summarised below.

Hospitality: The hotel industry is subject to seasonality, further shaped by global economic trends and geopolitical factors, which may dampen the rapid growth experienced in recent years. Additionally, concerns remain with regards to labour sourcing and retention and rising wage costs.

Textile: CIEL Textile is exposed to commodity price fluctuations, which may be amplified by geopolitical tensions, weather, supply chain disruptions, and global demand. The company operates in India, Mauritius, Madagascar and Bangladesh, each country presenting unique geopolitical and economic risks which may affect operations and profitability.

Finance: The slim Capital Adequacy Ratio buffer may constrain loan book growth and future dividend distribution. Competition in Madagascar's banking industry is likely to intensify while declining global prices for key export commodities may slow down growth in the banking sector. Bank One's size may limit its ability to capture market share and opportunities in East Africa from established players with larger balance sheets.

Healthcare: Increased competition may lead to loss of market share in Mauritius. The operations in East Africa are exposed to currency devaluation and the emigration of qualified nursing personnel from Mauritius and African countries to Europe and Canada will be important issues for management to address.

Property: Demand for office and industrial space remains highly sensitive to macroeconomic conditions. Delays will impact revenues, growth and valuation. Ferney's ambitious projects necessitate substantial capital investment and may elevate the company's gearing.







Agribusiness: Sugar prices normalisation is expected to impact revenues. The sector is typically exposed to labour risks, weather conditions and equipment breakdowns. More generally, the co-control in the Kenyan and Tanzanian factories may limit CIEL's influence on the strategy of these companies. Government protection accorded to the local sugar industry in these countries may also change anytime.

For a more detailed discussion of the key risks that may affect our outlook and valuation, please refer to each Cluster review.

Section 1: OVERVIEW

CIEL is one of the leading diversified investment groups in Mauritius and in Sub-Saharan Africa. The Group was established in 1912 and is controlled by the founding family. Over the years, it has undergone a major transformation from a domestic, sugar producing company to a diversified regional conglomerate, operating in six clusters: Hotels & Resorts, Finance, Textile, Healthcare, Property, and Agriculture. Through a disciplined approach to capital allocation, clear strategic thinking and efficient execution, CIEL has created significant shareholder value and created a solid platform from which management is implementing the group's geographic expansion and pursuing the next stages of development.

Exhibit 1.1: Clusters & Principal Companies

		CIEL's Effective Ownership Stake (%)
	Sunlife: Sugar Beach, La Pirogue, Long Beach, Ambre	50.1%
	Riveo: Four Seasons Mauritius at Anahita, Shangri-La Le Touessrok Resort & Spa and Loisirs des Iles Ltee	50.1%
	Tour Operators: Solea, World Leisure Holidays	
	Anahita Residences & Villas	
	Woven: Aquarelle, Laguna	100%
	Knits: CDL, Tropic	100%
	Knitwear: Floreal, FSM	100%
	Bank One	50.0%
	BNI Madagascar	31.8%
	MITCO	63.6%
	C-Care (Mauritius): C-Care Darne, C-Care Wellkin, C-Care Tamarin, C-Care Grand Baie	62.9%
	C-Care (International): C-Care Uganda, C-Care Madagascar, C-Care Kenya	63.5%
	C-Lab	
	Ciel Properties Development	100%
	Evolis Properties	100%*
	Ferney	100%
	Alteo (Mauritius)	21.0%
	MIWA Sugar (East Africa)	21.0%

Source: Company Reports

CIEL is listed on the Stock Exchange of Mauritius with a current market capitalisation of MUR 16.1bn. It has a workforce of over 37,600 employees and operates in 11 countries.

The Group is drawing on the expertise in its existing business segments to scale up in East Africa and South-East Asia.

Exhibit 1.2: Geographical Presence (FY24)

Source
Company Reports

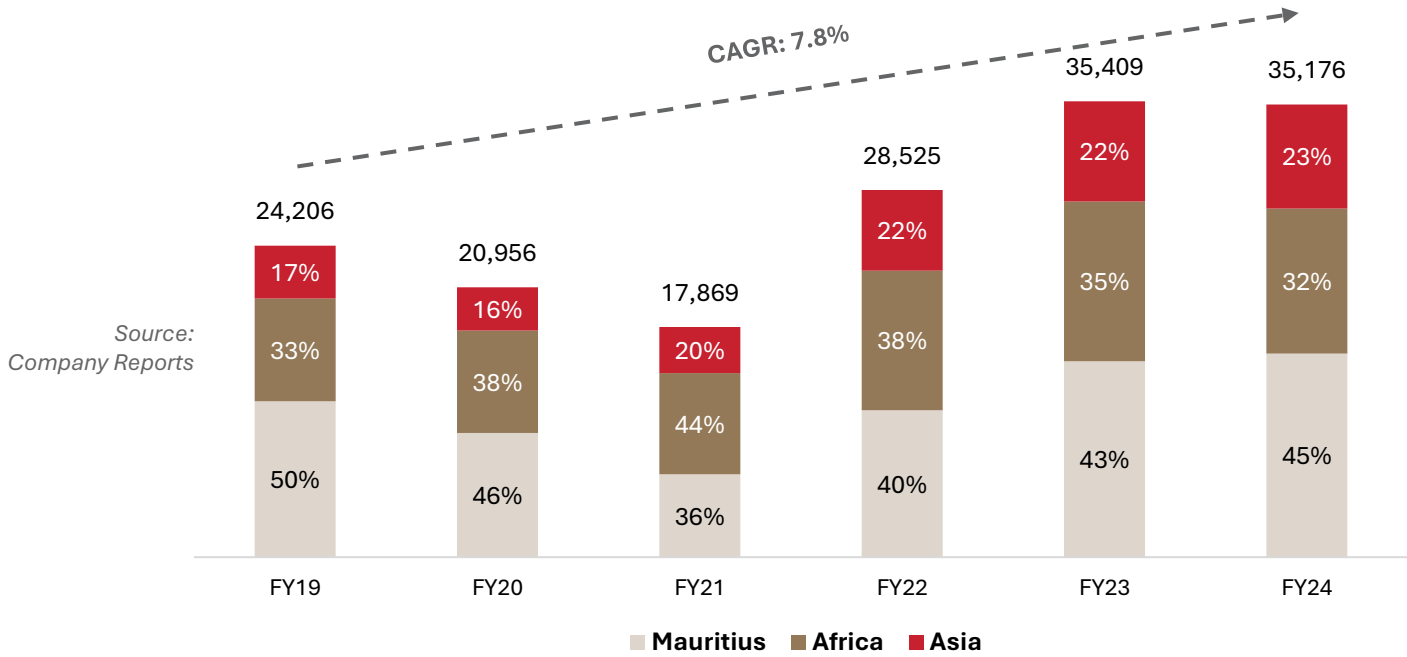


The results of CIEL’s diversification efforts of the past few years have started to emerge. In FY19, Mauritius accounted for 50% of the group’s revenues with Africa and Asia contributing 33% and 17% respectively. By FY24, the corresponding figures were 45%, 32% and 23%.

Overall, the figures highlight CIEL’s success in broadening its revenue base, which positions the group for sustained growth in diverse markets. This characteristic makes CIEL’s operations and earnings generally more resilient.

In the context of the heightened uncertainty in the world economy and politics, geographic expansion may pose some risks as the group ventures in territories that are relatively less well understood by management.

Exhibit 1.3: Consolidated Revenue by Geography (%)



The chart in Exhibit 1.3 highlights CIEL’s successful efforts in broadening its geographic revenue base, thereby enhancing resilience and positioning the company for sustained growth in diverse markets.

CIEL's strategic positioning as a net foreign exchange generator is a testament to its global competitiveness and resilience. Anchored by its diverse business model, the Group continues to generate a significant portion (>50%) of its revenue in hard currencies, providing a natural hedge against currency volatility. This dynamic not only enhances CIEL's operational stability but also strengthens its standing as a key player in the region's economic landscape.

Business model and competitive advantage

CIEL's diversified portfolio is underpinned by its focus on high-growth sectors, which act as engines of sustainable earnings and resilience.

Exhibit 1.5: Snapshot of Business Segments

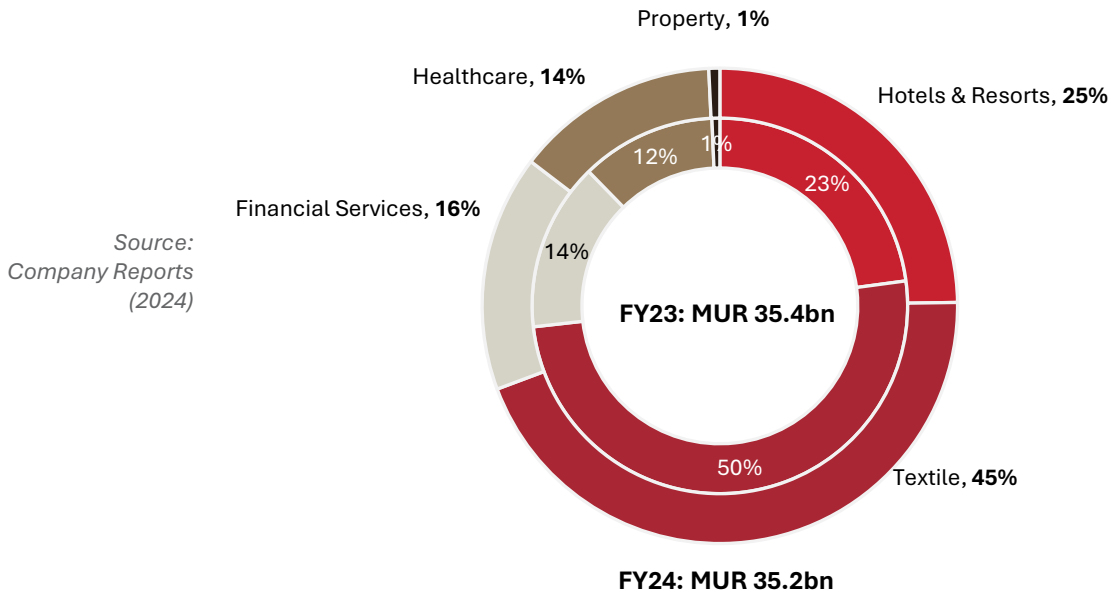
Cluster	Key Figures			
<p>CIEL Hotels & Resorts: Encompasses the group’s tourism and hospitality activities. Under the Sunlife brand, the group owns and operates four resorts in Mauritius – all within the four-to-five-star range. The other company in the cluster is Riveo, which holds managed branded luxury resorts, including the Shangri-La Le Touessrok, Four Seasons Resort Mauritius and the exclusive island of Ile aux Cerfs (Loisirs des Iles)</p>	<p>2 Tour Operators</p>	<p>6 Owned and managed properties in Indian Ocean</p>	<p>+1,450 Rooms</p>	<p>3,500 Employees</p>
<p>CIEL Textile: Leading global player in the textile and garment industry, it operates in Mauritius, Madagascar, India and Bangladesh. It has developed into a regional hub for textiles, offering vertically integrated services from yarn spinning to finished garments. The cluster exports to key markets like Europe, India, South Africa and the USA</p>	<p>31 M Garments exported annually</p>	<p>3 Clusters</p>	<p>4 Countries</p>	<p>21,000 Employees</p>
<p>CIEL Finance: Specialises in banking, fiduciary and asset management services and operates in Mauritius, Madagascar, Seychelles and Dubai. It has two banks and a corporate fiduciary and fund services company in its portfolio.</p>	<p>2 Banks</p>	<p>1 Fiduciary & Corporate services company</p>	<p>4 Countries</p>	<p>1,687 Employees</p>
<p>CIEL Healthcare: C-Care owns, operates and manages healthcare assets in Mauritius, Madagascar and Uganda. The group runs two major private hospitals in Mauritius and one in Uganda. Additionally, C-Care offers laboratory services through C-Lab</p>	<p>23 Clinics</p>	<p>3 Hospitals</p>	<p>3 Countries</p>	<p>2,700 Employees</p>
<p>CIEL Properties: Oversees the Group's land and real estate holdings in Mauritius. This encompasses Evolis Properties, which has MUR 4.2bn in assets under management, and Ferney Limited, that manages a vast 3,500-hectare domain comprising a nature reserve along the Southeast coast of Mauritius</p>	<p>2.1 BN Asset under Management (MUR)</p>	<p>100 Hectares of nature reserve</p>	<p>3,000 Hectares of land in Ferney</p>	<p>80 Employees</p>
<p>CIEL Agro: Prominent regional player in the agro-industry, energy and property sectors with an expanding footprint in Kenya and Tanzania</p>	<p>3 Sugar Factories</p>	<p>2 Power Plants</p>	<p>3 Countries</p>	<p>4,156 Employees</p>

Source: Company Reports (2024)

A Track Record of Consistent Growth and Operational Resilience

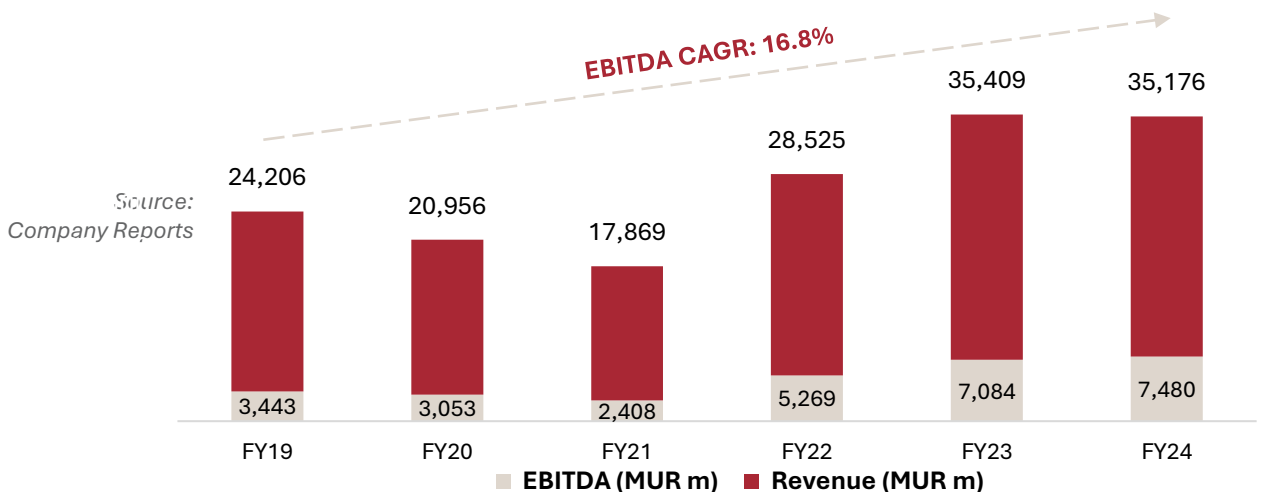
The group has consistently demonstrated a strong financial performance underpinned by diversified revenue streams, operational excellence, and disciplined financial management. Post-COVID-19, it capitalised on the economic recovery and achieved robust growth across its core clusters.

Exhibit 1.6: Revenue Contribution by Cluster



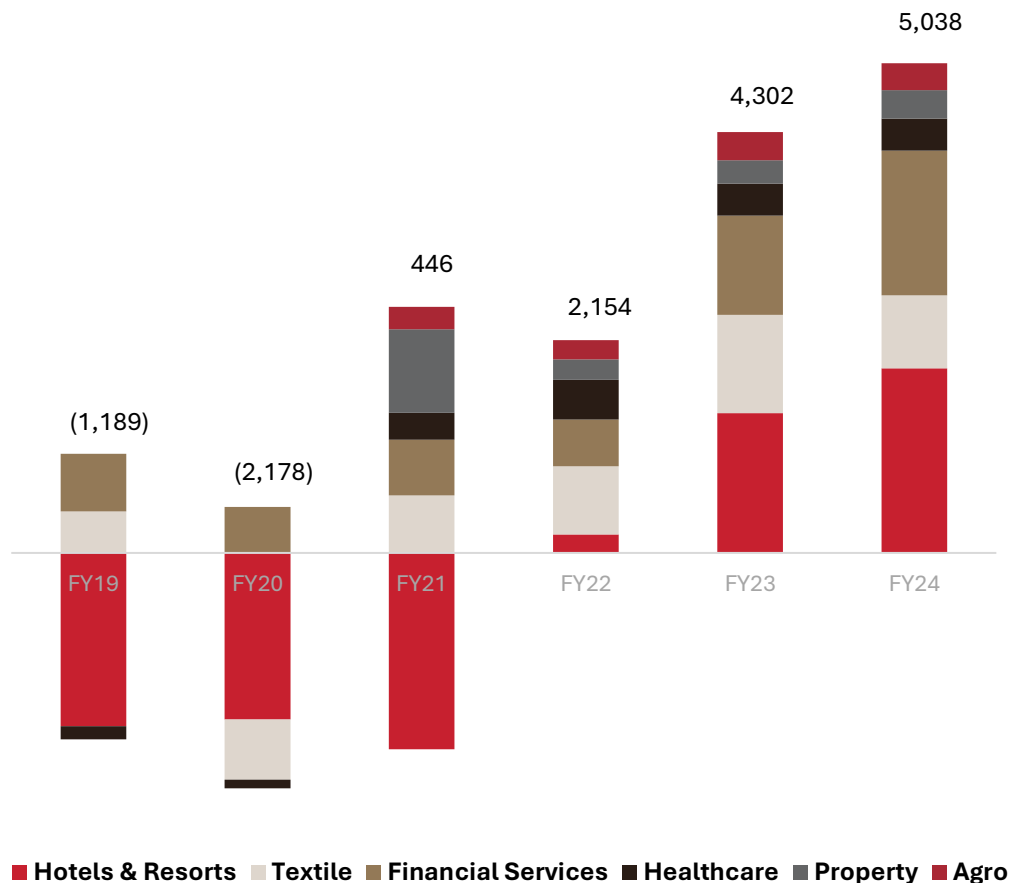
Over the past five years (FY19-FY24), CIEL’s consolidated revenues grew at a CAGR of 7.8% to reach MUR 35.2bn in FY24, driven by its key businesses namely Hotels & Resorts, Textile, Financial Services and Healthcare.

Exhibit 1.7 : EBITDA and Revenues (MUR m)



CIEL’s operational efficiency has been a cornerstone of its financial performance, with EBITDA growth at a CAGR of 16.8% over the past seven years. In FY24, EBITDA reached MUR 7.5bn, with margins expanding to 21.3%. PAT rebounded sharply after the pandemic, recording a CAGR of 52.9% between FY22 and FY24 and reflecting sector-wide normalisation and management’s initiatives to streamline operations, drive productivity gains and control costs.

Exhibit 1.8: PAT by Cluster (MUR m)



In FY24, PAT attributable to shareholders grew 5.8% YoY to MUR 2.8bn, underscoring improved cluster level profitability and lower financing costs. This growth momentum is expected to persist over the medium term based on structural tailwinds across its key verticals.

Exhibit 1.9: PAT Contribution by Cluster

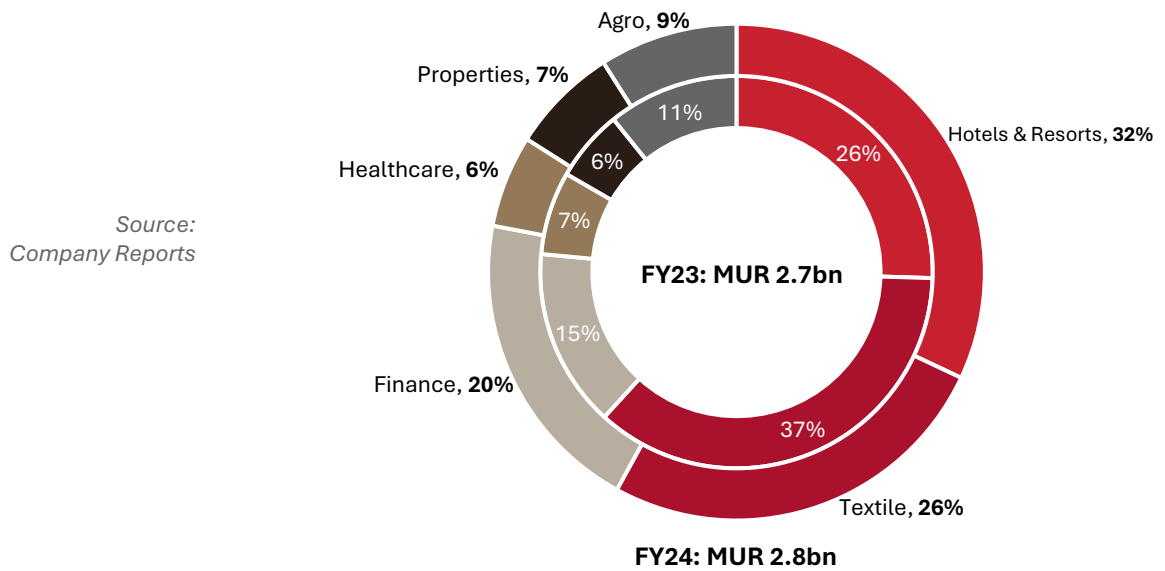
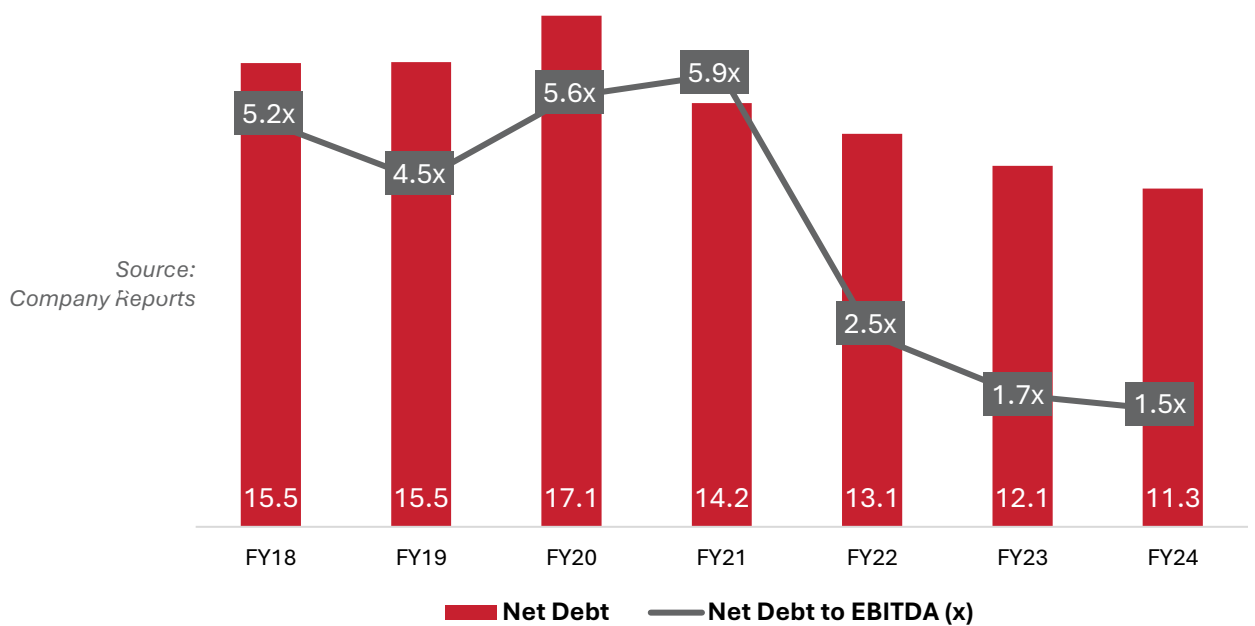


Exhibit 1.10: Net Debt (MUR m) and Net Debt to EBITDA Ratio



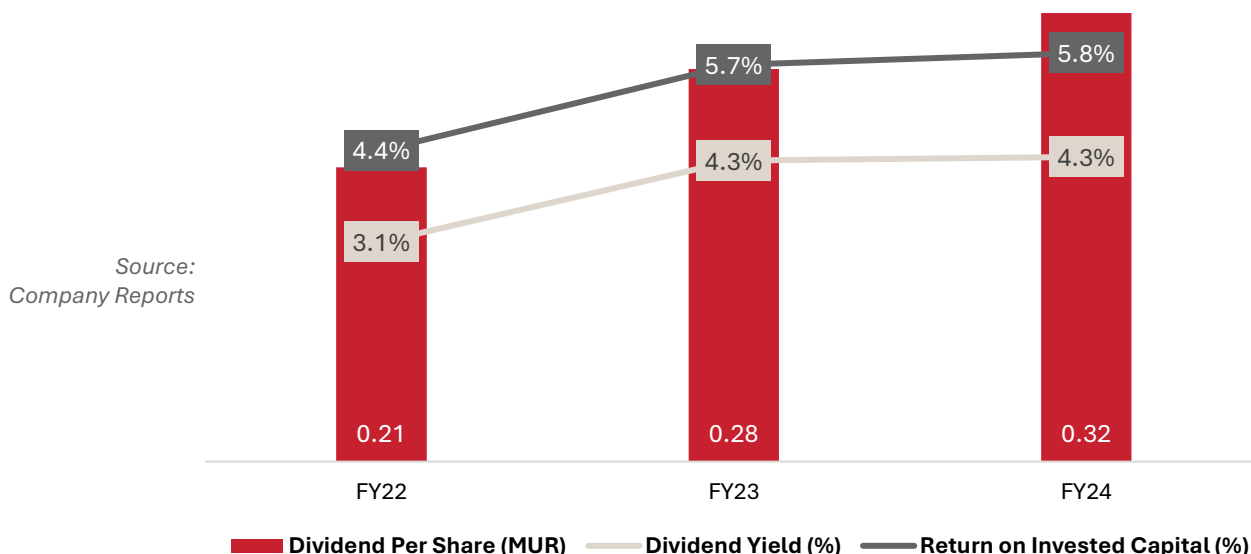
CIEL is the only conglomerate in Mauritius with a ‘AA’ rating. Management has prudently deleveraged the group. Over the past six years, net debt has fallen from MUR 15.5bn in FY18 to MUR 11.3bn in FY24, reflecting robust free cash flow generation. Net Debt to Equity has dropped significantly from 5.9x in FY21 to 1.5x in FY24.

CIEL’s key financial ratios (refer to Exhibit 1.12) underscore the group’s ability to balance growth, profitability, and borrowings, creating a robust platform for long-term value creation. CIEL’s financial performance demonstrates a solid improvement in profitability, as evidenced by the rising EBITDA margin from 13.5% in FY21 to 21.3% in FY24, and the Net Profit margin increasing from 2.5% to 14.3% over the same period. This reflects the group’s ability to drive operational efficiency and enhance its bottom line.

The valuation metrics underline CIEL’s attractive investment case. The P/E ratio has decreased significantly from 13.8x in FY21 to 4.4x in FY24, signalling a potential upside if the market re-rates the company’s improving fundamentals. Additionally, CIEL is trading at important discount to its NAV, with a share price of MUR 9.48 as at 31 January 2025 against a company NAV of MUR 13.12 per share as 30 June 2024, which may be an interesting opportunity for value investors.

This robust performance, combined with consistent dividend payouts (dividend yield of 4.3% in FY24), reinforces CIEL’s appeal both as a value-driven and growth-oriented investment

Exhibit 1.11: Dividend Per Share (MUR), Dividend Yield (%) and Return on Invested Capital (%)



CIEL has demonstrated consistent growth in dividends, reflecting strong earnings performance and a shareholder-friendly capital allocation policy. The 52% increase in DPS from MUR 0.21 in FY22 to MUR 0.32 in FY24 highlights CIEL's commitment to delivering value to shareholders. The dividend yield improvement from 3.1% in FY22 to 4.3% in FY23 and sustained at 4.3% in FY24 further underscores its resilience and ability to reward investors despite global economic headwinds. CIEL has also prioritised a higher Return on Invested Capital (RoIC) over dividend payouts, ensuring that capital is being reinvested effectively to drive long-term growth. While DPS has grown at an appreciable rate, the increase in RoIC from 4.4% in FY22 to 5.8% in FY24 reflects CIEL's strategic focus on value creation and superior capital utilisation, positioning it for potentially stronger returns for the future.

This robust dividend growth is supported by the Group's strong forex generation and diversified revenue streams, providing stability to its payout ratios and ensuring consistent returns for investors.

Exhibit 1.12: Historical Financial Ratios

	FY19	FY20	FY21	FY22	FY23	FY24
EBITDA Margin (%)	14.2%	14.6%	13.5%	18.5%	20.0%	21.3%
EBIT Margin (%)	9.2%	8.2%	6.2%	13.6%	16.1%	16.8%
Net Profit Margin (%)	-4.9%	-10.4%	2.5%	7.6%	12.1%	14.3%
ROE (%)	-5.1%	-10.7%	2.2%	8.9%	15.2%	15.8%
ROA (%)	-1.7%	-3.0%	0.6%	2.4%	4.4%	4.9%
ROCE (%)	5.0%	6.0%	5.6%	9.7%	14.1%	15.1%
Gearing (%)	41.1%	47.8%	39.0%	33.2%	28.6%	25.1%
P/E (x)	N/A	N/A	13.8	8.7	4.2	4.4
P/BV (x)	0.47	0.31	0.39	0.43	0.37	0.37
Dividend Yield (%)	2.3%	2.3%	0.0%	3.1%	4.3%	4.3%
Earnings Per Share (MUR)	(0.52)	(1.00)	0.37	0.77	1.57	1.66
Dividend Per Share (MUR)	0.21	0.08	0.00	0.21	0.28	0.32
Group NAV Per Share (MUR)	7.79	6.69	8.85	10.50	12.38	13.73
Share Price (MUR)	6.30	3.48	5.10	6.70	6.52	7.36

Source: Company Reports, MCBSB Analysis
Note Average Total Equity and Average Total Assets were used to compute ROE and ROA respectively

Strategic Outlook

CIEL is positioned to drive sustainable growth over the next three to five years through a disciplined and diversified strategy across its clusters.

- In our view, Hotels & Resorts will focus on optimising yields and asset efficiency in Mauritius, supported by real estate developments, while maintaining its position as a key growth and cash contributor.
- Drawing upon two decades of experience in India, the Textile cluster, is expected to expand further to cater to strong global brands and provide strategic inroads to capitalise on India's stable and high-demand market.
- Growth in Finance will be driven mainly by BNI and through targeted opportunities in Fintech in East Africa, opportunistic acquisitions of non-banking institutions, and new ventures.
- In Healthcare, the Group aims to strengthen its foothold in East Africa through acquisitions and strategic partnerships.
- The Property cluster is expected to unlock value through an asset growth and regeneration strategy in its operating companies.
- For the Agro cluster, MIWA will optimise its revenue based on its current investment portfolio in the short term and will increase its foothold in Africa (medium to long term) while Alteo will optimise the revenue from its current area under cane cultivation and develop its property arm by optimising its non-core land bank.

At the recent analyst meeting, CIEL highlighted its plans to expand into adjacent opportunities in India by leveraging its established manufacturing capabilities, positioning this as a potential new growth driver for the group.

While CIEL Group continues to broaden its footprint across international markets, two of its clusters remain deeply rooted in Mauritius, particularly within the Hotels and Resorts and Property clusters. These clusters exhibit strong momentum locally, underpinned by favourable market dynamics and sustained growth opportunities. In the near term, their core operations will remain in Mauritius, with no significant strategic moves outside the island currently foreseen.

CIEL Textile is leveraging growth opportunities in India, a key market for its operations. CIEL Healthcare is advancing its presence in East Africa, tapping into the region's growing demand for healthcare services. Meanwhile, CIEL Finance is strengthening its position in Madagascar, aligning with the financial sector's evolving landscape and into East Africa with recent fintech acquisitions. In the agribusiness segment, CIEL Agro has established a robust presence in Kenya and Tanzania, capitalising on the region's sugar industry potential.

This macroeconomic section provides a highlight of the markets in which CIEL operates, highlighting the economic drivers, risks, and opportunities that underpin the group's strategic decisions across its diversified portfolio.

Mauritius

As per the December issue of the latest National Accounts estimates released by Statistics Mauritius, real GDP growth attained an estimated 5.1% in 2024. Economic activity was largely driven by a strong expansion in construction activities, reflecting the execution of public sector projects such as land drainage infrastructure, the construction of social housing units, and the expansion of the road network, along with private sector initiatives such as smart cities, land parcelling and property development schemes, and renovation and construction of hotels. In parallel, tourism activity remained buoyant. 1.4m tourists visited the country last year, representing a year-on-year increase of 6.7% as compared to 2023. The financial services sector also sustained a resilient expansion, owing notably to the good showing of the banking industry. However, the textile sector continued to remain a cause for concern, as activity in the sector has contracted for seven consecutive quarters.

For this year, while we await for details on the economic agenda of the new administration, we expect economic growth in Mauritius to moderate somewhat as the real expansion in construction and tourism start to plateau, considering the high base effects while also factoring in the ramifications of the challenging external environment.

Meanwhile, headline inflation maintained a downtrend, attaining 3.6% in December 2024. Moving forward, barring unforeseen circumstances, inflation is expected to remain within the Central Bank target range of 2-5%. On the external front, currency pressures, coupled with higher oil and machinery and equipment imports contributed to the widening visible trade deficit. Meanwhile, robust tourism earnings contributing to a surplus on the services account together with sustained capital and financial flows, have contributed to the Balance of Payments surplus, estimated at MUR 23.2bn for the first three quarters of 2024.

Exhibit 2.1: Mauritius – Key Macroeconomic Indicators

Mauritius - Key macroeconomic indicators						
Subject Descriptor	Units	2022	2023 (e)	2024 (f)	2025 (f)	Avg 2026-29 (f)
Real GDP growth	% change	8.9	7.0	6.1	4.0	4.0
Nominal GDP at current prices	USD billion	13	15	16	17	20
GDP per capita at current prices	USD	10,251	11,544	12,601	13,099	15,702
Total investment	% of GDP	20.4	23.8	23.7	22.2	22.0
Gross national savings	% of GDP	26.3	32.2	32.6	32.4	32.5
Headline inflation	% change	10.8	7.0	3.5	3.5	3.5
Volume of imports of goods and services	% change	9.0	-0.2	2.6	4.2	3.6
Volume of exports of goods and services	% change	41.0	9.1	11.0	9.2	5.1
Fiscal balance	% of GDP	-3.1	-4.1	-2.9	-2.9	-2.5
General government gross debt	% of GDP	81.2	78.6	80.1	80.9	80.6
Current account balance	% of GDP	-11.1	-3.3	-5.5	-4.6	-4.1

Source: IMF WEO Database, October 2024

India

Exhibit 2.2: India – Key Macroeconomic Indicators

India - Key macroeconomic indicators						
Subject Descriptor	Units	2022	2023 (e)	2024 (f)	2025 (f)	Avg 2026-29 (f)
Real GDP growth	% change	7.0	8.2	7.0	6.5	6.5
Nominal GDP at current prices	USD billion	3,353	3,568	3,889	4,272	5,484
GDP per capita at current prices	USD	2,366	2,497	2,698	2,937	3,688
Total investment	% of GDP	33.0	33.3	33.7	33.5	32.9
Gross national savings	% of GDP	31.0	32.7	32.5	32.2	31.0
Headline inflation	% change	6.7	5.4	4.4	4.1	4.0
Volume of imports of goods and services	% change	9.9	-1.2	4.4	6.0	6.0
Volume of exports of goods and services	% change	9.7	0.4	3.5	4.1	3.7
Fiscal balance	% of GDP	-9.2	-8.3	-7.8	-7.6	-7.0
General government gross debt	% of GDP	81.7	83.0	83.1	82.6	80.1
Current account balance	% of GDP	-2.0	-0.7	-1.1	-1.3	-1.9

Source: IMF WEO Database, October 2024

In the first half of 2024, India's real GDP rose by 7.2% year-on-year, the same growth rate as H1 2023 on a year-on-year basis. As per Fitch Ratings, public infrastructure capex remains a key growth driver and has improved spending quality, helping mitigate the drag from fiscal consolidation. In the medium term, India's potential GDP growth is estimated at 6.5%, underpinned by the infrastructure push, strong services sector, and solid private investment outlook. Meanwhile, headline inflation fell to around 3.7% in August 2024 after rising to 5.1% year-on-year in January 2024 as pressures on food production due to erratic weather conditions eased. A good monsoon season should help on agricultural production and keep food prices contained. On another positive note, India's external finances remain robust, underpinned by high FX reserves, a net external creditor position, and a low current account deficit. FX reserves have risen by roughly USD 47bn since the start of 2024 to USD 670bn in early August (covering around 8 months of current external payments) and are expected to further rise in the coming years.

Madagascar

Exhibit 2.3: Madagascar – Key Macroeconomic Indicators

Madagascar - Key macroeconomic indicators						
Subject Descriptor	Units	2022	2023 (e)	2024 (f)	2025 (f)	Avg 2026-29 (f)
Real GDP growth	% change	4.0	3.8	4.5	4.6	4.9
Nominal GDP at current prices	USD billion	15	16	17	18	23
GDP per capita at current prices	USD	523	530	563	576	667
Total investment	% of GDP	20.8	21.6	22.3	21.3	22.8
Gross national savings	% of GDP	15.4	17.1	15.5	15.3	17.8
Headline inflation	% change	8.2	9.9	7.4	7.1	6.3
Volume of imports of goods and services	% change	6.2	-3.2	-1.1	13.8	7.4
Volume of exports of goods and services	% change	21.6	12.3	0.2	16.1	8.1
Fiscal balance	% of GDP	-5.5	-4.1	-3.8	-3.8	-3.8
General government gross debt	% of GDP	53.9	55.6	55.5	55.8	57.4
Current account balance	% of GDP	-5.4	-4.5	-6.8	-6.0	-4.9

Source: IMF WEO Database, October 2024

Madagascar's economy is stabilising but facing persistent inflation. Growth is projected to remain at 4.2% in 2024, before rising to 4.6% next year, supported by stronger tourism-related growth and higher agricultural and mining output. For its part, inflation is expected to fall this year, reflecting a more stable Ariary and disinflationary domestic food prices as domestic rice production strengthens, before gradually converging to 6% over the medium term. On the external front, foreign-exchange reserves are anticipated to initially fall owing to current-account pressures this year, before recovering in 2025, to just under five months of import cover.

Uganda

Exhibit 2.4: Uganda – Key Macroeconomic Indicators

Uganda - Key macroeconomic indicators						
Subject Descriptor	Units	2022	2023 (e)	2024 (f)	2025 (f)	Avg 2026-29 (f)
Real GDP growth	% change	6.3	4.6	5.9	7.5	7.6
Nominal GDP at current prices	USD billion	47	51	56	63	82
GDP per capita at current prices	USD	1,079	1,123	1,187	1,304	1,545
Total investment	% of GDP	24.2	22.2	21.8	22.0	23.6
Gross national savings	% of GDP	15.6	14.9	15.2	15.3	21.0
Headline inflation	% change	7.2	5.4	3.5	4.4	5.0
Volume of imports of goods and services	% change	-0.1	25.2	14.1	3.3	5.8
Volume of exports of goods and services	% change	-5.2	49.7	19.0	-2.0	13.8
Fiscal balance	% of GDP	-5.9	-4.9	-4.9	-3.8	-1.2
General government gross debt	% of GDP	50.0	51.0	51.4	50.3	40.5
Current account balance	% of GDP	-8.6	-7.4	-6.6	-6.6	-2.6

Source: IMF WEO Database, October 2024

Uganda has navigated the post-pandemic recovery well due to sound macroeconomic policies. The economic recovery is strengthening with low inflation, favorable agricultural production, and strong industrial and services activity. Reflecting the latter progress, the IMF projects a growth of 6% this year, up from 5.3% last year. Headline inflation has increased to 3.9% by June 2024, driven by rising energy prices and core inflation, though the latter remains below the Bank of Uganda's (BoU) target of 5%. Moving forward, headline inflation is projected to continue its upward momentum, averaging 4.6% in 2025, as the economic recovery strengthens, nearing the BoU's target of 5%. However, reflecting higher external debt service payments and global financial conditions that have limited FX net purchases, international reserves are anticipated to decline to an import coverage of 2.8 months by end of this year, down from 3.7 months last year.

Tanzania

Exhibit 2.5: Tanzania – Key Macroeconomic Indicators

Tanzania - Key macroeconomic indicators						
Subject Descriptor	Units	2022	2023 (e)	2024 (f)	2025 (f)	Avg 2026-29 (f)
Real GDP growth	% change	4.7	5.1	5.4	6.0	6.5
Nominal GDP at current prices	USD billion	74	79	80	85	107
GDP per capita at current prices	USD	1,206	1,249	1,224	1,272	1,479
Total investment	% of GDP	39.3	37.8	37.2	38.2	40.7
Gross national savings	% of GDP	31.9	33.7	33.2	34.8	37.9
Headline inflation	% change	4.4	3.8	3.2	4.0	4.0
Volume of imports of goods and services	% change	19.0	8.4	0.5	4.9	8.2
Volume of exports of goods and services	% change	1.1	4.0	5.7	6.4	7.6
Fiscal balance	% of GDP	-3.9	-3.5	-2.9	-2.9	-2.7
General government gross debt	% of GDP	44.9	46.9	47.3	46.3	42.9
Current account balance	% of GDP	-5.7	-5.3	-3.9	-3.4	-2.8

Source: IMF WEO Database, October 2024

Economic growth momentum in Tanzania is picking up, with real GDP growth projected to stand at 5.4% and 6.0% in 2024 and 2025, respectively, supported by improvements in the business environment and subsiding global commodity prices. Trade and tourism are expected to drive services growth while mining, manufacturing and infrastructure projects would boost industrial growth. Concerning price pressures, inflation in September remained stable at 3.1% and would remain well within the Bank of Tanzania’s target of 5% in 2024 but could see a slight uptick in 2025, amid expectations of a rebound in food price increases, in the absence of El Niño-induced rainfall. Meanwhile, on the external front, foreign currency market pressures still warrant attention. While the central bank has consistently been intervening to prevent even sharper depreciation of the currency, the level of gross international reserves remained adequate, standing at USD 5.2bn (about 3.8 months of imports) in May 2024, compared to about USD 4.7bn a year earlier. FX reserves are further anticipated to rise modestly to USD 5.7bn by end-2025, equivalent to 3.5 months of current external payments, supported by an improved trade balance, FDI inflows and official disbursements.

Kenya

Exhibit 2.6: Kenya – Key Macroeconomic Indicators

Kenya - Key macroeconomic indicators						
Subject Descriptor	Units	2022	2023 (e)	2024 (f)	2025 (f)	Avg 2026-29 (f)
Real GDP growth	% change	4.9	5.6	5.0	5.0	5.0
Nominal GDP at current prices	USD billion	115	109	116	117	130
GDP per capita at current prices	USD	2,266	2,110	2,218	2,187	2,330
Total investment	% of GDP	19.1	16.4	16.7	17.4	19.1
Gross national savings	% of GDP	14.0	12.4	12.6	13.3	15.2
Headline inflation	% change	7.6	7.7	5.1	5.2	5.0
Volume of imports of goods and services	% change	3.8	-10.4	7.7	4.7	6.6
Volume of exports of goods and services	% change	3.3	-4.8	5.4	9.3	7.2
Fiscal balance	% of GDP	-6.1	-5.8	-5.0	-4.3	-3.6
General government gross debt	% of GDP	67.8	73.1	69.9	72.4	69.0
Current account balance	% of GDP	-5.0	-4.0	-4.1	-4.1	-4.0

Source: IMF WEO Database, October 2024

The Kenyan economy lost steam in the second quarter, growing 4.6% year on year and marking the slowest expansion since Q4 2022. In fact, political protests relating to the cost-of-living crisis flared up in the second quarter of 2024 due to a proposed tax hike, disrupting activity across all sectors of the economy. Looking ahead, given the lagged effects of monetary tightening, business disruption caused by mass protests and tough global conditions, real growth is anticipated to ease to 5% this year, compared to 5.6% last year. As regards price pressures, the latest September inflation print at 3.6% indicates a gradual easing in the price level. As hinted by the Central Bank of Kenya (CBK), which has already cut the key rate by a cumulative 100 basis points since August 2024 to 12%, there is scope for further easing with inflation projected to continue falling. On the FX front, a stronger exchange rate is boosting foreign portfolio inflows, generating a mild uptick in foreign-exchange reserves to about 4.4 months import cover in September. Moving forward, reserves are expected to hover around 4.1 months of import cover over 2024-25, above the IMF's recommended threshold of 3.0 months, as well as the CBK's own benchmark of 4.0 months.

CIEL Hospitality: Strategic Spin-Off to Pave the Way for Sustainable Growth and Value Creation

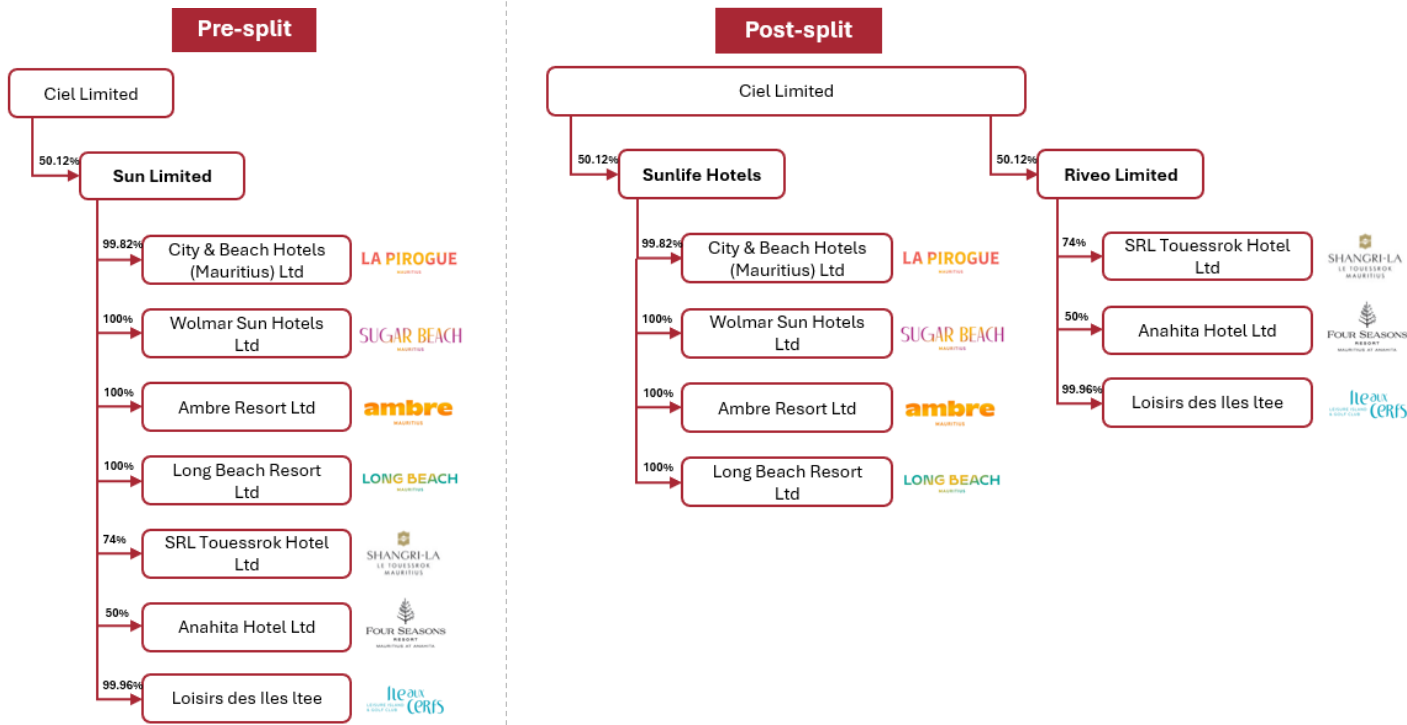
We value CIEL's Hospitality cluster at MUR 8.8bn. Formerly a cluster with a single holding company being Sun Limited ("SUN" or "Sunlife"), the board of SUN resolved to split its businesses into two listed companies (both listed on the Official Market of the Stock Exchange of Mauritius), namely:

- i) Sun Limited that regroups its owner-managed resorts (under the Sunlife brand) located on the west and east coast of Mauritius which will be dedicated to managing the Sugar Beach, La Pirogue, Long Beach and Ambre Resorts and on delivering attractive yields for its shareholders, and
- ii) Riveo Limited ("Riveo"), which is positioned as a leading operator in sustainable luxury hospitality benefiting from the expertise of two leading and renowned international operators, namely Shangri-La Le Touessrok and the Four Seasons at Anahita, as well as Ile-aux-Cerfs, an iconic island located off the east coast of Mauritius.

The objective of the spin-off was to increase shareholder value by providing the market with clear investment theses in relation to the business model and performance of these two entities. SUN Ltd (Sunlife hotels) has been positioned as a high-yield dividend stock, while Riveo is now established as an IRR-driven, medium-term growth play. In the near-term, Riveo will likely face revenue pressures from its targeted renovation program over the next two years. However, normalised trading and earnings is expected as from FY27.

Following the spin-off (see Exhibit 3.1 below), the combined market capitalisation of the cluster was at MUR 10.9bn (as at 25 November 2025), split between SUN Ltd at MUR 7.5bn and Riveo at MUR 3.4bn. On this basis, our valuation of MUR 18.1bn (as at June 2024) for the two underlying companies, represents a premium of 66% to the market valuation. In addition to unlocking shareholder value, the restructuring will further strengthen the cluster's position as a major contributor to CIEL's PAT (FY24: 32%).

Exhibit 3.1: Group Structure Before and After Spin-Off



Source: Company Reports (2024)

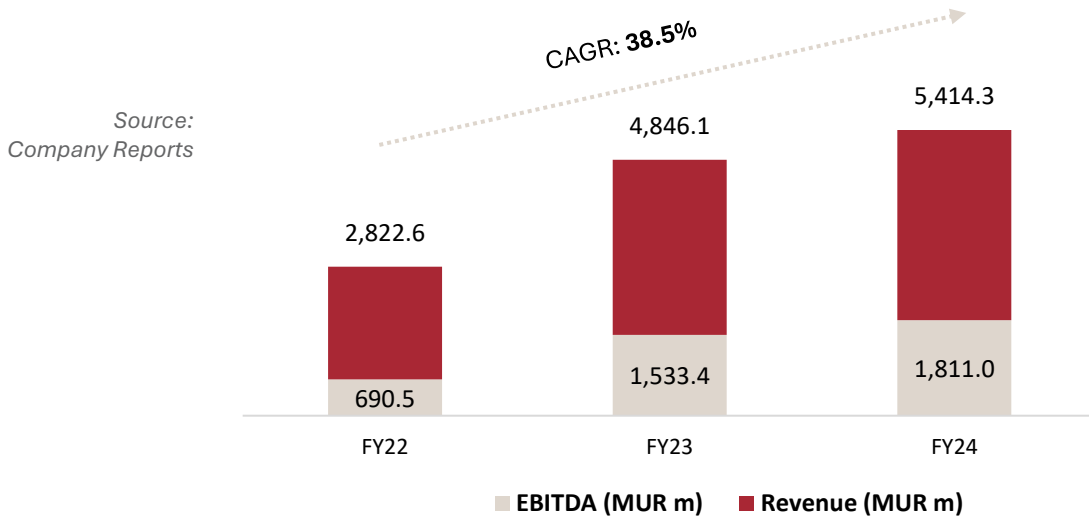
Sunlife Hotels

Sunlife has four core assets, namely Sugar Beach, La Pirogue, Ambre and Long Beach whereby (i) the first two being mature resorts having demonstrated consistent strong operational performance over the years (ii) the latter two (Long Beach and Ambre) being resorts which are expected to generate better yields once repositioned and the earmarked renovations incurred.

Sunlife has delivered robust financial results post-COVID, driven by higher margins and favourable conditions in the hospitality sector. EBITDA margins have surpassed pre-COVID levels, with current margins 33.5% (FY24) compared to 19.2% in FY18. Going forward, as wage pressures continue to increase, there is a risk that margin expansion could be constrained.

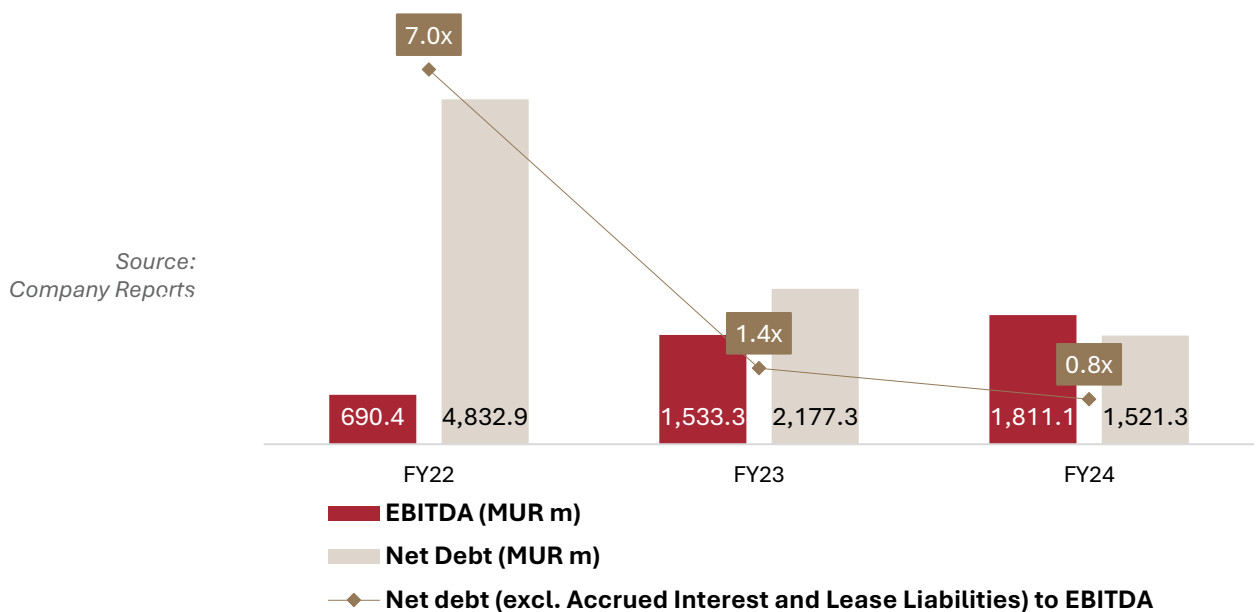
Over the past three years, Sunlife’s revenue has grown at a strong CAGR of 38.5%, culminating in a record normalised PAT of MUR 1.7bn in FY24.

Exhibit 3.2: SUN Ltd (Sunlife Hotels) – Historical financials in MUR m



The recovery in the tourism sector has also allowed for a significant improvement in its net debt by 68.5% from MUR 4.8bn in FY22 to MUR 1.5bn in FY24. With a Net Debt to EBITDA ratio of 0.8x, Sunlife is now positioned as a moderately leveraged entity.

Exhibit 3.3: SUN Ltd (Sunlife Hotels) – Historical financials in MUR m



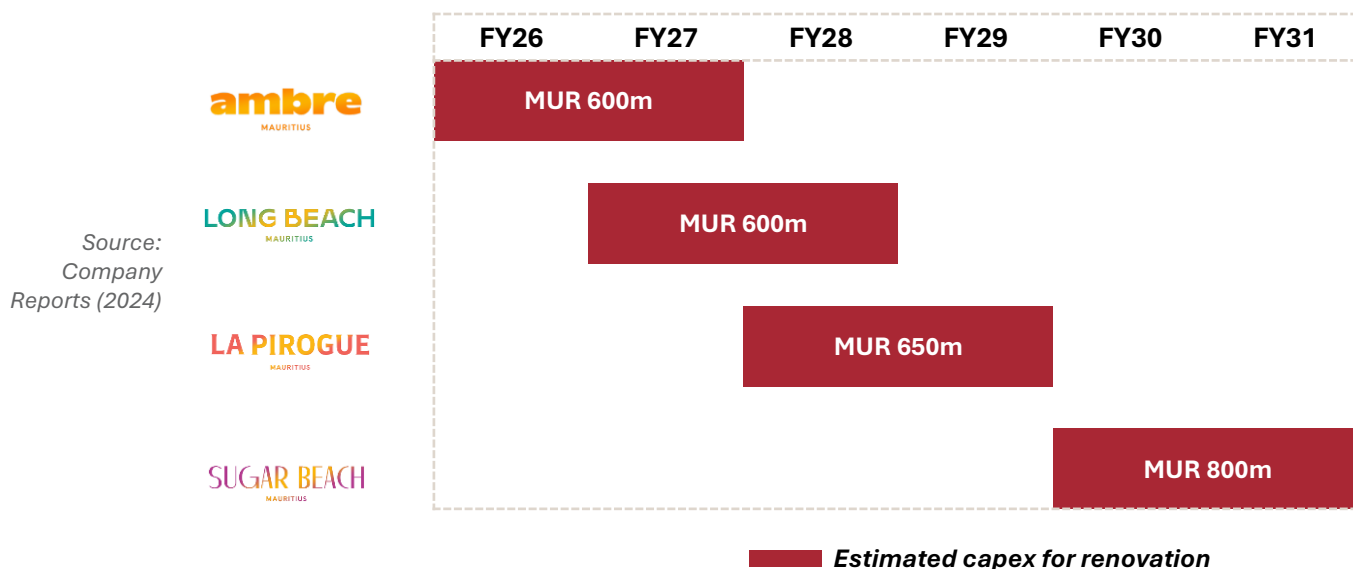
Note: FY22 is a nine-month operations year

Looking ahead, we anticipate continued steady growth over the next 3-5 years, underpinned by the following key strategic initiatives:

Phased Renovation Programme for Steady Growth

SUN has distributed a dividend per share of MUR 2.50 in FY24. Its dividend yield of 6.4% post the split (as at 29-Nov-2024) was at a premium of 165 bps to the 10-year Government of Mauritius bond. We believe that Sunlife will receive most of its dividend income from Sugar Beach and La Pirogue in the short-term and any organic growth incentives will enhance the dividend payout levels. The well-structured phased renovation programme should allow the company to maintain this level of distribution. Starting in FY26, the programme will span over six years and renovations will be strategically carried out during off-peak seasons to minimise disruptions and will proceed with one hotel at a time to ensure stability in cash flows and smoothed dividend payouts.

Exhibit 3.4: Phased Renovation Timeline and Estimated Costs (MUR m)



The revenue gaps arising from the renovations of Ambre and Long Beach will be filled by its two flagship hotels, Sugar Beach (5*) and La Pirogue (4*) which shall be renovated as from FY28. Both assets had an average occupancy rate of 81% in FY24 and have been strong performers within the portfolio (see Exhibit 3.6), offering consistent free cash flow generation and delivering solid Gross Operating Profit (“GOP”) margins of around 50%.

Exhibit 3.5: Financial Performance of Sunlife resorts in MUR m (FY24)

Source:
Company Reports (2024)

	SUGAR BEACH MAURITIUS	LA PIROGUE MAURITIUS	LONG BEACH MAURITIUS	ambre MAURITIUS
Revenue	1,503	1,336	1,187	981
PAT	399	415	78	217

The renovations of La Pirogue (as from FY28) and Sugar Beach (as from FY30) will be carried out with a focus on ensuring that they remain the major dividend contributors for Sunlife over the long-term while upholding strong Average Daily Rate (“ADR”) and occupancy rates.

Exhibit 3.6: Sunlife resorts – Key KPIs (FY24)

Source:
Company Reports (2024)

	SUGAR BEACH MAURITIUS	LA PIROGUE MAURITIUS	LONG BEACH MAURITIUS	ambre MAURITIUS
Number of Keys	238	248	255	297
Occupancy Rate	78.9%	82.8%	77.8%	78.3%
ADR (MUR)	14,751	12,563	10,064	7,135

Optimisation of Lower-Performing Assets – Ambre and Long Beach

Sunlife’s portfolio also consists of Ambre (4*) and Long Beach (5*), which will be repositioned and optimised to unlock the potential from these resorts. Sunlife will prioritise capex on these assets, starting with Ambre in FY26, which has not undergone a major uplift for more than 14 years under the previous shareholding structure, to enhance their revenue-generating capacity, focusing on improving Revenue per Available Room (RevPAR) and overall asset efficiency.

Built on 16.5 hectares of prime beachfront land on the East Coast, Long Beach has dealt with inefficiencies arising from underutilised land area and relatively high fixed operating costs. Consequently, the hotel’s PAT contribution to Sunlife has been relatively lower and it operates with a lower ADR compared to its peers in the five-star hotel segment. Sunlife plans a comprehensive restructuring of the resort to drive ADR improvement. Key initiatives include the development of 70-80 villas/apartments on the 23 acres land next to the hotel.

Ambre, on the other hand, has reached a long-term lease agreement with its new partner, Mauritius Investment Corporation Ltd (MIC), and is now set for renovation and optimisation. With SUN controlling both the property and the operating company, a repositioning of the asset from 4-star adults only resort to a 4-star resort is expected to attract higher-demand segments, driving meaningful improvements in ADR and margins.

Once renovations are completed, Ambre will most likely help sustain dividend income during the phased renovation of the flagship resorts, La Pirogue and Sugar Beach, beginning in FY28 and FY30, respectively. Long Beach's contribution will be minimal in the short-term as we expect that it will take slightly longer to optimise its business model and improve ADR. Efforts to standardise GOP margins across Sunlife's portfolio will enhance its resilience throughout the renovation cycle. By combining efficient capex allocation with improved operational performance, Sunlife is well-positioned to take advantage of its strong cash flow position and low debt level to maintain a superior and sustainable dividend payout to its shareholders.

Real Estate Development Initiatives at La Pirogue and Long Beach

Sunlife is also leveraging real estate development to diversify its revenue streams and maximise asset utilisation. The La Pirogue Residences project, a 45-unit development, comprises 18 two-bedroom apartments, 19 three-bedroom apartments, and 8 four-bedroom penthouses, complemented by a 430m² pool, pool bar, and concierge services. The project includes a Rental Pool Programme, allowing owners to optimise returns through short-term and long-term rentals managed entirely by La Pirogue, which handles property management, maintenance, and marketing. This initiative will generate a recurring additional income stream while enhancing Sunlife's portfolio value. Construction has started in June 2024 and delivery to owners is expected mid-2026.

Building on this success, Sunlife plans a similar project at Long Beach, with the development of 70-80 villas/apartments on its underutilised land. By replicating the model of La Pirogue, Sunlife aims to unlock additional revenue potential, reduce seasonality risks, and increase property value while improving EBITDA margins.

Sustainability Leadership as a Growth Enabler

Sunlife's commitment to sustainability reinforces its competitive positioning as a leader in the Mauritian hospitality sector. With flagship properties like Long Beach earning the "Best Sustainable Hotel" 2024 award and others, including La Pirogue and Sugar Beach, achieving EarthCheck Silver and Travellife Gold certifications, Sunlife integrates environmental stewardship into its core operations. Sunlife's sustainability efforts include managing its Type I and Type II emissions as part of its broader strategy to address climate change. It recognises that most of its carbon footprint stems from tourists traveling by air, which significantly contributes to its emissions profile. Since reducing these emissions directly is challenging, their strategy focuses on reducing emissions from electricity consumption through initiatives like solar farms. By investing in renewable energy and energy-efficient systems, Sunlife aims to offset electricity-related emissions and align with its sustainability goals.

Sunlife Hotels have achieved significant milestones in waste management and prioritisation of local products.

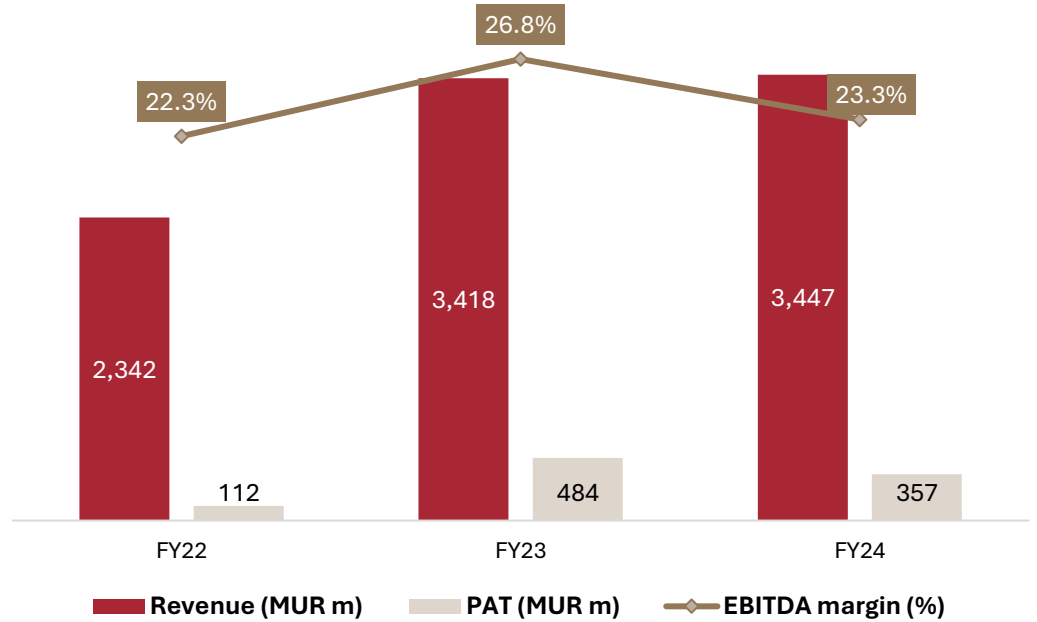
Riveo Hotels: Trophy Assets Positioned as an IRR-Driven, Medium-Term Growth Play

Riveo owns two prized trophy assets, namely the Shangri-La Le Touessrok resort (5*), which has completed its refurbishment in October 2024, and the Four Seasons resort (5*) which will be fully refurbished in FY25 - FY26. Riveo also owns Loisirs des Iles Ltee which offers a world class unique and renowned 18-hole golf course at Ile aux Cerfs. Although the latter is a loss-making entity, it complements the offering of Four Seasons and Shangri-La Le Touessrok given their close proximity.

Riveo's revenue grew to MUR 3.4bn in FY24, supported by a 9.7% year-on-year increase in ADR to MUR 33,887 (FY24). However, EBITDA margins came under pressure due to the four-month closure of Shangri-La Le Touessrok, which began in June 2024.

Exhibit 3.7: Riveo – Historical Financials in MUR m

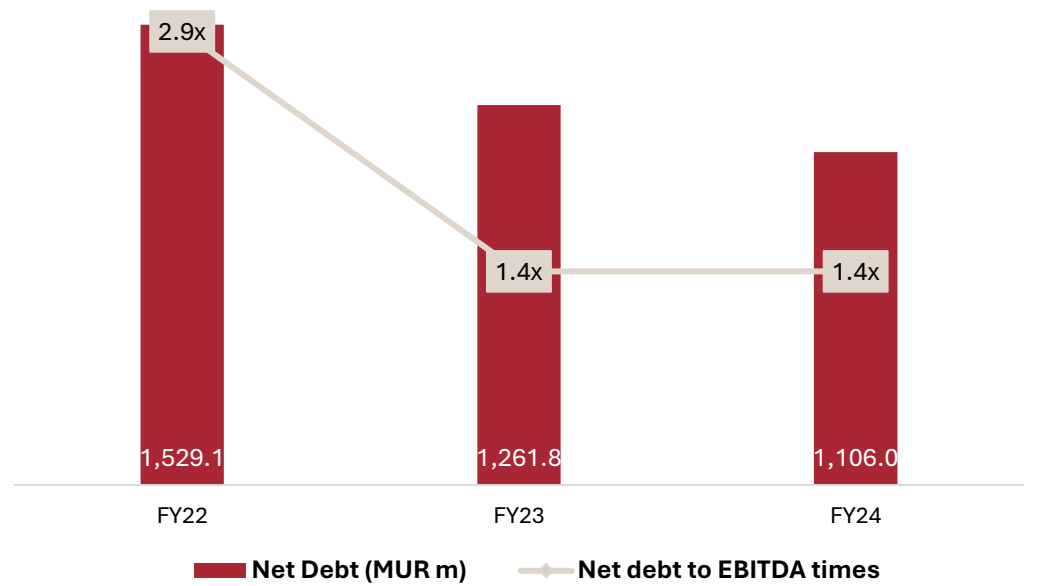
Source:
Company Reports (2024)



Similar to Sunlife, Riveo remains moderately leveraged with a Net debt to EBITDA ratio of 1.4x in FY24.

Exhibit 3.8: Riveo – Net Debt in MUR m

Source:
Company Reports (2024)



We believe that Riveo is another major growth engine for the cluster, driven by the following catalysts:

Portfolio Renovation Program – Four Seasons & Shangri-La Le Touessrok

A renovation programme of MUR 2.3bn over the next two financial years is expected to boost ADR and provide better scalability in occupancy rates, ultimately enhancing cash flows and dividend potential. Shangri-La's Le Touessrok recently completed its MUR 800m renovation on time and within budget in mid-October, just ahead of the peak season. Forward bookings at the time of writing provide comfort with respect to the significantly higher ADR being applied. An improvement in the RevPar post renovation should translate into higher EBITDA.

Four Seasons Resort will undergo a comprehensive renovation (MUR 1.2bn) for the first time since its opening in 2008. This refurbishment will reposition the resort as a leader in Mauritius' luxury hospitality market, aligning ADR with brand standards and improving the current occupancy rate of 53% (FY24) to pre-COVID levels of 70% (FY18). The renovations are scheduled during the low season to minimise operational disruption. The renovation program will be financed through free cash flow and additional debt, with no dividend payouts during the renovation period.

Other Growth Projects

Riveo is progressing with the Shangri-La Le Touessrok Branded Residences, a project involving nine luxury villas developed in partnership with a leading international real estate consultant. The Investment Hotel Scheme application is planned for early 2025, with the project expected to generate cash inflows and expand the hotel's luxury inventory. Meanwhile, at Ile aux Cerfs, two Ecolodge projects are being finalised and is projected to drive significant profitability within the next two to three years.

Exhibit 3.9: Financial Performance and Key KPIs of Riveo resorts (FY24)



Financial Performance (MUR m)

Revenue	1,678	1,552	254
PAT	230	139	(25)

Key KPIs

Number of Keys	133	192	N/A
Occupancy Rate	52.9%	53.8%	N/A
ADR (MUR)	43,880	27,105	4,497

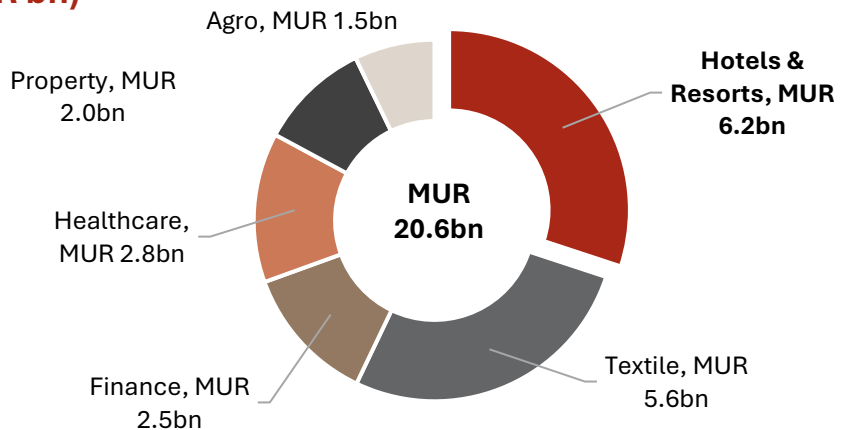
Source: Company Reports (2024)

Despite the increased leverage arising from the renovations, Riveo’s balance sheet is expected to remain healthy, supported by lower borrowing costs amid European Central Bank rate cuts. Post-renovation, ADR is projected to align with brand benchmarks, driving higher revenue and margin expansion.

Valuation Summary

Our valuation of MUR 8.8bn for CIEL Hospitality is derived from a sum-of-the-parts approach. We arrived at the valuation of each company in the CIEL Hospitality cluster using both intrinsic valuation methodologies (DCF/DDM) and relative valuation techniques (peer EV/EBITDA multiples). CIEL Hospitality contributes approximately 30.1% to our MUR 20.6bn target market cap for CIEL Group.

Exhibit 3.10: CIEL Hotels & Resorts - Implied Market Cap (MUR bn)



Source: MCBSB Analysis

We have applied a 70% weighting to intrinsic valuation and 30% to relative valuation for both Sunlife and Riveo (Refer to Exhibit 3.11).

Exhibit 3.11: Valuation Weighting

Source:
MCBSB Analysis

Valuation Weighting		
	Methodology	
	DDM/DCF	EV-EBITDA
Sunlife	70%	30%
Riveo	70%	30%

Based on these weightings, our valuation implies a blended EV-EBITDA multiple of 8.1x for the cluster (Refer to Exhibit 3.12).

Exhibit 3.12: Valuation Summary

Source:
MCBSB Analysis

Valuation Summary (In MUR bn)				
Subsidiary	Valuation of:			Implied EV/EBITDA
	100%	Stake	CIEL	
Sunlife	10.4	50.1%	5.2	6.6x
Riveo	7.2	50.1%	3.6	10.3x
Cluster	17.6		8.8	8.1x

¹Stake held by CIEL

Our valuation implies a price per key of MUR 12.8m (split into MUR 10.0m for Sunlife's 1,038 rooms and MUR 21.4m for Riveo's 336 rooms).

For our DCF/DDM model, we assume:

- each hotel's revenue will grow by (i) the Mauritian inflation rate as projected by the IMF [3.5 - 4.0%] and (ii) we assume an additional 10% - 25% escalation in the year following the scheduled renovations in the hotels;
- room lockup between 15% to 55% in relation to renovations (based on our view of the expected scale of the renovations);
- EBITDA margins in line with historical trends (between 22% - 35%)
- discount rates of 13.5% to 14.9% for the mature hotels and 15.2% to 19.6% for resorts being repositioned through capital expenditures.

Our EV/EBITDA valuation of Sunlife was based on a 7.5x multiple, reflecting the median EV/EBITDA multiple from the peer group (9.3x) and a 20% discount for Sunlife's relatively small scale compared to companies in the peer group. Based on this, we estimate Sunlife's Enterprise Value at MUR 13,532m.

The average EV/EBITDA multiple from our Riveo peer group is 10.6x. This higher multiple reflects the upscale nature of Riveo's asset portfolio which includes the Shangri-La and Four Seasons resorts. We incorporated a 10% discount that accounts for Riveo's smaller operational scale relative to luxury peers, while reflecting the attributable premium from the iconic status and brand value of its flagship properties in our view. Based on this, we applied a 9.6x EV/EBITDA multiple which yields an Enterprise Value of MUR 7,666m when applied to Riveo's EBITDA of MUR 801m.

Risks to Outlook and Valuation Target

1. *Tourist Industry Normalisation & Cyclical*

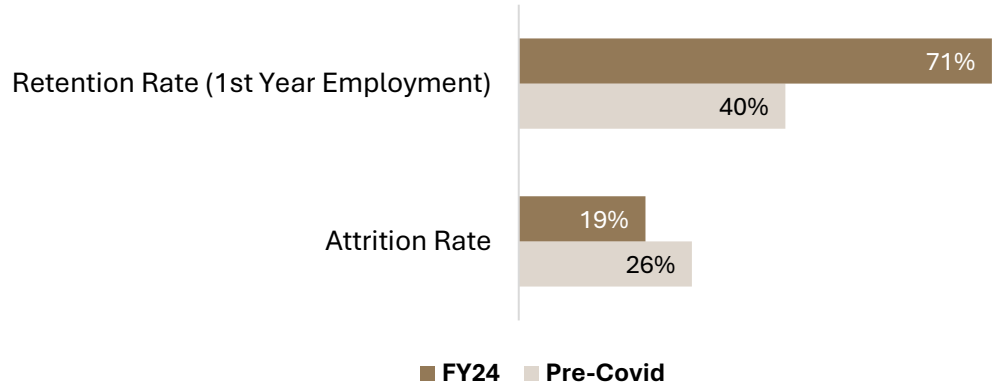
The post-COVID "revenge travel" boom in Mauritius has normalised, with tourist arrivals having reached 1.4m in 2024, signalling a return to more stable demand patterns. However, the hotel industry operates within a naturally cyclical framework due to seasonality, further shaped by global economic trends and geopolitical factors, which may moderate the rapid growth experienced in recent years. Despite these challenges, SUN Ltd has demonstrated resilience, maintaining a steady 7% market share over the past ten years, reflecting its competitive positioning in the market.

2. *Wage Adjustments and Labor Costs*

SUN Ltd has made notable progress in addressing its labour challenges, particularly in stabilising its workforce. One driving factor has been the recruitment of foreign labour under authorised quotas. The company's attrition rate, which was a significant concern pre-COVID at 26%, has declined to 19% in FY24, indicating improved employee retention. This stabilisation is further highlighted by a marked improvement in the first-year retention rate of new hires, which rose from 40% pre-COVID to an impressive 71% in FY24.

Exhibit 3.13: SUN – Workforce Stabilisation

Source:
Company Reports (2024)



However, maintaining this improved retention rate comes at a cost. Increased investment in employee training and development is necessary to sustain the current workforce stability. Furthermore, the long-term availability of talent poses a structural challenge. Younger generations are showing a growing preference for diverse career paths outside the hospitality sector, highlighting the importance of proactive talent acquisition strategies as the current workforce transitions into retirement. Compounding these challenges is the impact of rising wage costs. As indicated by management, the recent wage relativity adjustments have led to a 15% increase in SUN Ltd payroll costs (FY24). This trend is likely to persist given the recent introduction of the 14th month bonus in Mauritius (one-off), which will exert further pressure on operational expenses in the near term.

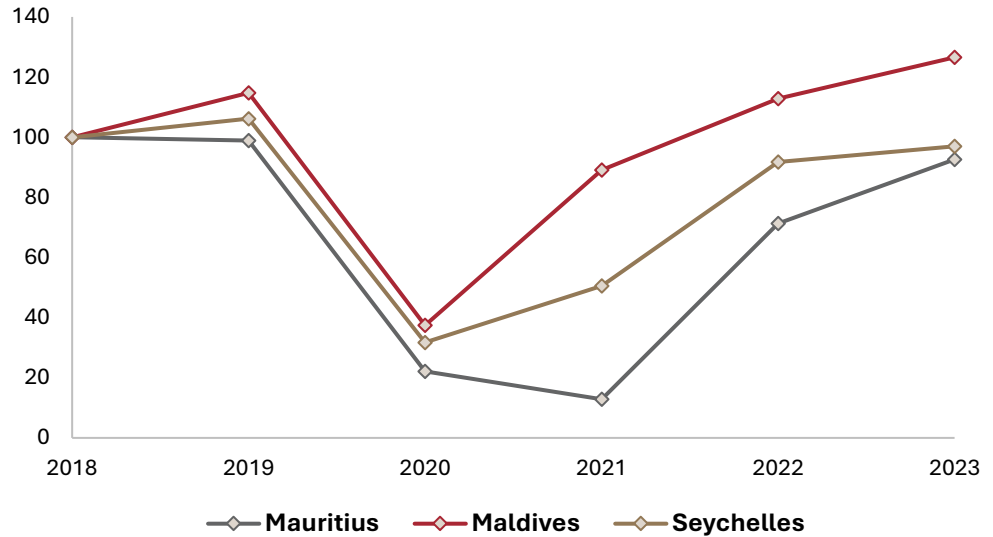
SUN Ltd’s management team has therefore embarked on accelerated productivity and digitalisation plans so as to mitigate the rising wage bill costs and protect margins.

3. *Intensified Competition*

A rising trend has been the increasing online presence and market penetration of Asian competitors. Destinations such as Thailand, Indonesia, and Vietnam are aggressively leveraging digital platforms to attract a growing share of global travellers. Their competitive pricing, diverse offerings, and strategic marketing initiatives emphasise the need for Mauritius to continually enhance its appeal. Maldives and Seychelles are also strong competitors in the luxury hospitality market. The Maldives leads, surpassing the number of tourist arrivals of 1.7m in 2019 to reach 1.9m in 2023 and it is targeting record highs in 2024. Mauritius is recovering strongly, having reached 1.4m visitors in 2024. Seychelles continues its recovery, albeit at a slower pace.

Exhibit 3.14: Tourist Arrivals – Rebased 100 (2018-2028)

Source:
AHRIM Annual Report (2023)



Given the proximity of Maldives and Seychelles to Asia, the airfares are relatively lower, and their ADRs are higher as well. Although Four Seasons in Mauritius achieves an ADR of ~\$1,000—half the levels seen in the Maldives and Seychelles—SUN Ltd is focused on narrowing this gap. Increasing competition in the Maldives is likely to put pressure on ADRs, whereas limited hotel expansion in Mauritius should support SUN’s ability to maintain and grow ADRs.

Exhibit 3.15: Tourist Industry in Mauritius vs Peers (2023)

Source:
AHRIM (2023)

	Mauritius	Maldives	Seychelles
Tourist Arrivals (000)	1,295	1,879	351
Average Bed ¹ Occupancy Rate (%)	66	66	63
Average Length of Stay (Nights)	11.3	7.6	9.5

¹For Mauritius: in hotels only at year end; For Maldives: in resorts only; For Seychelles: In hotels only; For Sri Lanka: in graded establishments only. Sources: Statistics Mauritius, Ministry of Tourism (Maldives), National Bureau of Statistics (Seychelles) and Sri Lanka Tourism Development Authority

4. *Informal Tourism Markets*

Management has recently highlighted the rising trend of tourists moving toward Airbnbs and other unregistered residences. Without clear market visibility, SUN Ltd's current market share of 7% of tourist arrivals, could be challenged if the informal market grows unchecked. On the other hand, strengthening market visibility and addressing the growth of the informal market could help SUN Ltd maintain and potentially enhance its current share of tourist arrivals.

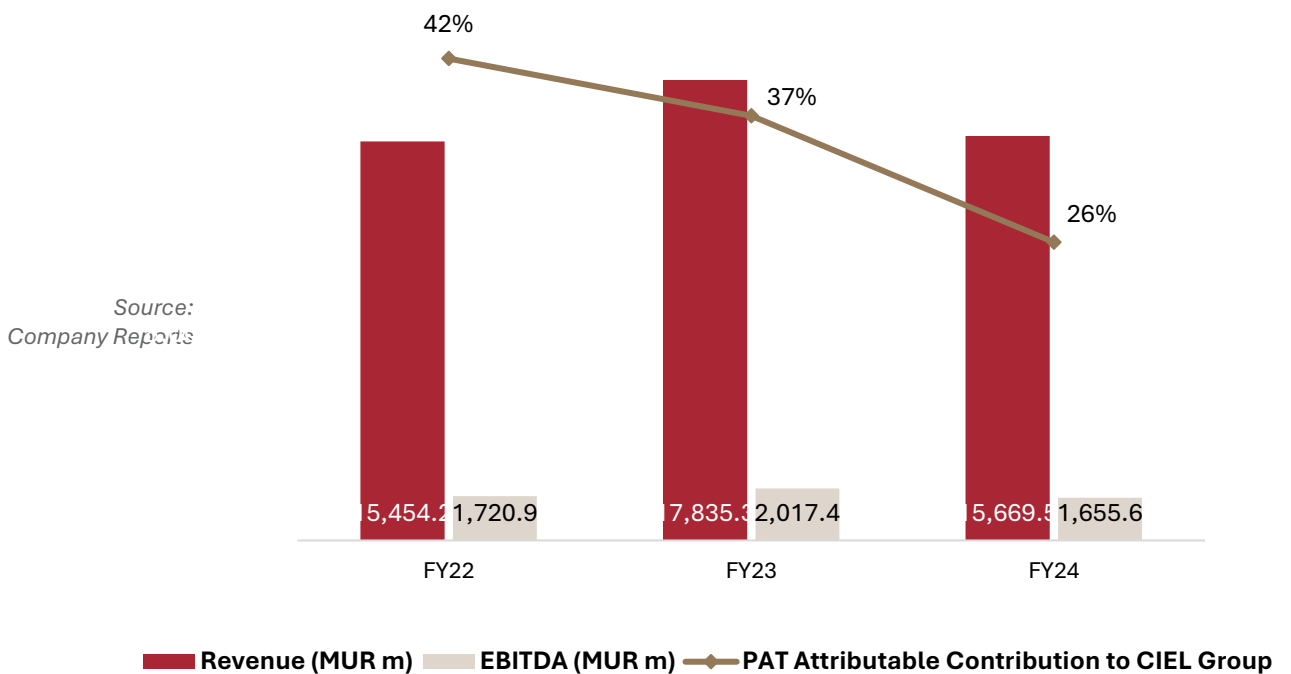
5. *Limited Diversification*

The limited geographic scope of SUN Ltd's operations in Mauritius suggests that there could be market saturation. Sunlife remains opportunistic with regards to growth outside of Mauritius but for the time being will prioritise the optimisation of its current assets.

CIEL Textile: India, India, India

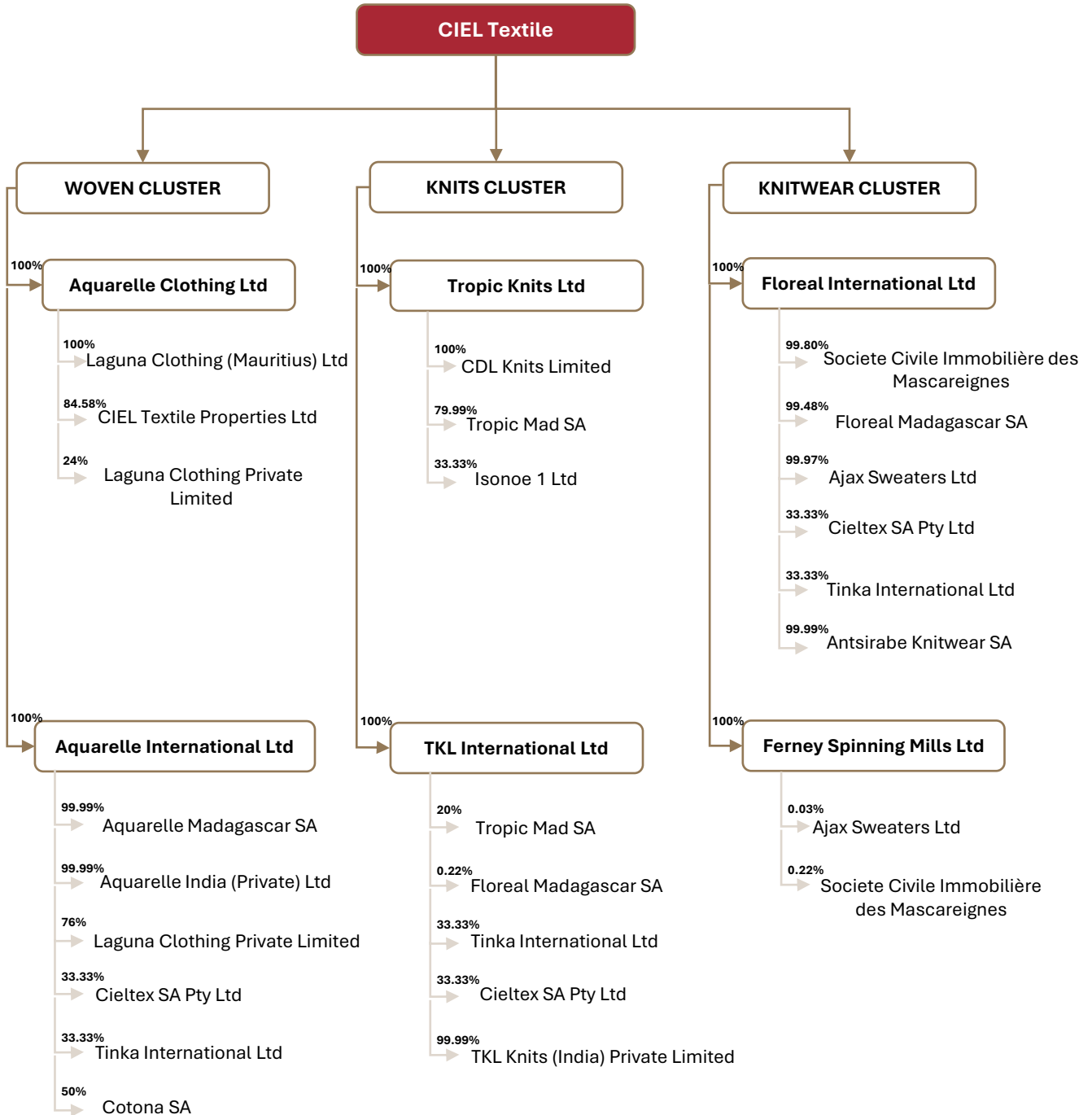
We value CIEL Textile (“CTL”) at MUR 7.9bn. This key cluster contributed 26% to the Group’s PAT in FY24 (see Exhibit 4.1). CIEL Textile has been and is expected to remain a cornerstone of the CIEL Group, and its strategic presence in India, initiated around twenty years ago, should continue seeing strong pay off in driving both top- and bottom-line growth for the next 3-5 years.

Exhibit 4.1: CIEL Textile – Historical Financials (MUR m)



CIEL Textile, a wholly owned subsidiary of CIEL Group, operates through three main clusters (see Exhibit 4.2): Woven, Fine Knits, and Knitwear, each focused on distinct segments of the textile market.

Exhibit 4.2: CIEL Textile – Summarised Shareholding Structure



Source: Company Reports (2024)

Woven Cluster: Cornerstone for Growth

The Woven Cluster, CIEL Textile’s flagship division, is the largest contributor to CTL’s performance, comprising two leading companies: Aquarelle and Laguna, which collectively cater to global markets, including the USA, Europe, and Asia. Aquarelle, a leader in casual and denim shirting, produces over 12m shirts annually, leveraging a vertically integrated supply chain to cater to top-tier global brands. Laguna specialises in premium formal and non-iron shirts, producing 9.5m shirts annually, including luxury items for popular brands like Polo Ralph Lauren and Calvin Klein.

Fine Knits Cluster: Catering to High-Volume Demand

The Fine Knits Cluster is strategically positioned in the casualwear, activewear, and sportswear markets. Focused on producing lightweight fine knits garments for mid-tier and premium brands, this cluster operates in India, Madagascar, and Bangladesh, utilising cost-efficient production while maintaining high standards of product quality. Tropic Knits produces fine-knit garments for leading fashion retailers, while CDL specialises in eco-friendly knitted fabrics, ensuring long-term relationships with global manufacturers.

Knitwear Cluster: Specialised Craftsmanship

CIEL Textile’s Knitwear Cluster is known for high-quality sweaters primarily for Europe, USA and South Africa. Floreal produces premium sweaters, while FSM specialises in woolen yarns, catering to high-end global brands with a focus on sustainability.

Exhibit 4.3: CIEL Textile – Key Clusters (FY24)

	Revenue (MUR m)	Pieces per year (m)	Locations	Countries
Woven	10,398	19	11	Mauritius, Madagascar, India
Fine Knits	2,657	9	4	Mauritius, Madagascar, India
Knitwear	2,595	4	4	Mauritius, Madagascar, Bangladesh

Source: Company Reports , as at 30 June 2024

In FY24, CIEL Textile's revenue decreased by 12.1% to MUR 15.7bn, driven by global economic challenges such as weaker demand, supply chain disruptions, and geopolitical uncertainties. This contraction mirrors broader sector trends, where inflation and logistical challenges impacted profitability. EBITDA dropped 17.9% to MUR 1.7bn, with an EBITDA margin of 10.8% (FY23: 12.1%). PAT fell by 25.7% to MUR 797.1m, reflecting the combined impact of macro-economic pressures and losses from the Knits segment.

Looking ahead, CIEL Textile is set to recover gradually, driven by strategic investments in India and Madagascar. Additionally, restructuring efforts in Mauritius and Madagascar will streamline operations and enhance cost-efficiency. PAT is expected to maintain a steady trend over the next three years. By FY27, management expects CIEL Textile's PAT to stand at MUR 1.1 - 1.2bn, assuming stable market conditions and effective execution of its strategic initiatives. However, we have been conservative with our projections to reflect potential commodity price fluctuations and rising labour costs.

We believe the following catalysts will be key drivers of growth for CIEL Textile:

1. India: The Epicentre of CIEL Textile's Future Growth

India remains integral to CIEL Textile's long-term growth, offering not only scale and cost efficiencies for textile manufacturing but also a platform for diversification into adjacent high-growth sectors. The established industrial ecosystem, skilled labour force, and operational expertise honed within the textile industry provide a strategic foundation to capitalise on these opportunities.

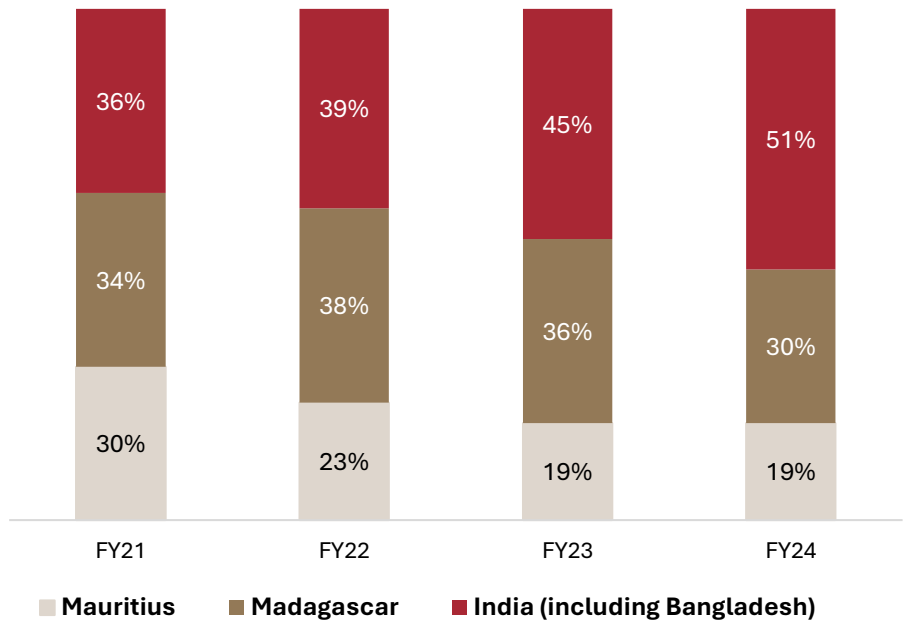
CIEL Textile's positioning in India allows it to leverage its manufacturing infrastructure and supply chain expertise to support broader industrial applications. This synergy underscores India's pivotal role, not just as a driver of textile growth, but as a transformative catalyst for CIEL Group's diversification and value creation initiatives.

CIEL Textile's journey in India, which began more than two decades ago, has become the cornerstone of its growth strategy.

The decision to expand operations in India in the early 2000s has proven to be one of the most pivotal decisions in CIEL Textile’s history. While Mauritius was once the centre of CIEL Textile’s operations, India (including Bangladesh) now accounts for 51% of the cluster’s revenue (FY24) and the country’s potential for future growth remains one of the most significant contributors to CIEL Textile’s valuation.

Exhibit 4.4: CTL - Revenue Breakdown by Geography (%)

Source:
Company Reports



In FY24, approximately 51% of CIEL Textile’s revenue came from India including Bangladesh, compared to just 36% in FY21 (see Exhibit 4.4). Meanwhile, Mauritius’ contribution has decreased from 30% in FY21 to around 19% in FY24.

The growth trajectory in India can be attributed to several strategic advantages that India offers, which CIEL Textile has leveraged over the years. India’s textile industry is one of the largest in the world, with significant growth prospects. Moreover, India’s textile industry has exhibited resilience, showing far less volatility than Mauritius, Madagascar and Bangladesh. It is expected to grow at a CAGR of 6.4% from USD 241bn in 2024 to USD 350bn in 2025, driven by both domestic demand and an increase in export opportunities.

Exhibit 4.5: India’s Textile Industry in USD bn (2023 – 2030)

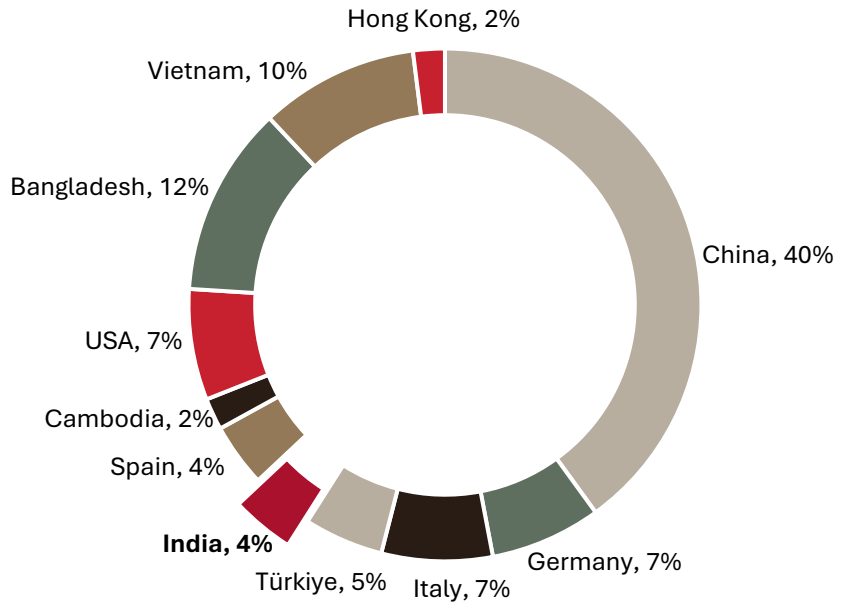


Source:
ETRetail.com
(From The Economic Times), Statista,
MCBSB Analysis

The country’s rapidly expanding middle class, large population, and government support are key factors fuelling growth of the textile sector. Additionally, the Indian government has introduced several initiatives aimed at boosting the textile industry, including incentives under the Production-Linked Incentive (PLI) scheme, which encourage manufacturers to increase both production and export performance. As India’s economy continues to grow at a rate of 6-7% annually, the textile industry benefits from these economic tailwinds, positioning it as a stable and growing market for CIEL Textile. The availability of a large and diverse labour pool further ensures that CIEL Textile can scale its operations with a stable and cost-efficient workforce.

The country’s growing export capabilities are particularly notable, as India is one of the world’s largest exporters of textiles. With trade agreements in place with key regions such as Europe, the United States, and Japan, India’s textile industry is poised to further enhance its global reach. CIEL Textile is well-positioned to take advantage of these export opportunities, particularly as the company expands its presence in the domestic market and strengthens its relationships with international clients.

Exhibit 4.6: Share of Top Apparel Textile Exporting Countries (2023)



Source:
World Trade Map, TexPro, F2F Analysis

2. Client Loyalty, Retention, and Stickiness

CIEL Textile’s strong client relationships are fundamental to its revenue stability and growth prospects, particularly as it expands its footprint in India. It benefits from high client retention, notably among large, multinational clients in Europe, the US, and Japan.

One of the key reasons for this high level of client retention is CIEL Textile’s reputation for quality and reliability. Over the years, CIEL has built a reputation for delivering high-quality products on time, ensuring that major global brands trust them for their large volume orders. This level of reliability significantly reduces the risk of client attrition, which is particularly important in the textile sector, where switching suppliers is both costly and time-consuming for clients.

The high stickiness of CIEL Textile’s client base supports the company’s valuation, as these relationships provide stable, recurring revenue streams that will continue to drive growth in the foreseeable future. Given the strength of its client base, we expect CIEL Textile to generate predictable cash flows and maintain a competitive advantage in the textile sector.

3. Sustainability as a Strategic Priority

CIEL Textile's leadership in sustainability reinforces its position as a forward-thinking and socially responsible player in the global textile industry. The cluster's commitment to environmentally friendly practices not only align with client expectations but also enhances its operational efficiency and profitability. In recent years, sustainability has emerged as a non-negotiable priority for the textile industry, driven by consumer awareness and stringent regulatory requirements. CIEL Textile has proactively embraced this shift, integrating green practices across its operations. As of FY24, 57% of energy consumption at CIEL Textile's facilities was derived from renewable sources, with plans to increase this share to 60% by 2025. Advanced recycling systems have reduced water usage by 40%, particularly in water-intensive manufacturing processes. Such initiatives not only reduce the company's environmental footprint but also resonate with clients, especially in Western markets where sustainability is a key purchasing criterion.

4. Organic Growth Strategy: Sustainable and Focused Expansion

CIEL Textile's growth strategy is predominantly organic, focusing on enhancing existing capabilities and expanding in markets where it already has a strong presence. Unlike acquisitions, which are rare in the textile industry due to integration challenges and high capital requirements, organic growth allows CIEL Textile to expand its footprint while maintaining operational control. This approach reduces risk and fosters a more sustainable, long-term growth model.

5. Customisation and Data-Driven Innovation: The Next Big Frontier for Textile

The next major growth frontier for CIEL Textile lies in customisation, which will be driven by data. As the global textile market evolves, customer demand for personalised products is expected to increase. By using data to understand customer needs and preferences, CIEL Textile is positioning itself to lead the industry in offering customised solutions. This gradual shift will allow CIEL to capture higher-value orders, increase client retention, and differentiate itself from competitors.

Valuation Summary

Our MUR 7.9bn valuation for the Textile Cluster is based on a blend of the DCF and relative valuation methodologies (EV/EBITDA and EV/Revenue multiples). CIEL Textile is the largest cluster in the CIEL group and contributes approximately 27% to our MUR 20.6bn target market cap for CIEL.

Exhibit 4.7: CIEL Textile - Implied Market Cap (MUR bn)

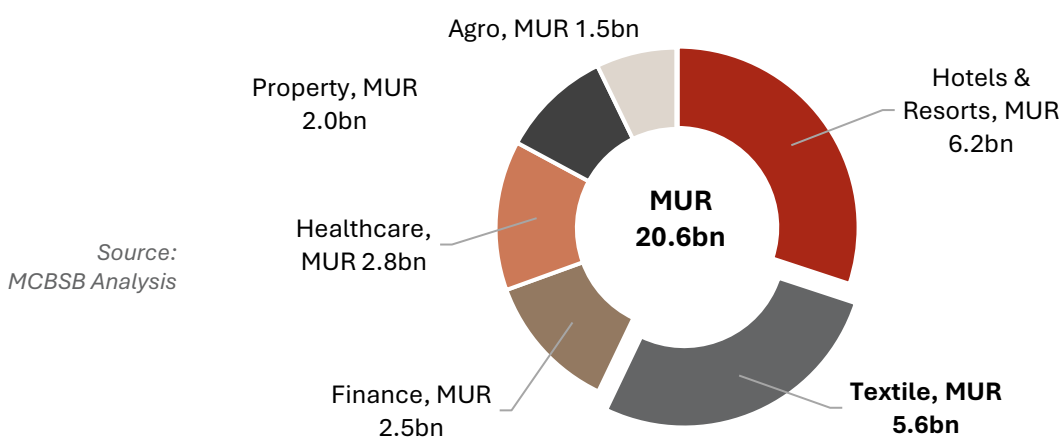


Exhibit 4.8: Valuation Weighting

Valuation Weighting			
	Methodology		
	DDM	EV-EBITDA	EV-Revenue
CTL	50%	25%	25%

Source: MCBSB Analysis

Based on the weightings in Exhibit 4.8, our valuation implies an EV/EBITDA multiple of 8.4x and an EV/Revenue multiple of 1.0x for the cluster (Refer to Exhibit 4.9).

Exhibit 4.9: Valuation Summary (MUR bn)

Valuation Summary (In MUR bn)					
	Valuation	EBITDA (FY24)	Revenue (FY24)	Implied EV/EBITDA	Implied EV/Revenue
CTL	7.9	1.7	15.8	8.4x	1.0x
Cluster	7.9				

Source: MCBSB Analysis

Based on CIEL Textile's historical performance and our view that it is a mature company, our DCF model assumes 2% revenue growth for the next five years and stabilised EBITDA margin of around 11%.

For our relative valuation, we applied EV/EBITDA and EV/Revenue multiples of 8.4x and 1.0x respectively, derived from our peer group (See Appendix 11). We observed an 222% Indian stock market premium on peers based in India (average EV/EBITDA: 20.3x) compared to similar peers outside India (average EV/EBITDA: 6.3x). Based on this, we included a weighting of 15% to India to avoid skewing CTL's valuation with this premium ascribed to stocks because they are listed on the Indian Stock market.

Risks to Outlook and Valuation Target

1. *Commodity Price Fluctuations May Threaten Margins*

CIEL Textile relies heavily on cotton, wool, and synthetic fibres, exposing it to commodity price fluctuations, amplified by geopolitical tensions, weather, supply chain disruptions, and global demand. CIEL Textile has employed a strategy of vertical integration, producing significant portions of its own raw materials including yarn production in India and fibre sourcing from Australia to mitigate the direct impact of price increases in raw materials to maintain profit margins in times of price volatility. Additionally, sourcing from a diversified group of suppliers across different regions helps reduce reliance on any single source and insulates the business from sudden supply chain disruptions. Its sustainability initiatives, such as renewable material adoption, aim to reduce long-term reliance on volatile commodity markets while aligning with global ESG trends. However, commodity volatility remains a key margin pressure.

2. *Geopolitical Risks and Economic Instability May Disrupt Operations*

CIEL Textile operates across India, Mauritius, Madagascar, and Bangladesh, each presenting unique geopolitical and economic risks. Madagascar remains a challenging jurisdiction, with political instability and reliance on temporary labour contracts exacerbating labour continuity risks. In Bangladesh, economic vulnerabilities such as inflation, political unrest, and supply chain inefficiencies remain critical concerns. Mauritius, on the other hand, faces a declining textile industry.

CIEL Textile has reduced its footprint in Mauritius, closing smaller units and redeploying capacity to higher-growth regions. Over the last decade, CIEL Textile has significantly diversified its portfolio by expanding its operations in India. India offers favourable government policies, skilled labour, and scalability. The cluster's decentralised management approach ensures regional adaptability, with 100% of Indian operations managed locally.

Exhibit 4.10: CIEL Textile - Geographical Presence



Source: Company Reports (2024)
Note: Increased size for visualisation purposes

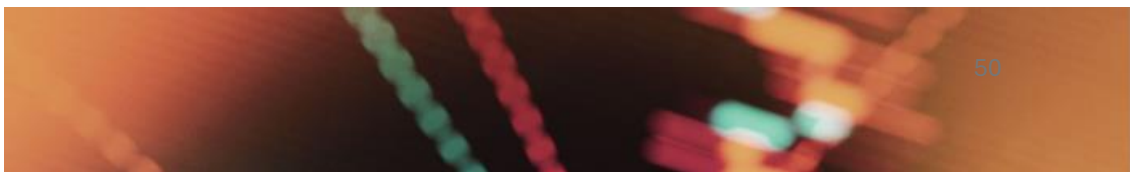
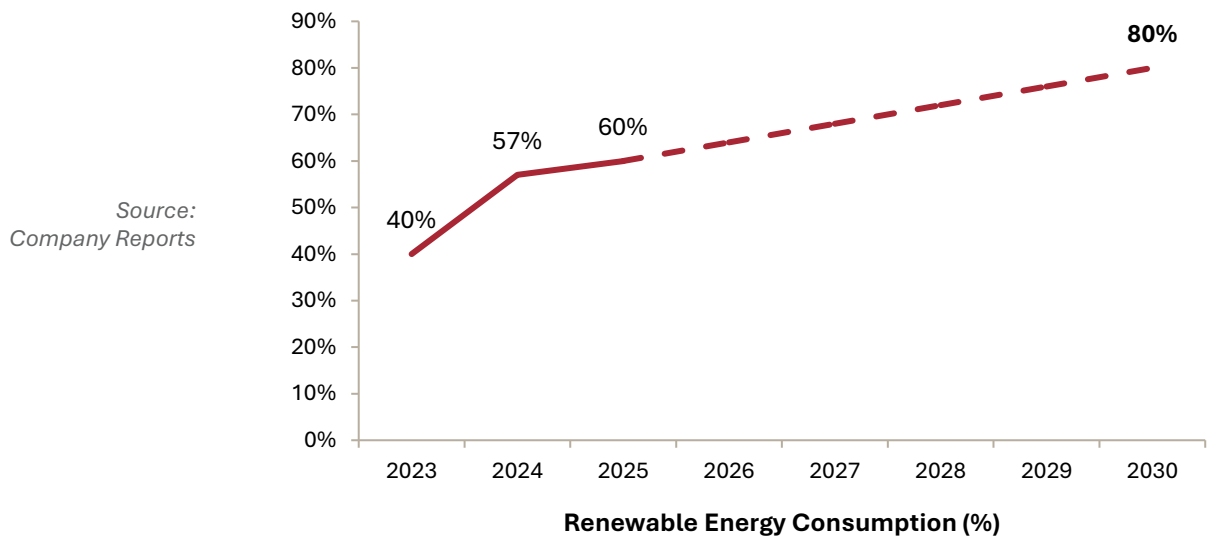
3. Labor Unrest May Hinder Productivity

With over 22,000 employees globally, labour-related challenges are significant, particularly in India, where it employs 10,000+ workers in its manufacturing facilities. CIEL Textile has made the shift to India in part because of the lower labour costs compared to other countries in the region, but inflation and labour unrest still pose risks to margins. CIEL Textile's decentralised management structure in India helps it remain nimble and responsive to local labour challenges. In addition, the cluster is increasingly focusing on automation and digitization to reduce reliance on labour-intensive processes in the long term.

4. Regulatory Risks and Sustainability Challenges

Operating in a highly regulated sector, CIEL Textile faces mounting environmental, labour, and sustainability requirements. Increased focus on environmental, social, and governance (ESG) issues across global markets poses a challenge, particularly in Europe and North America, where regulations around sustainability are becoming stricter. CIEL Textile is a leader in ESG initiatives within the textile industry, focusing on renewable energy and traceability as key differentiators. It has already made significant progress in renewable energy, with 57% of its energy requirements coming from sustainable sources in FY24 and wants to achieve a target of 60% and 80% by 2025 and 2030 respectively (see Exhibit 4.11). Additionally, traceability has become a critical part of the cluster’s strategy, with the company positioning itself as one of the first to adopt this approach in the textile sector. This proactive strategy in sustainability positions CIEL Textile well to navigate future regulatory changes and consumer preferences for environmentally responsible products.

Exhibit 4.11: Renewable Energy Consumption (%)



5. *Economic Cycles May Drive Demand Fluctuations*

The textile industry is inherently cyclical, with demand influenced by economic cycles, consumer sentiment, and commodity price fluctuations. Despite the CIEL Textile's diversification into various markets, the industry remains subject to demand swings, with economic downturns and market fluctuations often leading to periods of reduced profitability. As the cluster has a large reliance on exports to regions like Europe and the USA, any economic slowdowns or trade disruptions in these markets could affect sales. CIEL Textile's strategy of diversification in both geography and client base helps mitigate the cyclical risks of the textile industry. With over 100 clients spanning Europe, the USA, Asia and South Africa, it is less reliant on any single market. Furthermore, its stickiness with key clients like J. Crew, Levi's, Lacoste, ASOS, Polo Ralph Lauren - ensures, strong customer loyalty and a relatively stable revenue stream even in periods of economic uncertainty.

CIEL Finance: Deploying Capital to Ride the Wave of Growth in Africa

We value the CIEL Finance cluster (CFL) at MUR 3.6bn. Together with its partners, Axian Group and I&M Group LLC, CFL exerts strong operational and strategic influence on two banks: BNI Madagascar (“BNI”) and Bank One (“BKO”).

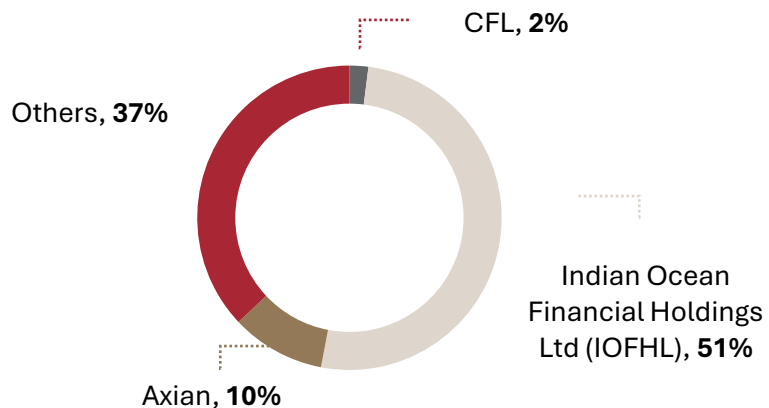
BNI’s consistent and strong profitability associated with its growth potential make it the crown jewel of CFL’s business portfolio. As a top three bank in Madagascar, BNI’s Balance Sheet has grown by 12% to reach USD 1.1bn or MUR 49.5bn (as at Jun 2024) in the last three years driven largely by its corporate segment. Given the sizeable financing needs of the Malagasy economy in an underbanked market, BNI’s successful credit underwriting track record should continue to underpin its growth and profitability.

Following a period of derisking the bank’s balance sheet and the appointment of a new CEO in October 2024, BKO has a more balanced strategic focus for domestic and cross border activities.

BNI: Positioned to Capture Growth Opportunities in Madagascar

CFL and the Axian Group are the main co-shareholders of BNI. CFL is the partner of reference for BNI towards the regulator while with its holdings in telecom, financial services, energy and infrastructure, the Axian Group is a major player in the Malagasy economy, with c.USD 2.5bn (MUR 112.5bn) in revenues and over 7,500 employees across 17 countries as of 2023.

Exhibit 5.1: Co-Shareholders of BNI as at 30 Jun 2024

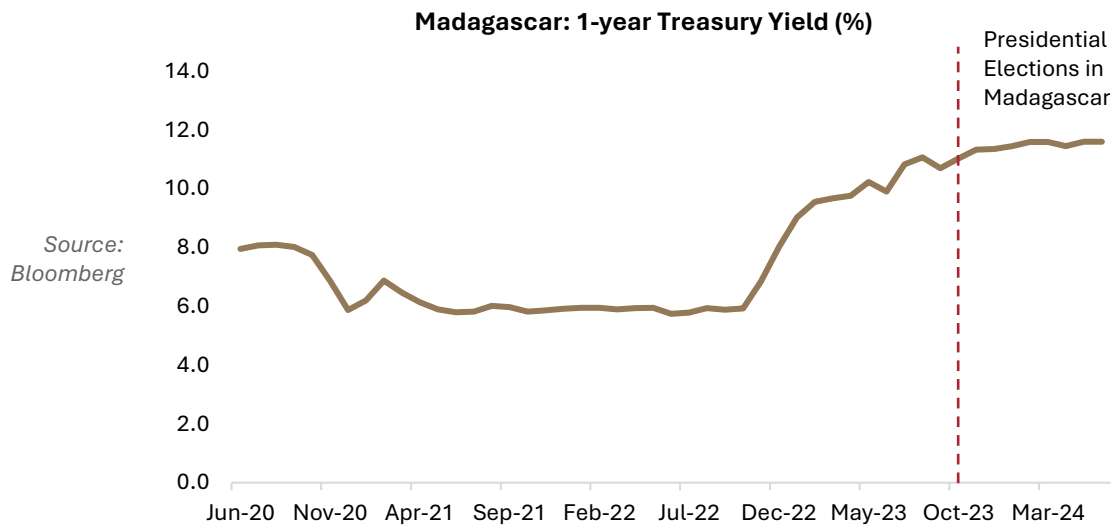


Source:
Company Reports

BNI, the leading financier in Madagascar, has traditionally driven growth through corporate lending, which slowed in 2023 as reflected by weakened import and export activities.

In response, BNI and other leading banks adopted a risk-off strategy, increasing exposure to government securities and low-risk housing loans while scaling back on higher-risk commercial and export loans. Despite stagnating financing requirements caused by a weak economic environment and elevated interest rates, BNI capitalised on excess liquidity by placing funds with the Central Bank and investing in Malagasy government bonds. This approach, supported by rising bond yields aimed at curbing inflation, boosted profits without consuming regulatory capital.

Exhibit 5.2: Madagascar, 1-year Treasury Yield (%)

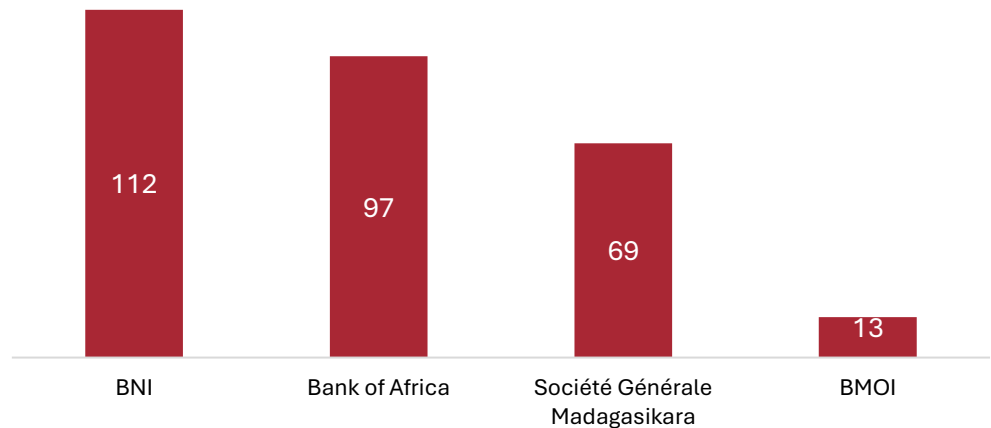


Historically, Malagasy banks have generated higher Net Interest Margins (4.6% - 10.0%) and experienced higher Non-Performing Loans (“NPLs”) than more developed markets (6.4% - 12.2%). Post-elections, NPLs further deteriorated due to a weaker macro-economic situation. In our view, BNI’s risk-off strategy has been successful in maintaining strong profitability (PAT margin: 37.1%) and Return on Equity (32.8%) in FY23.

Madagascar has a large infrastructure deficit, which the World Bank projects will be met by FDI investment in the coming years. BNI is the leading corporate bank and has the largest branch network in Madagascar (Fig 3). This gives it access to relatively cheap retail deposits compared to its competitors. It is also one of the few banks in the country where credit decisions are taken locally, which gives it an additional edge over competition.

Exhibit 5.3: Top 4 banks in Madagascar - Number of branches as at 31 Dec 2023

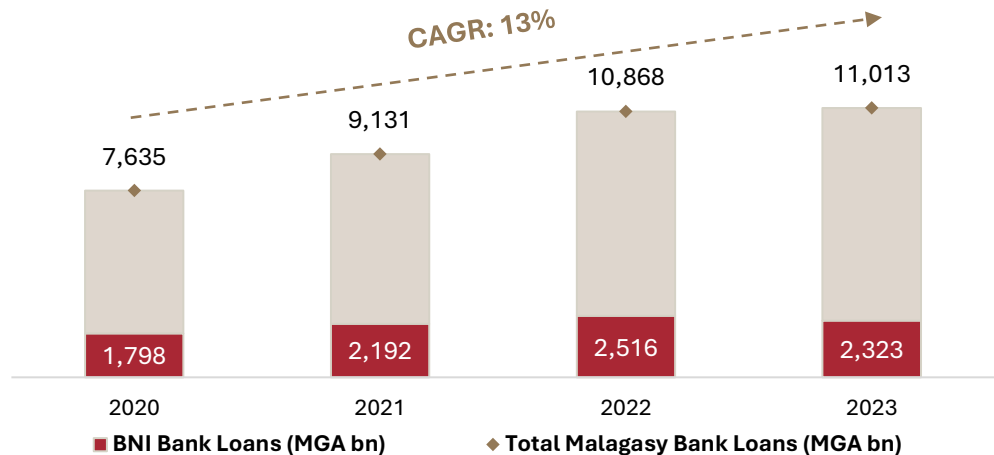
Source:
Company Reports (2023)



We project that Madagascar’s banking sector will sustain its pace of growth (13% CAGR in the last four years) and will gradually close the banking penetration gap with Sub Saharan Africa. BNI is positioned strongly to capture this growth. As per Banky Foiben’l Madagsikara, Madagascar’s banking industry stood at around USD 2.4bn as at Jun-2024 and we see new opportunities emerging in digital banking and microfinance.

Exhibit 5.4: Growth in Malagasy Bank Loans in MGA bn (2020-2023)

Source:
Banky Foiben’l Madagsikara

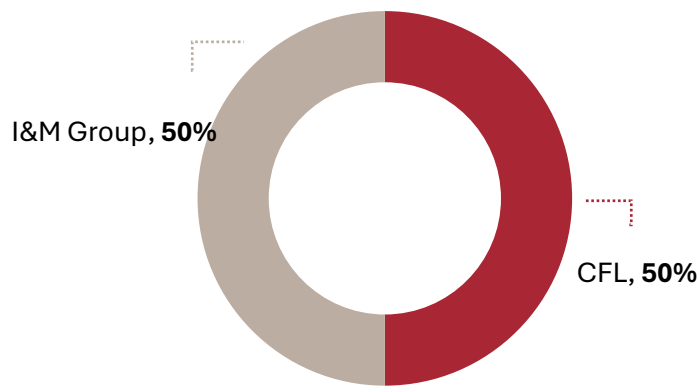


Bank One: Evolving Challenger Bank in Mauritius

CFL co-owns BKO alongside the I&M Group, a major listed financial services group in East Africa with a market cap of c. USD 275m (MUR 12.4bn), over 635,000 customers, 3,000 staff, and 97 branches across Kenya, Tanzania, Uganda, Rwanda and Mauritius as at Jun 2024.

Exhibit 5.5: Shareholding of Bank One as at Jun 2024

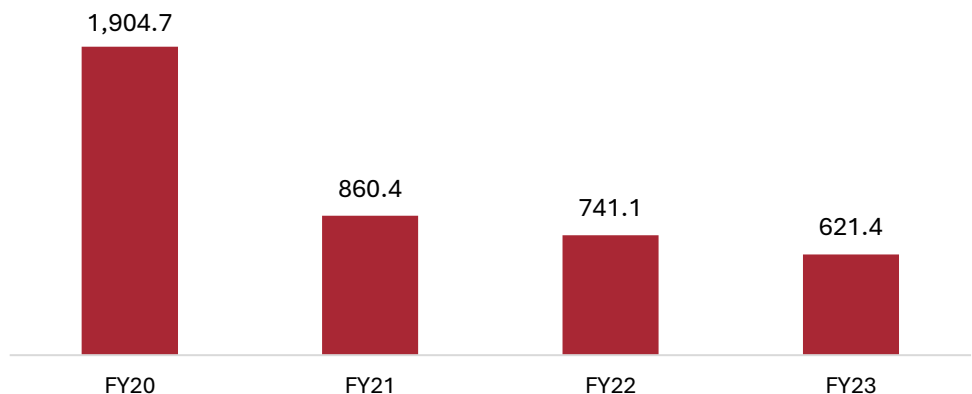
Source:
Company Reports (2024)



Over the last three years, BKO has focused on “cleaning” its balance sheet, taking a significant impairment charge of MUR 1.9bn in FY20 and investing in low-risk government and investment-grade securities. It has also allowed riskier assets to mature. This resulted in a low (44%) loan-to-deposit ratio and NPLs of 2.4% in FY23. Bank One’s MUR 756m profit in FY23 was driven by its International and Private Banking business lines as well as investments in quasi-liquid instruments like government treasuries and bonds issued by low-risk international financial institutions and banks.

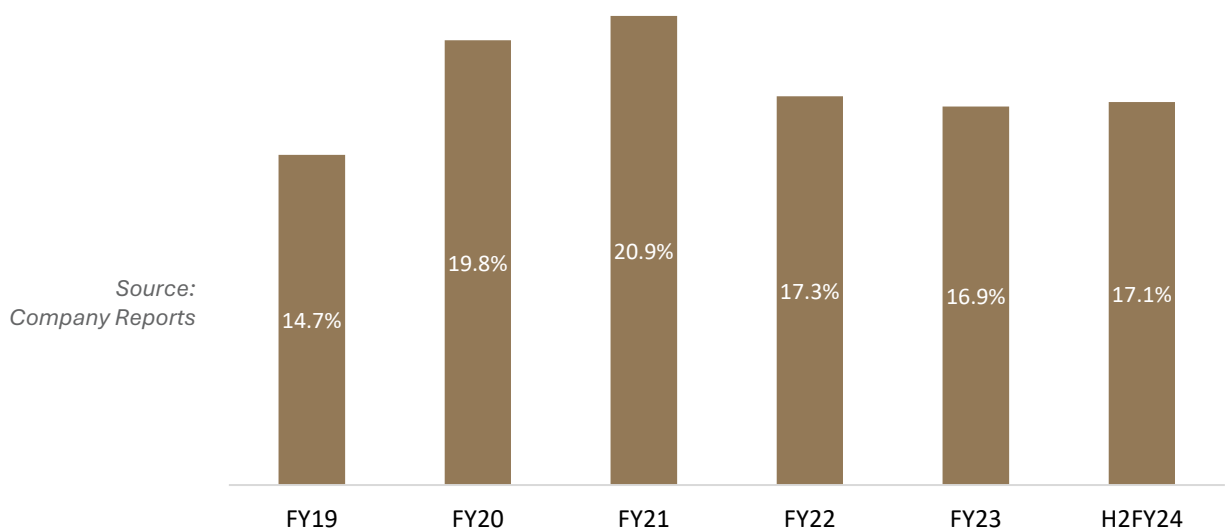
Exhibit 5.6: Bank One – Impairment Charges in MUR m

Source:
Company Reports



Looking forward, in October 2024, Bank One appointed a new CEO to rebalance its domestic and international business by leveraging its shareholders’ networks in East Africa. We project that this new strategy will give impetus to loan book growth and that Bank One will see a reduction in its CAR to 14.5% in the next 3 – 5 years from 17.1% as at Jun-2024.

Exhibit 5.7: Bank One – Capital Adequacy Ratio (%)



MITCO: USD Dividend Generating Fiduciary Services Asset

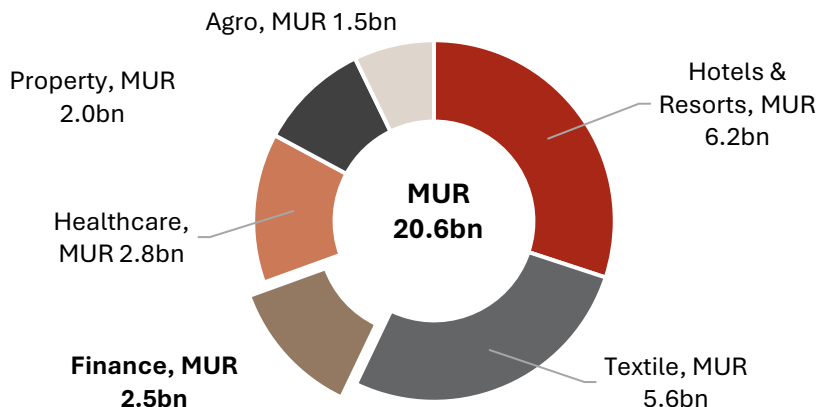
CFL owns a majority stake in MITCO, a fiduciary services business in Mauritius. MITCO earns its revenue in USD and consistently generates strong EBITDA margins (25% - 30%) and over USD 1.0m (MUR 45.0m) in PAT annually. As a result, MITCO is able to maintain a dividend payout of over 60% to CFL.

Valuation Summary

Our MUR 3.6bn valuation of CFL is based on a sum-of-the-parts approach. We have valued the three businesses contributing to PAT in the portfolio of CFL (BNI, BKO, and MITCO) using both intrinsic (DDM or DCF) and relative valuation methodologies (multiples for comparable listed companies). CFL contributes 12.4% to our MUR 20.6bn market cap target for the CIEL Group.

Exhibit 5.8: CIEL Finance – Implied Market Cap (MUR bn)

Source: MCBSB Analysis



Our valuation ascribed weightings to reflect our view on the relevance of the valuation methodologies for each business (Refer to Exhibit 5.9).

Exhibit 5.9: Valuation Weighting

Source: MCBSB Analysis

Valuation Weighting			
Methodology			
Banks	DDM	P/BV	P/E
BNI	50%	30%	20%
Bank One	40%	20%	40%

Non-bank	DCF	EV/EBITDA
MITCO	50%	50%

Based on these weightings, our valuation implies a blended PE multiple of 5.8x for the cluster (Refer to Exhibit 5.10).

Exhibit 5.10: Valuation Summary (in MUR bn)

Source: MCBSB Analysis

¹Stake held by CIEL

Valuation Summary (In MUR bn)					
Subsidiary	100%	Stake	CIEL	PAT (FY24)	Implied P/E
BNI	5.1	31.8%	1.6	1.1	4.7x
Bank One	3.5	50.0%	1.8	0.5	7.2x
MITCO	0.4	63.6%	0.3	0.05	7.9x
Cluster	9.0		3.6	1.6	5.8x

Our model conservatively projects slower than historical growth in CFL (6% CAGR). Our growth projections are dampened by our view of 3% annual devaluation of the MGA against the MUR and our tempered 8% CAGR assumption for BNI’s loan book growth due to the new capital requirements in Madagascar. This assumption is slightly lower than the historical CAGR of 11% in the last 5 years (Refer to Appendix).

Our model also conservatively projects lower dividend payouts from BNI in FY24 and FY25 as we anticipate reduced distributions to support the capital base and help BNI to meet new regulatory requirements and fuel its growth ambition.

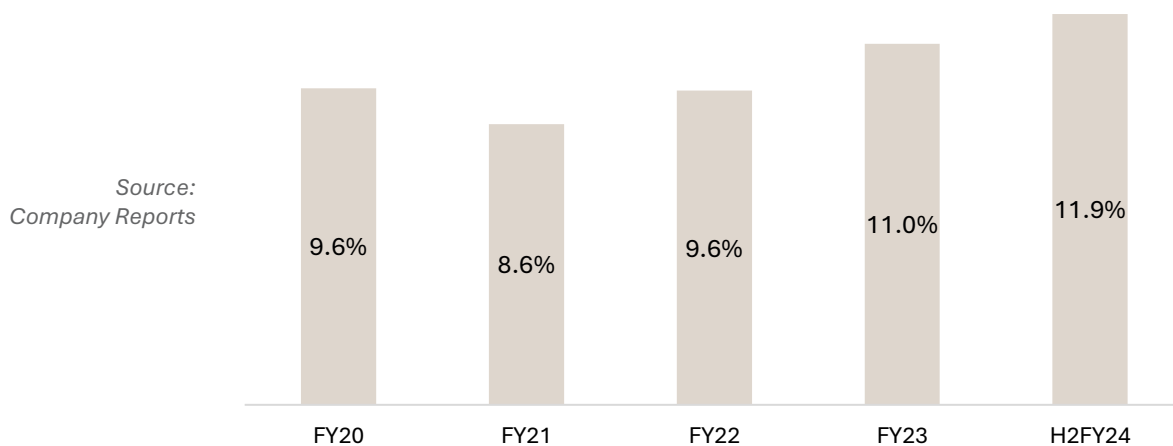
Our projections for Bank One assume 12% loan book CAGR driven by a 5% increase in the loan-to-deposit ratio to 49% in 5 years. We project that this will drive CAR to around 14.0% - 14.5% in the next 3 – 5 years.

Risks to Outlook and Valuation Target:

1. Increased Regulatory Capital may Constrain Growth

The minimum capital adequacy ratio for Malagasy banks was recently increased to 10.5% (2024) and BNI’s 11.9% CAR as at Jun-2024 is above the new minimum. In our view, the slim CAR buffer may constrain loan book growth and future dividend distributions if management focuses on increasing the buffer to avoid regulatory pressure.

Exhibit 5.11: BNI – Capital Adequacy Ratio (%)



2. *Minority Stakes Make a Potential Exit from BNI or Bank One More Difficult*

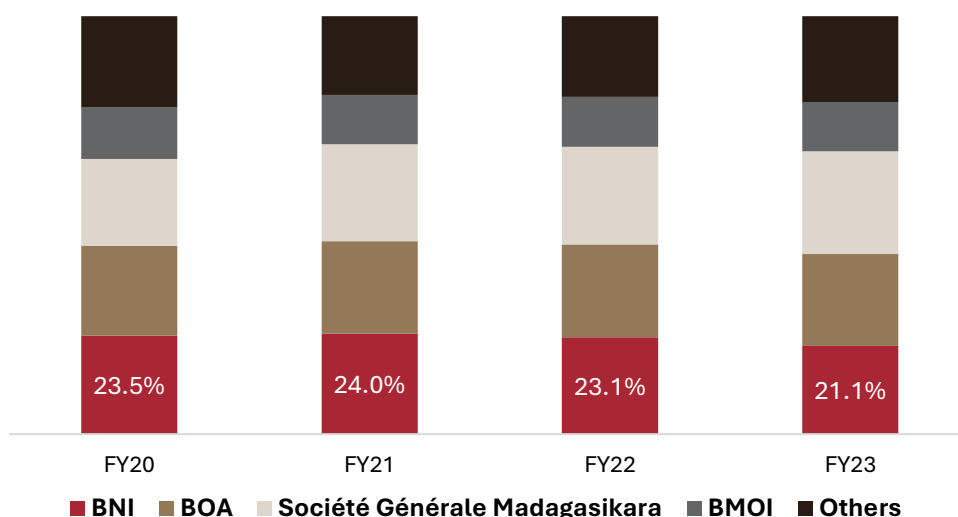
CFL does not have a majority stake in either BNI or Bank One. In our view and given long-standing difficulties of attracting foreign investment in Madagascar, this may make any potential exit more difficult in future as most investors in Africa seek to acquire a majority stake.

3. *Intensifying Competition in Madagascar May Limit Market Share Growth*

Competition in Madagascar’s banking industry has intensified as players push to grow market share. In our view, BNI is strongly positioned to defend its market share. However, we note that future growth in market share may be threatened by increasing competition.

Exhibit 5.12: BNI’s Market Share (%) – Loans and Advances to Customers

Source:
Annual Reports (2023) – BNI, BOA, Société Générale Madagasikara, BMOI; Banky Foiben’l Madagsikara



4. *Economic Headwinds in Madagascar May Slow Banking Sector Growth*

Madagascar’s economy faces pressure from declining global prices for key export commodities (Cobalt, Nickel, Vanilla and Graphite) which may slow down growth in the economy and banking sector, reducing available liquidity in the country.

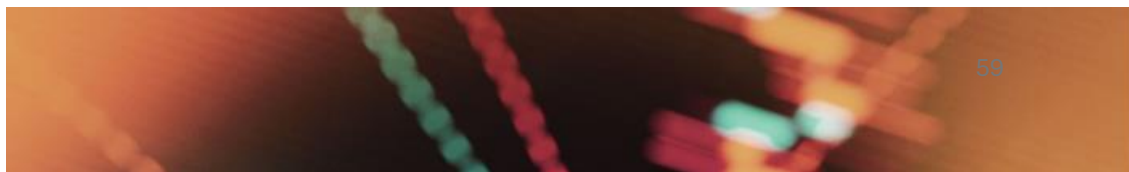
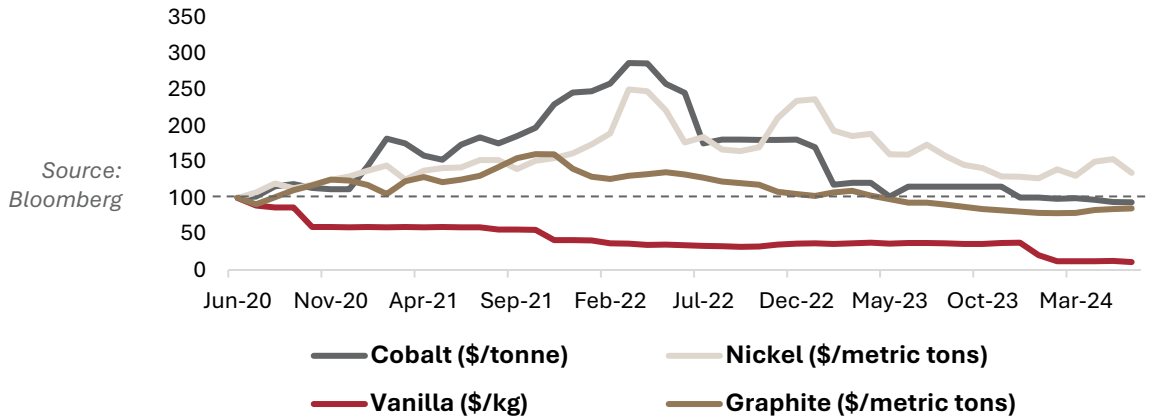


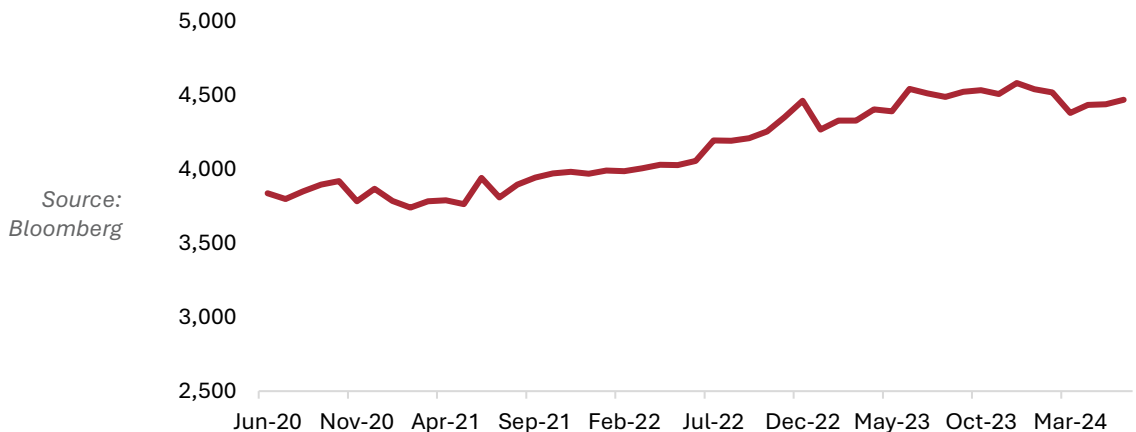
Exhibit 5.13: Trend in Commodity Prices since 2020 (USD, Rebase 1/2020 = 100)



5. *We Expect the MGA to Depreciate Against the USD*

Historically, the MGA has declined c.6% annually against the USD. We project similar devaluation over the next 3 – 5 years, and note that in our view, this will impact income from BNI which is about 50% of CFL’s dividend income.

Exhibit 5.14: Evolution of USD/MGA (2020-2024)



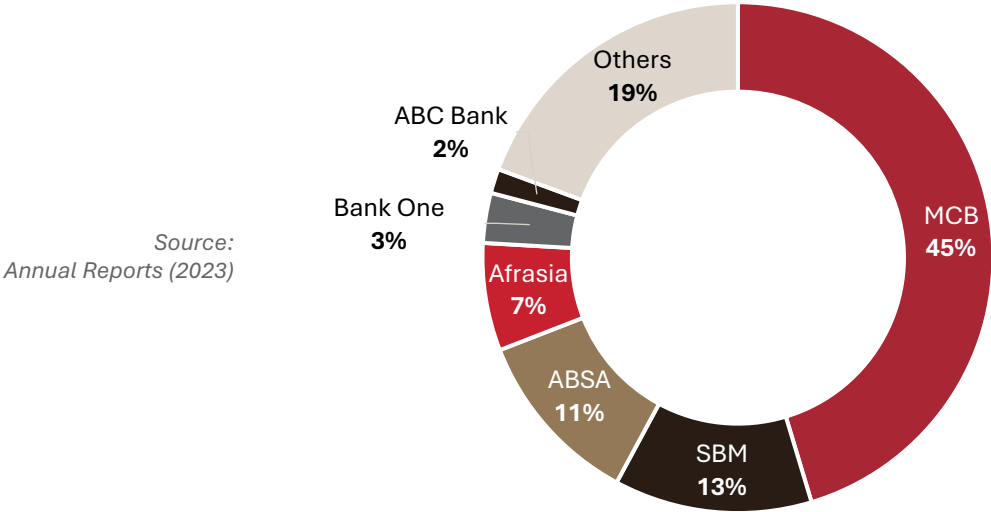
6. *The USD May Depreciate against the Mauritian Rupee*

The UK recently ceded ownership of the Chagos Islands to Mauritius – a move expected to result in significant USD inflows to Mauritius. Given that 75% of the revenues to CFL is either earned or repatriated to Mauritius in USD, the cluster’s performance could be impacted if the USD depreciates against the MUR.

7. *The Competitive Mauritian Market May Limit Domestic Growth for Bank One*

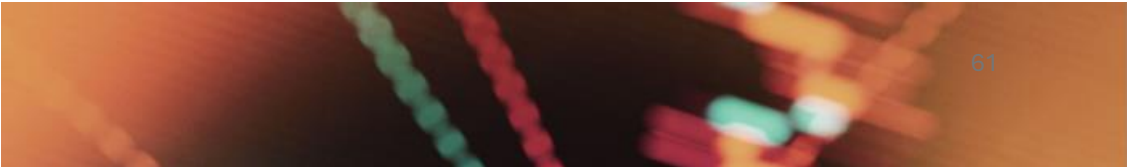
BKO is a mid-tier bank in the competitive Mauritian banking industry. Its ability to capture market share from established players with larger balance sheets and long-standing client relationships may prove challenging.

Exhibit 5.15: Market Share of Banks in Mauritius



8. *Size Matters as Bank One Drives Ambition to Penetrate East Africa*

BKO’s balance sheet may limit its ability to participate in funding opportunities in East Africa. As of Dec-2023, BKO’s loan book was around MUR 19.1bn and a CAR of 16.9% which is 2.3% higher than BKO’s target CAR of 14.5%. Based on this, we estimate the loan book growth may be constrained to c. USD 3.9bn in the next 3 – 5 years without additional capital if BKO is to stay above its CAR target. BKO’s shareholders are committed to reducing dividend payouts to finance growth.



CIEL Healthcare: Conquering selected opportunities in East Africa and harnessing improved performance from operational excellence

C-Care, the healthcare cluster of CIEL is a significant contributor to the financial performance of the CIEL Group, contributing 14% of CIEL's revenue and 6% of CIEL's PAT (FY24) with MUR 170m in dividends paid to the group in FY23 alone. We value CIEL's portion of C-Care at MUR 3.9bn. C-Care targets to be the most trusted regional healthcare operator in East-Africa and the Indian Ocean region through its different entities including C-Care Mauritius ("CCM"), C-Care Uganda ("CCU"), C-Lab International ("C-Lab"), C-Pharma and DentCare.

The strong track record of C-Care (Mauritius) Ltd and its operational excellence have historically positioned it as the leading healthcare operator in Mauritius and one of the growth engines of the CIEL Group. This has been underscored by CCM's strong financial performance with 13% revenue CAGR, 11% average PAT margin, and 4.3x growth in market cap in the last five years. Given this positioning, CCM's operational excellence should continue to bolster strong growth and profitability in the future.

C-Care Uganda is replicating CCM's success in the East African region. Initially started as an offshoot of CCM's successful operation in Mauritius, CCU has adapted its model for Africa with strong results. Since inception, CCU has grown 3.0x and it is poised to grow a further 2.0x in the next five years by deploying operational excellence.

One of the unique advantages of C-Care's operations is the cumulative expertise gained by its medical and non-medical staff. The exposure of doctors to recurring pathological conditions across a diverse patient base enhances diagnostic accuracy and fosters more effective treatment approaches. Besides, C-Care has implemented a very robust back-office framework, highly data driven thanks to the Business Intelligence project implemented over the last two years.

In both Mauritius and East Africa, this dynamic has proven invaluable, enabling C-Care to refine its medical pathways, methodologies, processes and deliver superior care. The healthcare cluster's focus on operational excellence ensures that knowledge-sharing and collaborative practices remain at the forefront, further improving patient outcomes and solidifying C-Care's reputation for quality.

C-Care (Mauritius) Ltd: Maintaining Market Leadership with Operational Excellence

C-Care (Mauritius) Ltd is the leading healthcare group in Mauritius. It operates two main hospitals in Mauritius under the C-Care brand with 340 beds (combined), two ambulatory clinics, four medical laboratories and 24 collection centres under the C-Lab brand, and one dental clinic under the Dentcare brand.

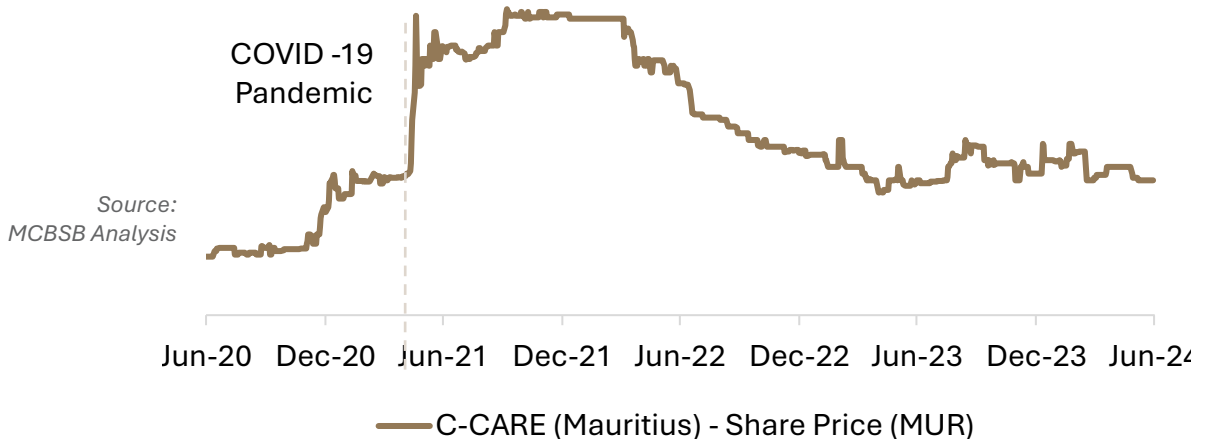
Exhibit 6.1: CCM – Geographical Presence in Mauritius

Source:
Annual Reports



CCM is listed on the Development & Enterprise Market (DEM) of the SEM with a market cap of MUR 4.8bn as at 31 January 2025.

Exhibit 6.2: C-Care’s Share Price Performance since COVID-19



CCM was founded in 2008 initially under the outsourced management of an international private healthcare network. It quickly became popular, gaining recognition in Mauritius as the leading private healthcare provider with a reputation built on providing facilities and care of the highest standard across its hospital chain. Following an increase in local competition, CCM switched to a self-managed model in 2019 to optimise its operations and deploy management's local understanding to consolidate its market position.

Post-2019, CCM's actions on the frontline in Mauritius' fight against COVID-19 led management to further optimise its model of operational excellence across different business segments. Since COVID, CCM has invested over MUR 1.7bn for expansion, acquisition of new equipment, and provision of new services across the island. It has also established 24 collection centres for its laboratory (C-Lab), launched operations at the new oncology facility (C-Care Cancer Centre), and expanded into the dental (DentCare) and pharmaceutical (C-Pharma) sectors, all while maintaining consistent standards across its brands. These initiatives have driven continued revenue growth with 11% revenue CAGR and a consistent c.18% EBITDA margin in the last three years.

The private healthcare market in Mauritius operates across three segments: High-end private hospital groups (e.g. C-Care, Artemis Curepipe), Mid-tier hospitals (e.g. City Clinic, Aegle Clinic), and mom-and-pop practices owned by single doctors. In our view, CCM's strong market position underpinned by its delivery of the highest standard of care, as well as the addition of new leading-edge treatments in spinal surgery, oncology, and the newly unveiled cancer treatment facility (C-Care Cancer Centre) which should support continued growth.

We project that growth will be captured from the migration of new patients to the high-end private hospital segment, increasing medical tourism into Mauritius, and marginal increases in the number of beds available in CCM facilities. We also project that CCM will continue to maintain its profit-after-tax margin around 10% in line with the performance of other best-in-class providers in Africa like Gambro Healthcare, As Salam International Hospital, Netcare Group.

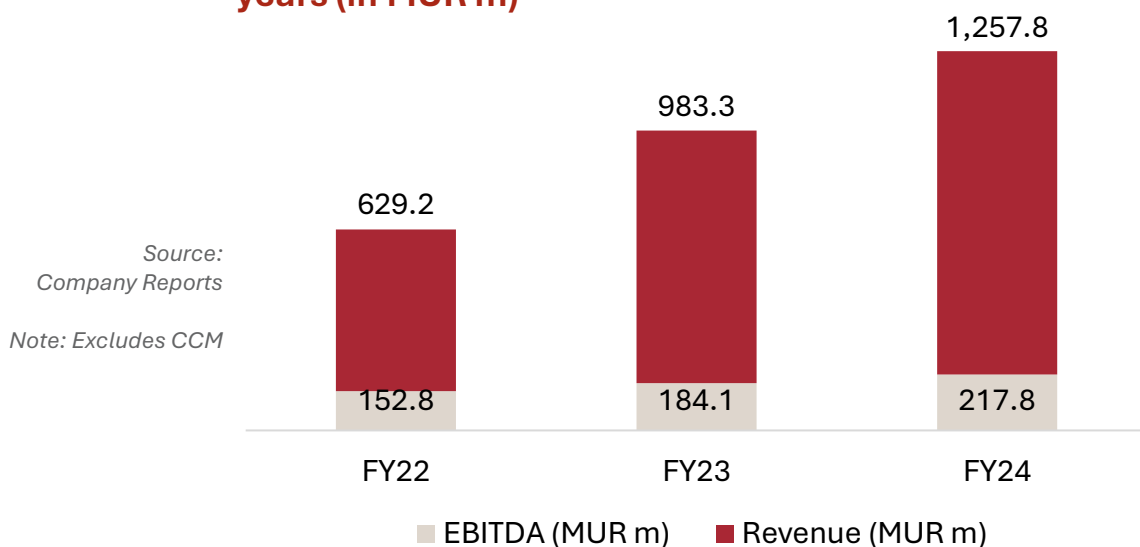
C-Care International Limited: Deploying Operational Excellence in East African Healthcare

C-Care International Limited was founded in 2015 with the ambition to bring CCM’s unique brand of operational excellence to healthcare delivery in East Africa. CCI refined its business model to adapt to the distinct economic climate in Africa and has grown to a 110-bed group in Uganda. Today it operates three types of facilities: a large main hospital (C-Care IHK) in Kampala, equipped to deliver multi-disciplinary medical treatments and surgeries, a network of three secondary care centres, smaller tier II hospitals that offer basic treatments, admissions, and surgeries (e.g. basic deliveries, caesarean sections etc.), and outpatient clinics (or spokes) offering primary healthcare.

The model has proven successful. Since inception CCI has grown 3.0x in four years, achieving revenue of MUR 1.3bn and c.20% EBITDA margin in FY24 on the back of strong occupancy rates in its hospitals which have attracted traffic funnelled from the spokes that provide a first point of contact to a large diverse base of patients in Uganda.

We expect CCI to continue delivering operational excellence by leveraging core competencies in the CIEL Healthcare cluster. CCI employs the same centralised supply chain, human resources, and branding functions that have delivered operational excellence in Mauritius which we expect to enable it to establish a similar standard of operational excellence in East Africa.

Exhibit 6.3: CCI - EBITDA and Revenue over the past three years (in MUR m)

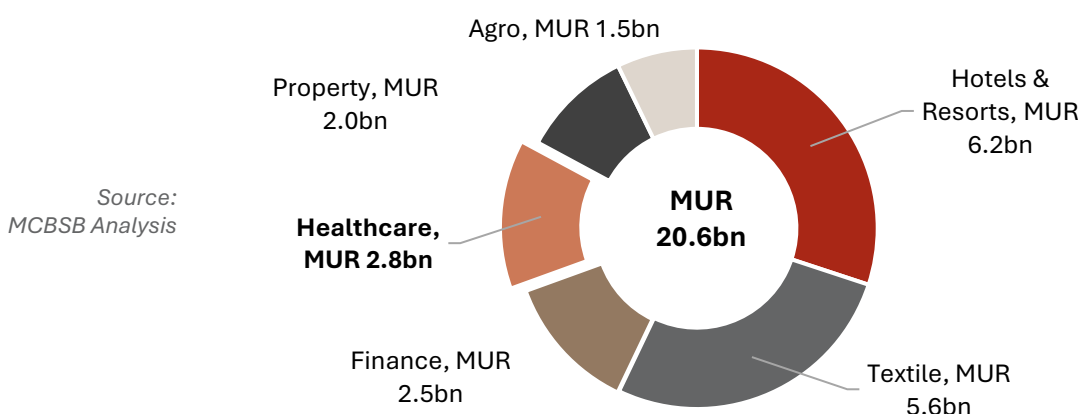


In our view, CCI is positioned to continue its strong growth trajectory in East Africa driven by the large unmet demand for high quality healthcare providers in the region and its expansion plans in Uganda and Kenya. We project that CCI revenues will grow at a CAGR of 30.7% over the next three years whilst its EBITDA margin will remain around 18% in line with historical performance.

Valuation Summary

Our MUR 3.9bn valuation of the Ciel Healthcare cluster is based on a sum of the parts. We have valued CCM and CCI using both intrinsic (DCF) and relative valuation methodologies (EV-EBITDA multiples for comparable listed companies). Based on our valuation, the CIEL Healthcare cluster contributes 13.4% to our MUR 20.6bn market cap target for the CIEL Group.

Exhibit 6.4: CIEL Healthcare – Implied Market Cap (MUR bn)



Our valuation ascribes weightings reflecting our view of the relevance of the valuation methodology for each business (Refer to Exhibit 6.5).

Exhibit 6.5: CIEL Healthcare – Valuation Weighting

Source: MCBSB Analysis

Valuation Weighting			
	Methodology		
	DCF	EV-EBITDA	EV-Revenue
CCM	50%	25%	25%
CCI	50%	25%	25%

Based on these weightings, our valuation implies blended EV-Revenue and EV-EBITDA multiples of 1.9x and 7.7x respectively which are in line with multiples for healthcare providers in Africa (Exhibit 6.6).

Exhibit 6.6: CIEL Healthcare – Valuation Summary (MUR bn)

Valuation Summary (In MUR bn)							
Valuation of:							
Subsidiary	100% Stake	CIEL	EBITDA (FY24)	Revenue (FY24)	Implied EV/EBITDA	Implied EV/Revenue	
CCM	5.0	62.9%	3.1	0.7	3.6	7.9x	1.9x
CCI	1.2	63.5%	0.8	0.2	1.3	6.9x	1.8x
Cluster	6.2		3.9			7.7x	1.9x

Source:
MCBSB Analysis

Our model projects revenue growth in line with growth in the last three years (18% CAGR). We project CCI will maintain its growth momentum through expansion initiatives in Kenya and Uganda which will offset our projection of 12-15% annual currency devaluation in Uganda and Kenya. Our model also projects that dividend payouts will remain in line with historical levels.

Risks to Outlook and Valuation Target:

1. *Increased competition in Mauritius may lead to loss of market share*

Recently, several new high-end private hospitals (e.g. Artemis Curepipe Hospital, Aegle Clinic) have been set up in Mauritius which may challenge CCM's dominant market position in the high-end private segment and there is a risk CCM may lose market share to new hospitals. In our view, this risk may be mitigated by CCM's strict adherence to standards and operational excellence which has historically lowered doctor-churn.

In CCM and across several high-end hospitals in Mauritius, most doctors (over 80%) are visiting consultants that may consult and treat patients in multiple hospitals. The doctors' preference of a hospital for treatment is typically determined by the operating standards, availability of beds, and standard of equipment at each hospital.

Because patients are attracted to high-quality doctors in our view, CCM's reputation for operational excellence as well as the recent reassessment CHKS accreditation (UK) of all the Mauritian facilities may position it strongly to retain its best doctors and maintain its market share.

We also project new hospitals to improve the overall standard of private healthcare provision in Mauritius, in our view this may lead to a capture of market share primarily from the mid-tier and mom-and-pop segments of the market.

2. *Currency Devaluation May Erode Value in CCI*

Historically, African currencies have depreciated against the USD. CCI's operations in East Africa may expose it to the risk of currency devaluation in its countries of operation (Uganda, Kenya).

Currently this risk is mitigated by CCI's contribution of only 26% of the CIEL Healthcare cluster's revenues, and 6% of PAT attributable for FY24. However, this risk may increase with the projected growth of CCI's contribution to the cluster.

3. *Brain Drain of Medical Personnel from Mauritius and Africa May Constrain Growth*

There has been a recent trend of emigration of qualified nursing personnel from Mauritius and African countries to greener pastures in Europe, USA, and Canada. This trend may reduce the pool of qualified personnel available to support growth or drive up the cost to attract and/or retain talent. In our view, this risk may be mitigated by the introduction of C-Care Nursing associate school and the engagement with foreign labour.

4. *Rapid Expansion of CCI May Lead to Erosion of Standards*

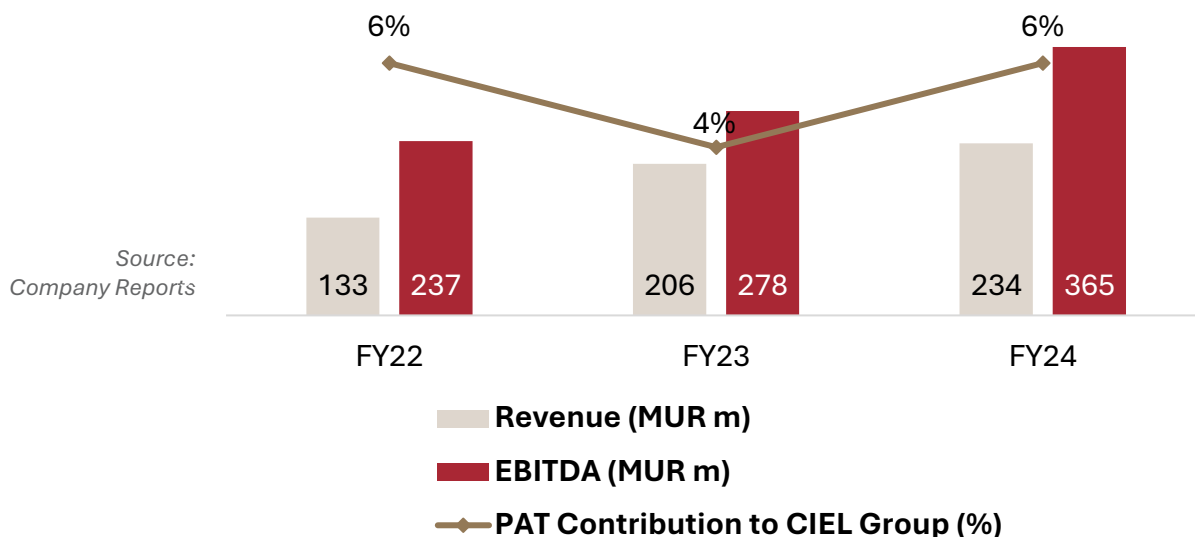
CCI has grown rapidly since inception, highlighted by its 3.0x growth in the last four years. Continued rapid growth may lead to a drop-off in operational excellence as management resources become stretched thin, overseeing a much larger operation across several countries.

In our view, this risk may be mitigated by the strong quality mindset of the top management and centralised human resources, finance, and supply chain functions and the overhaul of CCI's IT systems which enable strong management oversight.

CIEL Properties – Ambitious master plan for a sustainable development but more likely to impact the bottom line of CIEL group in the medium to long-term

We value CIEL’s portion of CIEL Properties at MUR 2.9bn. The cluster contributed 6% of the Group’s PAT in FY24, up from 4% in FY23. Improvement in bottom line performance has been driven by a strategic sale of land at Ferney and the expansion of Evolis’ assets.

Exhibit 7.1: CIEL Properties – Historical Financials (MUR m)

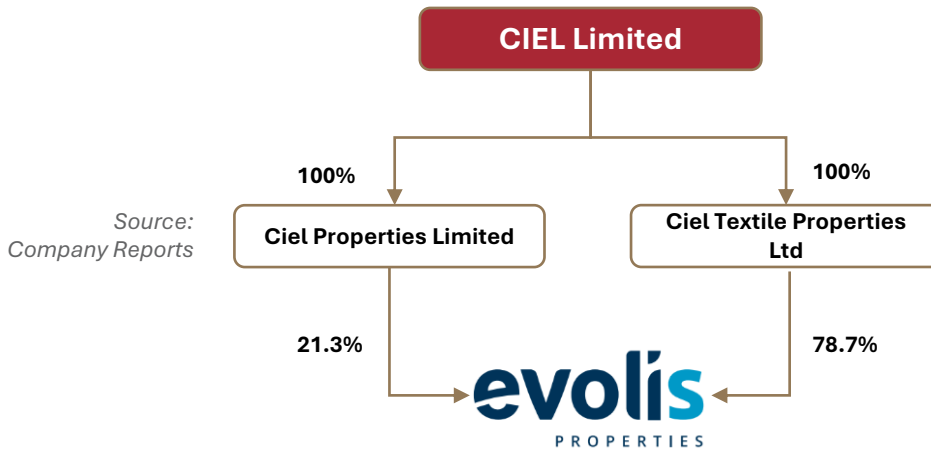


Established to optimise CIEL Group’s returns from its property holdings, the cluster comprises two property types: industrial properties and offices formerly held by CIEL Textile and a significant 3,000-hectare land bank at Ferney in the Southeast of Mauritius. CIEL Properties operates through two main business units: Evolis Properties (“Evolis”) and Ferney (“Ferney”).

Evolis: Repurposing spaces to drive stable growth

Evolis, a stable revenue generator, is a mixed-use property investment vehicle focused on income from rental streams of repurposed non-core assets of CIEL Group across 18.8 hectares of land. Its key shareholders are CIEL Properties Ltd (21.3%) and CIEL Textile Properties Ltd (78.7%), which are wholly owned by CIEL Limited (see Exhibit 7.2).

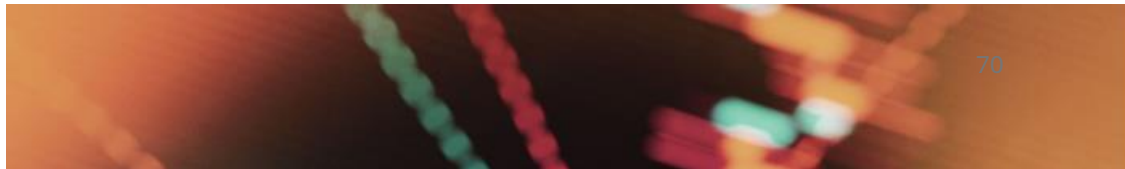
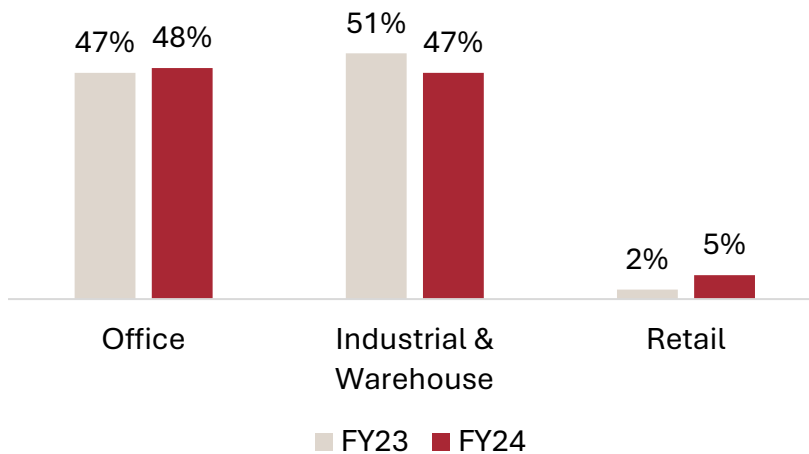
Exhibit 7.2: Evolis – Shareholding Structure



As of FY24, Evolis manages five yielding assets valued at MUR 2.1bn, offering a combined Gross Leasable Area (GLA) of 72,000 sqm, with an additional 69,000 sqm designated for future development. Evolis recorded double digit revenue and EBITDA growth of 20% and 21% respectively in FY24, driven by strategic lease repricing, near-full occupancy, and the onboarding of 32 new tenants. Its revenue is almost evenly distributed between office and industrial/warehousing spaces, with the retail segment contributing a smaller share (see Exhibit 7.3).

Exhibit 7.3: Evolis – Revenue Contribution by Segment (FY24)

Source: Company Reports, MCBSB Analysis



The key assets of Evolis include:

Flexeo: This light industrial and warehouse hub in Solitude, Mauritius, has a GLA of 25,000 sqm and an occupancy rate of 96% (FY24). Flexeo anchors its tenant base with long-term leases from Phoenix Beverages Ltd and Courts Mammouth which collectively occupy 76% of the space. The recently completed Phase II, which added 2,500 sqm of premium warehousing, further enhances revenue potential.

Nouvelle Usine: Located in Floréal, this redevelopment project offers 13,200 sqm to cater for startups, fintech companies, and similar profile. Phase III, delivered in FY24 with a pre-letting rate of 60%, underscores strong demand for competitive office solutions from Grade A tenants. Previous phases (I & II) maintain an impressive 98% occupancy.

Ebene Skies: Ebene Skies, a flagship Grade A office property located in Ebene, exemplifies Evolis' commitment to delivering premium commercial spaces. The property boasts 98.4% occupancy rate, with just 100 sqm remaining unrented. Its GLA is effectively utilised, with two-thirds leased internally within CIEL Group and the remaining one-third rented to Grade A tenants. The strategic mix of internal and third-party tenants ensures stable cash flows while maintaining flexibility for future growth. The high demand for this property reflects its superior design, prime location, and robust tenant relationships.

Aquarelle Property: Serving the light industrial and warehousing segments in Quatre Bornes, this property balances captive leases to Aquarelle Clothing Ltd and Laguna Clothing Ltd at competitive rates with more market-aligned rates on external leasing. Its GLA of 9,700 sqm maximises revenue from third-party tenants.

Tropic Knits Property: Tropic Knits is a mixed-use property located in Réunion, Mauritius, with a total GLA of 19,000 sqm and comprises two blocks. Block II has been repurposed from a textile factory into a warehouse facility, with the conversion delivered in Oct 2024 and is already fully occupied. Block I remains a textile factory, leased to CIEL Textile (Tropic Knits Ltd) at competitive rates. The redevelopment of Block I, once completed, will enhance the property's appeal to tenants seeking warehousing space, while the ongoing tenancy in Block II supports internal operations at favourable rental terms.

We believe that the following key drivers will support Evolis in sustaining earnings growth:

- **Tenant stickiness:** A sticky tenant base across assets like Ebene Skies and Flexeo ensures stable cash flows. At Flexeo, long-term lease commitments by key tenants like Phoenix Beverages Ltd and Courts Mammouth are set to expire in 2025. However, their significant investments in the facilities and strong relationships with the landlord provide confidence in lease renewals, mitigating vacancy risk.
- **Strategic location advantage:** Its strategic positioning to cater for diverse tenant needs mitigates concentration risk and enhances portfolio resilience.
- **Portfolio expansions:** Phase II of Flexeo and Phase III of Nouvelle Usine have bolstered leasable areas, driving incremental revenue. Tropic Knits' redevelopment and new warehousing at Flexeo and Réunion represent key upcoming contributors.
- **Strategic projects:** Future development on 69,000 sqm of land and adjacent expansions near Flexeo and Tropic Knits are poised to unlock further rental yields.
- **Opportunistic acquisitions:** Potential acquisition of properties with a strategic fit for Evolis, aimed at increasing revenue and enhancing EBITDA flow-through.

Evolis will focus on maximising revenue from its existing portfolio by driving occupancy rates and optimising lease terms. Additionally, many of Evolis' current rental agreements are priced below market rates, providing an opportunity for significant above-inflationary rental uplifts when leases, many of which expire in less than three years, are renewed. Major capex for ongoing projects, such as Tropic Knits (Block I), has already been incurred. This ensures stable cash flows in the short term.

With a pre-approved MUR 2.0bn bond program of which only MUR 640m has been utilised, Evolis is well-positioned to gear up for future expansion. Management's plans to develop adjacent land near Flexeo and Tropic Knits into high-yielding assets to meet growing tenant demand as from FY25 will further enhance value and contribute to revenue.

Additionally, CIEL Properties has embarked on its first external acquisition, securing a mixed-use building in Arsenal with a GLA of 5,000 sqm. This acquisition includes adjacent land for future expansion, showcasing its ability to identify and capitalise on strategic real estate. However, CIEL Textile's (CIEL Properties has a 12.1% effective shareholding in Evolis through CIEL Textile Properties Ltd) move out of Mauritius presents a clear limitation on its growth potential. Its future strategy will centre on the warehousing segment, where demand remains high, but acquisition opportunities are scarce. Evolis will need to focus on repurposing existing assets or selectively redeveloping properties to capitalise on this demand.

Ferney: Driving Long-Term Growth through Sustainable Property Development

Ferney owns a land bank of 3,100 hectares in the South-East region of Mauritius, valued at approximately MUR 5bn (FY24). The highlight of Ferney's development is the Ferney Smart City, a large-scale, eco-friendly, agri-residential project spread over 474 hectares and branded as "Ferney Tropical Agrihood". Designed to harmonise nature with modern living, the Ferney Tropical Agrihood is envisioned as a sustainable getaway destination, offering an alternative to urban residential hubs. The development is a long-term project, set to unfold over 20 years, reflecting Ferney's commitment to sustainable and innovative property development.

Ferney's eco-tourism initiative represents a small but growing aspect of CIEL Properties' portfolio. With four operational eco-lodges achieving over 80% annual occupancy and an ADR of EUR 450, the segment demonstrates its ability to diversify into high-margin niches. Plans are underway to upscale this offering into a premium product by developing 20–25 keys in partnership with a renowned international brand. Construction for this project is set to begin in FY26/27, with completion expected by FY28. This expansion aligns with Ferney's strategy to attract high-end clientele while enhancing revenue streams.

In parallel with its eco-tourism projects, Ferney will develop high-end luxury residential villas within the Ferney Tropical Agrihood. Targeted at high-net-worth individuals, these villas are designed to integrate seamlessly with the development's eco-friendly and agricultural themes. Construction is expected to begin in FY27 and the villas are expected to generate significant revenue.

Ferney's strategic shift from a build-to-sell model to a build-to-operate approach reflects its long-term focus on value creation. This model involves retaining ownership of key assets such as commercial developments, hospitality assets, and agri-management services, which will yield recurring revenue streams. Only around 12.5% of the total land within the Ferney Tropical Agrihood is earmarked for sale, underscoring Ferney's commitment to preserving the land's value while creating sustainable income-generating assets.

Despite its ambitious plans, Ferney's short-term impact on CIEL Properties' revenue remains modest. While a significant portion of the plots of its first project (Farm Living) have been sold, revenue recognition will only occur upon delivery in FY26. Furthermore, Ferney's focus on infrastructure development and sustainability measures, such as off-grid solutions with solar PV systems, will require substantial capital investment. This absorption of infrastructure costs is expected to dampen short-term profitability. Moreover, with major investments in eco-tourism and luxury villa development scheduled for FY26/27, these projects will not generate returns until their completion in FY28. Ferney's medium-term profitability is further impacted by the low environmental footprint requirements and the phased nature of its developments.

While its short-term revenue contributions to CIEL Properties are limited, the long-term prospects are promising. By blending innovative agri-residential designs, eco-tourism offerings, and luxury living, Ferney is set to redefine property development in Mauritius, ensuring sustained value creation over the next two decades.

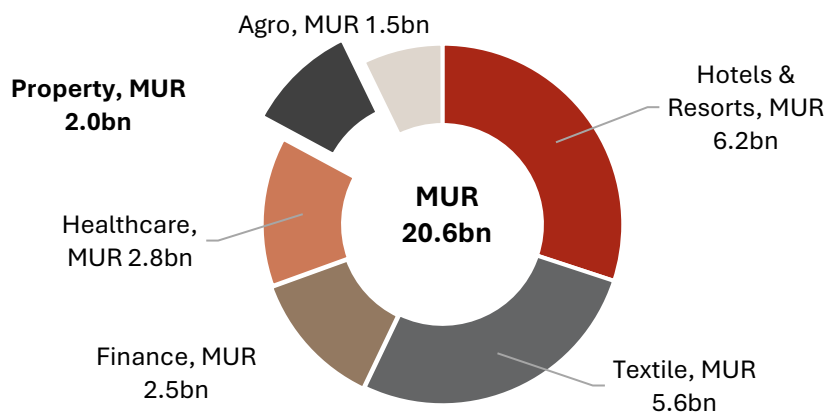
Valuation Summary

Our MUR 2.9bn valuation of CIEL Properties is based on a sum-of-the-parts approach. It encompasses the three subsidiaries in the cluster — Ferney, Evolis, and CIEL Property Development Ltd. Our valuation combines intrinsic valuation methodologies (DCF) with relative valuation techniques (peer NAV multiples).

The Property Cluster contributes approximately 9.9% to our MUR 20.6bn target market cap for CIEL Group.

Exhibit 7.4 : CIEL Properties – Implied Market Cap (MUR bn)

Source: MCBSB Analysis



Our valuation ascribed weightings to reflect our view on the relevance of the valuation methodologies for each business (Refer to Exhibit 7.5).

Exhibit 7.5: Valuation Weighting (%)

Source: MCBSB Analysis

	Valuation Weighting	
	Methodology	
	DDM/DCF	EV-EBITDA
Evolis	50%	50%
Ferney	0%	100%
CPDL	100%	0%

Evolis, which primarily consists of rental properties, was valued at MUR 1.5bn based on our projections of 5.7% CAGR growth in rental income from FY25 to FY29, 98% steady-state occupancy. We assumed 3% annual rental escalation in each property, a Net Operating Income margin of 55%, and a maintenance capex of 5%.

We sense-checked the DCF by using a valuation based on the company’s NAV. Evolis has total assets valued at around MUR 2.3bn with liabilities around MUR 0.8bn yielding an NAV of MUR 1.5bn.

Our MUR 2.5bn valuation of Ferney reflects our view that it is a land bank. We have valued it based on the value of land in its books adjusted by its net debt.

Exhibit 7.6: Valuation Summary (in MUR bn)

Source:
MCBSB Analysis

Valuation Summary (In MUR bn)				
Subsidiary	Valuation of:			
	100%	Stake	CIEL	EBITDA (FY24)
Evolis	1.4	100.0%	1.4	0.1
Ferney	2.5	71.1%	1.8	0.3
CPDL	(0.3)	100.0%	(0.3)	0.03
Cluster	3.6		2.9	0.4

Risks to Outlook and Valuation Target:1. *Market Demand Fluctuations*

The demand for office and industrial spaces remains highly sensitive to macroeconomic conditions, such as interest rates, business activity, and overall economic cycles. A potential slowdown in Mauritius' economy or shifts in demand for commercial real estate could dampen Evolis' ability to sustain occupancy rates or command premium lease terms, thereby affecting revenue growth.

For Ferney, the reliance on high-end products like luxury villas and eco-tourism facilities introduces additional risk. Global or local economic downturns, diminished consumer spending, or reduced interest from international investors could undermine demand for these premium offerings. A contraction in demand for luxury homes or eco-tourism accommodations would adversely impact profitability.

2. *Project Delays*

Evolis' growth is tied to the timely execution of redevelopment projects. Delays caused by construction challenges, regulatory hurdles, or financing bottlenecks could postpone the realisation of revenue from new leasable spaces, negatively impacting growth and valuation.

Similarly, Ferney Tropical Agrihood's 20-year plan hinges on efficient large-scale infrastructure development. Delays in delivering key infrastructure — such as roads, renewable energy systems, or utilities and obtention of permits and land conversion — could stall the project, affecting future revenue streams.

3. Lease Expirations and Repricing Risks

Evolis' portfolio predominantly operates on 3-year lease terms, with most leases initiated 2 to 2.5 years ago at the start of Evolis. These leases are now being reconducted, a process expected to significantly improve the portfolio's WALE. Concurrently, Evolis is driving a strategic shift toward five-year lease agreements to enhance income stability and further extend WALE.

Exhibit 7.7: Weighted Average Lease Expiry (Years)

Asset	Wale (Years)
Ebene Skies	2.58
Flexeo Solitude	1.36
Reunion	0.83
Quatre Bornes	0.83
Nouvelle Usine	3.13

Source:
Company Reports

While this strategy strengthens Evolis' long-term resilience, near-term risks remain, particularly for assets with shorter WALEs such as Flexeo Solitude and Nouvelle Usine. Lease expirations and potential repricing challenges could pressure rental income if tenant retention weakens or market rents soften. Evolis' focus on securing longer-term agreements underscores its proactive approach to mitigating these risks and ensuring revenue stability.

4. High Capital Expenditure

Ferney's ambitious projects necessitate substantial capital investment. These include costs for infrastructure, eco-lodges, luxury residences and renewable energy systems. Any cost overruns or delays in construction could strain Ferney's financial resources. Furthermore, reliance on debt and equity financing to fund these developments may elevate the company's leverage and financial risk.

5. Environmental and Regulatory Risks

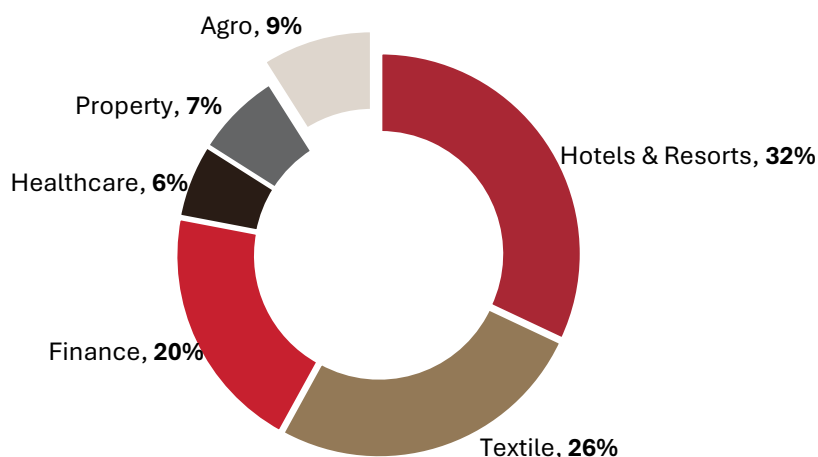
Both Evolis and Ferney face increased scrutiny on environmental and regulatory compliance. Evolis' greenfield developments and Ferney's off-grid and/or green-sourced energy, agri-integrated projects add layers of complexity. Meeting stringent environmental standards could inflate costs and delay progress, while regulatory hurdles could impact the long-term feasibility of certain developments.

CIEL Agro: Driving Sustainable Growth in the Sugar Industry

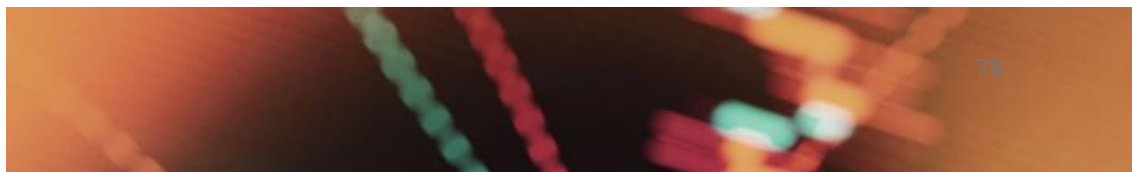
We have valued the CIEL Agro cluster at MUR 2.1bn, representing a 31.3% premium to the market valuation of MUR 1.6m. The CIEL Agro cluster has two main underlying investments: Miwa Sugar Limited (“Miwa”) and Alteo Limited (“Alteo”), which combined delivered MUR 70m of dividends in FY24 (about USD 1.6m) to CIEL.

Exhibit 8.1: Contribution to PAT Attributable by Cluster as at 30 June 2024

Source:
Company Reports (2024)



Miwa’s strong profitability and dividend yield positions it as a key contributor to CIEL Agro’s portfolio performance. Its majority stake in the consistently profitable Sucrière des Mascareignes Limited (“SML”), which has two operating companies in protected East African markets, has yielded around MUR 180m (USD 4m) of dividends in the last three years. SML is positioned to continue delivering strong dividends given its asset-dominant position and the demand-supply sugar deficit in these markets. Growth catalysts which will bolster earnings from the operating companies include TPC’s distillery project to produce alcohol from molasses that will be supplied to the local and regional market. Furthermore, Transmara’s plans to expand its factory’s crushing capacity by 50% to address operational inefficiencies and its new briquetting plant project for the sale of briquettes to third parties should generate additional revenue. Transmara’s investment in new equipment such as boiler and evaporator machinery to increase its factory capacity, will enable it to generate surplus energy that could be exported to the National Grid subject to the satisfactory finalisation of a Power Purchase Agreement (PPA) with authorities.



Alteo benefited from the cycle of globally high sugar prices following the pandemic. The combination of this trend and the MUR depreciation, as well as various efficiency initiatives within Alteo, contributed to boosting the company’s profitability. As an experienced player in the sugar industry, the company recognised that it benefited from certain favourable tailwinds. It took advantage of the favourable trading conditions by deleveraging its balance sheet and repositioning its activities in the Mauritian real estate and energy sector. Notably, as of Sep-24 (1Q ’25), Alteo’s net interest-bearing debt stood at nil.

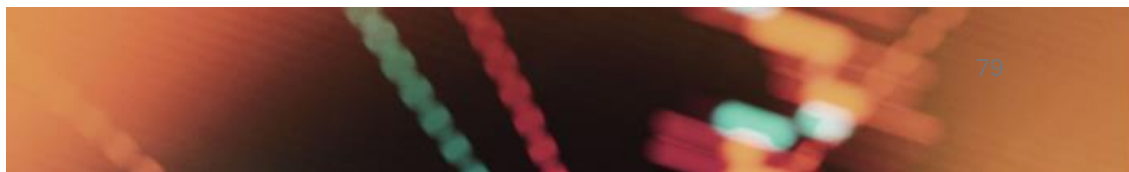
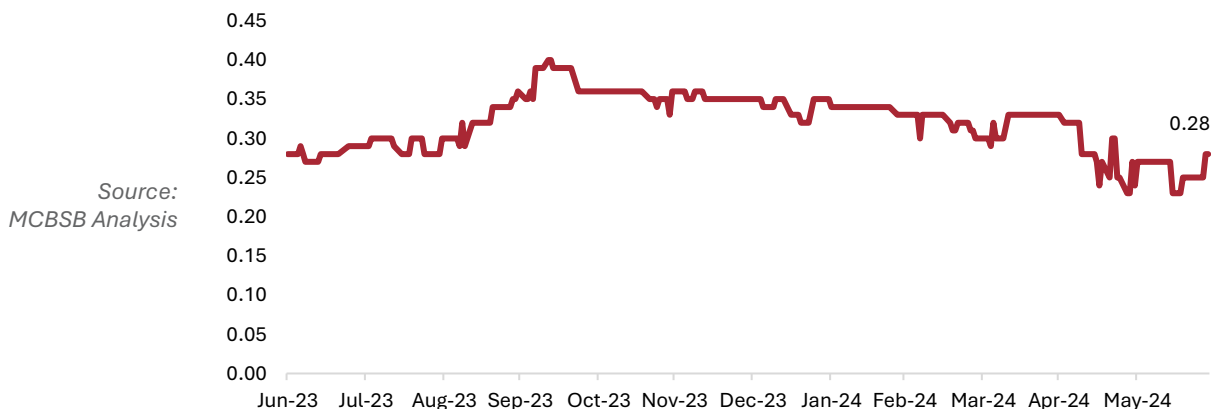
With 15,100 hectares of freehold land in Mauritius, Alteo is one of the largest landowners. The government’s planned eastern highway project should further boost and accelerate the company’s ability to generate cash from its land holdings. Anahita Beau Champ, their flagship smart city project, will position Alteo as a property player in the long-term.

The outlook on the energy sector remains clouded by policy uncertainty, particularly in relation to the biomass framework. While the government has announced an ambitious target of having 60% of the island’s energy being generated from renewable sources by 2030, there is considerable uncertainty in relation to whether these targets will be met.

Miwa: Portfolio of two Profitable Sugar Players in East Africa

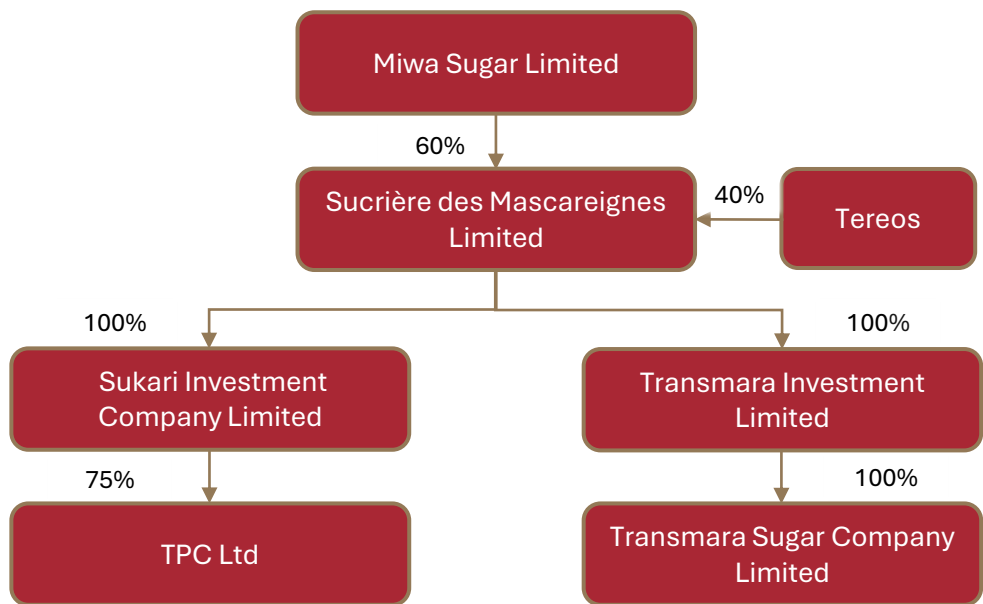
Miwa is listed on the Development and Enterprise Market of the Stock Exchange of Mauritius. It had a market capitalisation of MUR 3.6bn (USD 75.6m) as at 31 January 2025 and was created in 2022 following a spin-off from Alteo.

Exhibit 8.2: Miwa’s Share Price in USD (1-year)



Miwa is a 60% shareholder in SML alongside Tereos, one of the world’s largest sugar producers. Tereos operates in 13 countries and over 40 industrial sites. Over the last three years, SML delivered average consolidated revenues of around MUR 7.8bn (USD 174.4m) with average EBITDA margin of around 41.1% through its operating companies TPC and Transmara. These results have supported SML’s strong dividend yield, which should further improve following recent capex investments to expand revenue and improve profitability in the operating companies. Miwa's indebtedness remains a notable challenge, as highlighted by management. The company's decision to acquire 100% of the minority interest at the Transmara level has further increased its debt burden. This move, while strategically consolidating ownership, underscores the need for careful monitoring of leverage metrics to ensure financial sustainability.

Exhibit 8.3: Shareholding of Miwa as at 30 Jun 2024

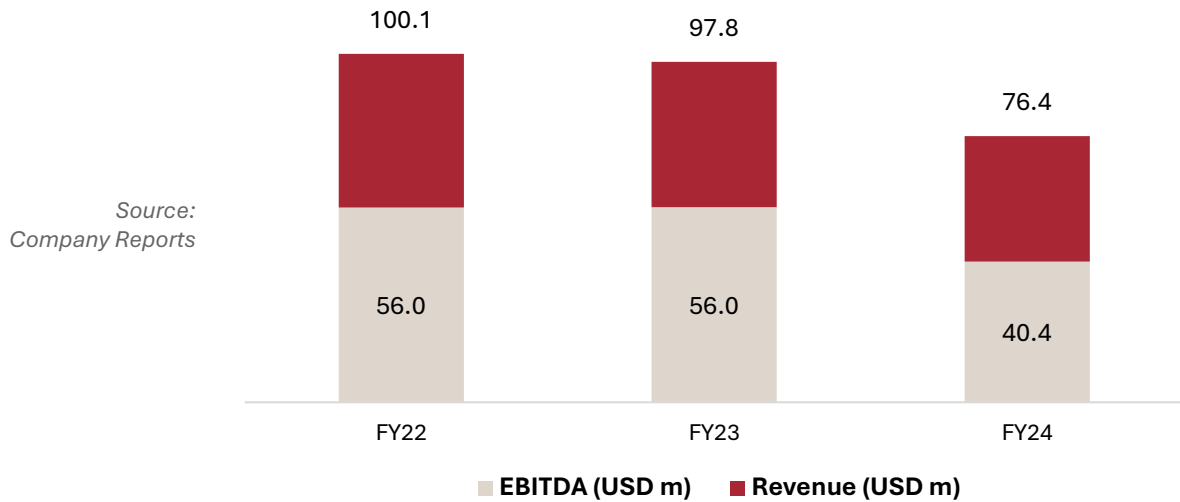


Source:
Company Reports (2024)

TPC (Tanzania)

TPC is the most profitable sugar producer in Tanzania. Revenue in FY24 dropped by 21.9% to USD 76.4m following a breakdown of electricity generation to the factory and poor cane quality due to rainy weather conditions during part of the harvest season. Management has invested in new equipment to mitigate similar breakdowns in future and expects the FY24 revenue shortfall to be offset by insurance proceeds in the next financial year.

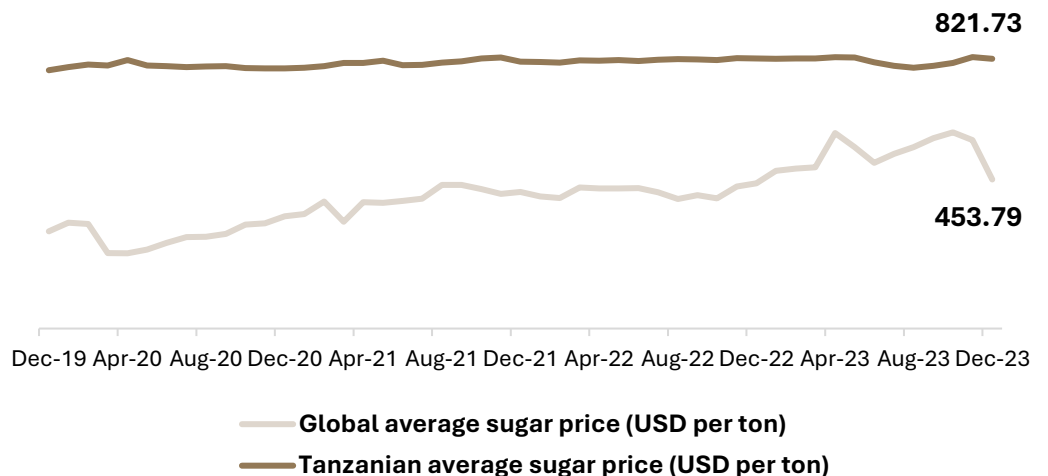
Exhibit 8.4: TPC – EBITDA and Revenue over the past three years (in USD m)



TPC’s sugar is sold locally in Tanzania, a market with strong demand, a significant demand-supply sugar deficit, and a large retail segment. The local sugar market is protected from price volatilities in the global sugar market by government policies that levy a 35% duty on imported sugar and assign controlled quotas for sugar importation and logistical difficulties relating to transportation and storage of sugar that create additional bottlenecks to importation. This market protection drives a price premium on locally produced sugar which contributes to TPC’s high EBITDA margins, along with its high-capacity utilisation.

Exhibit 8.5: Global vs Tanzanian Average Sugar Prices (USD per ton)

Source: Financial Times, International Sugar Organisation (ISO)

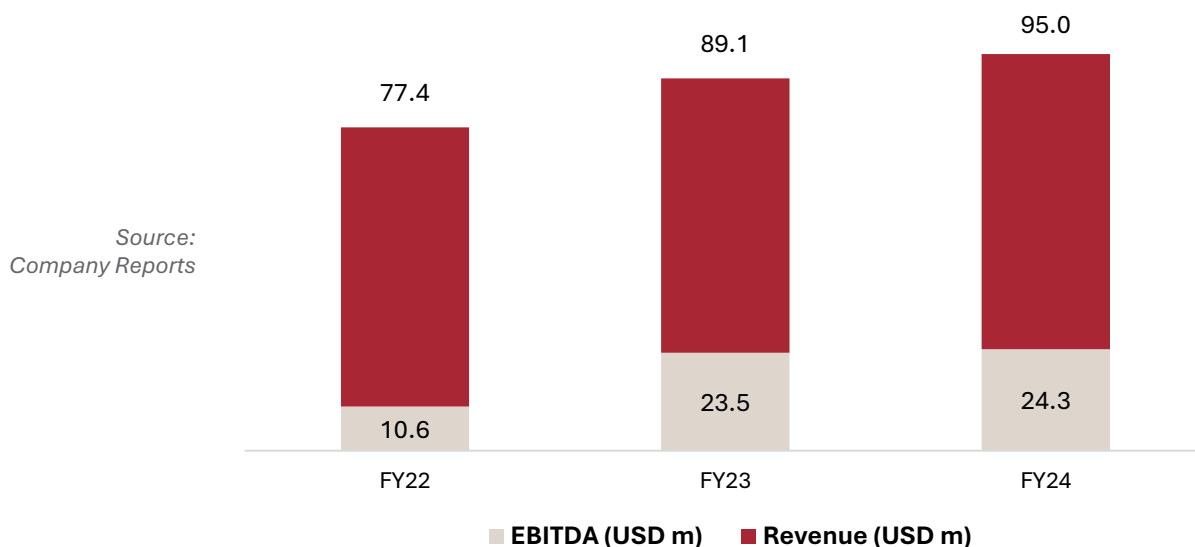


Looking ahead, we expect the sugar market in Tanzania to remain favourable to local producers due to the significant contribution of the local sugar industry to the economy (1% of GDP), its 20,000 employees in Tanzania, and government controls to prevent illicit sugar imports. We also view TPC’s access to sugarcane raw material which allows the factory to operate at full capacity for the nine-month crushing season, the implementation of technology to improve harvesting, haulage and irrigation, and its strong retail brand presence evidenced by its 15% revenue contribution from retail as key competitive advantages over other local producers that will enable it to maintain its 20-30% market share. We expect TPC’s recent capex investment in the distillery and power infrastructure to further enhance its competitive advantages and improve revenue generation, profitability, and dividend payouts.

Transmara (Kenya)

Over the last three years, the revenues of Transmara, one of the largest sugar companies in Kenya increased by 10.8% CAGR from USD 77.4m (MUR 3.5bn) to USD 95.0m (MUR 4.5bn), with EBITDA margin increasing from 13.7% to 25.5%. The improvement in Transmara’s financial performance was driven by initiatives to optimise the factory, ensure uptime, and support consistent input supply from contracted local sugarcane farmers.

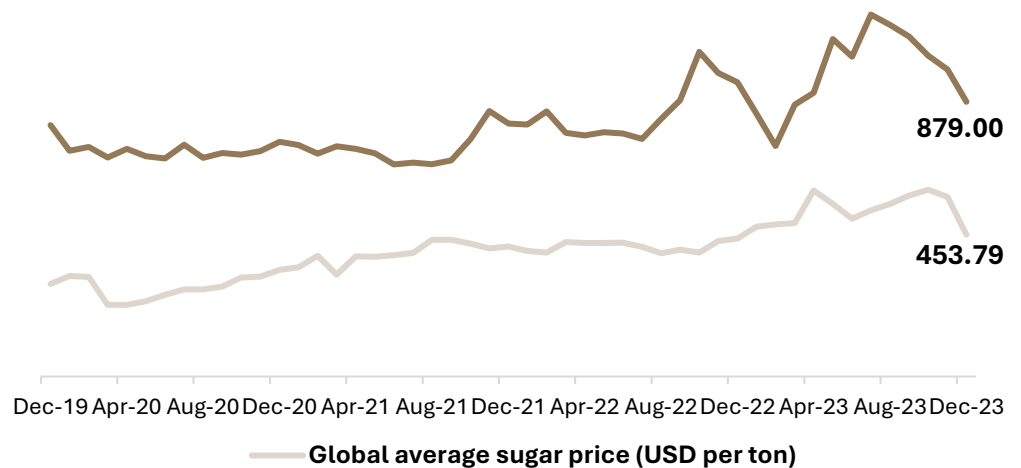
Exhibit 8.6: Transmara – EBITDA and Revenue over the past three years (in USD m)



Transmara’s sugar is sold locally in Kenya where sugar prices have been at a premium of between 94-120% to global prices over the last three years. The premium is due to import tariffs on sugar, a local sugar deficit, and non-tariff barriers to sugar importation from registration, reporting, and quality control requirements. Transmara also has a competitive edge due to its location in Kilgoris, a region of Kenya with limited competition and favourable climatic conditions which is 100% rainfed.

Exhibit 8.7: Global vs Kenyan Average Sugar Prices (USD per ton)

Source:
Financial Times,
International Sugar Organisation (ISO)

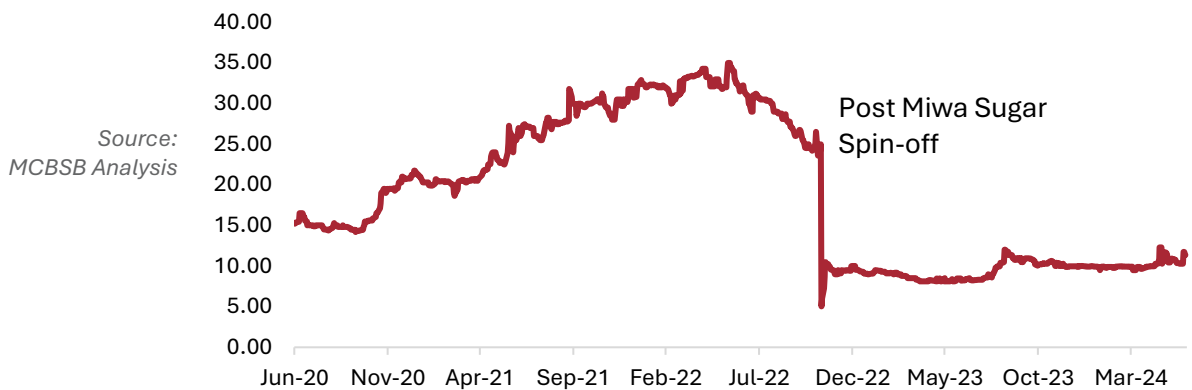


Looking forward, we expect the sugar price premium in Kenya to be sustained by the government policies in place and the demand-supply deficit. We also project that capex initiatives by Transmara to increase its annual crushing capacity by 50% and improved mechanisation will position it to remain a strong player in Kenya’s sugar industry. The project of a new briquetting plant will leverage surplus bagasse to produce briquettes that will be sold to third parties in Kenya. This initiative should diversify revenue and optimise by-product monetisation.

Alteo: Property Focus to Deliver Consistent Profitability

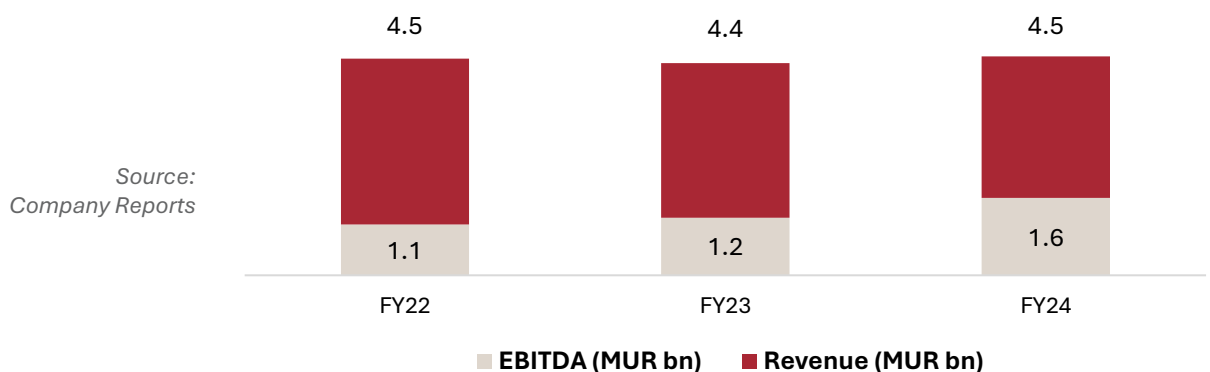
Alteo is listed on the Official Market of the Stock Exchange of Mauritius and had a market capitalisation of MUR 4.1bn as at 31 January 2025.

Exhibit 8.8: Alteo’s Share Price (MUR)



It earns revenues from three business segments: agribusiness, energy, and property. The property segment owns a land bank of nearly 15,100 hectares, the largest land bank held by a single entity in Mauritius. Following the spinoff of Miwa, Alteo’s revenues have consistently been around MUR 4.5bn (USD 100m) and the EBITDA margin improved from 17% in FY22 to 35% in FY24. In our view, the consistent revenues and EBITDA margin improvement has been supported by two key factors: the improving price of sugar in the global market, highlighted by 66.1% growth in the last five years, and one-off property sales from Anahita, a project which was initiated more than 15 years ago. The property segment contributed an average of 24.9% of Alteo’s revenue in the last three years and the energy segment contributed an average of 25.1% to the last three years’ revenues.

Exhibit 8.9: Alteo – EBITDA and Revenue over the past three years (in MUR m)



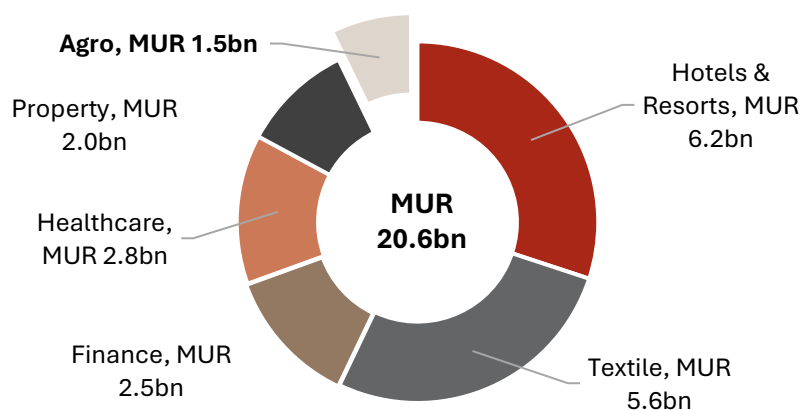
Alteo is traditionally one of the largest sugar-production players in Mauritius, and its strong profitability in the last three years is partly driven by the elevated sugar prices in the global market. We believe that global sugar prices are close to the peak of the current five-year cycle and expect that local sugar prices will normalise between MUR 20,000 – 24,000 per ton from current levels (MUR 26,000 per ton). We view management’s plans to develop Alteo’s sizeable land bank in Mauritius as an opportunity to support profitability and dividend delivery in line with the track record of the last three years. We also opine that the outlook for the energy segment is unclear. Mauritius is in the process of developing a biomass energy framework which will require significant capex investment by current electricity players. Given the uncertainty around the government’s policy direction on the biomass energy framework, and significant capex investment likely to be required to install new infrastructure and develop a supply chain for biomass, we have conservatively ignored revenues from the energy segment beyond the terms of the current power PPA with the CEB in our projections for Alteo. Despite this, we project that Alteo will sustain its current level of revenue and EBITDA. We expect revenues to be supported by one-off sales of non-core land and the development of strategic land assets will provide new steady revenue streams. In our view, this may enable Alteo to maintain group revenue and dividend payouts.

Valuation Summary

Our MUR 2.1bn target valuation of CIEL Agro is based on a sum-of-the-parts approach. We have valued both Miwa and Alteo using intrinsic valuation (DDM or DCF) and relative valuation methodologies (EV-EBITDA multiples for peers). Our valuation of CIEL Agro contributes 7.2% to our MUR 20.6bn market cap target for the CIEL Group in the next 12 months.

Exhibit 8.10: CIEL Agro – Implied Market Cap (MUR bn)

Source: MCBSB Analysis



We employed a DCF model of SML’s assets for the intrinsic valuation of Miwa. Our model assumes marginal revenue growth in TPC driven by the recent capex investment which we expect to fully crystallise in FY26. We estimate additional 5-7% revenue contribution to TPC’s steady state-revenue (c. USD 92m) in FY26. We conservatively projected consistent EBITDA margin (around 53%) in line with historical performance despite the upside to revenue. For Alteo, we employed a DDM model for our intrinsic valuation. Our model projects consistent dividend payments from Alteo driven by marginal revenue growth from one-off sales of non-core land, and development of strategic pieces of land to offset projected revenue drop in the agribusiness and energy segments.

For the relative valuation methodology, we employed the EV-EBITDA multiple of trading peers. The average EV-EBITDA for comparable trading sugar companies in emerging markets was 9.8x as at Jun-2024 (Refer to comps set in Appendix X). Based on this, in our view Miwa’s current trading valuation on the SEM (at 2.8x EV-EBITDA) is at a discount to peers. For our valuation, we factored a 20% and a 50% discount for Transmara and TPC respectively, to the average EV-EBITDA multiple to adjust for the revenue premium enjoyed by TPC and Transmara in their protected local markets.

The average EV-EBITDA multiple of Alteo’s trading peers also indicate it is similarly trading at a discount to comparable sugar companies in emerging markets. We also assessed other companies with large land banks in Mauritius as well.

This valuation ascribed weightings to reflect our view on the relevance of the valuation methods for each business (Refer to Exhibit 8.11).

Exhibit 8.11: Valuation Weighting

Source:
MCBSB Analysis

	Valuation Weighting		
	Methodology		
	DDM/DCF	EV-EBITDA	P/E
Alteo	50%	30%	20%
Miwa	50%	50%	0%

Based on these weightings, our valuation implies a blended EV-EBITDA multiple of 3.0x for the CIEL Agro cluster (Refer to Exhibit 8.12).

Exhibit 8.12: Valuation Summary in MUR bn

Valuation Summary (In MUR bn)					
Valuation of:					
Subsidiary	100%	Stake	CIEL	EBITDA (FY24)	Implied EV/EBITDA
Alteo	4.6	21.0%	1.0	1.6	3.1x
Miwa	5.4	21.0%	1.1	2.9	2.9x
Cluster	10.1		2.1	4.5	3.0x

Source:

Company Reports, MCB SB Analysis

Risks to Outlook and Valuation Target:

1. *Alteo's Declining Sugar Production Volumes May Impact Future Results*

In the last five years, Alteo's total sugar production has declined by a 7.5% CAGR. While the decline in sugar production has been offset by rising sugar prices and the MUR depreciation, the expected normalisation of sugar prices may impact revenues if production volumes do not compensate. To mitigate this, management plans to annually convert 150 hectares of previously manually harvested land to mechanised operations until 2027, aiming to improve sugar production volumes.

2. *The Debt Structure in the Miwa Group May Not be Optimal*

There is USD 124m of net debt in the Miwa group as at Jun-2024. 53.1% of the debt is in local currency (TZS and KES) in the operating companies while the balance of the debt (47.0%) USD 58.3m is held at SML and Miwa in USD.

In our view, there may be optimisation opportunities by replacing the USD debt in SML and Miwa with local currency debt at the level of the operating companies. This may also provide the operating companies with a better tax shield against profits.

3. *Fluctuations in FX may Impact Dividend Flows to Miwa*

TPC and Transmara face foreign exchange risk primarily through the purchases of inputs, management services and imports. The operating companies usually negotiate contracts with suppliers to lock in costs and reduce the impact of currency fluctuations on the financial performance. Additionally, TPC and Transmara adhere to a policy of paying local suppliers in local currency to minimise foreign exchange exposure in day-to-day operations.

4. *The Lack of Sustainability Framework Exposes Miwa to ESG risks*

Agribusiness companies are typically exposed to ESG and labour risks due to the number of people involved in operations. For context, SML's operating companies had 4,374 employees while Alteo had 1,450 employees due to its higher level of mechanisation in FY23.

Neither Miwa nor SML have a formal ESG policy or sustainability framework. In our view this creates reputational vulnerabilities in an environment where investors prioritise compliance and sustainability. This gap may deter foreign capital and weigh on our target valuation.

5. *Minority Positions in Operating Companies may Prevent CIEL Agro from Maximising Value*

CIEL Agro only owns 20.96% stake in Miwa and Alteo. Its stake in Miwa translates to 9.4% and 12.6% effective stake in TPC and Transmara respectively. In our view, these minority effective positions, albeit jointly controlled through another significant shareholder, may prevent CIEL Agro from being able to sufficiently influence the strategy of the operating companies to maximise value. It may also make any exit more challenging if CIEL Agro elects to seek an exit in future.

6. *A Change in Government Policies May Threaten the Premium Enjoyed by Miwa's Assets*

Both TPC and Transmara operate in protected markets where sugar is sold significantly higher than the global price. We note the risks if the Tanzanian or Kenyan governments change their stance on the protection of the local sugar market.

However, agriculture is typically not a freely traded sector globally, with barriers being common to support local industries, offering some inherent mitigation. This risk of policy summersault is mitigated for TPC by the Tanzanian government's 25% stake in TPC and TPC's significant contribution to the economy. It is also mitigated for Kenya by the demand-supply deficit and the non-tariff barriers to sugar importation.

7. *Regulatory Hurdles May Hinder Alteo's Property Strategy*

Alteo's strategic focus on property developments to stabilise the Agro cluster payouts represents a high-risk, high-reward scenario. While the development of the Beau Champ Smart City in the East of Mauritius could transform into a robust income driver over the long term, the dependency on an underdeveloped region introduces substantial uncertainty. Obtaining permits for large-scale property developments may face delays due to bureaucratic processes and environmental scrutiny. To mitigate these risks, Alteo must focus on proactive stakeholder engagement, efficient regulatory navigation, and phased project execution to ensure timely delivery and sustained financial performance.

8. *Growth Potential may be Clouded by Capex Risks*

The capex initiatives at TPC and Transmara, including the distillery project and the 50% crushing capacity expansion with a new briquetting plant, may pose significant risks. Delays in obtaining permits or unexpected cost overruns could negatively impact revenue generation, while shifts in global energy prices or policy changes related to biofuels could affect the profitability of these investments.

9. *Operational Risks May Impact the Performance of Alteo and Miwa*

Alteo, TPC and Transmara rely on production equipment that may break down. There is a risk that CIEL Agro may not achieve our projections if there are major equipment breakdowns in future that impact production.

Agricultural operations are also vulnerable to unpredictable weather patterns. The 11.5% decline of Alteo's sugarcane yield in FY23 due to adverse weather conditions in Mauritius highlight this risk. We note that our projections for CIEL Agro may not be achieved if adverse weather impacts the operations in TPC, Transmara or Alteo.

In addition to this, Transmara relies on third party farmers to supply it with sugarcane required for sugar production. There is a risk Miwa may not achieve our projections if these third-party farmers are unwilling or unable to supply Transmara with the sugarcane it needs for production. However, in our view Transmara mitigates this with its incentivisation initiatives for farmers.

10. Miwa's Corporate Structure May be Inefficient

Miwa's structure has two layers of holding companies in Mauritius (Miwa and SML). In our view, this structure may be inefficient because we do not see the value-addition from having both SML and Miwa in the structure. It may also lead to more costs because of duplicated statutory reporting and miscellaneous costs.

In our view, CIEL has a structured and well-integrated ESG framework with clear commitments and measurable progress across its clusters. The information below are relevant extracts from CIEL Annual and Sustainability Reports which, in our view, summarises key ESG initiatives and achievements as reported by the group and have not necessarily been assessed in this Report.

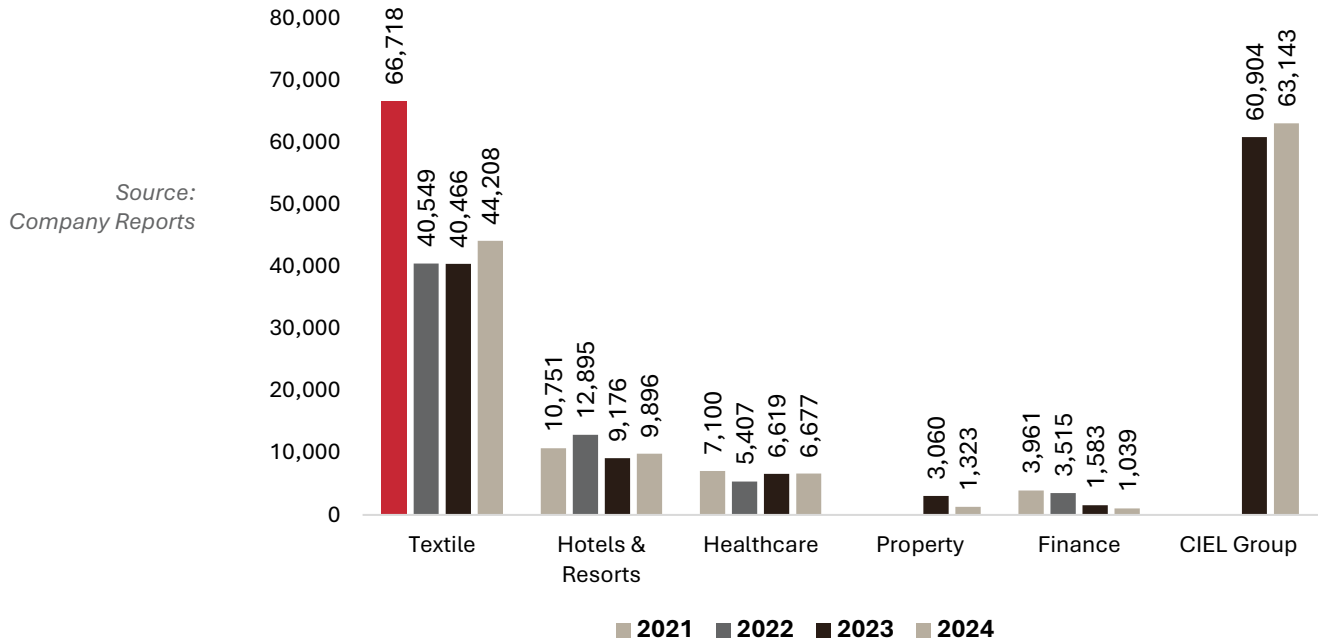
has been at the forefront of sustainability, integrating Environmental, Social, and Governance (ESG) principles across all clusters. The Group's sustainability journey began in 2014/15 with the establishment of a comprehensive sustainability policy and related governance frameworks, including dedicated committees.

In 2020, CIEL formalised its 10-year sustainability strategy defining its roadmap to 2030. Since 2021, it has published annual sustainability results, complemented by dedicated biennial sustainability reports for its key clusters—CIEL Textile and CIEL Hotels & Resorts. Guided by global standards such as the United Nations Sustainable Development Goals (SDGs), the Global Reporting Initiative (GRI), and the Science-Based Targets Initiative (SBTi), CIEL's ESG initiatives demonstrate a commitment to fostering long-term value creation while addressing pressing global challenges. CIEL's sustainability efforts are overseen by the CIEL Sustainability Committee, established in 2014. These efforts extend beyond compliance, with sustainability forming a cornerstone of the Group's operational ethos and cultural values.

CIEL's inclusion in the SEM Sustainability Index (SEMSI) since March 2019 serves as a strong endorsement of its sustainability leadership. This achievement reflects a continuous drive to align with evolving stakeholder expectations, particularly in areas such as carbon reduction, resource efficiency, social equity, and governance transparency.

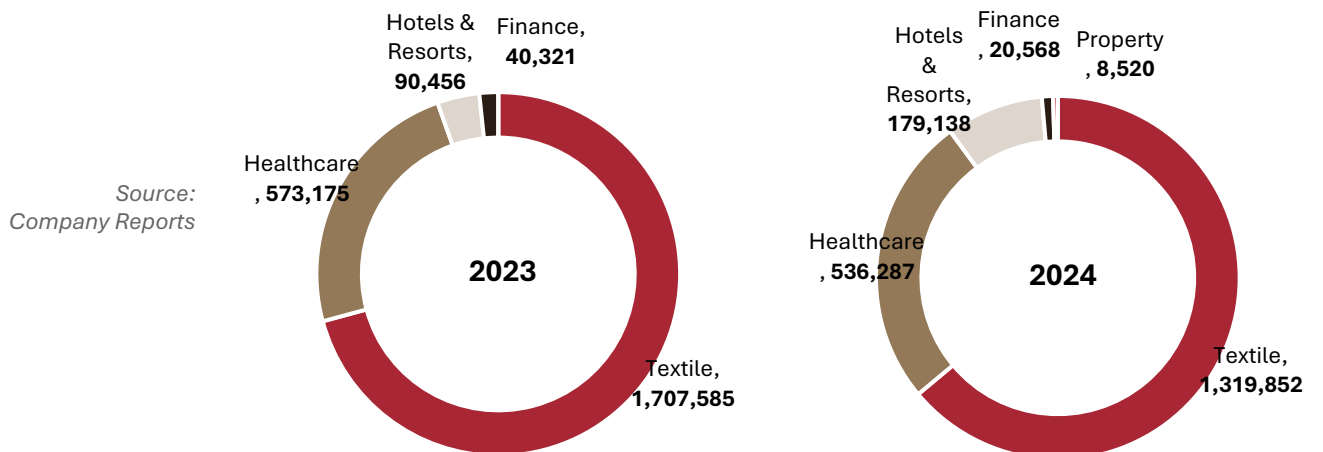
CIEL has achieved its strategic goal to reduce Scope 1 and 2 carbon intensity by 50% (tCO₂e/\$M of revenue). The Group has achieved and maintained zero coal usage as fuel within its subsidiaries since 2021. As part of its decarbonisation agenda, bioclimatic practices for new and existing buildings have also been prioritised notably with 6 out of 16 Textile factories having achieved the Leed Platinum certification.

Exhibit 9.1: Scope 1 & 2 - Total Emissions per Cluster (tCO₂e)



CIEL is equally committed to eliminating single-use plastics (except where health and safety constraints apply) and reducing waste to landfill by 50% by 2030. In FY24, significant strides were made in water conservation, particularly in the Textile and Healthcare clusters, which reported substantial reductions in water usage compared to the previous year.

Exhibit 9.2: Total water consumption (m³)



Cluster-Level ESG Analysis

Hotels & Resorts

In recognition of its sustainability practices, Sunlife received the Top Sustainable Excellence Award from the Mauritius Tourism Authority and the Sustainability Excellence Award from PwC Mauritius in 2024, highlighting its significant contributions to sustainability within the hospitality and tourism sector. Sunlife hotels have also earned prestigious certifications such as Earth Check Silver and Travelife Gold. Furthermore, biodiversity preservation remains a priority. The cluster also invests in local communities through sourcing initiatives that support small businesses and raise awareness of sustainable travel practices.

Finance

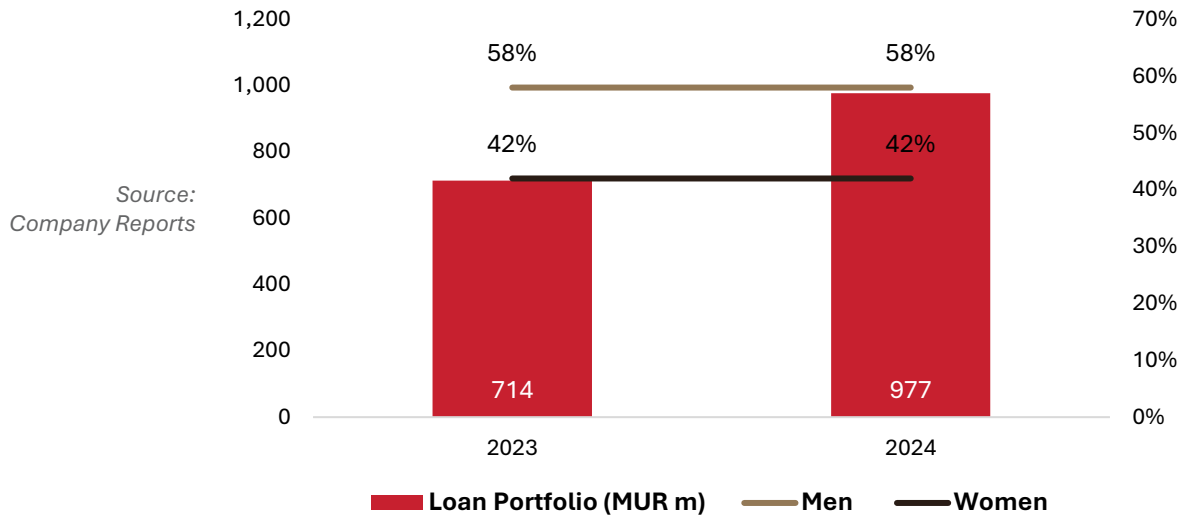
CIEL Finance continues to drive sustainable economic development through targeted initiatives and partnerships that align with CIEL's overarching ESG strategy. BNI Madagascar, a cornerstone entity within the cluster, underscores its dedication to sustainability through initiatives like the BNI Lovainjafy project. This program provides grants, interest-free financing, and technical assistance to SMEs engaged in sustainable business activities. Five innovative start-ups, selected through a competitive process, have benefited from this initiative, with projects ranging from cassava-to-ethanol production to waste management solutions.

Additionally, BNI has spearheaded a reforestation project encompassing over 50,000 trees, including mangroves, covering 660,000m² to preserve Madagascar's unique biodiversity.

The KRED initiative, a pioneering digital microfinance program by BNI, has transformed financial accessibility for underserved populations. By supporting 14,307 borrowers - 42% of whom are women - this initiative not only facilitates economic participation but also emphasises gender equity.

The total loan portfolio reached MUR 977m in FY24, contributing significantly to small business growth and improving livelihoods.

Exhibit 9.3: KRED Initiative Breakdown



Textile

CIEL Textile remains at the forefront of CIEL’s sustainability initiatives, with transformative projects targeting energy efficiency, water conservation, and ethical practices. It leverages Artificial Intelligence (AI) to predict popular styles, optimizing design and reducing overproduction, thereby minimising waste. Additionally, 3D modelling enhances the design and sales process, streamlining production and reducing environmental impact. The introduction of waterless dyeing technology has significantly reduced water consumption by 20%, aligning with global efforts to preserve freshwater resources. Additionally, investments in renewable energy, particularly through the installation of rooftop solar panels at facilities in Mauritius, India, and Madagascar, have led to a 20% reduction in energy usage per unit of output. This initiative is set to expand further, with renewable energy expected to cover 50% of the cluster’s energy needs by 2025.

Another critical advancement within the Textile Cluster is the adoption of Zero Liquid Discharge (ZLD) systems, targeting the complete elimination of wastewater discharge by 2025. The facilities’ commitment to achieving LEED Platinum certification underscores CIEL’s dedication to sustainable manufacturing, improving operational efficiency, minimising environmental impact, and promoting worker well-being.

The cluster has also demonstrated leadership in ethical practices through its Fair Labor Association (FLA) certification, ensuring compliance with stringent labour standards. Looking ahead, CIEL Textile will pursue its decarbonisation journey in line with its SBTI commitment.

Healthcare

CIEL Healthcare has prioritised environmental and social sustainability in its operations. and advanced medical waste management systems, ensuring environmentally responsible operations. Telemedicine platforms have further extended healthcare access to underserved regions, reflecting the cluster's commitment to improving societal well-being. Future goals for the cluster include expanding telemedicine services to an additional 50,000 patients by 2025.

Property

CIEL Properties, led by the Ferney development project, exemplifies sustainable real estate practices. The use of green building technologies, including IoT ("Internet of Things") and Building Management Systems (BMS), has resulted in significant energy savings. Ferney's biodiversity restoration projects, such as the reintroduction of native species and the creation of green corridors, reinforce the cluster's commitment to environmental conservation. Ferney's conservation and regeneration efforts have also been recognized internationally as they have received a three-year grant from the Critical Ecosystem Partnership Fund (CEPF).

Additionally, CIEL Properties has implemented rooftop solar panels at Ebene Skies and energy-efficient Heating, Ventilation, and Air Conditioning ("HVAC") systems across its properties, reducing energy consumption by an average of 20%. These initiatives position the cluster as a leader in sustainable urban development.

Agro

CIEL Agro has embraced regenerative farming practices and renewable energy solutions as key drivers of sustainability. Alteo has leveraged bagasse-based co-generation plants to fulfill over 40% of its power requirements. This initiative, coupled with Transmara's USD 3.2m bagasse briquetting plant, exemplifies the cluster's ability to innovate and contribute to the green economy.

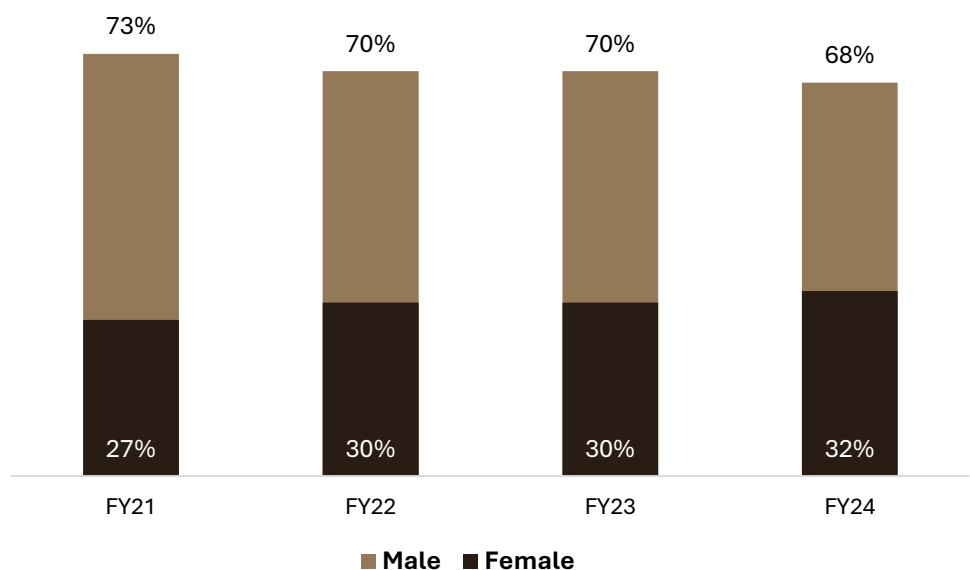
Section 9: ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

On the social front, community engagement programs in education and healthcare have positively impacted thousands of rural households. These efforts align with CIEL Agro’s broader mission of achieving Bonsucro certification across all operations (currently only in Alteo in Mauritius) for sustainable sugar production, ensuring both environmental stewardship and ethical farming practices.

CIEL Group’s comprehensive ESG strategy continues to deliver measurable environmental, social, and governance outcomes across all clusters. In line with its commitment to transparency and accountability, CIEL plans to align with the International Sustainability Standards Board (ISSB), positioning itself ahead of regional peers in adopting globally recognised reporting standards. As the Group advances towards its 2030 sustainability targets, it remains resolutely focused on driving sustainable value creation for stakeholders while contributing to global climate action and societal well-being.

CIEL’s ambitious targets also extends to its workforce. It has set a goal to achieve 35% female representation at management level by 2030, with a current female representation at management level of 32% (FY24). By fostering an inclusive and equitable work environment, CIEL intends to position itself as a benchmark for diversity within the region.

Exhibit 9.4: Overall Women at Management Level



Source:
Company Reports (2024)

In addition to its environmental and governance achievements, CIEL has prioritised impactful social investments. Since 2004, over MUR 120m has been allocated to health, education, and entrepreneurship initiatives, directly benefiting local communities and contributing to sustainable economic development through the CIEL Foundation. These programs underline its commitment to fostering societal progress while ensuring long-term growth. CIEL's clusters also implement social and community programmes notably the CIEL Textile Act for Community Programme which mobilises over 20,000 employees annually for a day of community service.

CIEL is also guided by a strong and diverse management team, underpinned by ethical principles and strategic foresight. This leadership team plays a critical role in ensuring CIEL's sustainability objectives are met while fostering transparency and accountability across the organization.

A Leadership Framework Ensuring Execution

CIEL operates under a structured leadership model, ensuring clear accountability across clusters. The Group Chief Executive oversees all cluster CEOs, while the Head Office Team provides strategic support across business verticals.

CIEL operates under a unitary Board structure, delegating management to its Executive Directors and Cluster CEOs while retaining strategic control. The Group Chief Executive provides centralised leadership, supported by a highly specialised executive team. The Board committees including Corporate Governance, Ethics, Nomination & Remuneration; Investment; Sustainability; and Audit & Risk—enhance governance effectiveness by ensuring a structured approach to decision-making, risk management, and accountability. This structure allows CIEL to leverage synergies between businesses, ensuring cross-cluster collaboration while maintaining operational autonomy.

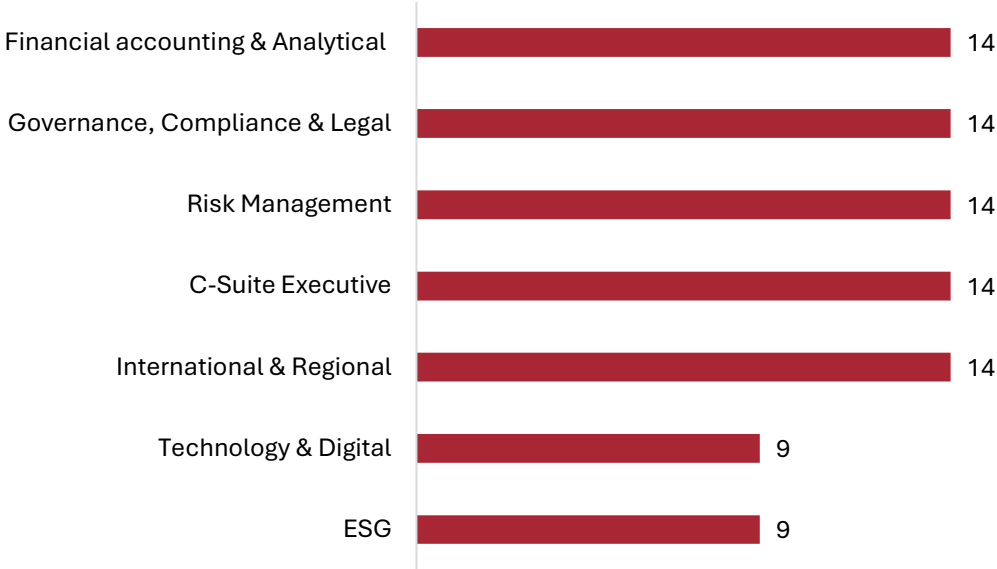
Board Composition and Governance Overview

CIEL Group's governance structure is composed of a well-balanced Board, ensuring diversity of expertise, perspectives, and experience to navigate the complexities of the global market and drive sustainable growth. The current composition reflects a blend of executive and non-executive directors with a strong focus on governance, risk management, and financial oversight.

Board Skills Matrix

The Board is equipped with a wide array of skills, ensuring the Group has the expertise necessary to address a diverse range of strategic, operational, and regulatory challenges.

Exhibit 9.5: Board Skills Matrix



Source:
Company Reports (2024)

This comprehensive skill set reflects the Board's capacity to guide the Group through an increasingly complex global landscape. Notably, the presence of directors with expertise in risk management, governance, and compliance underpins the Group's commitment to maintaining high standards of corporate governance and operational integrity. Furthermore, the broad knowledge in technology, ESG, and financial analytics supports CIEL Group's strategic transformation and continued focus on sustainability and growth.

C-Suite Leadership: A Strong Operational Backbone

CIEL's C-suite team comprises seasoned executives with extensive industry expertise, ensuring effective execution of the Group's strategic priorities:

Guillaume Dalais, Group Chief Executive (effective July 2024): With prior experience in investment banking and executive roles across CIEL's Textile and Properties clusters, Guillaume brings deep expertise in private equity, strategic business development, and M&A structuring. His leadership is expected to drive the Group's next phase of transformation.



Section 9: ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

L. J. Jérôme De Chasteauneuf, Group Finance Director: A seasoned finance professional, he has been instrumental in financial re-engineering, IPOs, and M&A transactions, ensuring disciplined capital allocation and sustainable growth.

Cluster CEOs:

CIEL Hotels & Resorts (François Eynaud): A hospitality veteran who has led strategic repositioning initiatives, supporting Sun Limited's leadership in the Mauritian hotel sector.

CIEL Textile (Eric Dorchies): A key architect of CIEL Textile's internationalisation strategy, with expertise in digital transformation and sustainability.

CIEL Finance (Lakshmana Bheenick): A seasoned banking executive with a strong track record in treasury, global markets, and corporate finance.

C-Care (Hélène Echevin): A transformative leader in healthcare with over two decades of operational and project management experience.

CIEL Properties (Jean-Noël Wong Wan Khin): A finance and corporate restructuring expert, driving the Group's property development strategy.

In conclusion, while CIEL Group's governance and leadership structure is strong, there are opportunities for further enhancements. With only 20% female representation in leadership roles, there may be an imbalance in gender diversity. Furthermore, the current leadership team comprises mainly Mauritian nationals and five French nationals, indicating an opportunity for broader international representation, given the global ambitions of the Group.

CIEL will also need to ensure that succession planning and key personnel risks remain on top of their agenda to ensure it remains resilient in an increasingly complex and changing global landscape.

Source: MCBSB Analysis

APPENDIX 10.1: CONSOLIDATED PROJECTIONS (CIEL)

Consolidated Projections - CIEL								
In MUR m	2022A	2023A	2024A	2025F	2026F	2027F	H. CAGR	P. CAGR
Revenue	28,524.6	35,408.6	35,175.7	35,550.7	37,834.7	41,196.1	11.0%	7.6%
EBITDA	5,269.2	7,084.2	7,480.0	7,231.4	8,395.6	9,485.3	19.1%	14.5%
<i>EBITDA Margin (%)</i>	18.5%	20.0%	21.3%	20.3%	22.2%	23.0%		
PAT	2,154.0	4,302.0	5,038.0	4,755.4	5,556.3	6,448.7	52.9%	16.5%
<i>PAT Margin (%)</i>	7.6%	12.1%	14.3%	13.4%	14.7%	15.7%		
PAT Attributable	1,300.1	2,653.3	2,807.4	2,691.3	3,076.5	3,544.7	46.9%	14.8%

Note: PAT And PAT Attributable includes projected Eliminations & Unallocated costs, Ciel company & Others

APPENDIX 10.2: CONSOLIDATED PROJECTIONS (CIEL HOTELS & RESORTS)

Consolidated Projections - CIEL Hotels & Resorts								
In MUR m	2022A	2023A	2024A	2025F	2026F	2027F	H. CAGR	P. CAGR
Revenue	4,839.0	8,105.0	8,715.0	8,037.1	8,355.1	9,734.7	34.2%	10.1%
EBITDA	1,224.0	2,448.0	2,612.0	2,213.4	2,476.4	3,164.1	46.1%	19.6%
<i>EBITDA Margin (%)</i>	25.3%	30.2%	30.0%	27.5%	29.6%	32.5%		
PAT	210.0	1,527.0	2,015.0	1,464.9	1,653.5	2,207.1	209.8%	22.7%
<i>PAT Margin (%)</i>	4.3%	18.8%	23.1%	18.2%	19.8%	22.7%		
PAT Attributable	103.0	744.0	983.0	734.2	828.7	1,106.2	208.9%	22.7%

Source: MCBSB Analysis

APPENDIX 10.3: CONSOLIDATED PROJECTIONS (CIEL TEXTILE)

Consolidated Projections - CIEL Textile								
In MUR m	2022A	2023A	2024A	2025F	2026F	2027F	H. CAGR	P. CAGR
Revenue	15,454.0	17,835.0	15,699.0	16,098.9	16,420.8	16,749.2	0.8%	2.0%
EBITDA	1,721.0	2,057.0	1,656.0	1,738.7	1,773.4	1,808.9	-1.9%	2.0%
EBITDA Margin (%)	11.1%	11.5%	10.5%	10.8%	10.8%	10.8%		
PAT	670.0	1,072.0	797.0	719.1	738.4	758.1	9.1%	2.7%
PAT Margin (%)	4.3%	6.0%	5.1%	4.5%	4.5%	4.5%		
PAT Attributable	670.0	1,072.0	797.0	719.1	738.4	758.1	9.1%	2.7%

APPENDIX 10.4: CONSOLIDATED PROJECTIONS (CIEL FINANCE)

Consolidated Projections - CIEL Finance								
In MUR m	2022A	2023A	2024A	2025F	2026F	2027F	H. CAGR	P. CAGR
Revenue	4,544.0	5,129.0	5,654.0	5,595.7	6,213.5	6,603.0	11.5%	8.6%
EBITDA	1,424.0	1,601.0	2,075.0	2,144.2	2,816.9	2,955.2	20.7%	17.4%
EBITDA Margin (%)	31.3%	31.2%	36.7%	38.3%	45.3%	44.8%		
PAT	703.0	1,085.0	1,580.0	1,582.1	2,008.9	2,133.2	49.9%	16.1%
PAT Margin (%)	15.5%	21.2%	27.9%	28.3%	32.3%	32.3%		
PAT Attributable	221.0	422.0	625.0	586.3	757.4	813.6	68.2%	17.8%

Section 10: APPENDICES

Source: MCBSB Analysis

APPENDIX 10.5: CONSOLIDATED PROJECTIONS (CIEL HEALTHCARE)

Consolidated Projections - CIEL Healthcare								
In MUR m	2022A	2023A	2024A	2025F	2026F	2027F	H. CAGR	P. CAGR
Revenue	3,562.0	4,121.0	4,881.0	5,641.4	6,652.8	7,910.2	17.1%	18.4%
EBITDA	817.0	803.0	925.0	1,011.4	1,192.2	1,411.3	6.4%	18.1%
EBITDA Margin (%)	22.9%	19.5%	19.0%	17.9%	17.9%	17.8%		
PAT	350.0	350.0	350.0	559.4	699.8	871.1	0.0%	24.8%
PAT Margin (%)	9.8%	8.5%	7.2%	9.9%	10.5%	11.0%		
PAT Attributable	192.0	193.0	192.0	352.5	441.2	549.5	0.0%	24.8%

APPENDIX 10.6: CONSOLIDATED PROJECTIONS (CIEL PROPERTIES)

Consolidated Projections - Ciel Properties								
In MUR m	2022A	2023A	2024A	2025F	2026F	2027F	H. CAGR	P. CAGR
Revenue	133.0	206.0	243.0	183.9	198.9	205.7	35.2%	5.8%
EBITDA	237.0	278.0	365.0	281.0	292.9	300.3	24.1%	3.4%
EBITDA Margin (%)	178.2%	135.0%	150.2%	152.8%	147.2%	146.0%		
PAT	136.0	200.0	302.0	294.8	306.0	313.8	49.0%	3.2%
PAT Margin (%)	102.3%	97.1%	124.3%	160.3%	153.8%	152.5%		
PAT Attributable	142.0	160.0	227.0	217.6	227.3	233.5	26.4%	3.6%

APPENDIX 10.7: CONSOLIDATED PROJECTIONS (CIEL AGRO)

Consolidated Projections (MUR m) - CIEL Agro								
In MUR 'bn	2022A	2023A	2024A	2025F	2026F	2027F	H. CAGR	P. CAGR
Share of Results of Associates	212.0	306.0	239.0	439.5	453.2	467.5	6.2%	3.1%

APPENDIX 10.8: INTRINSIC VALUATION – WACC AND TERMINAL GROWTH RATE

	Cost of Equity (%)	Terminal Growth Rate (%)
<u>CIEL Hotels & Resorts</u>		
Sunlife Hotels ¹	13.3%	8.0-8.5%
Riveo ²	14.6%	8.0-8.5%
<u>CIEL Textile</u>		
CTL ³	12.8%	2.0%
<u>CIEL Finance</u>		
BNI ⁴	26.3%	4.7%
Bank One ⁵	14.3%	4.0%
MITCO ⁶	14.3%	4.0%
<u>CIEL Healthcare</u>		
CCM ⁷	11.4%	3.5%
CCI ⁸	16.0%	3.5%
<u>CIEL Properties</u>		
Evolis ⁹	7.5%	3.5%

Notes:

1. Average WACC computed for Sunlife branded hotels
2. Average WACC computed for Shangri-La Le Touessrok and Four Seasons (Anahita)
3. Management's growth expectations
4. IMF growth projections
5. IMF growth projections for Mauritius + a premium for Africa growth
6. IMF growth projections for Mauritius + a premium for Africa growth
7. IMF growth projections for Mauritius
8. Conservatively set at IMF growth projections for Mauritius
9. IMF growth projections for Mauritius

APPENDIX 10.9: CONGLOMERATE AND MINORITY DISCOUNTS

Given the investment holding structure of the company, we have applied a 12.5% "Conglomerate" discount, assessed on the following 3 factors:

	Key factors	% Discount	Justification
1.	Diversification	5.0%	CIEL group is not a pure play and has more than 30 investee companies across 6 clusters
2.	Management Quality	2.5%	We used a lower discount on account of CIEL Group having a strong and experienced management team with a clear strategy
3.	Market Perception	5.0%	Stocks in Mauritius having large underdeveloped land banks are trading at significant discounts to their NAV
	Total	12.5%	

The free float of the company is estimated at around 40-45%. We have conservatively applied a "Minority" discount of 10% to our valuation.

APPENDIX 10.10: RELATIVE VALUATION SUMMARY – HOTELS AND RESORTS

Note: Equity Valuation not adjusted for CIEL's stake and centralised support costs

■ Excluded from computation

SUN LIMITED

Relative valuation							
				<i>All metrics in USD m</i>			
	<u>Company Name</u>	<u>EV/EBITDA</u>	<u>P-E</u>	<u>Country</u>	<u>Revenue</u>	<u>EBITDA</u>	<u>Market Cap</u>
1	Scandic Hotels Group AB	9.2x	24.4x	Sweden	1,986.3	322.3	1,402.5
2	Hilton Grand Vacations Inc.	10.0x	24.7x	United States	4,238.0	984.0	3,686.4
3	Marriott International, Inc.	18.3x	24.8x	United States	6,570.0	4,113.0	69,986.6
4	InterContinental Hotels Group PLC	18.2x	26.7x	United Kingdom	3,824.0	1,013.0	16,205.9
5	Accor SA	11.5x	17.2x	France	5,582.2	944.5	9,752.1
6	Whitbread plc	9.6x	19.6x	United Kingdom	3,710.1	985.8	N/A
7	Minor Hotels Europe & Americas, S.A.	6.4x	12.3x	Spain	2,445.4	497.0	1,979.8
8	Lux Island Resorts Ltd	5.3x	8.6x	Mauritius	217.3	60.0	172.9
9	New Mauritius Hotels Limited	5.7x	5.9x	Mauritius	343.0	104.8	153.7

Valuation Output	
	<u>Book Value</u>
EV/EBITDA	9.3x
Size discount	20%
EBITDA (MUR m)	1,811.0
Enterprise value (MUR m)	13,531.8
Net Debt (MUR m)	(1,521.0)
Equity Value (MUR m)	12,010.8

APPENDIX 10.10: RELATIVE VALUATION SUMMARY – HOTELS AND RESORTS

RIVEO LIMITED

Relative valuation							
<i>All metrics in USD m</i>							
	<u>Company Name</u>	<u>EV/EBITDA</u>	<u>P-E</u>	<u>Country</u>	<u>Revenue</u>	<u>EBITDA</u>	<u>Market Cap</u>
1	Expedia Group, Inc.	10.8x	26.2x	United States	13,394.0	1,720.0	19,269.2
2	Airbnb, Inc.	41.7x	17.1x	United States	10,840.0	1,673.0	80,197.6
3	Inspirato Incorporated	3.6x	N/A	United States	287.5	-29.4	40.7
4	Vacasa, Inc.	N/A	N/A	United States	949.9	-31.2	43.6
5	On the Beach Group plc	10.5x	15.0x	United Kingdom	223.5	31.6	292.5
6	Global Business Travel Group, Inc.	16.1x	N/A	United States	2,381.0	275.0	3,639.5
7	Booking Holdings Inc.	19.5x	29.3x	United States	23,052.0	7,183.0	141,208.7
8	TUI AG	3.3x	6.7x	Germany	23,262.8	1,182.2	3,634.4
9	New Mauritius Hotels Limited	5.7x	5.9x	Mauritius	343.0	104.8	153.7
10	Lux Island Resorts Ltd	5.3x	8.6x	Mauritius	217.3	60.0	172.9

Valuation Output	
	<u>Book Value</u>
EV/EBITDA	10.6x
Comparability discount	-30%
Trophy Asset Premium	20%
Riveo Multiple	9.6x
Riveo EBITDA (MUR m)	801.0
Enterprise value (MUR m)	7,665.6
Net Debt (MUR m)	(1,106.0)
Equity Value (MUR m)	6,559.6

APPENDIX 10.11: RELATIVE VALUATION SUMMARY – CIEL TEXTILE

Relative valuation						
	<u>Company Name</u>	<u>EV/EBITDA</u>	<u>EV/Revenue</u>	<u>Country</u>	<u>Revenue (USD m)</u>	<u>EBITDA Margin</u>
1	Hela Apparel Holdings PLC	6.5x	0.5x	Sri Lanka	267.20	7.1%
2	Tainan Enterprises Co., Ltd.	8.5x	0.6x	Taiwan	231.50	6.9%
3	TNG Investment and Trading Joint Stock Company	7.6x	0.8x	Vietnam	292.4	10.4%
4	Cabbeen Fashion Limited	4.8x	0.6x	Cayman Islands	152.1	12.0%
5	Magni-Tech Industries Berhad	4.2x	0.5x	Malaysia	346.5	11.4%
6	WW Holding Inc.	6.5x	0.8x	Cayman Islands	258.40	10.8%
7	Gokaldas Exports Limited	27.6x	2.4x	India	384.90	7.7%
8	Lux Industries Limited	28.0x	2.6x	India	283.1	9.1%
9	Pearl Global Industries Limited	16.2x	1.6x	India	457.9	9.2%
10	Rupa & Company Limited	18.5x	1.8x	India	146.5	9.6%
11	Bhartiya International Ltd.	18.6x	1.6x	India	107.8	10.0%
12	Monte Carlo Fashions Limited	18.2x	2.4x	India	126.1	10.3%
13	Dollar Industries Limited	19.8x	2.1x	India	192.5	10.6%
14	S.P. Apparels Limited	15.6x	2.2x	India	141.5	14.0%

Valuation Output	
	<u>Book Value</u>
EV/EBITDA (Excluding India)	6.3x
EV/EBITDA (India Comps)	20.3x
India Weighting	15%
EV/EBITDA (CTL)	8.4x
EBITDA (MUR m)	1,699.1
Enterprise value (MUR m)	14,319.2
Net Debt (MUR m)	(5,960.0)
Equity Value (MUR m)	8,359.1

Valuation Output	
	<u>Book Value</u>
EV/Revenue (Excluding India)	0.6x
EV/Revenue (India Comps)	2.1x
India Weighting	15%
EV/Revenue (CTL)	0.9x
Revenue (MUR m)	15,783.2
Enterprise value (MUR m)	13,599.7
Net Debt (MUR m)	(5,960.0)
Equity Value (MUR m)	7,639.6

APPENDIX 10.12: RELATIVE VALUATION SUMMARY – CIEL FINANCE

BNI MADAGASCAR

Relative valuation				<i>All metrics in USD m</i>		
<i>Focused on African banks with total assets between 2.0x and 0.5x of BNI (except SBM and MCB):</i>				<u>Total Revenue</u>	<u>Total Assets</u>	<u>Gross Loans</u>
<u>Company Name</u>	<u>P/BV</u>	<u>P/E</u>	<u>Country</u>			
1 Bank of Baroda	0.2x	2.8x	Uganda	50.0	741.6	332.6
2 dfcu Limited	0.3x	4.0x	Uganda	81.0	835.0	309.2
3 Access Bank	0.5x	1.3x	Ghana	102.9	1,030.4	204.1
4 Sasfin Holdings Limited	0.5x	12.6x	South Africa	66.2	744.0	621.8
5 BK Group PLC	0.8x	3.7x	Rwanda	170.2	1,682.7	1,072.5
6 Union Bancaire pour le Commerce et L'Industrie Société anonyme	0.9x	8.8x	Tunisia	93.9	1,484.3	1,031.5
7 Standard Chartered Bank Ghana PLC	1.1x	3.2x	Ghana	129.1	1,166.3	190.9
8 Bank of Africa Mali SA	1.2x	8.3x	Mali	48.8	944.2	438.8
9 Access Bank Botswana Limited	1.4x	27.0x	Botswana	47.7	733.9	476.6
10 Bank of Africa Niger	1.4x	6.8x	Niger	39.9	589.5	325.8
11 Standard Chartered Bank Botswana Limited	1.7x	7.5x	Botswana	79.6	1,337.7	653.5
12 Bank Of Africa Senegal	1.8x	7.9x	Senegal	71.4	1,277.5	664.1
13 Bank of Africa - Côte D'ivoire	1.8x	6.1x	Ivory Coast	93.9	1,581.8	764.1
14 FMBcapital Holdings Plc	3.6x	11.6x	Malawi	249.7	1,520.5	736.2
15 Standard Chartered Bank Zambia Plc	3.8x	9.0x	Zambia	68.0	657.1	239.7
16 Standard Bank PLC	5.9x	18.4x	Malawi	121.3	660.9	329.9
17 National Bank of Malawi plc	6.8x	20.2x	Malawi	141.2	755.6	257.0
18 ABC Banking Corporation Ltd	0.6x	4.9x	Mauritius	18.4	519.1	259.8
19 SBM Holdings Ltd	0.4x	3.4x	Mauritius	324.6	8,229.3	3,658.0
20 MCB Group Limited	1.1x	6.9x	Mauritius	704.1	18,225.3	8,417.0

APPENDIX 10.12: RELATIVE VALUATION SUMMARY – CIEL FINANCE

BNI MADAGASCAR

Valuation Output		
	<u>Book Value</u>	<u>Earnings</u>
Multiple	1.1x	6.4x
Illiquidity discount	10%	10%
Market share premium	10%	10%
Metric (MGA bn)	410.3	134.7
Equity Value (MGA bn)	455.1	853.2
<i>In USD m</i>	99.3	186.1
<i>In MUR m</i>	4,588.0	8,602.0

FX as at 2-Oct-2024:
MGA/USD: 4,585
MGA/MUR: 99.19

APPENDIX 10.12: RELATIVE VALUATION SUMMARY – CIEL FINANCE

BANK ONE

Relative valuation							
<i>All metrics in USD m</i>							
	<u>Company Name</u>	<u>P/BV</u>	<u>P-E</u>	<u>Country</u>	<u>Total Revenue</u>	<u>Total Assets</u>	<u>Gross Loans</u>
1	Standard Chartered Bank Zambia Plc	3.8x	9.0x	Zambia	68	657.1	239.7
2	Standard Bank PLC	5.9x	18.4x	Malawi	121.3	660.9	329.9
3	Access Bank Botswana Limited	1.4x	27.0x	Botswana	47.7	733.9	476.6
4	Bank of Baroda	0.2x	2.8x	Uganda	50	741.6	332.6
5	Sasfin Holdings Limited	0.5x	12.6x	South Africa	66.2	744	621.8
6	National Bank of Malawi plc	6.8x	20.2x	Malawi	141.2	755.6	257
7	dfcu Limited	0.3x	4.0x	Uganda	81	835	309.2
8	Bank of Africa Mali SA	1.2x	8.3x	Mali	48.8	944.2	438.8
9	Access Bank	0.5x	1.3x	Ghana	102.9	1030.4	204.1
10	Standard Chartered Bank Ghana PLC	1.1x	3.2x	Ghana	129.1	1166.3	190.9
11	Bank Of Africa Senegal	1.8x	7.9x	Senegal	71.4	1277.5	664.1
12	Standard Chartered Bank Botswana Limited	1.7x	7.5x	Botswana	79.6	1337.7	653.5
13	Union Bancaire pour le Commerce et L'Industrie Société anonyme	0.9x	8.8x	Tunisia	93.9	1484.3	1031.5
14	FMBcapital Holdings Plc	3.6x	11.6x	Malawi	249.7	1520.5	736.2
15	Bank of Africa - Côte D'ivoire	1.8x	6.1x	Ivory Coast	93.9	1581.8	764.1
16	BK Group PLC	0.8x	3.7x	Rwanda	170.2	1682.7	1072.5
17	Zambia National Commercial Bank Plc	2.0x	4.9x	Zambia	201.3	1737.1	657.8
18	Absa Bank Botswana Limited	1.8x	8.1x	Botswana	-	1833.1	1287.1
19	SBN Holdings Limited	0.9x	5.2x	Namibia	185.1	2089.2	1254.2
20	SBM Holdings Ltd	0.4x	3.4x	Mauritius	324.6	8,229.30	3,658.00
21	MCB Group Limited	1.1x	6.9x	Mauritius	704.1	18,225.30	8,417.00

APPENDIX 10.12: RELATIVE VALUATION SUMMARY – CIEL FINANCE

BANK ONE

Valuation Output		
	<u>Book Value</u>	<u>Earnings</u>
Multiple	1.1x	6.4x
Illiquidity discount	10%	10%
Metric (MUR m)	4,151.3	755.8
Equity Value (MUR m)	4,001.9	4,352.7

MITCO

Relative Valuation			
<u>Company Name</u>	<u>EV/EBITDA</u>	<u>Country</u>	<u>EBITDA (USD m)</u>
1 Sanne	7.0x	Mauritius	18.2
2 Standard Bank PLC	8.6x	Mauritius	10.7

Valuation Output	
	<u>Book Value</u>
EV – EBITDA Multiple	7.8x
Illiquidity discount	10%
EBITDA (USD m)	1.3
Equity Value (USD m)	8.9
In MUR m	381.3

APPENDIX 10.13: RELATIVE VALUATION SUMMARY – CIEL HEALTHCARE

	<u>Companies</u>	<u>Country</u>	<u>EV / Revenue</u>	<u>EV / EBITDA</u>
1	Lokman Hekim Engürüsag Sağlık, Turizm, Eğitim Hizmetleri ve İnşaat Taahhüt A.S.	Turkey	2.2x	11.2x
2	Asiri Hospital Holdings PLC	Sri Lanka	1.6x	5.7x
3	Nonthavej Hospital Public Company Limited	Thailand	1.7x	6.8x
4	Srivichaivejvivat Public Company Limited	Thailand	1.3x	6.5x
5	Thai Nakarin Hospital Public Company Limited	Thailand	1.8x	7.6x
6	Rajthanee Hospital Public Company Limited	Thailand	3.7x	12.8x
7	The Consulting & Investment Co. Group. Ltd.	Jordan	2.7x	17.3x
8	Shifa International Hospitals Limited	Pakistan	0.5x	3.6x
9	Ladprao General Hospital Public Company Limited	Thailand	1.8x	13.2x
10	The Lanka Hospitals Corporation PLC	Sri Lanka	1.9x	12.4x

CCM

Valuation Output		
	<u>EV/Revenue</u>	<u>EV/EBITDA</u>
Multiple	1.6x	8.4x
Enterprise Value (MUR m)	5,797.6	5,921.5
Net Debt (MUR m)	(623.2)	(623.2)
Equity Value (MUR m)	5,174.4	5,298.3

CCI

Valuation Output		Valuation Output	
	<u>Book Value</u>		<u>Book Value</u>
EV/Revenue Multiple	1.6x	EV/EBITDA Multiple	7.9x
Enterprise Value	1,996.7	Enterprise Value (MUR m)	1,723.6
Net Debt (MUR m)	(253.9)	Net Debt (MUR m)	(253.9)
Equity Value (MUR m)	1,742.8	Equity Value (MUR m)	1,469.7

APPENDIX 10.14: RELATIVE VALUATION SUMMARY – CIEL PROPERTIES

Valuation Output – Evolis (NAV)	
<i>Assuming 1x NAV</i>	
NAV (MUR m)	1,485.1
Applied multiple	1.0x
Equity Value (MUR m)	1,485

FERNEY

Valuation Output – Ferney Ltd (NAV)	
Cost of land bank registered in company accounts (MUR m):	
Land I	1,151.1
Land II: Earmarked	1,430.5
Land II: Other land	704.3
Land Bank Valuation	3,285.9
Borrowings	(356.8)
Lease liabilities	(327.7)
Equity Value (MUR m)	2,601.4

APPENDIX 10.15: RELATIVE VALUATION SUMMARY – CIEL AGRO

ALTEO AND MIWA COMP SET

Relative valuation				<i>All metrics in USD m</i>			
	<u>Company Name</u>	<u>EV/EBITDA</u>	<u>EV/Revenue</u>	<u>Country</u>	<u>Revenue</u>	<u>EBITDA</u>	<u>Market Cap</u>
1	Illovo Sugar (Malawi)	11.6x	3.3x	Malawi	157.2	51.1	557.7
2	Sucrivoire SA	14.4x	0.8x	Ivory Coast	106.3	6.2	15.3
3	Kayseri Seker Fabrikasi Anonim Sirketi	13.5x	2.4x	Türkiye	516.1	20.4	550.1
4	Dangote Sugar Refinery Plc	10.5x	1.9x	Nigeria	286.3	59.6	338.8
5	Kutahya Seker Fabrikasi Anonim Sirketi	7.4x	1.6x	Türkiye	47.4	9.4	91.7
6	Cosumar SA	11.0x	1.4x	Morocco	1,375.1	180.9	1,835.1
7	Bor Seker A.S.	6.3x	1.7x	Türkiye	110.5	28.9	194.6
8	Delta Sugar Company	4.0x	0.9x	Egypt	164.7	35.7	174.3

APPENDIX 10.15: RELATIVE VALUATION SUMMARY – CIEL AGRO

ALTEO (ENERGY) COMP SET

Relative valuation						
<i>All metrics in USD m</i>						
	<u>Company Name</u>	<u>EV/EBITDA</u>	<u>EV/Revenue</u>	<u>Country</u>	<u>Revenue</u>	<u>EBITDA</u>
1	Park Elektrik Üretim Madencilik Sanayi ve Ticaret A.S.	8.4x	5.5x	Turkey	13.7	9.11
2	Jolliville Holdings Corporation	5.2x	2.0x	Philippines	30.4	11.8
3	Nishat Chunian Power Limited	1.3x	0.7x	Pakistan	37.8	19.3
4	Alaska Power & Telephone Company	5.6x	2.1x	United States	64.2	23
5	India Power Corporation Limited	49.8x	3.0x	India	77.1	4.63
6	Geregu Power Plc	57.8x	20.7x	Nigeria	83.8	30
7	Çates Elektrik Üretim Anonim Sirketi	32.6x	1.6x	Turkey	104.5	4.96
8	Tianjin Tianbao Energy Co., Ltd.	7.3x	0.7x	China	111.1	9.66
9	EDESA Holding S.A.	6.4x	0.4x	Argentina	112.7	7.78
10	Çan2 Termik A.S.	8.4x	2.5x	Turkey	125.9	37.4
11	Power Assets Holdings Limited	17.0x	106.7x	Hong Kong	132	111.5
12	Odas Elektrik Üretim Sanayi Ticaret A.S.	8.1x	3.5x	Turkey	157.6	67.6

APPENDIX 10.15: RELATIVE VALUATION SUMMARY – CIEL AGRO

Alteo - Valuation Output			
Operating companies		Operating companies	
<u>Agri-business</u>		<u>Agri-business</u>	
Average EV-EBITDA multiple	9.8x	Average EV-Revenue multiple	1.7x
Conglomerate discount	15%	Conglomerate discount	15%
EBITDA (MUR m)	1,103.7	Revenue (MUR m)	3,051.5
Enterprise valuation (MUR m)	9,193.4	Enterprise valuation (MUR m)	4,409.4
<u>Energy</u>		<u>Energy</u>	
Average EV-EBITDA multiple	10.0x	Average EV-Revenue multiple	2.2x
Conglomerate discount	15%	Conglomerate discount	15%
Capex discount	100%	Capex discount	100%
EBITDA (MUR m)	58.8	Revenue (MUR m)	910.1
Enterprise valuation (MUR m)	-	Enterprise valuation	-
<u>Property</u>		<u>Property</u>	
FV of property (MUR m)	15,521.0	FV of property (MUR m)	15,521.0
Discount applied to FV	100%	Discount applied to FV	100%
Enterprise valuation (MUR m)	-	Enterprise valuation (MUR m)	-
Total Enterprise value (MUR m)	9,193.4	Total Enterprise value (MUR m)	4,409.4
Net debt (MUR m)	(316.0)	Net debt	(316.0)
Equity valuation (MUR m)	8,877.4	Equity valuation (MUR m)	4,093.4

APPENDIX 10.15: RELATIVE VALUATION SUMMARY – CIEL AGRO

MIWA - Valuation Output		
Operating companies		
	<u>Transmara</u>	<u>TPC</u>
Average EV-EBITDA multiple	9.8x	9.8x
Protected market discount	<i>20%</i>	<i>50%</i>
EBITDA (USD m)	24.3	40.4
Enterprise valuation (USD m)	190.3	198.0
Net debt (USD m)	(16.4)	(22.5)
Equity valuation (USD m)	135.8	175.5
Intermediate HoldCo		
<u>SML</u>		
Stake in:		
Transmara		100%
TPC		75%
Enterprise valuation (USD m)		267.5
Net debt (USD m)		(49.3)
Equity valuation (USD m)		218.2
HoldCo		
<u>MIWA</u>		
Stake in:		
SML		60%
Enterprise valuation (USD m)		130.9
Net debt (USD m)		(21.1)
Equity valuation (USD m)		109.8
<i>FX assumption</i>		
<i>USD/MUR (30-June-2024)</i>		47.20
Equity valuation (MUR m)		5,183.8

Source: MCBSB Analysis

APPENDIX 10.16: ADDITIONAL MACRO-ECONOMIC REVIEW

Uganda

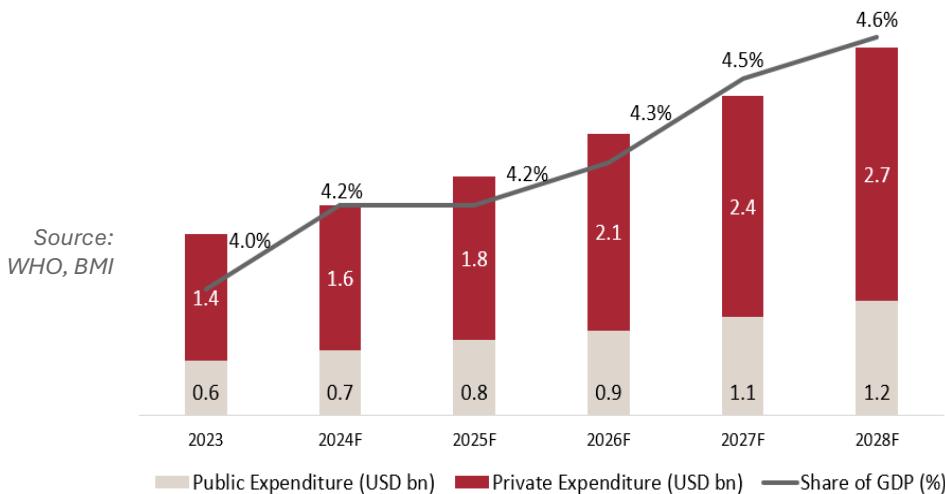
Ciel Healthcare has taken a strategic step in expanding its healthcare footprint into Uganda, operating two hospitals in a market characterised by rising healthcare demand and systemic inefficiencies. This aligns with broader market dynamics, where rising healthcare demand contrasts with systemic inefficiencies, creating opportunities for private sector providers.

Uganda’s healthcare system is the thirteenth largest healthcare in market in Sub-Saharan Africa. Nevertheless, its healthcare system remains fragmented, underfunded, and heavily reliant on out-of-pocket payments, which account for 70% of total expenditure. While public healthcare aims for universal coverage by 2031, structural and legislative bottlenecks, such as the delayed National Health Insurance Scheme, hinder progress.

Healthcare Expenditure Growth

Total healthcare spending reached USD 2bn in 2023, with a projected CAGR of 15.3% (2023–2028), with private sector accounting for majority of health expenditure. Without private sector contributions, health expenditure as a percentage of GDP would fall below 1%, underscoring the critical role of private healthcare providers.

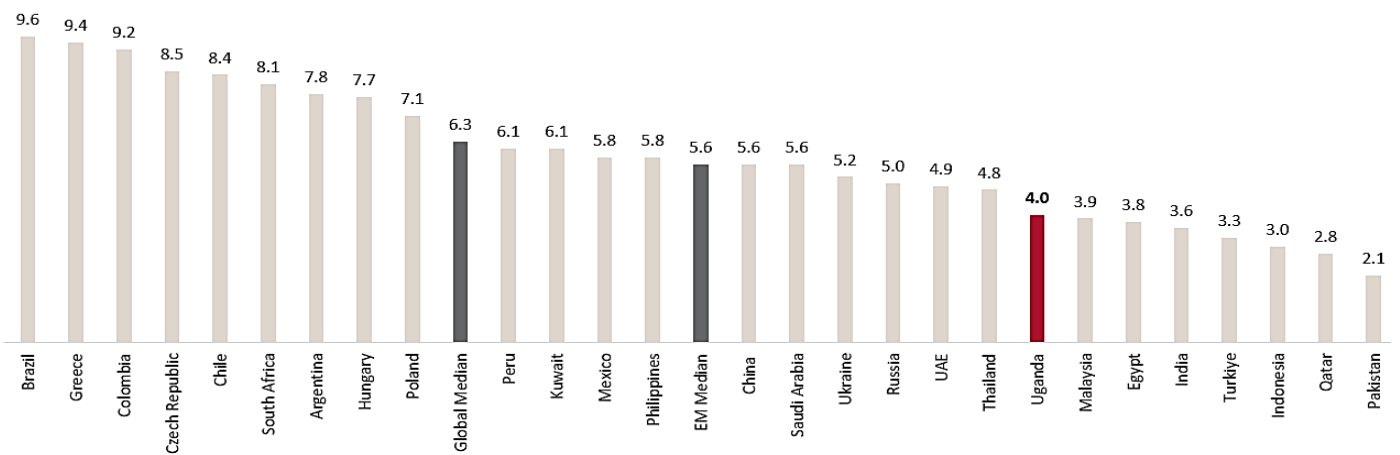
Exhibit 10.16.1: Uganda: Public vs Private Health Expenditure (in USD bn)



Source: MCBSB Analysis

Uganda lags behind both the global median (6.3%) and the emerging market (EM) median (5.6%), highlighting its underinvestment in healthcare relative to peer countries. This low allocation to healthcare underscores a structural funding gap, leaving critical needs unmet.

Exhibit 10.16.2: Health Expenditure as a Percentage of GDP across Emerging Markets (2023)

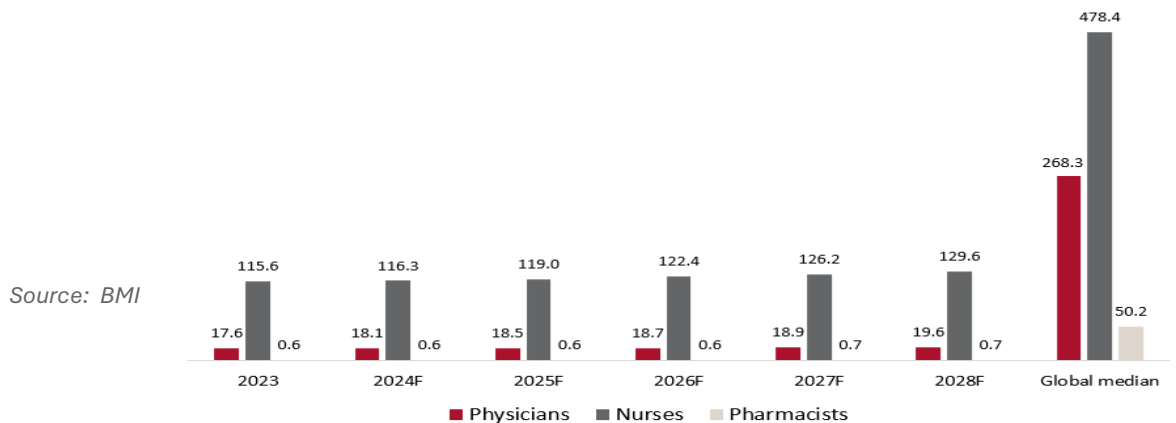


Source: WHO, BMI

Resource Gaps

Uganda faces a significant shortage of healthcare personnel compared to the global median. For example, the country has 19.6 physicians per 100,000 people forecasted for 2028, compared to the global median of 268.3. Similarly, nurse and pharmacist levels remain well below global benchmarks. Minimal progress is expected through 2028.

Exhibit 10.16.3: Uganda - Number of Healthcare Personnel Per 100,000 Population & Global Median



Source: BMI

Digital Health

The government's digital health strategy (2020–2025) offers potential for telemedicine and other technologies. This plan focuses on improving healthcare delivery, disease burden reporting, and evidence-based decision-making. Several telemedicine initiatives have been launched, highlighting the potential for digital technologies to address critical gaps in healthcare access.

These solutions are particularly valuable at the lowest levels of Uganda's healthcare structure, where urban-rural disparities in service delivery are stark. Mobile health (mHealth) platforms and electronic health records (EHRs) have emerged as focal points, with growing demand driven by public health emergencies and maternal care needs.

However, limited infrastructure penetration and fragmented implementation are key barriers to progress. While progress in digital health will be gradual, it has the potential to significantly enhance healthcare delivery in Uganda.

The integration of telemedicine, EHRs, and data-driven decision-making tools can reduce inefficiencies, improve health outcomes, and facilitate a shift towards preventive care models.

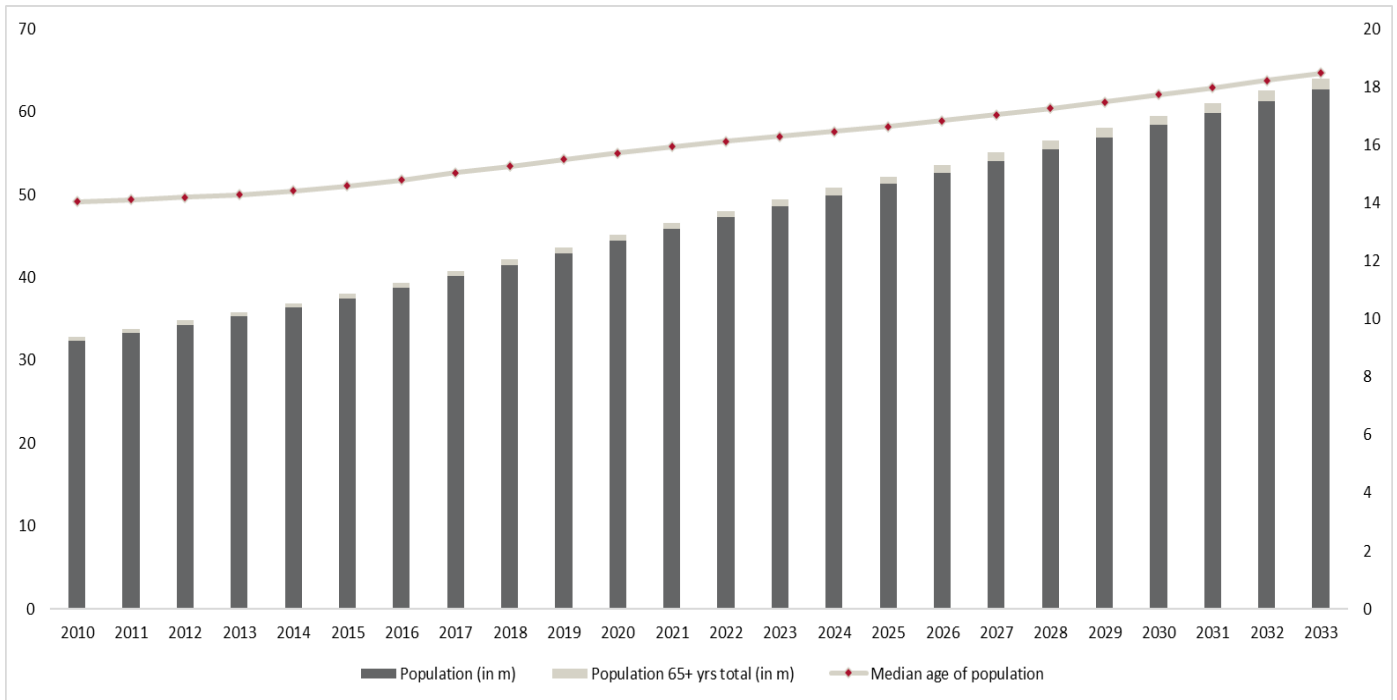
To achieve these goals, strategic partnerships with private sector players and international development agencies will be essential.

Demographic Landscape

Uganda's demographic profile presents both challenges and growth opportunities. Its population is set to grow across all age groups, with the elderly comprising a small but expanding share.

With a median age under 17, a high birth rate, and rising life expectancy, healthcare demand is expected to surge across all age groups. However, maternal and neonatal mortality remain significant concerns.

Exhibit 10.16.4: Uganda – Total Population (in m), Population Aged > 65 Years (in m) & Median Age (years)



Source United Nations, Department of Economic and Social Affairs, Population Division, BMI

Exhibit 10.16.5: SWOT Analysis: Uganda - Healthcare Market

STRENGTHS +	WEAKNESSES -
<ul style="list-style-type: none"> - Government backing for digital health - Strategic initiatives to enhance financial efficiency. 	<ul style="list-style-type: none"> - Insufficient infrastructure - Over-reliance on out-of-pocket payments - Limited rural access.
OPPORTUNITIES +	THREATS -
<ul style="list-style-type: none"> - Expansion of private healthcare - Growing demand for family planning and digital health solutions. 	<ul style="list-style-type: none"> - Rural healthcare disparities - Critical infrastructure gaps (e.g., water, power) - Supply chain risks for imported drugs.

The entry of Ciel Healthcare into Uganda positions it to capitalize on unmet healthcare needs, particularly in urban centres where private facilities dominate. However, systemic inefficiencies and heavy reliance on external funding underline the need for cautious optimism. Investments in digital health and hospital infrastructure could be critical drivers of long-term growth.

Tanzania

Ciel Agro's operations span across Mauritius, Kenya (Transmara), and Tanzania (TPC), positioning the cluster to capitalise on the growth potential of the East African sugar industry.

The Tanzanian sugar sector, in particular, is poised for medium-term growth, driven by government incentives, infrastructure development, and increasing domestic demand. However, systemic challenges—such as limited fertilizer usage, infrastructure delays, and vulnerability to adverse weather—continue to constrain the industry's full potential.

The Tanzanian government's target of achieving self-sufficiency in sugar by 2025/26 appears increasingly difficult to meet, given the structural barriers and ongoing reliance on imports. While government support and private investments remain critical for growth, uncertainties surrounding global commodity prices and geopolitical risks further complicate the outlook. Nonetheless, Tanzania's sugar industry is likely to see steady growth, with continued emphasis on innovation in agritech and infrastructure upgrades.

Macroeconomic Outlook

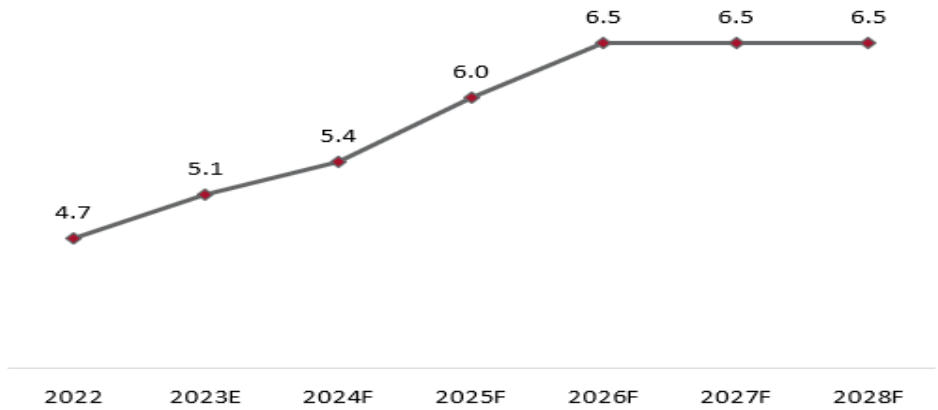
Tanzania's economy continues to perform well, with real GDP growth anticipated to stabilise at 6.0% in 2025, driven by expanding infrastructure, a growing middle class, and an increasingly diversified economy.

Inflation is projected to remain moderate at 4.0% for the medium term, bolstered by prudent monetary policies and favourable weather patterns supporting agricultural production.

The Tanzanian government is also prioritising food security, which will be an essential driver of agribusiness growth, particularly in the sugar industry.

Exhibit 10.16.6: Tanzania’s Real GDP Growth Rate (2021-2025)

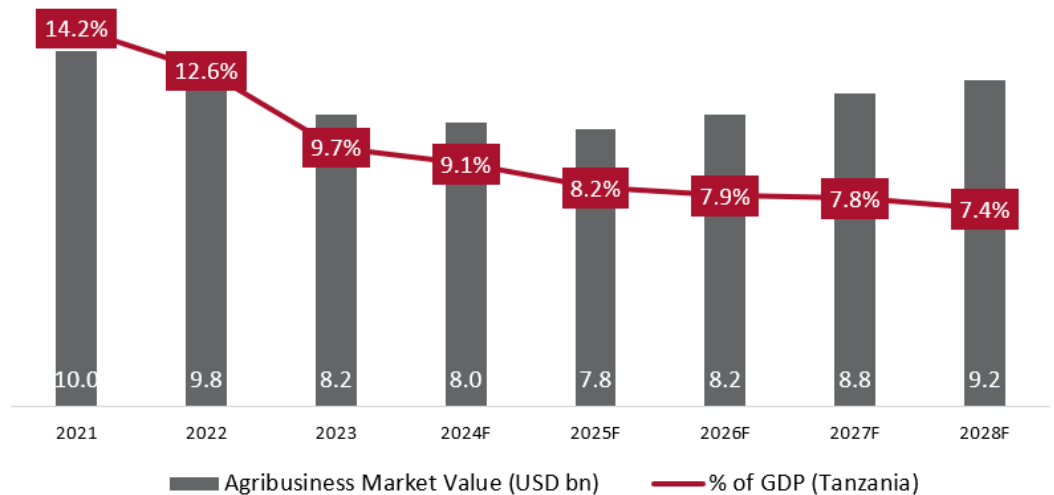
Source
IMF WEO Database, Oct 2024



Tanzania's agribusiness sector remains a crucial pillar of its economy, contributing significantly to the country's GDP and employment. The sector benefits from the government's commitment to enhancing agricultural output, boosting infrastructure, and improving food security. Agribusiness in Tanzania, valued at USD 8bn, is projected to grow at a CAGR of 3.6% from 2024 to 2028, driven by increasing investments in mechanisation, irrigation, and capacity-building. Key sub-sectors such as sugar, cereals, and horticulture will lead the growth, with the sugar industry benefiting from ongoing expansion projects and improved processing capacity.

Exhibit 10.16.7: Tanzania Agribusiness Market Value (USD m, 2021-2028), % of GDP (Tanzania)

Source
USDA, FAO, BMI



Structural Trends in Tanzania’s Sugar Industry

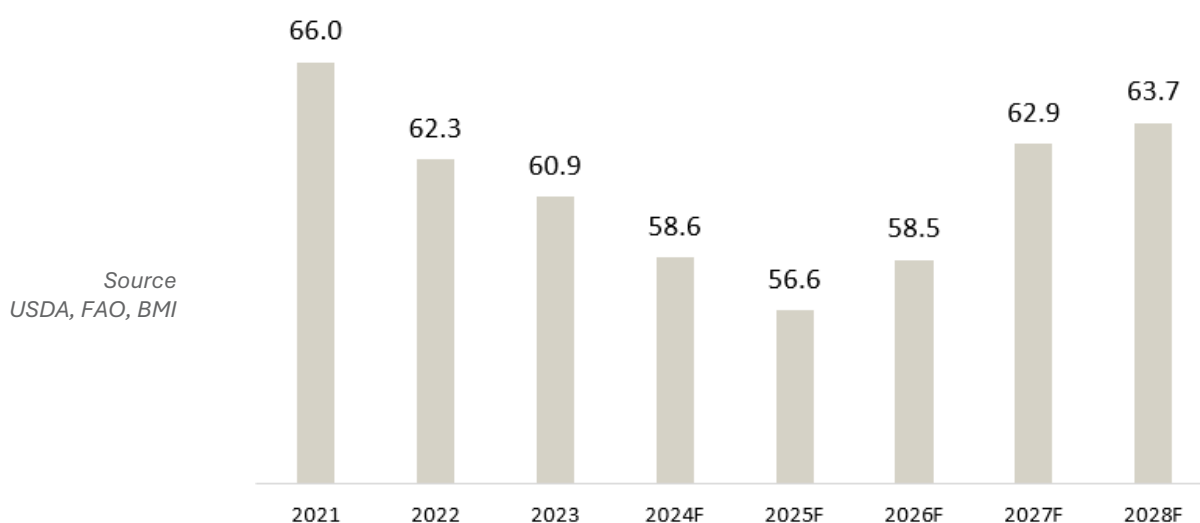
1. Persistent Sugar Deficits and Import Dependency

Despite investments, Tanzania continues to face a significant sugar deficit, with an annual shortfall exceeding 250,000 tonnes. The government has historically oscillated between imposing import bans to protect domestic production and lifting restrictions to address shortages. Sugar consumption in Tanzania is projected to grow steadily due to increased urbanisation and GDP growth. However, per capita sugar consumption remains among the lowest in the region, presenting opportunities for future demand expansion.

2. Sugar Industry’s Role in Self-Sufficiency

Despite investments, Tanzania continues to face a significant sugar deficit, with an annual shortfall exceeding 250,000 tonnes. The government has historically oscillated between imposing import bans to protect domestic production and lifting restrictions to address shortages. Sugar consumption in Tanzania is projected to grow steadily due to increased urbanisation and GDP growth. However, per capita sugar consumption remains among the lowest in the region, presenting opportunities for future demand expansion.

Exhibit 10.16.8: Tanzania – Sugar Self-Sufficiency (%)



3. Government Efforts to Reduce Sugar Imports Amid Persistent Supply Shortages

The Tanzanian government actively manages the sugar market through import restrictions, aiming to safeguard domestic production. In 2018, it imposed a 25% tariff on Ugandan sugar, later lifting and re-imposing restrictions based on evolving trade agreements. However, recurring national sugar shortages, driven by harvest delays, mill closures, and hoarding, have necessitated periodic importation, including in 2024 during the Ramadan period when prices spiked.

Despite ambitious plans to achieve self-sufficiency by 2025/26, progress has been impeded by funding and infrastructure constraints, leading to delays in meeting production targets. As a result, Tanzania is likely to remain dependent on imports to meet domestic demand in the near term.

4. Investment in Sugar Sector to Support Growth, But Structural Barriers Persist

The Tanzanian government's 'Big Results Now' (BRN) initiative prioritises sugar as a key crop, aiming to position the country as a middle-income economy by 2027/28. The strategy focuses on attracting private investment into medium- and large-scale agriculture, shifting away from previous smallholder-centric approaches.

Sugar producers are expanding capacity, with the government supporting new projects such as a factory expected to boost domestic cane demand. However, COVID-19 has delayed progress, with construction now scheduled for completion by 2025/26, a two-year delay from initial projections. While these investments are intended to increase production, growth will likely remain constrained by structural challenges, including low sucrose yields and susceptibility to weather disruptions, compounded by limited irrigation infrastructure.

5. Tanzania's Sugar Deficit Creates Trade Opportunities for SSA Producers

Sugar consumption is rising across Sub-Saharan Africa (SSA), driven by increasing incomes and shifting consumer behaviour.

However, production challenges persist, with factors such as limited access to inputs, poor infrastructure, and land rights hindering growth, notably in Tanzania.

Despite self-sufficiency goals set by various countries, including Tanzania, rising consumption will continue to outpace production, widening deficits. Nigeria's Sugar Master Plan, for instance, has failed to meet targets, with actual production in 2020 falling short of the expected 1.7 million tonnes. We forecast Nigeria's sugar deficit to grow from 1.5 million tonnes in 2021/22 to 1.8 million tonnes by 2027/28, while Mozambique's deficit is set to more than double.

Over the next five years, intra-SSA sugar trade is expected to increase as deficits rise. South Africa and Ethiopia will emerge as key regional exporters, with growing surpluses. Meanwhile, the African Continental Free Trade Area (AfCFTA) and the Africa Sugar Development Task Force (ASDTF) aim to enhance intra-regional trade and foster sugar self-sufficiency in the region.

Short-term risks which could affect Tanzania's sugar production include adverse weather conditions and global commodity price volatility. Tanzania's sugar production is highly weather-dependent, with low irrigation coverage exacerbating vulnerability to droughts or floods. Geopolitical disruptions could inflate input costs and commodity prices, limiting purchasing power and sugar demand.

In the longer term, infrastructure gaps and biofuels competition might impact the industry. Poor transport networks, limited irrigation, and outdated processing facilities remain significant barriers to growth. While sugarcane-based bioethanol production offers opportunities, it may divert resources from sugar production.

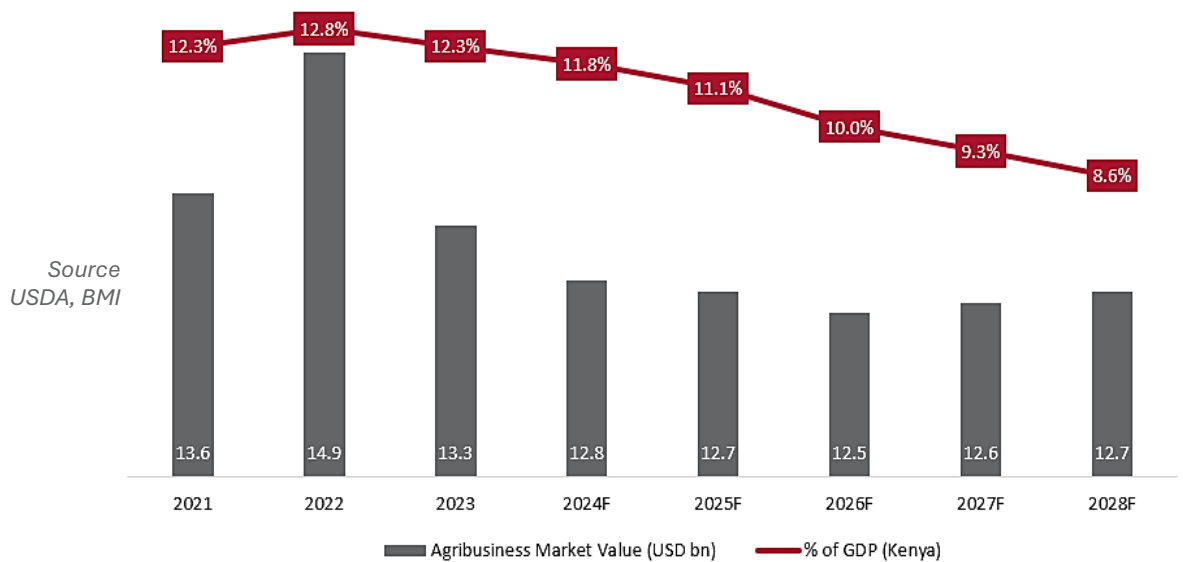
Tanzania's agribusiness sector is poised for significant growth, driven by ongoing structural reforms, and favourable macroeconomic conditions. The sugar industry, in particular, stands at the forefront of this growth, as it works to achieve self-sufficiency and reduce import dependency. As these trends unfold, Tanzania is likely to emerge as a regional leader in agribusiness, offering considerable investment potential in both traditional farming and value-added agribusinesses.

Kenya

Ciel Agro has also established a strong presence in Kenya through Transmara. The medium-term outlook for the agribusiness sector in Kenya remains positive, supported by government fertilizer subsidy programs, ongoing private sector investment, and efficiency improvements. Additionally, the country's rising urbanization, growing incomes, and favourable demographics are expected to boost demand for key agricultural commodities. However, challenges persist within the sugar sector, which continues to face inefficiencies, outdated mills, and an overreliance on imports despite ongoing government revitalisation efforts.

Kenya's agribusiness sector, a market valued at USD 12.8bn in 2024, is projected to stabilize gradually over the next few years, with modest growth expected. While the sector will remain a significant contributor to Kenya's GDP, its relative share is likely to shrink as growth accelerates in other sectors.

Exhibit 10.16.9: Kenya - Agribusiness Market Value, USD bn (2021-2028), % of GDP

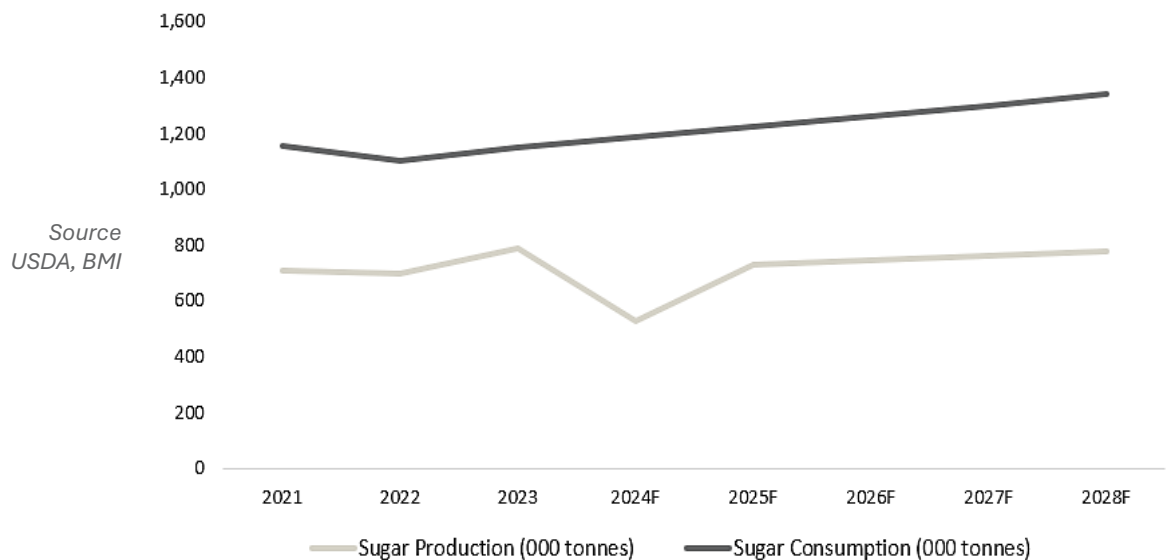


Sugar Industry Struggles in Kenya

Despite efforts to revive the sugar industry, prospects for meaningful improvement in the medium term remain limited. The government’s recent policies, such as the 2023 Policy on Revitalisation of the Sugar Industry, aim to address critical issues, including outdated mills, inefficient sugarcane processing, and inadequate support for farmers. However, challenges like limited access to credit and poor soil fertility continue to impede progress.

In the short term, sugar production is expected to recover slightly in 2024/2025, supported by high prices and the lifting of the sugarcane harvesting ban. However, rising fertilizer and energy costs are likely to constrain yield improvements. Long-term growth will depend on the government’s ability to privatize sugar mills and adopt modern technologies, but these efforts are at risk due to structural inefficiencies within the sector.

Exhibit 10.16.10: Kenya - Sugar Production and Consumption in 000 tonnes (2021-2028)





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