

# CIEL Full Year 2015-16 Results

Analyst meeting | 03 October 2016



# Agenda

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1. Main Events
2. Key Figures
3. Clusters Review
4. Financial Results
5. Moving Forward



# Key events this year



## Evolution of portfolio

- Investment in **Hygeia**, Nigeria's largest healthcare provider by CIEL Healthcare
- Full year consolidation of **The Medical and Surgical Centre Limited** (MSCL)
- First time consolidation of **International Medical Group** (IMG – Uganda)
- First time consolidation of **Four Seasons at Anahita**

## Partnerships

- **Amethis Finance** increased its stake in CIEL Finance from 17.1% to 24.9 %
- Partnership with leading international hotel group materialised with **Shangri La's Le Touessrok's** reopening
- Entry of **IFC, Proparco, IFHA-II and Kibo Fund LLC II** in Ciel Healthcare

## Operations

- **New factory** for Tropic Knits in India, **restructuring** at Floreal Knitwear
- 3 luxury hotels and resorts closed for **renovations**
- **New management contracts** for CIEL Healthcare
- **Expansion** of branch network for BNI
- **Production capacity increase** in Kenya for Alteo

# Full Year Key Figures



GROUP REVENUE	GROUP EBITDA	GROUP PROFIT BEFORE NON-RECURRING ITEMS AND TAX	COMPANY NET ASSET VALUE PER SHARE
<b>MUR 18.5 BN</b>	<b>MUR 2.7 M</b>	<b>MUR 1.6 BN</b>	<b>MUR 8.5</b>
▲ MUR 16.4 bn 30 June 2015	▲ MUR 2.6M 30 June 2015	▼ MUR 1.8 bn 30 June 2015	▼ MUR 8.6 30 June 2015

# CLUSTER REVIEW



# CIEL Textile

## Performance and Key Achievements

CIEL Textile	Year ended 30 June		
	2016	2015	Variance
Income Statement	MUR'M	MUR'M	MUR'M
Revenue	10,508	10,131	377
EBITDA	1,153	1,126	27
Profit before tax	862	857	5
Profit after tax	704	762	(58)
Profit attributable to CIEL shareholders	353	396	(43)

- Volatility of currencies and pressure on margins
- Strong performance of Woven cluster
- Satisfactory performance of Knits cluster although impacted by the launch of its new factory in India
- Lower profitability of Knitwear cluster due to a significant drop in margins and the set-up cost of a newly automated facility in Antsirabe, Madagascar

# CIEL Textile

## Strategic Directions & Outlook

- Woven cluster is expected to deliver a satisfactory performance concentrating on an 'upmarket move' for Aquarelle's regional operations (Mauritius and Madagascar)
- Knits cluster will remain partly dependent on the successful development of its operations in India
- Positive impact of consolidation of Knitwear cluster and cost competitiveness efforts expected to materialise in the medium term
- Talent management and recruitment to accompany CIEL Textile's dynamism
- CIEL Textile's globalisation strategy maintained

# CIEL Finance

## Performance and Key Achievements

CIEL Finance	Year ended 30 June		
	2016 MUR'M	2015 MUR'M	Variance MUR'M
Revenue	1,932	1,929	3
EBITDA	791	899	(108)
Profit before non-recurring item and tax	827	885	(58)
Increase in fair value of investment properties (BNI)	137	-	137
Profit after tax	792	727	65
Profit attributable to CIEL shareholders	315	296	19

- Overall good performance primarily with banking activities as the main growth engine
- Improved results at Bank One
- Profit increase at BNI Madagascar in local currency
- Slight improvement at MITCO in challenging market environment
- Profitability impacted by adverse exchange rate fluctuations in Madagascar
- Strengthening of shareholder base (Amethis Finance)
- Strengthening of management team at all levels



# CIEL Finance

## Strategic Directions & Outlook

- Maximising the value of existing investments
- Strengthening operational excellence
- Reinforcing synergies within portfolio of companies
- Developing mobile financial services in Madagascar
- Increasing focus on risk management

# CIEL Hotels and Resorts

## Performance and Key Achievements

CIEL Hotels and Resorts	Year ended 30 June		
	2016 MUR'M	2015 MUR'M	Variance MUR'M
Revenue	4,989	4,214	775
EBITDA	714	658	56
Profit before non-recurring items and tax	(41)	153	(194)
Closure, marketing launch, restructuring, branding and transaction costs/ fair value on business combination (2015)	(534)	340	(874)
Profit after tax	(378)	501	(879)
Profit attributable to CIEL shareholders	(188)	297	(485)

- 18% revenue increase mainly due to the first time consolidation of the Four Seasons Resort at Anahita in Sun Limited
- Losses mostly attributable to the closure for renovation of three luxury resorts
- Significantly higher finance costs
- Reopening of Le Touessrok, now rebranded Shangri-La's Le Touessrok, in November 2015 after six months of extensive renovation
- Appointment of David Anderson as new Chief Executive Officer in February 2016

# CIEL Hotels and Resorts

## Strategic Directions & Outlook

- Sun Limited's renovation and closure costs will progressively decrease, while net finance costs will remain high
- Good sales momentum as the Group's renovated assets should drive revenue up
- Revenue opportunities to be maximised through effective yield management to ensure fair share in all our properties
- Debt restructuring plan launched to ensure that it matches future cash flows and brings down average cost of debt
- Reopening of Kanuhura (Maldives)

# CIEL Healthcare

## Performance and Key Achievements

CIEL Healthcare	Year ended 30 June		
	2016	2015	Variance
	MUR'M	MUR'M	MUR'M
Revenue	1,224	289	935
EBITDA	174	27	147
Profit before non-recurring item and tax	84	22	62
Fair value gain on business combination (MSCL)	-	67	67
Profit after tax	69	84	(15)
Profit attributable to CIEL shareholders	35	76	(41)

- Full year consolidation of The Medical and Surgical Centre Ltd/ Fortis Clinique Darné (MSCL) and first time consolidation of International Medical Group (IMG, Uganda)
- Improved performance at Fortis Clinique Darné
- New management for IMG (Uganda) appointed in Q4 implementing several programs to improve IMG's operations and performance
- Acquisition of Hygeia Nigeria Limited in January 2016. Hygeia's results negatively impacted by the slowdown of the Nigerian economy and the severe depreciation of its local currency (Naira)
- Broadening of shareholder base

# CIEL Healthcare

## Strategic Directions & Outlook

- Strengthening operational excellence across all investments
- Acquiring talent to strengthen top management
- Introduction of new specialities in Mauritius
- Further implementation of patient centric initiatives cluster-wide
- Implementation of performance optimisation plan for Hygeia

# CIEL Agro and Property

## Performance and Key Achievements

CIEL Agro and Property	Year ended 30 June		
	2016 MUR'M	2015 MUR'M	Variance MUR'M
Revenue	87	78	9
EBITDA	29	31	(2)
Profit before non-recurring items and tax	59	112	(53)
Increase in fair value of investment properties/ Sale of properties (Ferney)	127	168	(41)
Profit after tax	183	276	(93)
Profit attributable to CIEL shareholders	151	231	(80)

- Results decline due to the reduced number of plots of land sold by Ferney Limited compared to last year, as well as lower profits from Alteo
- CIEL's share of profit from Alteo down by MUR 49m to MUR 55m
- Consolidation and encouraging performance of Transmara Sugar Company Limited (TSCL)
- Slightly lower results achieved by Tanzanian sugar operations
- Improved results from the sugar cluster in Mauritius
- Better performance of energy operations
- Reduced property inventory available for sale at Anahita

# CIEL Agro & Property

## Strategic Directions & Outlook

- Pursue regional development
- Recent increase in world sugar price associated with a sugar production deficit
- Increase of crushing capacity in Kenya and Tanzania
- Launch of Anahita high-end northern parcels

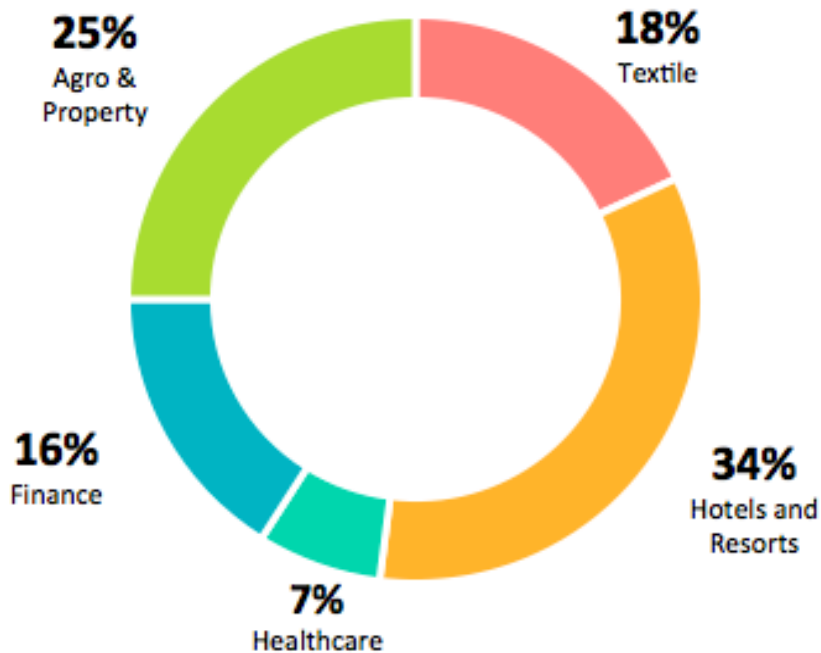
# FINANCIAL RESULTS





# Investment Portfolio

30 June 2016 – MUR 13,940m



- Alteo's market price down 8% compared to prior year
- Sun Limited lower Net Asset Value
- Second injection of capital by Amethis Finance
- Dilution of CIEL in CIEL Healthcare with entry of new financial partners
- Investment in Hygeia Nigeria Limited

# Summarised income statement

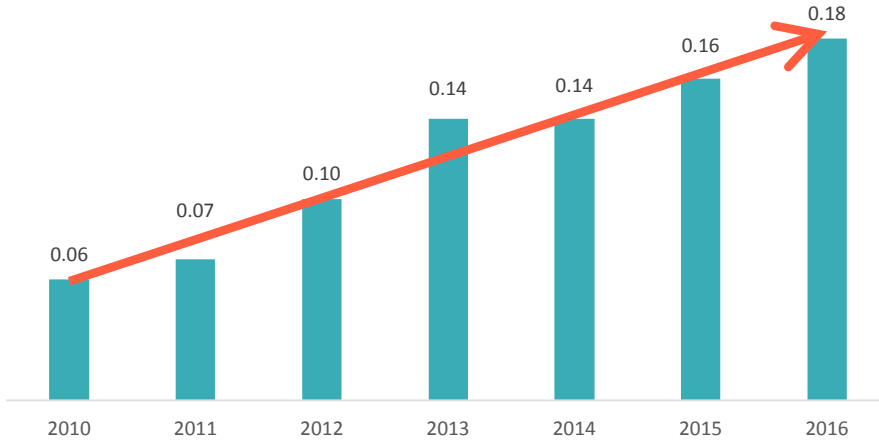
<b>Group</b>		<b>2016</b>	<b>2015</b>	<b>%</b>
Revenue	MUR'M	18,533	16,455	13%
Profit before non-recurring items and tax	MUR'M	1,634	1,849	(12%)
Non-recurring items	MUR'M	(299)	586	n/a
Profit after tax	MUR'M	1,182	2,180	(46%)
Profit Attributable to owners of parent	MUR'M	477	1,126	(58%)
Earnings per share	MUR	0.31	0.74	(58%)
Adjusted earnings per share	MUR	0.46	0.48	(4%)

# Balance Sheet Highlights

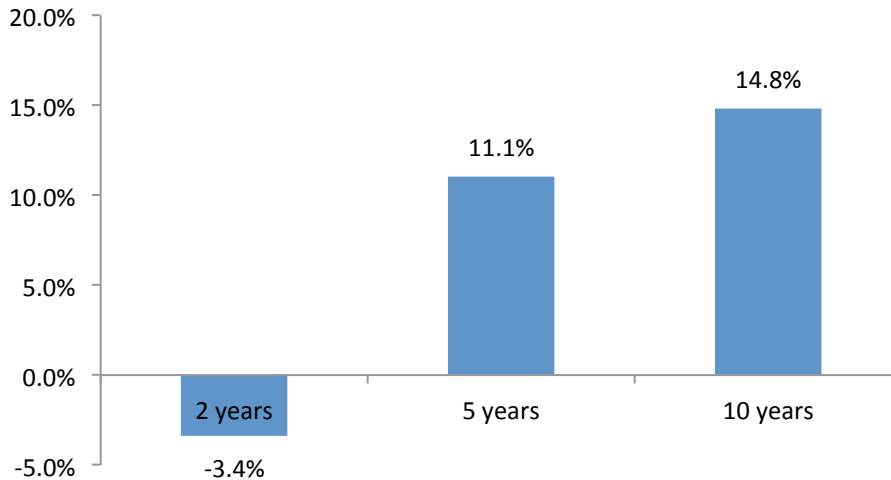
<b>Group</b>		<b>2016</b>	<b>2015</b>	<b>%</b>
Total Assets	MUR'M	57,284	52,203	10%
Net Borrowings	MUR'M	13,286	10,266	29%
Gearing Ratio	%	36.0	31.7	
Net Asset Value per Share	MUR	9.1	9.0	1%
<b>Company</b>				
Company Gearing Ratio	%	7.80	9.70	
Company Net Asset Value per Share	MUR	8.47	8.60	-2%

# Shareholders' Return

## Regular increase in dividend

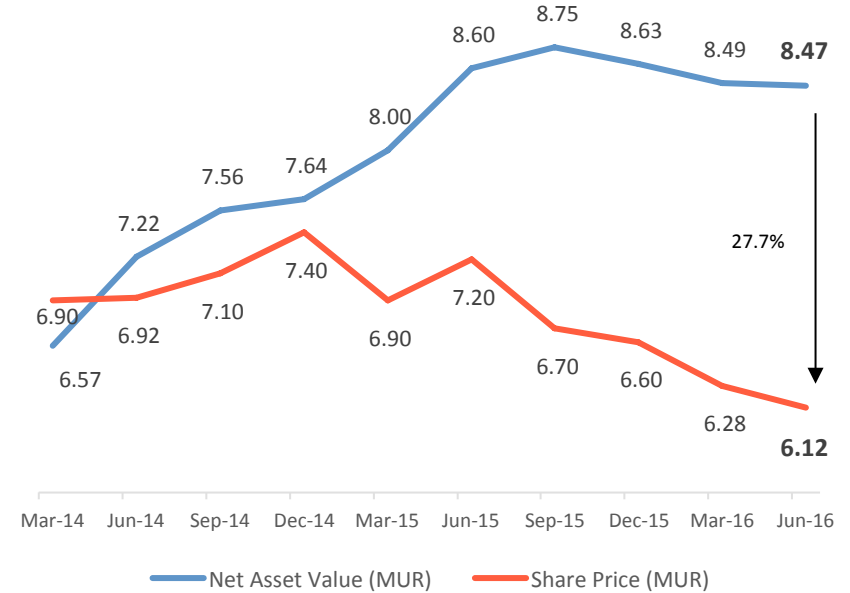


## Cummulative TSR - Annualised



## NAV & Share Price

(Base: 31 March 2014)



Resilient Net Asset Value (NAV) of the Company despite falling local stock market indices.



Ciel

Beyond Horizons

MOVING FORWARD

# Our Investment Journey

## 2014 Corporate restructuring for growth

- Reorganisation into a new legal entity
- New structure around 5 clusters
- Private placement
- Diversified shareholding
- Rebranding
- Listing on the main market of the Mauritius Stock Exchange



## 2014 – 2016 Internationalisation and strategic investments to strengthen portfolio

### Textile

- New production units in India, Bangladesh and Madagascar

### Hotels & Resorts

- Sun Limited

### Finance

- BNI Madagascar

### Healthcare

- The Medical and Surgical Centre Limited
- International Medical Group - Uganda
- Hygeia Nigeria Limited – Nigeria

### Agro & Property

- Transmara (Kenya)



## 2016 –2017 Consolidation and focus on operational excellence

CIEL (company) invested MUR 3.45 billion in portfolio of companies over the last three financial years

# Outlook



Improved  
profitability  
at CIEL

Consolidation  
of  
investments

Specific  
emphasis on  
operational  
excellence  
and  
synergies

THANK YOU