

CIEL HEALTHCARE

EXECUTIVE'S REPORT



CIEL Healthcare Limited ("CHL") is a Mauritian registered private limited company, with its prime objective to own, operate and manage assets in the healthcare sector in Mauritius and across Sub-Saharan Africa.

Quote from the Managing Director

"The past financial year has seen CIEL Healthcare ("CHL") reinforcing its strategic presence in the Indian Ocean region, East Africa and West Africa, with the recent acquisition in Nigeria. This growth story was made possible through partnering with world-class organisations bringing both capital and expertise. Going forward the focus is on consolidating our investments by strengthening operational excellence across CHL's portfolio."

Alex Alexander, Managing Director of CIEL Healthcare Africa

Management Team



Alex Alexander
Managing Director of
CIEL Healthcare Africa



Unnati Negi
Chief Operating Officer of
Fortis Clinique Darné



Noëlle Gourrège
Managing Director of
Laboratoire International
de Bio Analyse (LIBA)

CHL's Portfolio as at date

The Medical and Surgical Centre Limited ("MSCL"), which owns "Fortis Clinique Darné", premier private hospital in Mauritius; MSCL has expanded its operations locally and since early 2014 also operates a satellite centre in the north of the Island.

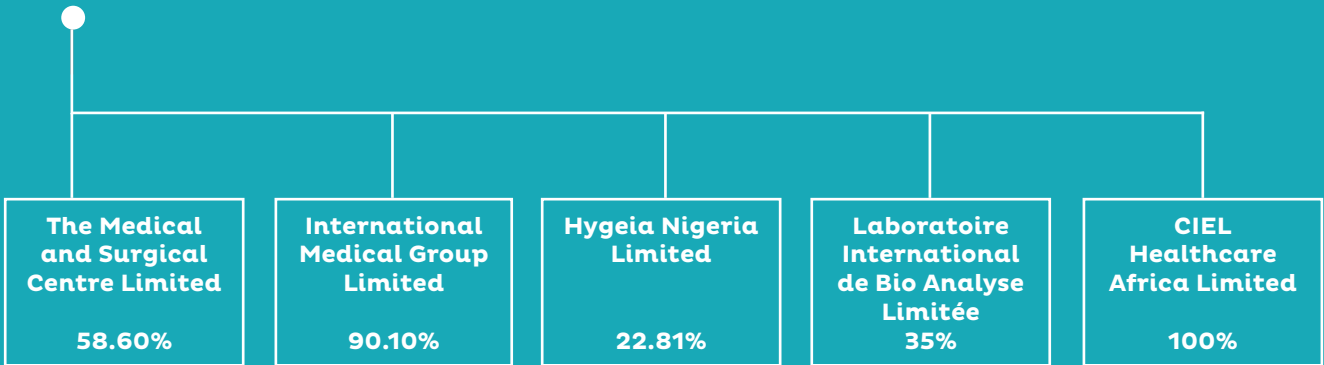
International Medical Group ("IMG"), the leading provider of private healthcare services in Uganda.

Hygeia Nigeria Limited ("HNL"), is Nigeria's leading private healthcare company.

Laboratoire International de Bio Analyses Ltée ("LIBA"), which offers high quality analysis services in the field of health security and environment.

CIEL Healthcare Africa Limited ("CHA"), is the management company for all existing/ potential (but not restricted to) CHL healthcare assets in Sub-Saharan Africa, in association with Fortis Healthcare.

CIEL HEALTHCARE LIMITED



Key Facts and Figures

300 OPERATIONAL BEDS AND **150** ADDITIONAL BEDDED CAPACITY

MORE THAN

1,800

EMPLOYEES

4 HOSPITALS

28 CLINICS

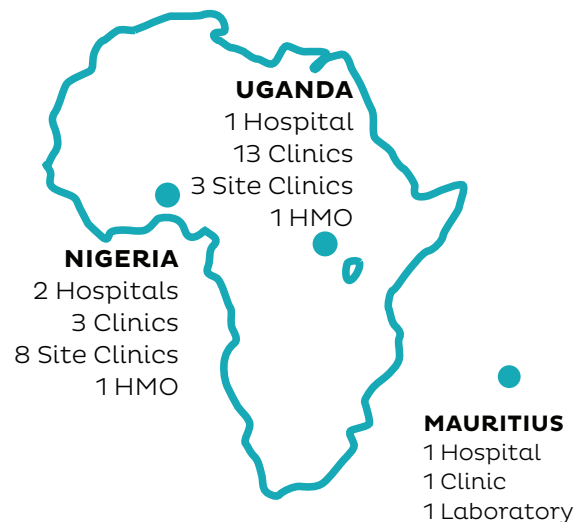
1 ACCREDITED TESTING LABORATORY

MEDICAL AND PARAMEDICAL SERVICES ACROSS **25 SPECIALITIES**

2 HMOS PROVIDING MEDICAL SCHEMES COVERING

325,000 LIVES

INTERNATIONAL PRESENCE IN 3 COUNTRIES



7%
OF OUR PORTFOLIO

CIEL HEALTHCARE

EXECUTIVE REPORT (CONT'D)

Financial Performance

FULL YEAR RESULTS

CIEL Healthcare	Year ended 30 June		
	2016 MUR'M	2015 MUR'M	Variance 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)

- CIEL Healthcare cluster's results cannot be compared with last year's as the current year consolidates The Medical and Surgical Centre Ltd ("MSCL") for the full year and International Medical Group ("IMG", Uganda) for the first time, both as subsidiaries from March 2015 and June 2015 respectively. In addition, Hygeia Nigeria Limited was accounted for as an associate from January 2016.
- In Mauritius, MSCL has performed better than last year with Fortis Clinique Darné operating at peak occupancy levels and recording approximately 20% growth in revenue compared to prior year. The favourable local competitive landscape, resources optimisation, the introduction of new clinical specialties and the management of more complex surgical cases have all contributed to MSCL's good performance.
- In Uganda, a new management was appointed in the fourth quarter which started implementing several programs to improve IMG's operations and performance. These measures are expected to bear fruit in this current financial year. In the meantime, the depreciation of the local currency as well as challenges faced by IMG's Health Membership Organisation, medical insurance business, weighted on IMG's results.
- In the second quarter of the year under review, CIEL Healthcare acquired a 22.81% stake in Hygeia Nigeria while taking management control of the operations. CHL has been investing since on improving operational efficiency. However, Hygeia's results have been negatively impacted by the slowdown of the Nigerian economy and the severe depreciation of its local currency (Naira).

KEY ACHIEVEMENTS IN **2015-16**

• **CONSOLIDATION OF LEADERSHIP POSITION IN MAURITIUS**

Good performance from Fortis Clinique Darné supported by the introduction of new specialties (neonatal services, thoracic vascular surgeries and urodynamic) and a very high occupancy rate throughout the year.

• **INVESTMENTS IN GROWING MARKETS THROUGH A MODEL OF CLINICS AND HEALTH INSURANCE BUSINESS**

CIEL Healthcare consolidated for the year IMG in Uganda and, along with a consortium of investors, bought a stake in Hygeia Nigeria Limited, the leading private healthcare provider in Nigeria.

• **BROADENING OF SHAREHOLDER BASE**

To finance its international growth, CIEL Healthcare has brought world-class capitalistic partners on board, namely:

- International Finance Corporation, Member of the World Bank
- Proparco, the private sector financing arm of Agence Française de Développement (AFD)
- The Investment Fund for Health in Africa, IFHA-II, a private equity fund dedicated to investing in private healthcare companies in Sub-Saharan Africa
- Kibo Fund LLC II, a private equity fund investing in East Africa

STRATEGIC DIRECTIONS FOR **2016-17**

• **STRENGTHENING OPERATIONAL EXCELLENCE ACROSS ALL INVESTMENTS**

CIEL Healthcare is focused on nurturing further operational excellence within its investments through the use of standard tools and processes.

• **ACQUIRING TALENT TO STRENGTHEN TOP MANAGEMENT**

CIEL Healthcare will continue to bring in top talent to reinforce the management of its network of healthcare facilities, in particular in Uganda and Nigeria.

• **INTRODUCTION OF NEW SPECIALTIES IN MAURITIUS**

CIEL Healthcare in partnership with Fortis Healthcare will continue to introduce new specialties in Mauritius such as bariatric, wound care or sleep lab services.

• **FURTHER CLUSTER-WIDE IMPLEMENTATION OF PATIENT-CENTRIC INITIATIVES**

Putting patients at the center of its operations, CIEL Healthcare will further enhance patient-centric initiatives to improve access to and quality of healthcare services provided.

• **IMPLEMENTATION OF A PERFORMANCE OPTIMISATION PLAN FOR HYGEIA**

CIEL Healthcare is implementing a performance optimisation plan that is designed to manage the impact of Nigeria's local currency (Naira) depreciation and challenging macro-environment.