

# AUDITED FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2018

A detailed review is available on the Company's website at : [www.cielgroup.com/financial-review](http://www.cielgroup.com/financial-review)

**CIEL posts an EBITDA growth of 3.8% to MUR 2.95bn while profit after tax stood at MUR 1,090M (2017 Restated: MUR 1,120M) in the financial year ended 30 June 2018**

<b>GROUP CONSOLIDATED REVENUE</b> <b>▲ 22.61</b> 9% MUR bn MUR 20.66 bn - 30 June 2017	<b>GROUP EBITDA</b> <b>▲ 2,953</b> 3.8% MUR M MUR 2,845 M - 30 June 2017	<b>GROUP PROFIT AFTER TAX</b> <b>▼ 1,090</b> 2.6% MUR M MUR 1,120 M - 30 June 2017	<b>PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT</b> <b>▼ 442</b> 3.7% MUR M MUR 459 M - 30 June 2017	<b>COMPANY NAV PER SHARE</b> <b>▼ 8.49</b> 8.8% MUR MUR 9.31 - 30 June 2017	<b>DIVIDEND PER SHARE</b> <b>0.20</b> MUR MUR 0.20 - 30 June 2017
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## CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	30 June 2018	30 June 2017 Restated
<b>Revenue</b>	<b>22,608,499</b>	<b>20,660,562</b>
Earnings Before Interests, Taxation, Depreciation and Amortisation (EBITDA)	2,952,622	2,845,480
Depreciation and amortisation	(1,165,936)	(975,594)
Earnings Before Interests and Taxation	1,786,686	1,869,886
Finance income	26,614	38,407
Finance costs	(780,711)	(724,539)
Share of results of joint ventures net of tax	272,237	140,181
Share of results of associates net of tax	74,084	88,269
Profit before taxation	1,378,910	1,412,204
Taxation	(288,574)	(291,947)
<b>Profit after tax</b>	<b>1,090,336</b>	<b>1,120,257</b>
Profit attributable to:		
Owners of the Parent	441,817	458,570
Non controlling interests	648,519	661,687
	<b>1,090,336</b>	<b>1,120,257</b>
Earnings per share	<b>0.27</b>	<b>0.30</b>
Weighted average no. of ord shares (000) for EPS Calculation	<b>1,627,254,987</b>	<b>1,525,353,078</b>

	30 June 2018	30 June 2017 Restated
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>1,090,336</b>	<b>1,120,257</b>
Profit after tax	1,090,336	1,120,257
Other comprehensive income for the year	487,838	(83,122)
<b>Total comprehensive income for the year</b>	<b>1,578,174</b>	<b>1,037,135</b>
Attributable to:		
Owners of the Parent	756,201	363,614
Non-controlling interests	821,973	673,521
	<b>1,578,174</b>	<b>1,037,135</b>

## CONDENSED STATEMENTS OF FINANCIAL POSITION

	30 June 2018	30 June 2017 Restated
<b>ASSETS</b>	<b>MUR '000</b>	<b>MUR '000</b>
Non-current assets	37,600,719	36,332,454
Current assets	15,901,534	13,045,140
Non-current assets classified as held for sale	91,062	49,812
Total non specific banking assets	53,593,316	49,427,406
Total specific banking assets	15,291,361	13,686,209
<b>TOTAL ASSETS</b>	<b>68,884,676</b>	<b>63,113,615</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Owners' interests	14,386,057	13,654,483
Non controlling interest	10,362,278	9,722,839
Current liabilities	11,569,806	10,476,221
Non current liabilities	13,611,076	13,283,332
Specific banking liabilities*	18,955,459	15,976,740
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>68,884,676</b>	<b>63,113,615</b>
<b>NET ASSET VALUE PER SHARE</b>	<b>8.76</b>	<b>8.94</b>
<b>NO OF SHARES IN ISSUE</b>	<b>1,642,818</b>	<b>1,526,878</b>
<b>NET INTEREST BEARING DEBT</b>	<b>15,498,238</b>	<b>15,229,452</b>
<b>Gearing = Debt/(Debt+Equity)</b>	<b>38.5%</b>	<b>39.4%</b>

\* Specific banking liabilities relate to deposits from customers of BNI Madagascar

## CONDENSED STATEMENTS OF CASH FLOWS

	30 June 2018	30 June 2017 Restated
<b>Net cash from operating activities and working capital movements*</b>	<b>3,660,763</b>	<b>1,842,975</b>
<b>Net cash used in investing activities</b>	<b>(1,535,926)</b>	<b>(2,928,446)</b>
<b>Net cash (used in)/ from financing activities</b>	<b>(417,236)</b>	<b>2,200,107</b>
Increase in cash and cash equivalents	1,707,601	1,114,636
<b>Movement in cash and cash equivalents</b>		
At 1 July	3,180,501	2,052,337
Increase in cash and cash equivalents	1,707,601	1,114,636
Effect of foreign exchange	(207,334)	13,528
At 30 June	<b>4,680,768</b>	<b>3,180,501</b>

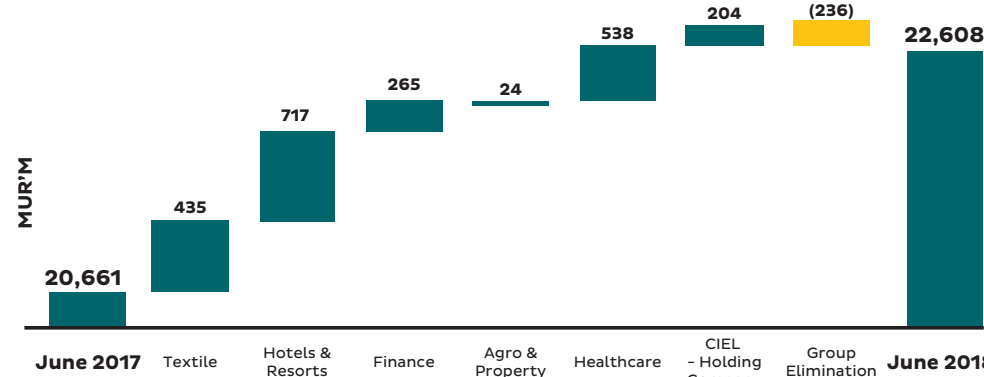
\* Inclusive of net deposits of MUR 980M from banking customers (BNI Madagascar)

## CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Owner's Interest Total	Non-Controlling Interests	Total Equity
	<b>MUR '000</b>	<b>MUR '000</b>	<b>MUR '000</b>
Balance at 1 July 2017	13,904,426	9,759,140	23,663,566
- prior year adjustment	(249,943)	(36,302)	(286,245)
- as restated	13,654,483	9,722,838	23,377,321
Total comprehensive income for the period	756,201	821,973	1,578,174
Issue of shares	818,876	-	818,876
Issue of shares to non-controlling interest	-	928,035	928,035
Effect of change in ownership	(517,927)	(676,682)	(1,194,609)
Dividends	(328,409)	(428,213)	(756,622)
Other movements	2,833	(5,673)	(2,840)
<b>Balance at 30 June 2018</b>	<b>14,386,057</b>	<b>10,362,278</b>	<b>24,748,335</b>
Balance at 1 July 2016	13,834,269	9,749,787	23,584,056
- prior year adjustment	(228,046)	(33,216)	(261,262)
- as restated	13,606,223	9,716,571	23,322,794
Total comprehensive income for the period	363,510	673,521	1,037,031
Issue of shares to non-controlling interest	-	2,683	2,683
Purchase of treasury shares	-	(7,784)	(7,784)
Effect of change in ownership	2,306	(22,965)	(20,659)
Dividends	(305,255)	(601,812)	(907,067)
Other movements	(12,301)	(37,375)	(49,676)
<b>Balance at 30 June 2017</b>	<b>13,654,483</b>	<b>9,722,839</b>	<b>23,377,322</b>

The above audited condensed statements for the year ended 30 June 2018 have been prepared in compliance with International Financial Reporting Standards and have been audited by Pricewaterhouse Coopers. The audited condensed financial statements are issued pursuant to the listing rule 12.14 and the Securities Act 2005. The Board of Directors of CIEL Limited accepts full responsibility for the accuracy of the information contained in this report. Copies of the audited condensed financial statements are available, free of charge, upon request from the Company Secretary, 5th Floor, Ebène Skies, rue de l'Institut, Ebène. The statement of direct and indirect interests of Insiders, pursuant to Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, is available free of charge, upon request from the Company Secretary, 5th Floor, Ebène Skies, Rue de l'Institut, Ebène.

## MOVEMENT IN GROUP CONSOLIDATED REVENUE



## GROUP EBITDA & PROFIT AFTER TAX

In MUR 'M	YEAR	TEXTILE	HOTELS & RESORTS	FINANCE	AGRO & PROPERTY	HEALTHCARE	CIEL HOLDING COMPANY	GROUP ELIMINATION	TOTAL
<b>EBITDA</b>	<b>2018</b>	759	1,290	805	63	131	347	(442)	<b>2,953</b>
	2017 Restated	997	853	773	287	(41)	327	(351)	<b>2,845</b>
<b>PAT</b>	<b>2018</b>	317	198	724	104	(63)	251	(441)	<b>1,090</b>
	2017 Restated	562	(129)	630	337	(194)	239	(325)	<b>1,120</b>

CIEL Limited ('CIEL') is a diversified investment group headquartered in Mauritius, with interest in five sectors, namely Textile, Hotels & Resorts, Financial Services, Agro & Property and Healthcare, present across Africa, Asia and the Indian Ocean.

The figures presented for the year ended 30 June 2018 are not directly comparable with prior year due to the acquisition of Wellkin Hospital ('Wellkin') within The Medical and Surgical Centre Limited Group ('MSCL') in January 2017, the closure of Kanuhura Resort and Spa ('Kanuhura') within Sun Limited ('SUN') until December 2016 and the increased stake in CIEL Textile Limited ('CTL') from 56.31% to 88.48% in August 2017.

During the year ended 30 June 2018, the Group's prior years audited financial statements were restated mainly as a result of the re-statement of the audited financial statements of Alteo Limited ('Alteo'), the alignment of the deferred income tax rate to 17% (inclusive of 2% CSR) and the correct accounting treatment for sale and finance leaseback transactions of the IHS rooms in the Hotels & Resorts cluster.

Group revenue for the year under review increased by 9% to MUR 22.6bn (2017 Restated: MUR 20.7bn) while Earnings Before Interest, Tax, Depreciation and Amortisation ('EBITDA') rose to MUR 2,953M (2017 Restated: MUR 2,845M) leading to an EBITDA margin of 13.1% (2017 Restated: 13.8%).

Group Profit after Tax ('PAT') for the year was MUR 1,090M (2017 Restated: MUR 1,120M) - a slight fall explained by the different performances of the Group's five clusters below:

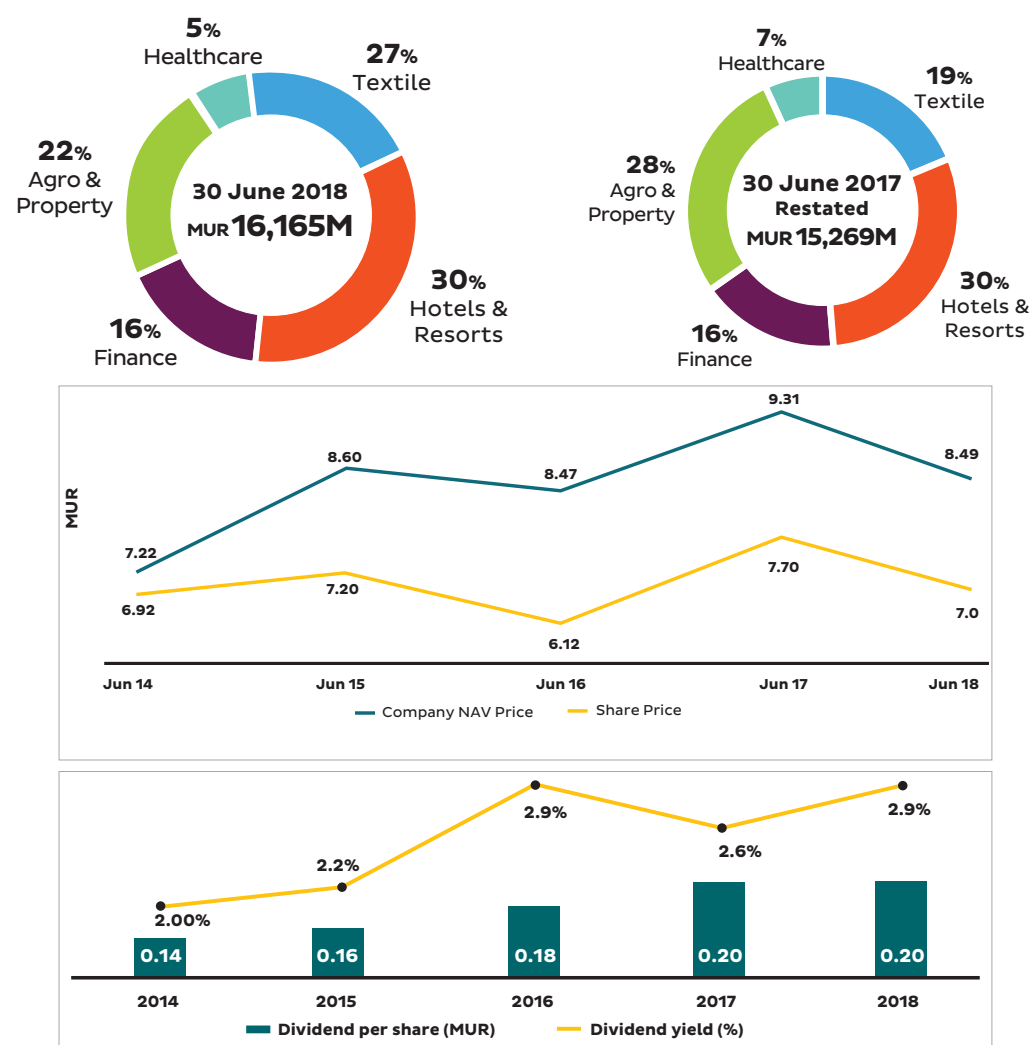
- The reduced profitability of CTL compared to prior year on account of the lower contribution from its Woven segment. The cluster's activity has been impacted by the lower competitiveness of its regional operation in an environment of fierce international competition which is putting pressure on margins. The removal of export subsidies in India and a weak US dollar in the earlier part of the financial year also affected the results. The Knits Indian operations and the Knitwear regional segment remain loss-making. Loading and efficiencies of those factories are, however, improving and prospects are encouraging in a current challenging environment.
- In the Hotels & Resorts cluster, SUN shows a marked turnaround compared to prior year by posting a profit after tax of MUR 194M (2017: (MUR 112M)). With the reopening of all its renovated hotels and the yield maximisation strategy adopted in recent years, the group revenue was up by 12% percent on prior year. The tight cost management control also contributed to an improved EBITDA margin. Management is currently implementing measures to address the difficulties of the Kanuhura resort in the Maldives which reopened late December 2016. Forward bookings are encouraging and should lead to improve the financial performance of this unique Maldivian asset in the coming quarters.
- The Finance cluster posted yet another good financial year with a double digit growth in profitability mainly on account of the strong performance of the two banks within its portfolio. Bank One's profitability was boosted in the last quarter of the financial year by a one-off cash settlement following resolution of an international court case. BNI Madagascar is still performing strongly in a challenging context for Madagascar with the forthcoming general presidential elections.
- The Agro & Property cluster has been negatively affected by Alteo's local operations due to the reduced export sugar price. The results were also driven down compared to prior year by the low sugar prices and the reduced sugar cane availability in Kenya. These negative impacts have somehow been mitigated by the commendable performance of its Tanzanian operations and favourable gains from sale of land together with a much improved performance of its property cluster. Last year's result for the Agro & Property cluster included non-recurring gains from land revaluation of MUR 226M.
- The Healthcare cluster, though still loss-making, showed distinct improvement on prior year. This year's performance has been supported by the improved results of MSCL where Wellkin's turnaround remains on track. Last year's financial results were negatively impacted by a partial impairment of MUR 138M of its investment in Nigeria.

CIEL Group's profit attributable to ordinary shareholders stood at MUR 442M (2017 Restated: MUR 459M) for the year review. Earnings per share stood at MUR 0.27 (2017 Restated: MUR 0.30).

This year's Group result has been impacted by the textile cluster's results and fell short of expectations. The Board remains confident that the important investment made by CIEL over the last few years will start generating improved EBITDA which in turn should create shareholders value in the medium term.

## COMPANY INVESTMENT PORTFOLIO OVERVIEW

At Company level, the Net Asset Value ('NAV') per share stood at MUR 8.49 as at 30 June 2018 - down 8.8 percentage points from MUR 9.31 restated as at 30 June 2017 - reflecting mainly the fall in the share price of Alteo, MSCL and the takeover of CTL financed by debt together with the issuance of ordinary shares at CIEL level. The Share Price Discount to Net Asset Value stood at 18% as at 30 June 2018.



By order of the Board

CIEL Corporate Services Ltd  
Secretaries

27 September 2018

BRN: C06000717

For more information, contact us on:  
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