

# CIEL Half-Year 2016-17 Results

Analyst meeting | 16 February 2017



# Agenda

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1. Key Figures
2. Highlights
3. Financial Results
4. Clusters Review
5. Focus on CIEL Healthcare
6. CIEL moving forward



# FIRST HALF 2016-2017

## KEY FIGURES



### Good revenue growth and improved profitability for the semester

GROUP REVENUE

**10.04**

MUR BN

▲ MUR 9.40 BN -  
31 December 2015

GROUP EBITDA

**1.54**

MUR BN

▲ MUR 1.38 BN -  
31 December 2015

GROUP PROFIT BEFORE NON-RECURRING ITEMS AND TAX

**942**

MUR M

▲ MUR 840 M -  
31 December 2015

COMPANY NET ASSET VALUE PER SHARE

**8.37**

MUR

▼ MUR 8.47  
30 June 2016

# Key Highlights



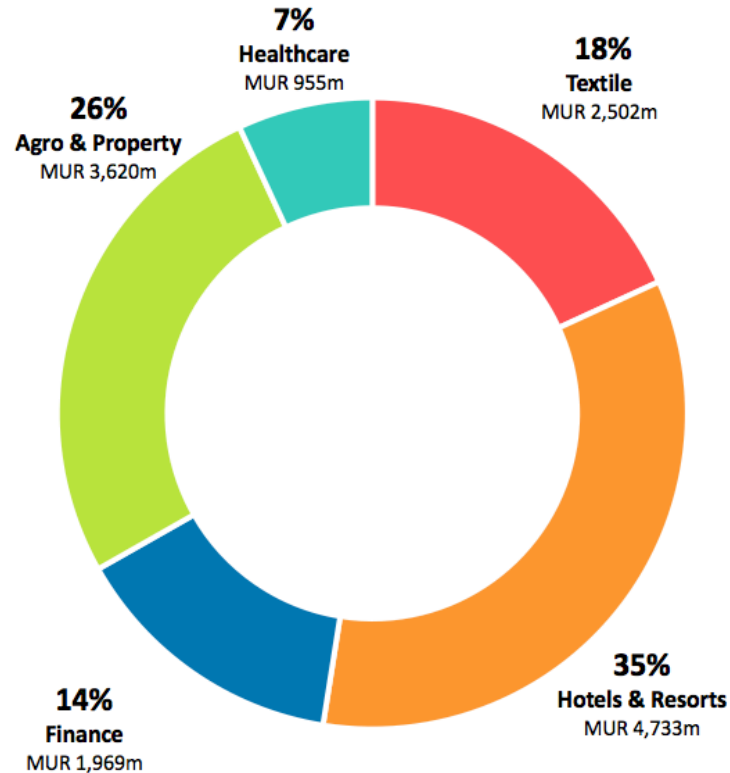
- New management structure in place with Group Chief Executive and Group Finance Director
- SUN Limited 100% operational with improved room inventory
- Re-opening of Kanuhura (5\* Hotel in Maldives) in December
- MUR 5 billion private placement of bond for Sun Limited
- Creation of CIEL Agro & Property holding company
- Acquisition of Apollo Bramwell Hospital's business operations in January 2017

# FINANCIAL RESULTS



# Investment Portfolio

31 December 2016 – MUR 13,779M



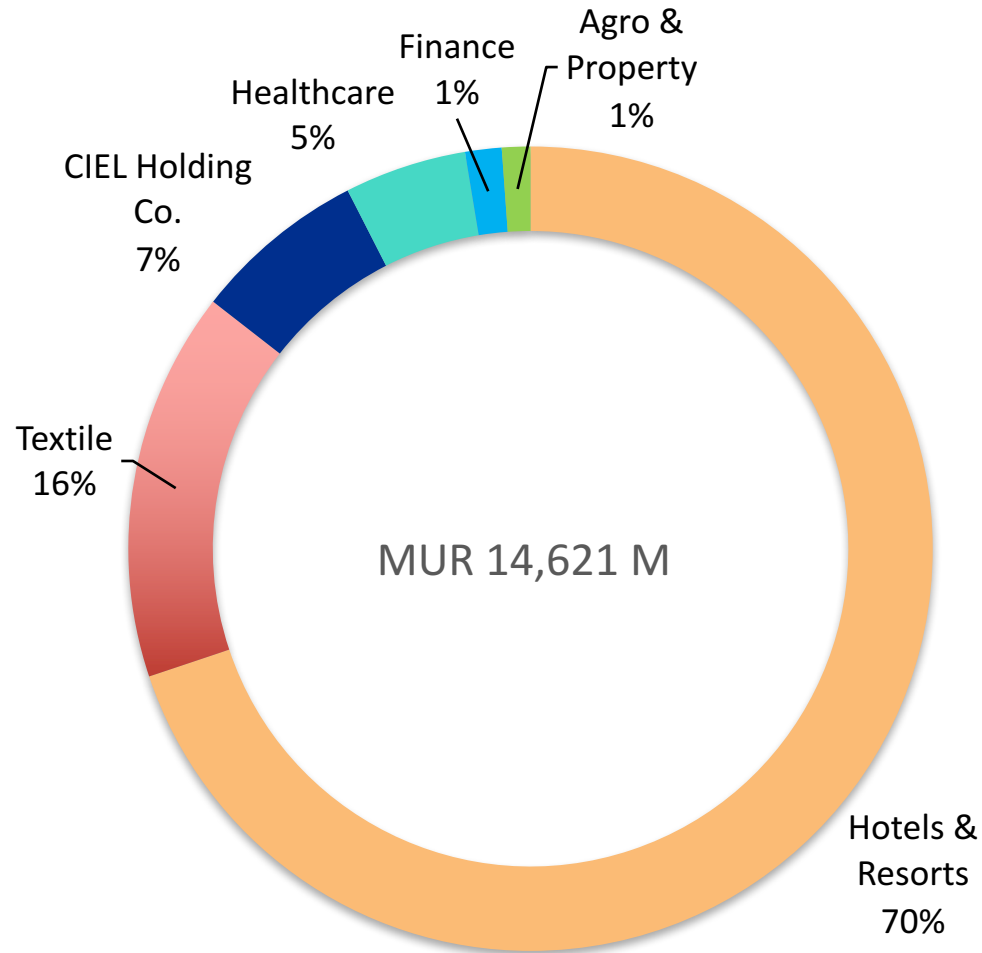
- Share appreciation of Alteo Limited (4%) and The Medical & Surgical Centre (18%)
- BNI Madagascar and Bank One impacted by lower valuation of ratios

# Balance Sheet Highlights

Group		Half-Year ended	Half-Year ended	%
		31 December	30 June	
		2016	2016	
Total Assets	MUR'M	61,512	57,284	7%
Net Borrowings	MUR'M	14,621	13,286	29%
Gearing Ratio*	%	38	36	
Net Asset Value per Share	MUR	9.13	9.07	1%
<b>Company</b>				
Company Gearing Ratio*	%	7.40	7.80	
Company Net Asset Value per Share	MUR	8.37	8.47	-1%

- Debt/(Debt+Equity)

# Breakdown of Net Debt



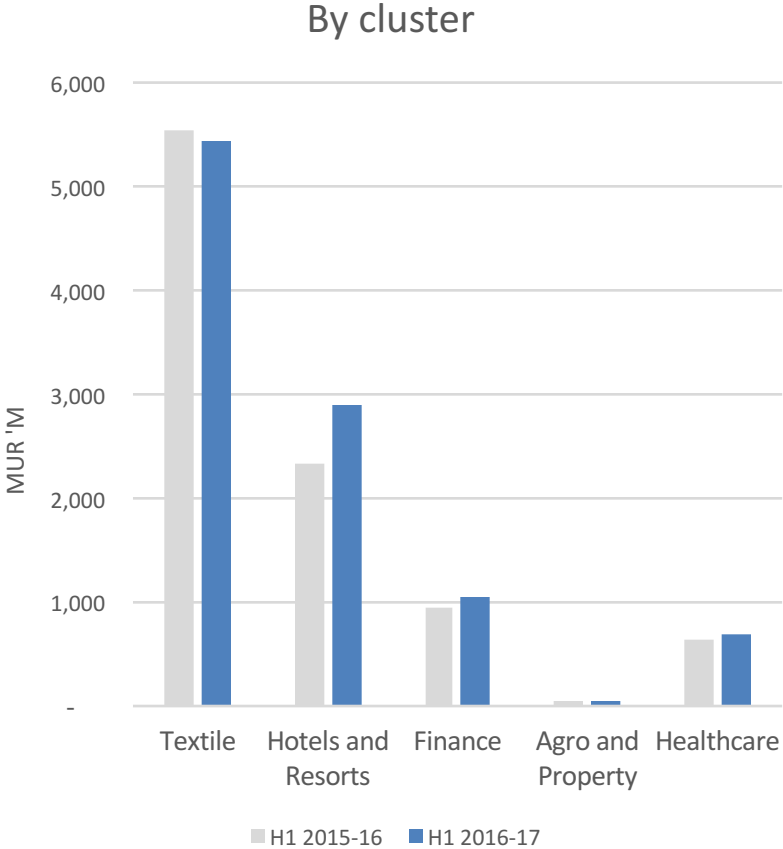


# Good revenue growth and improved profitability

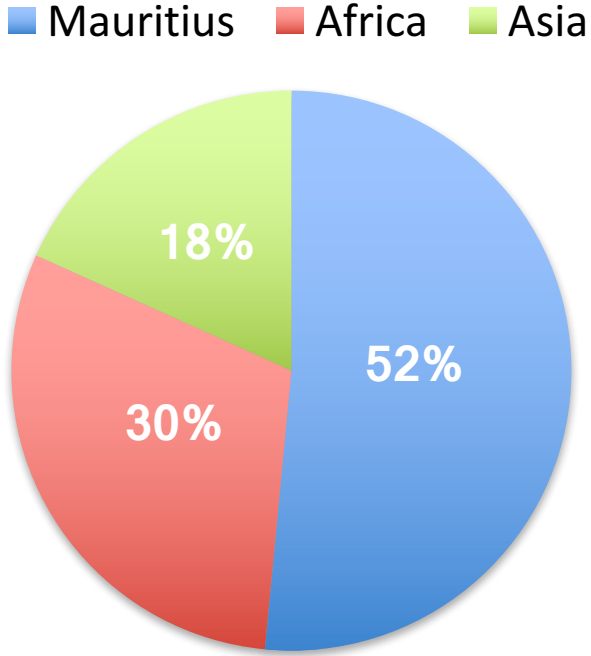
## Summarised Group Income Statement

<b>Group</b>		<b>Half-Year ended 31 December 2016</b>	<b>Half-Year ended 31 December 2015</b>	<b>%</b>
Revenue	MUR'M	10,044	9,401	7%
Profit before non-recurring items and tax	MUR'M	942	840	12%
Non-recurring items	MUR'M	(124)	(349)	n/a
Profit after tax	MUR'M	671	393	71%
Profit Attributable to owners of parent	MUR'M	268	149	80%
Earnings per share	MUR	0.18	0.10	80%

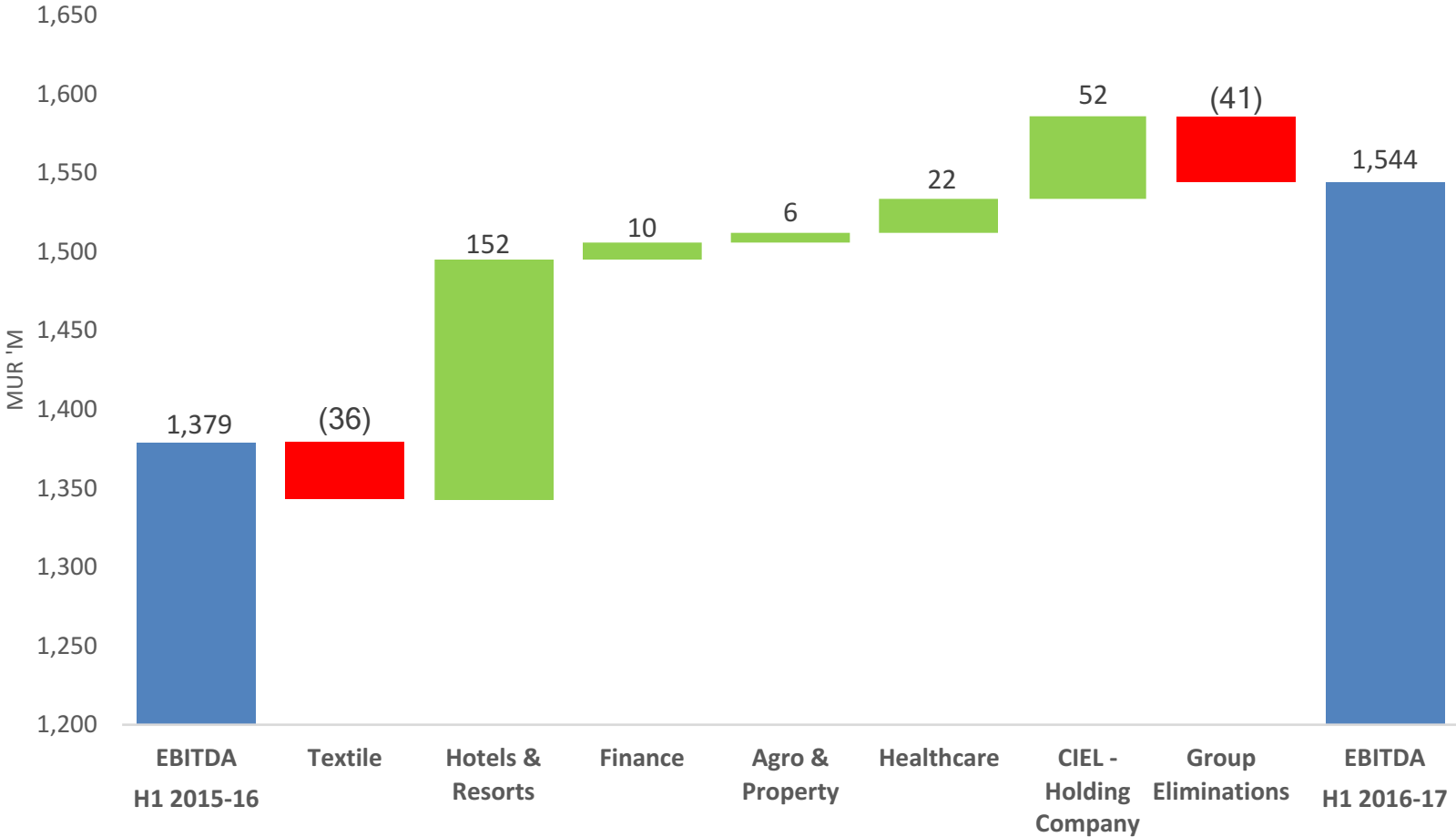
# Breakdown of Group revenue by cluster and region



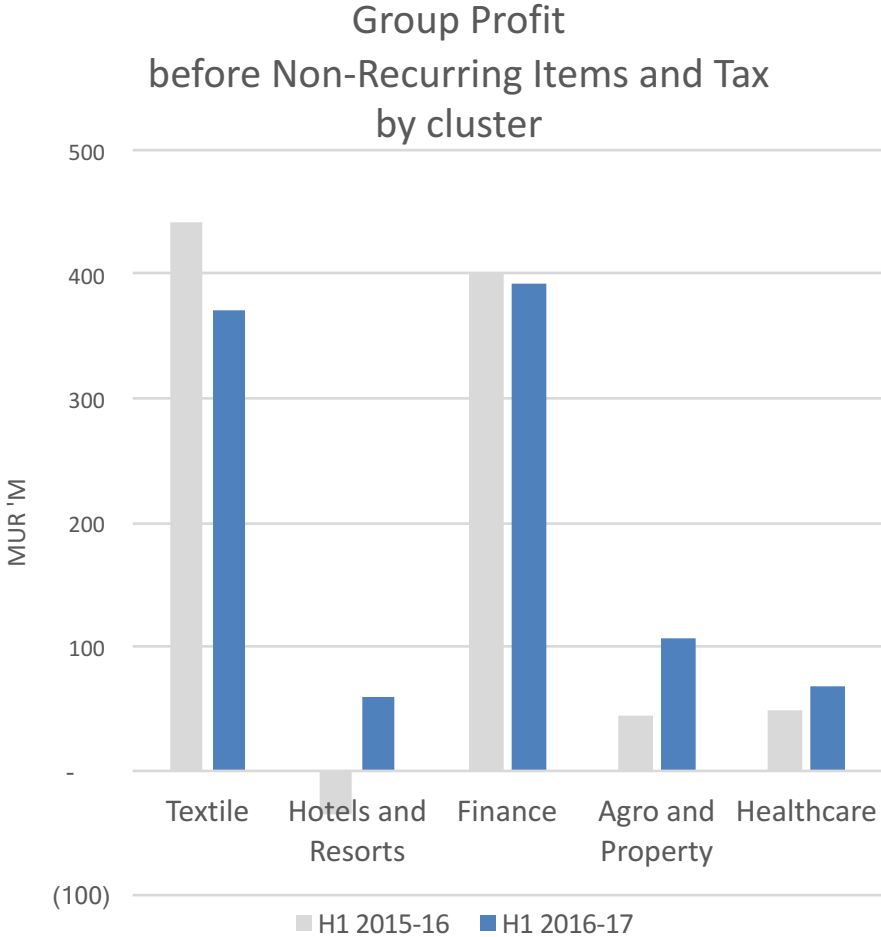
By Region  
For The Half Year To Dec 2016



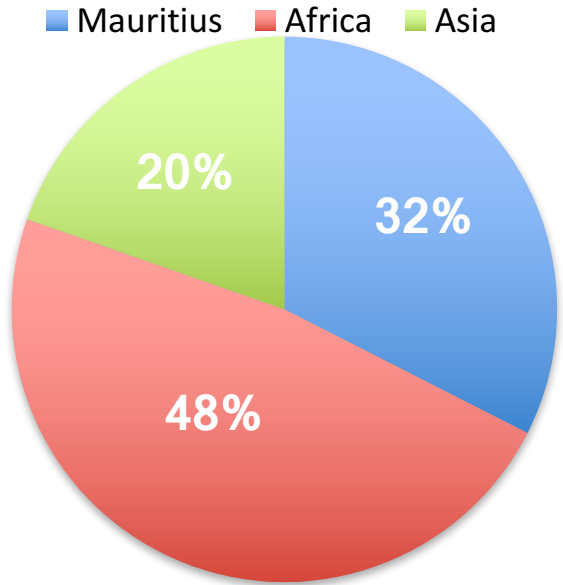
# Contribution to EBITDA



# Breakdown of Group profits by cluster and by region



Group profit before non-recurring items and tax by region For the Half Year to Dec 2016



# CLUSTER REVIEW



# CIEL Agro and Property

Half-Year ended 31 December

	2016	2015	Variance
Income Statement	MUR'M	MUR'M	MUR'M
Revenue	40	38	2
EBITDA	23	17	6
Profit before tax	106	44	62
Profit after Tax	105	42	63

Creation of CIEL Agro and Property Ltd consisting mainly of investments in Alteo, Ferney (Agricultural land owning company & sponsor of La Vallée de Ferney), Ebene Skies (Investment Property) and CIEL Properties (Property & Asset Management)

## ALTEO:

- Agri and Sugars results sector boosted by increased sales volumes and higher sugar prices
- Energy operations driven by higher offtake and better bagasse quality
- Growth potential of the sugar sector in Africa
- Property & Hospitality results adversely affected by closure of Anahita Golf & Spa Resort for refurbishment whilst Amalthea Residences phase reached near completion

# CIEL Textile

Half-Year ended 31 December

Income Statement	2016	2015	Variance
	MUR'M	MUR'M	MUR'M
Revenue	5,442	5,537	(95)
EBITDA	533	569	(36)
Profit before tax	371	441	(70)
Profit after Tax	309	373	(64)

- Woven cluster - main contributor to CIEL Textile's profitability
- Continuously evolving market conditions for Knits and Knitwear operations
- Launch of Knits operations in India
- Restructuring costs of Knitwear operations in the region
- Focus on operational excellence in CIEL Textile factories
- Order books for second semester expected to show marginal improvement

# CIEL Hotels and Resorts

Half-Year ended 31 December

	2016	2015	Variance
Income Statement	MUR'M	MUR'M	MUR'M
Revenue	2,907	2,342	565
EBITDA	510	358	152
Profit before non-recurring items and tax	59	(34)	93
Non-recurring items	(124)	(349)	225
Profit after Tax	(54)	(326)	272

- Increase in revenue due to an improved room inventory with the re-opening of The Four Seasons Resort at Anahita, The Shangri-La's Le Touessrok Resort and Spa and in December 2016 of The Kanuhura in the Maldives
- Drop in losses due to improved operating performance and completion of renovation programmes
- Closure and other non-recurring charges have started to recede
- Successful private placement of multi-currency note programme of MUR 5 billion in early November
- Stabilisation of finance costs with interest savings from bond issue
- Encouraging occupancy and continuing room rate growth expected
- Challenges of repositioning Kanuhura in highly competitive environment



# CIEL Finance

Half-Year ended 31 December

	2016	2015	Variance
Income Statement	MUR'M	MUR'M	MUR'M
Revenue	1,048	941	107
EBITDA	391	381	10
Profit before tax	392	401	(9)
Profit after Tax	320	331	(11)

- 11% growth in revenue with slight decrease of 3% in Profit after Tax (PAT) driven by a one-off profitable exit recorded by Kibo Fund 1 in 2015
- Continuous improvement of BNI Madagascar's operations with in-depth process review and replacement of core banking system
- Adverse effect of foreign exchange rates on BNI in Madagascar
- Higher net fees and commissions and well-contained expenses at Bank One
- MITCO – better performance with focus on strategic plan and competitive positioning in challenging local and global environment

# CIEL Healthcare

Half-Year ended 31 December

Income Statement	2016	2015	Variance
	MUR'M	MUR'M	MUR'M
Revenue	696	640	56
EBITDA	116	94	22
Profit before tax	69	49	20
Profit after Tax	49	34	15

- Increased contribution from The Medical and Surgical Centre Ltd ('MSCL') and the International Medical Group ('IMG') in Uganda
- Improved revenue and net profit at IMG despite depreciation in Ugandan Shilling. Positive perspective with new management team and better reporting system
- Hygeia Nigeria Limited ('HNL'), Nigeria affected by substantial depreciation of the Naira, high inflation rates and economy in recession
- CIEL Healthcare's acquisition of Apollo Bramwell Hospital's business operations through subsidiary, MSCL, on 20 January 2017
- Group's commitment to delivering high quality healthcare services in high-technology and caring environment

Focus on  
CIEL HEALTHCARE






# Ciel Healthcare

**494**  **+150**   
Operational Beds Additional bedded capacity

**5**  **34**  **1** 

Hospitals Clinics Accredited Testing Laboratory

Medical and paramedical services across **40** specialties 

Presence in **3** Countries  
- Mauritius  
- Uganda  
- Nigeria

**2** HMOS providing medical schemes covering **~325,000** lives  
More than **2,400** employees

## Main Investments

  
**58.60%**

  
**90.10%**

  
**22.81%**

  
**35%**

## International Partners



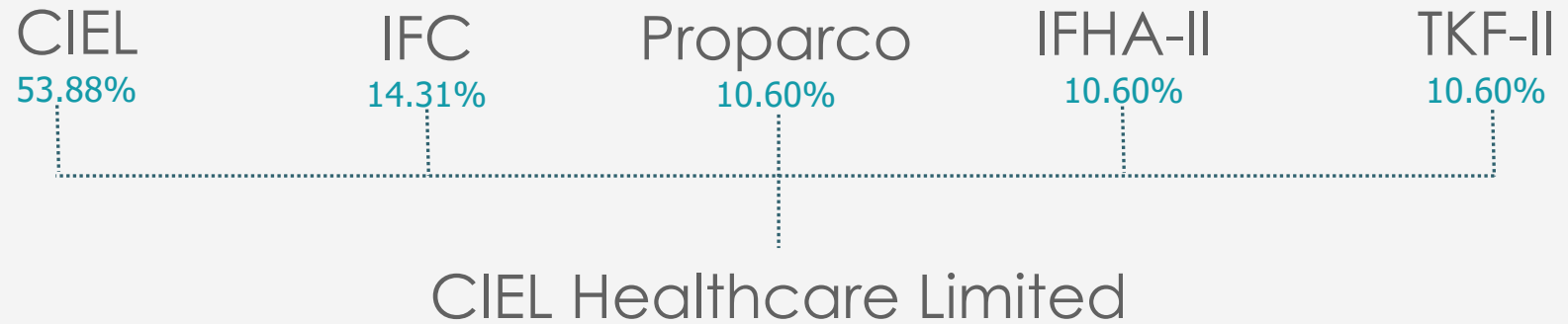


Above key figures include ex-Apollo Bramwell Hospital

# Key Milestones

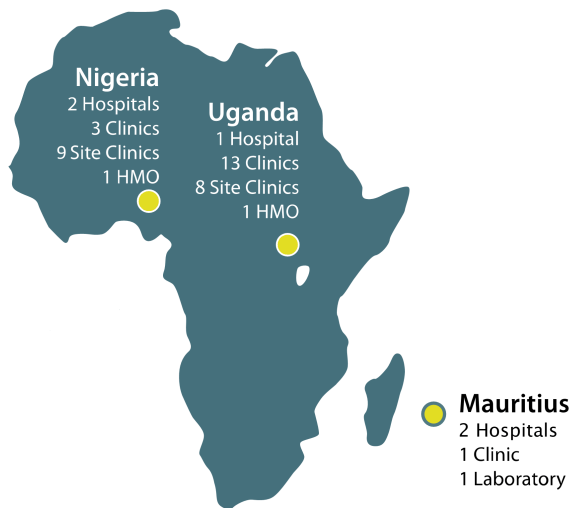
Jan 2009	CIEL Group enters into strategic partnership with Fortis Healthcare with direct holding of 29.80% in The Medical and Surgical Centre Limited ('MSCL')	Apr 2015	CHA enters into an Advisory and Business Support Agreement with Fortis Healthcare
Jun 2013	Incorporation of CIEL Healthcare Limited ('CHL')	Jul 2015	CHL acquires a majority stake of 90.10% in International Medical Group ('IMG') in Uganda
Aug 2013	CHL incorporates Laboratoire International de Bio-Analyse Limitée ('LIBA')	Dec 2015	CHL opens its capital to IFC, a member of the World Bank Group, and PROPARCO, a subsidiary of Agence Française de Développement ('AFD')
Sep 2013	Incorporation of CIEL Healthcare Africa Limited ('CHA')	Jan 2016	CHL completes equity investment of \$16 million in Hygeia Nigeria Limited, Nigeria's leading private healthcare company for a 22.81% stake. This equity investment is along side a consortium of investors led by IFC, a member of the World Bank Group, together with IFHA-II (Investment Funds for Health in Africa) and Swiss Re, the Global Reinsurance company, which together hold 94.51% in HNL
Jun 2014	CHL opens LIBA's capital to other investors with CHL holding 35% of LIBA	Apr 2016	Entry of IFHA-II and TKF II, both private equity funds focused on Africa into the shareholding of CHL
Oct 2014	CHL increases direct shareholding in MSCL to 44.93% which gives CHL effective control over MSCL	Jan 2017	CHL, through its subsidiary MSCL, acquires the business operations of Apollo Bramwell Hospital ('ABH')
Mar 2015	CHL increases its stake from 44.93% to 58.60% in MSCL		

# A Strong Shareholder Base

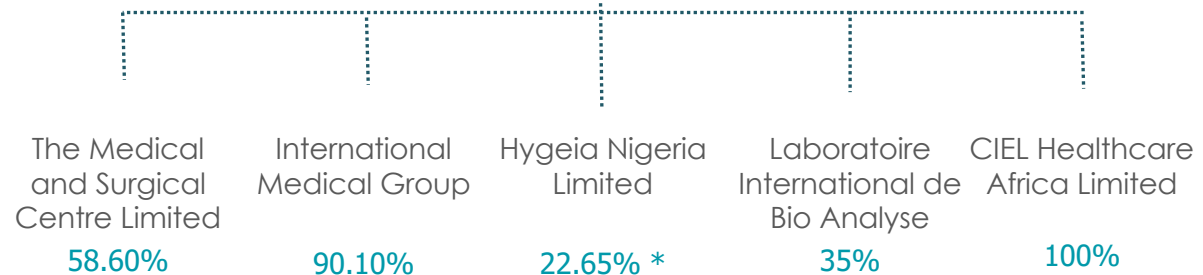


# Portfolio

CIEL Healthcare Limited ('CHL') is a Mauritian registered company, with a prime objective to own, operate and manage assets in the healthcare sector in the Indian Ocean region and across Sub-Saharan Africa



## CIEL Healthcare Limited



\* As at  
31/12/16

# Strategic Partner Fortis Healthcare



Presence in  
**4**  
Countries

Mauritius  
India  
Sri Lanka  
Bangladesh

**54** 

Healthcare  
facilities

**10,000**  
 Bedded capacity

**314** 

Diagnostic  
centres



## Key Investment

# Fortis Clinique Darné (Mauritius)



60,000 +

Interventional procedures in  
the last decade

112 

Bedded-capacity

1 

satellite clinic

Medical and paramedical  
services across

25 specialties

~USD 42Mn Listed on the DEM

Market Capitalisation

## Key Investment

# International Medical Group (Uganda)



- Only COHSASA\* accredited hospital in East Africa
- Largest clinic network in Uganda
- Awarded best international hospital in Uganda by International Health Commission

\* The Council for Health Service Accreditation of Southern Africa


## Key Investment

# Hygeia Nigeria Limited (Nigeria)

HYGEIA



2  Hospitals

3  clinics

9  Worksite clinics

82 

Bedded-capacity

1 HMO

+275,000

Lives Covered

- The only Joint Commission International (JCI) accredited hospital in Nigeria
- Awarded best international hospital by International Health Commission
- 'Africa best rated' HMO at the ADM National Development Forum

## Key Investment


# Ex-Apollo Bramwell Hospital ('ABH') (Mauritius)



- 1st hospital to be accredited by the Joint Commission International (JCI) in the region
- State-of-the-art equipment
- 680 employees

200   
Bedded-capacity

Local & international  
expertise in over

40  specialties

# Strategic Approach re ex-ABH

- Purchase of assets (excluding land and building) and acquisition of business operations
- Operations overseen by Fortis Healthcare but run separately from Fortis Clinique Darné
- Plan to turnaround operations underway leveraging on potential synergies between local operations
- Rebranding exercise ongoing



# Priorities for 2017/18: Focus on **consolidation** and **operational excellence**

- New key managerial personnel in place to bolster operational capabilities
- Decongestion of Fortis Clinique Darné to enable growth in terms of specialties
- Turnaround of ex-ABH operations remains key and plan is underway
- Focus on creating synergies across local operations in Mauritius
- Continuous focus on improvement of operations in both Uganda and Nigeria
- Leveraging on IT systems to improve data processing and quality of reporting

A stylized world map in a light teal color is centered on a dark teal background. The map shows the outlines of continents and is split horizontally by a dark teal band.

Ciel

Beyond Horizons

MOVING FORWARD

# Capitalise on recent investments (1)



## TEXTILE

- New factory for Aquarelle in India
- New factory for Tropic in India
- Reorganisation of Floreal Knitwear with new automated factory in Antsirabe, Madagascar



## FINANCE

- Acquisition of BNI Madagascar with objective to be a leader by 2020



# Capitalise on recent investments (2)



## **HOTELS & RESORTS**

- Investments in hotels renovation (Kanuhura, Shangri-La Le Touessrok Resort and Spa, Ambre, Four Seasons, La Pirogue)
- 100% Acquisition of the Four Seasons at Anahita



## **HEALTHCARE**

- The Medical and Surgical Centre Limited, Mauritius
- International Medical Group (IMG), Uganda
- Hygeia Nigeria Limited, Nigeria
- Ex-Apollo Bramwell Hospital, Mauritius



## **AGRO & PROPERTY**

- New sugar factory in Kenya through Alteo Ltd
- Power plant project in Mauritius through Alteo Ltd

# Focus on operational excellence to drive profitability

- Hands-on approach to overseeing operations
- Investment in top talent to drive growth
- Recruitment of Chief Officer, Operational Excellence
- Encourage and increase group-wide cross-fertilisation of best practices

THANK YOU

Question Time