



Beyond Horizons

Cautionary Announcement

The Board of Directors (the "Board") of CIEL Limited ("CIEL", or the "Company") hereby informs its shareholders and the public at large that its subsidiary, SUN Limited ("SUN"), has announced its intention to raise MUR1.865 billion through:

- a Rights Issue to all SUN shareholders of MUR746.1 million ("the Rights Issue"); and
- a Private Placement to Dentressangle Initiatives SAS ("Dentressangle Initiatives"), a family investment holding based in France, of MUR1.12 billion ("the Private Placement"). The subscription for shares in relation to the Private Placement will be made through DI CIRNE HLT Ltd, a wholly owned, Mauritius-incorporated indirect subsidiary of Dentressangle Initiatives.

The Rights Issue and the Private Placement (the "Transaction") shall be undertaken simultaneously and are subject to the approval of the shareholders of SUN and of relevant regulatory authorities.

In the context of the Rights Issue, CIEL will subscribe for its pro-rata ownership of SUN share capital for a total consideration of MUR447.35 million. Upon completion of the Transaction, CIEL will remain the majority shareholder of SUN with 50.10% of the share capital.

Dentressangle Initiatives has committed to invest MUR1.12 billion to the Private Placement and through the underwriting of the Rights Issue up to MUR298.7 million. Depending on the participation of minority shareholders in the Rights Issue, Dentressangle Initiatives will own between 16.44% and 20.84% of the outstanding shares of SUN post completion of the Transaction.

Dentressangle Initiatives is the investment holding company of the Dentressangle family, the founder and majority shareholder until 2015 of the leading European transport and logistics company "Norbert Dentressangle SA". Following the sale of Norbert Dentressangle SA, Dentressangle Initiatives developed a portfolio of investments in a number of global scale business segments, more particularly in industry, services and real estate. Its strategy is to invest, and foster the development of companies with strong growth potential destined to become major players in their activity sector.

Dentressangle Initiatives will bring its real estate and hotel management expertise to SUN. CIEL, in partnership with Dentressangle Initiatives, will work closely with SUN management to create further value and seize on future growth opportunities.

The Board of CIEL believes that, together with the completion of major resort renovation programs and encouraging trends in revenue per available room, this capital increase will result in substantially lower finance costs and reduce gearing, thus strongly enhancing SUN's potential return to profitability. The Transaction will also help to decrease the consolidated level of indebtedness of CIEL.

Shareholders and the investing public in general are advised to exercise caution when dealing in the shares of CIEL. Further developments will be communicated in due course.

Emerging Markets Capital Partners Limited (EMCP), regulated by the DFSA (Dubai Financial Services Authority), acted as Financial Advisor to CIEL on the Transaction.

By order of the Board

CIEL Corporate Services Ltd
Company Secretary

25 April 2017

This announcement is issued pursuant to Listing Rule 11.3 and Rule 5 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007. The Board of the CIEL accepts full responsibility for the accuracy of the information contained in this announcement.

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