

Ciel

Go Beyond



ANALYST MEETING

CIEL Group results
for the year ended 30 June 2022

30 September 2022



AGENDA

- 01 FULL-YEAR HIGHLIGHTS
- 02 GROUP FINANCIAL RESULTS
- 03 CLUSTER REVIEW
- 04 ESG UPDATE
- 05 STRATEGY & OUTLOOK
- 06 Q&A



Full-year Highlights



Key Figures at 30 June 2022

GROUP CONSOLIDATED REVENUE



MUR
28.5 bn

MUR 17.9 bn
30 June 2021

EBITDA*



MUR
5.0 bn

MUR 2.4 bn
30 June 2021

GROUP PROFIT AFTER TAX



MUR
2.2 bn

MUR 446M
30 June 2021

EBITDA MARGIN



17.8%

14.0%
30 June 2021

PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT



MUR
1.3 bn

MUR 617M
30 June 2021

COMPANY NET ASSET VALUE PER SHARE



MUR
12.49

MUR 9.28
30 June 2021



Full-year Highlights

CIEL Limited posts robust financial results for the year ended 30 June 2022



Textile

Excellent performance from Indian woven shirts operations



Finance

Good performance supported by stronger focus on core assets



Healthcare

Increase in normal activities mitigate Covid-related income shortfall

Increased profitability reflecting continued cost management: EBITDA margin is 17.8% (2021: 14.0%)



Hotels & Resorts

Better-than-expected results with an increase in Average Daily Rate



Properties

Three pillar strategy in place to contribute to Group's overall growth



Agro

Robust performance buoyed by sugar and property operations

Earnings per share increased 2.1x: MUR 0.77 (2021: MUR 0.37)

Net debt: reduced by MUR 1 bn, gearing improved to 33.2% vs 39.0% at 30 June 2021

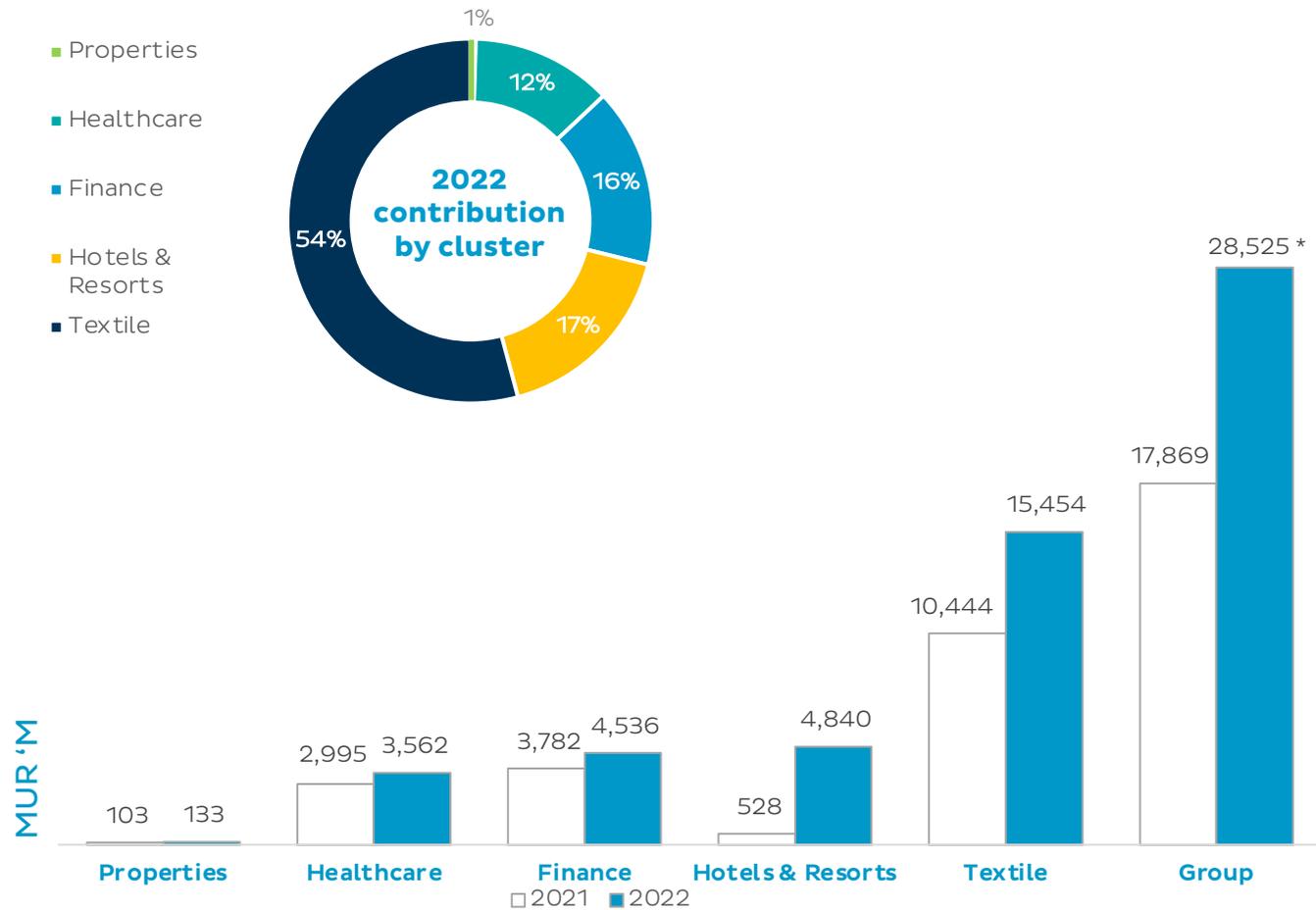
Group Financial Results



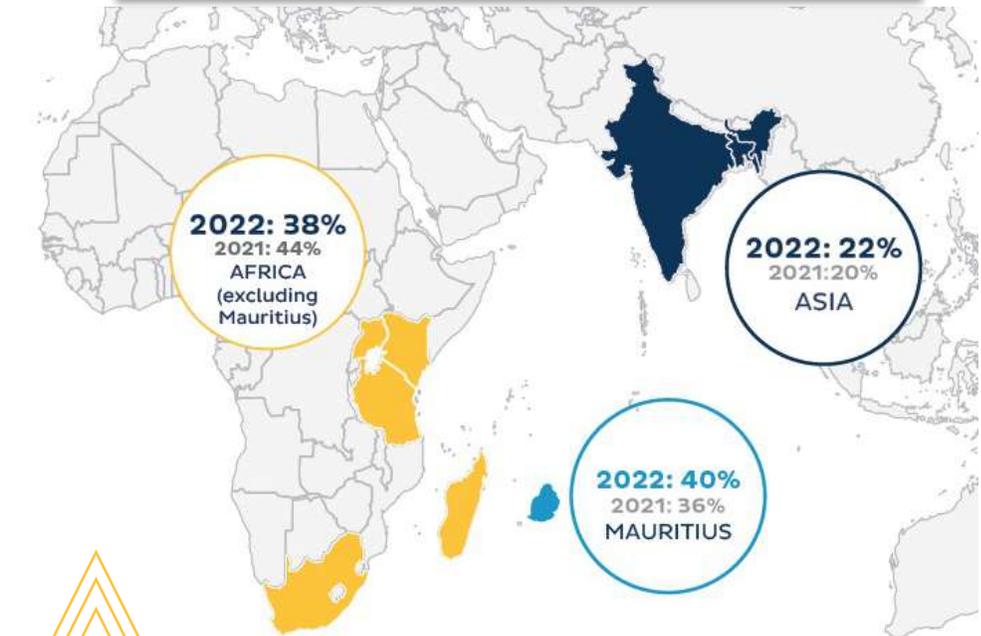
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Excellent Revenue Growth

Driven by sustained growth in clusters and a remarkable turnaround in Hotels & Resorts at 30 June 2022



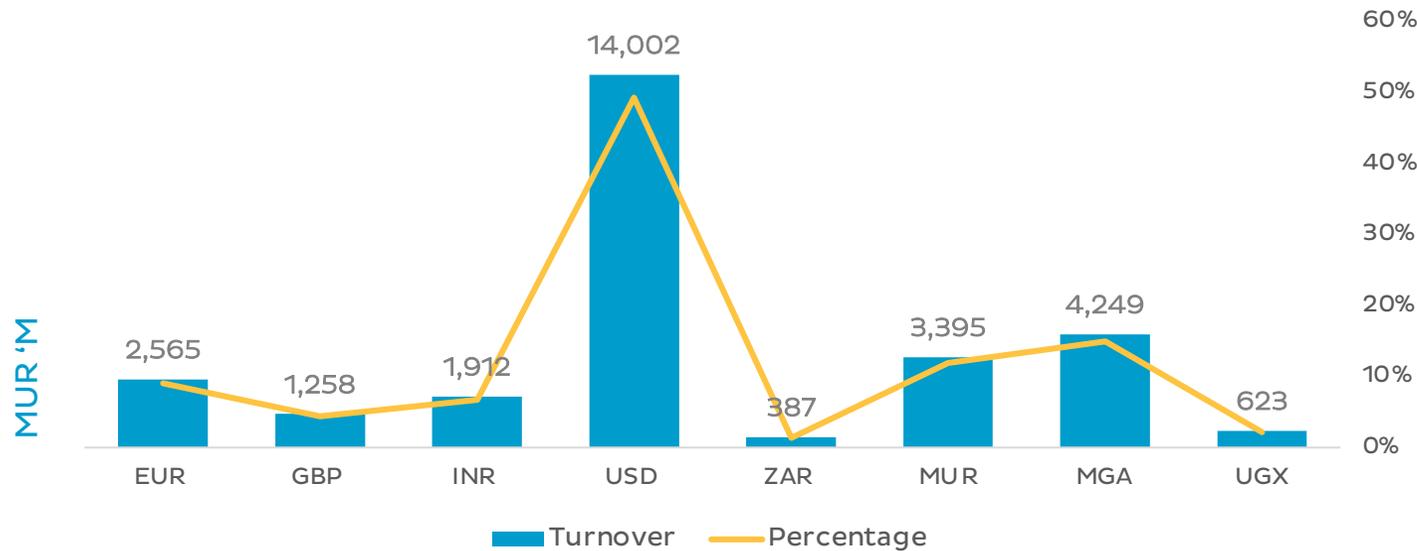
Where We Generate Our Revenue



*Note: 2021 Group revenue does not include CIEL Holdings Company revenue of MUR 17M

Analysis of CIEL Group Revenue by Currency

Group revenue currency mix



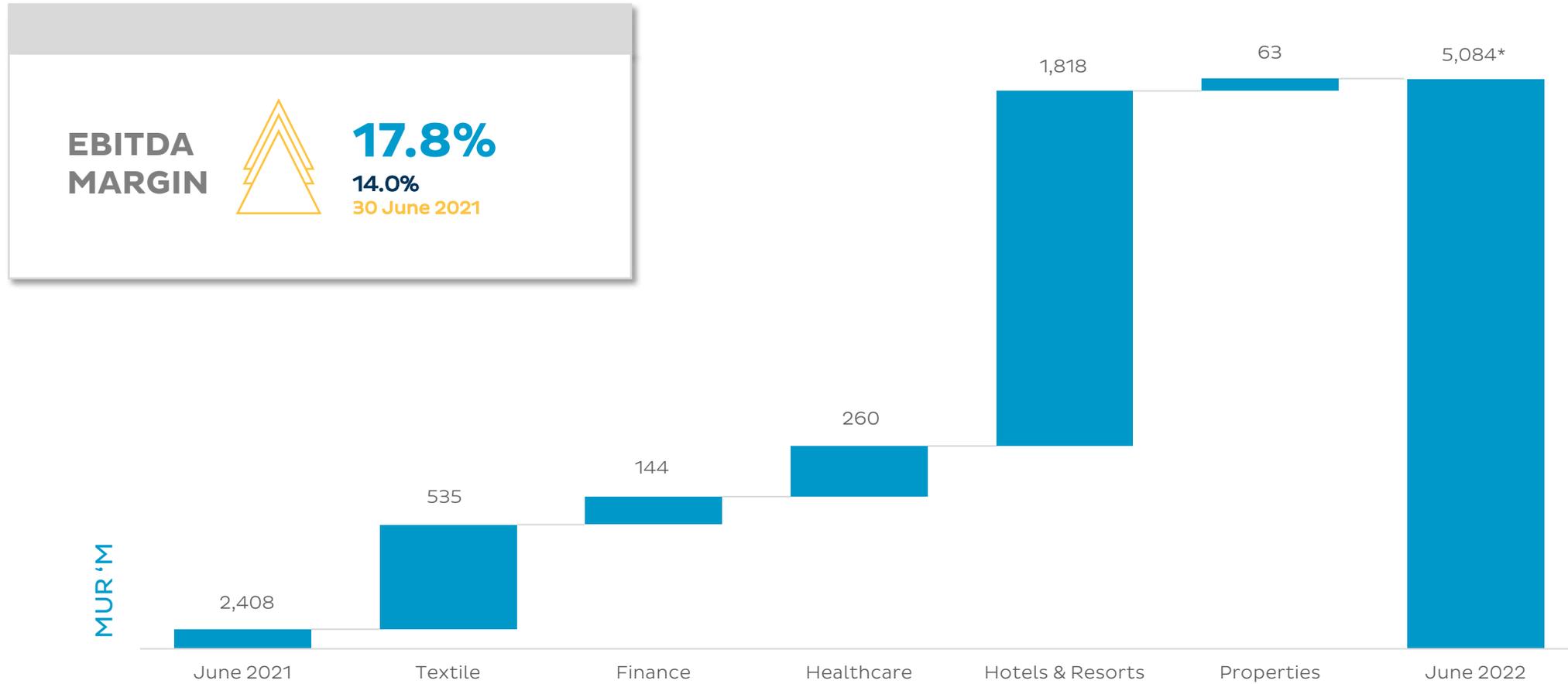
To manage these currency exposures the group uses the following strategy:

- Ensuring that operational cost in the Strategic Business Units are aligned to their revenue currency mix as far as possible
- Ensuring that group companies' borrowings are aligned with their revenue currency mix
- Ensuring that there are prudent foreign currency hedging strategies in place to manage the balance of the exposure

The group revenue is heavily linked to the USD (about 50%). This is the case for the majority from the textile operations. The rest of the exposure is balanced between EURO / GBP (Hospitality sector); Malagasy Ariary (BNI Bank), INR (Textiles) and Rupee (Health Care & Property).

EBITDA

Increased 2.1 x above the previous year



*Group EBITDA above does not include a loss of (MUR 141M) from CIEL Limited net of group eliminations and a negative contribution from Agro of MUR 3M

Summarised Income Statement

Twelve months ended 30 June (MUR 'M)	2022	2021	% Change
EBITDA	5,084	2,408	>100%
Depreciation and amortisation	(1,390)	(1,301)	7%
Earnings Before Interests and Taxation (EBIT)	3,694	1,107	>100%
Expected credit losses	(474)	(286)	66%
Fair value gain on investment properties	185	960	(81%)
Net finance costs	(851)	(1,275)	(33%)
Share of results of associates & joint ventures net of tax	432	267	62%
Profit before tax	2,985	773	>100%
Taxation	(545)	(80)	>100%
Profit from continued operation	2,441	693	>100%
Loss from discontinued operation	(287)	(247)	
Profit for the period	2,154	446	>100%
Profit attributable to ordinary shareholders	1,300	617	>100%



Other Key Performance Indicators

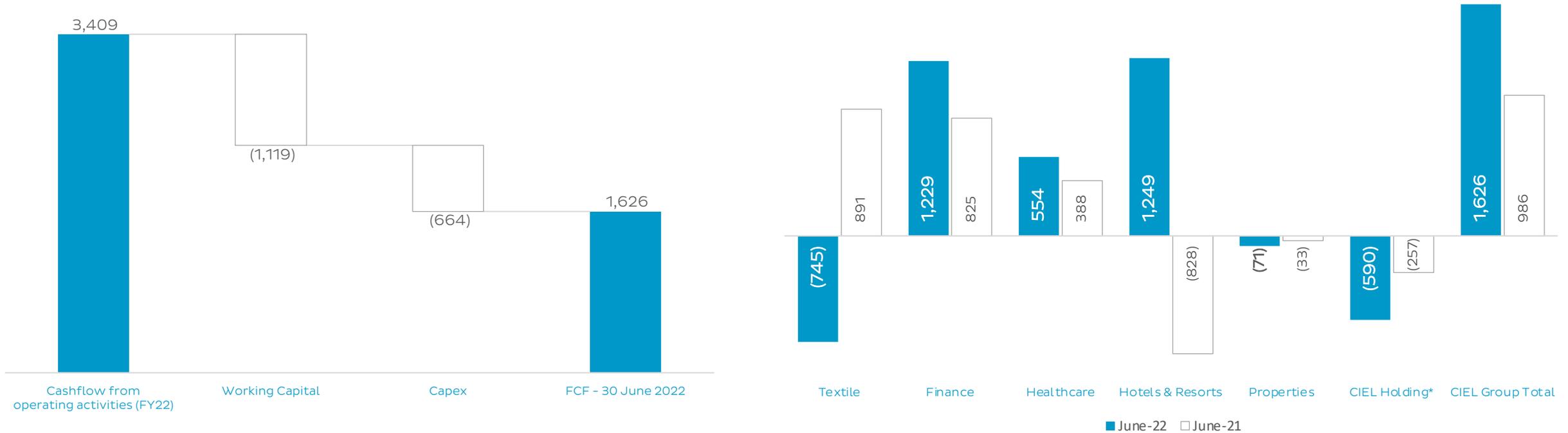
EARNINGS PER SHARE  **MUR 0.77**
MUR 0.37
30 June 2021

PRICE TO EARNINGS  **8.7**
13.8
30 June 2021

DIVIDEND PER SHARE  **MUR 0.21**
MUR 0.00
30 June 2021

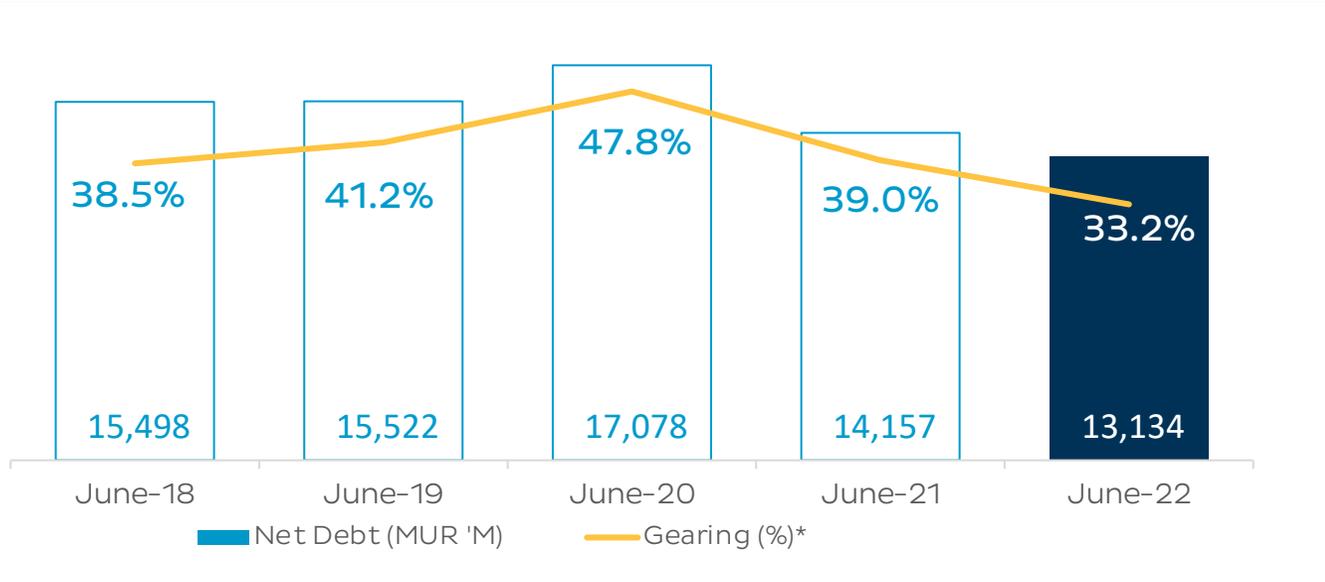
GROUP NAV PER SHARE  **MUR 10.50**
MUR 8.85
30 June 2021

Group Free Cash Flow



Group Free Cash Flow (“FCF”) stood at MUR 1.6 bn for the year ended 30 June 2022 versus MUR 986M in the prior year, attributable to positive cash flow from operating activities from most clusters, barring the newly developed Properties cluster, and the Textile cluster which had working capital requirements during the phase of increased production

Improved Financial Structure



The reduction in Group net interest-bearing debt by MUR 1 bn reflects the bond repayment in December 2021 of MUR 1.7 bn as well as the additional disbursement in the form of quasi equity of MUR 548M from the Mauritius Investment Corporation at SUN Group level (Hotels & Resorts cluster)



This reduction was further enhanced by the positive free cash flow generated from the Group's operations of MUR 1.6bn and sales proceeds from the exit of the Nigerian health business of MUR 453M

NET DEBT TO EBITDA*

2.6

5.9

30 June 2021

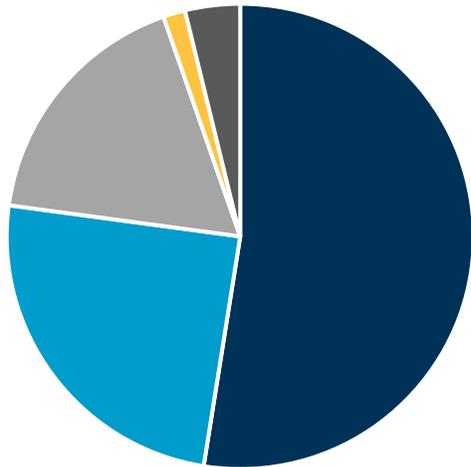


Group gearing was at 33.2%, compared to 39.0% as a 30 June 2021

*Excludes quasi-equity loan from MIC

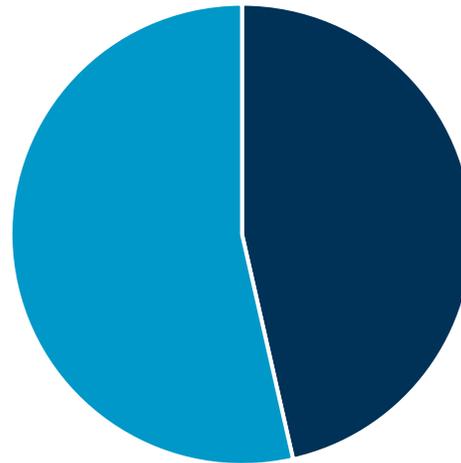
Analysis of CIEL Group's Interest-bearing Debt

Gross debt + MIC quasi equity



■ MUR 53% ■ EUR 25% ■ USD 18% ■ GBP 2% ■ Other 4%

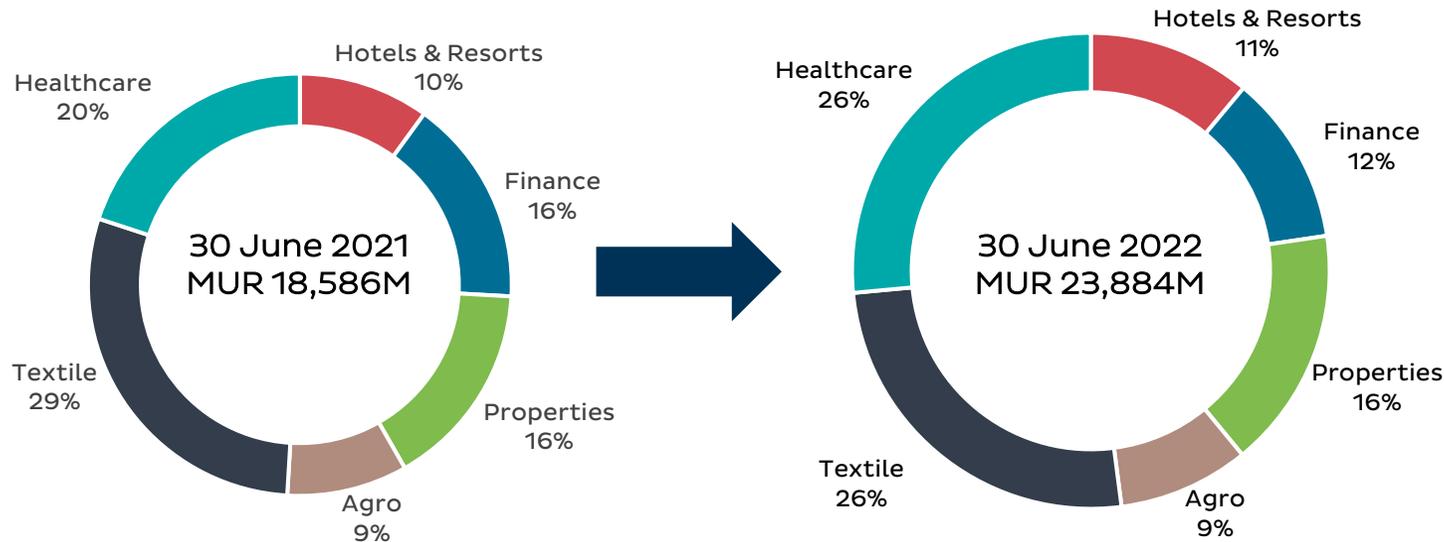
Floating Vs Fixed



■ Floating 54% ■ Fixed 46%

- Analysis includes MIC quasi equity instrument, which is interest-bearing
- A significant part of this debt constitutes the working capital requirement of textile operations equivalent to about MUR 4.5 bn
- As much as possible the group companies' debt is aligned to their revenue profile. As at the year end MUR portion was 55% and Forex portion was 45%
- 46% of these interest-bearing instruments carry a fixed interest rate at a blended rate of 4.26% and a weighted tenor of 5.4 years. The balance of 54% was floating at a blended interest rate of 3.69% as at 30 June 2022.

Investment Portfolio



29% increase in value of investment portfolio

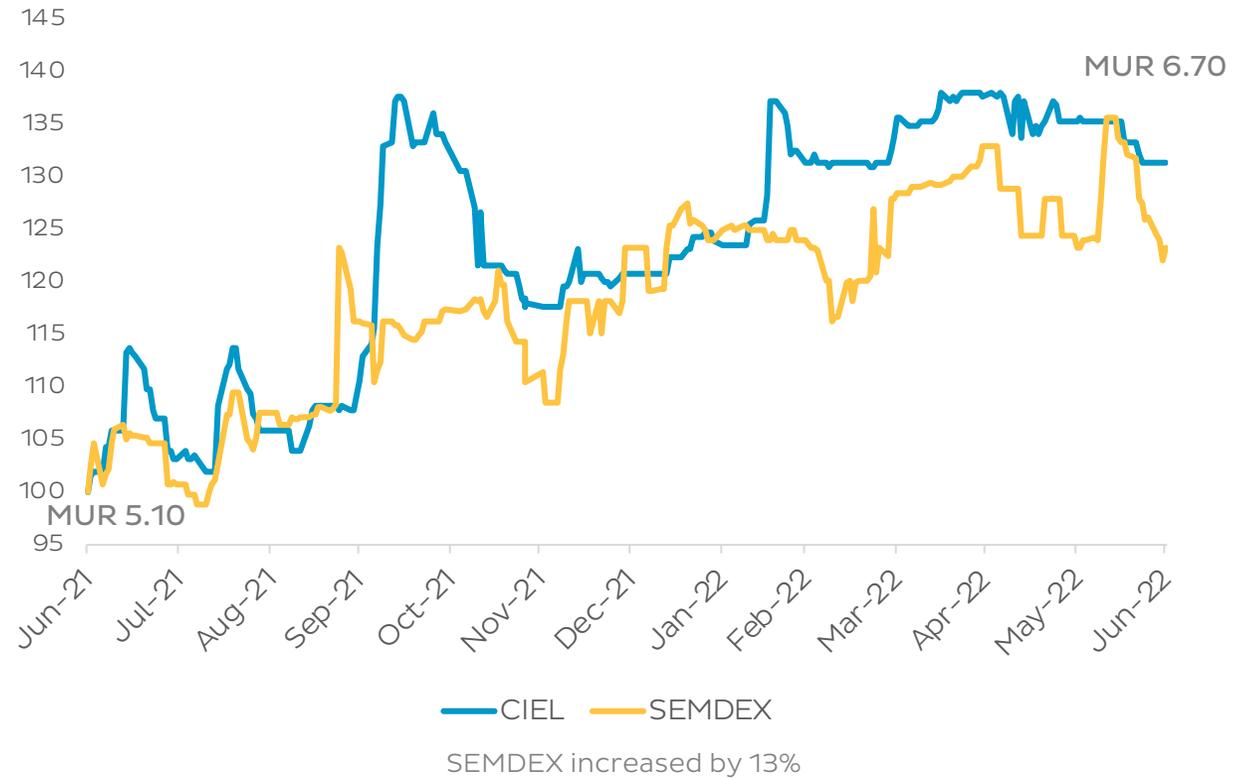
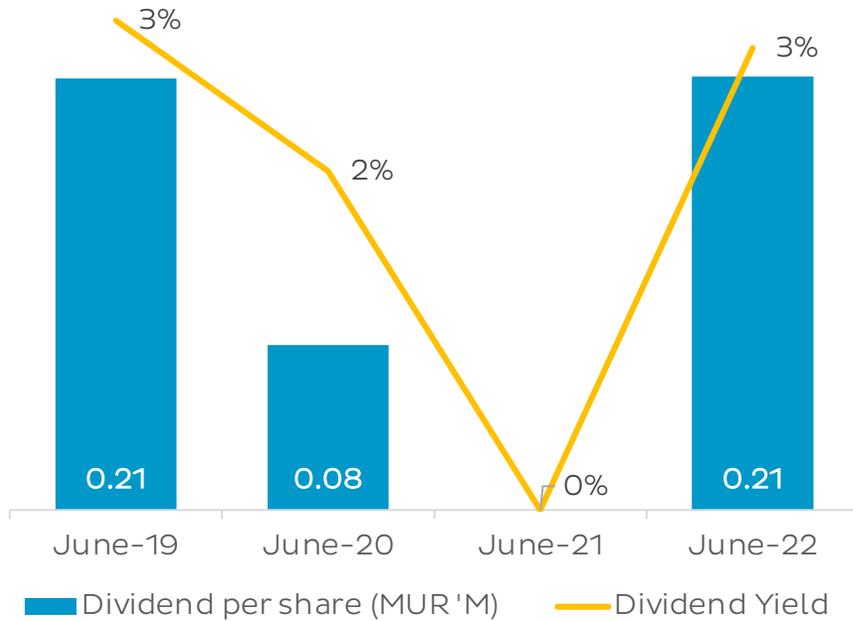
*VWAP – Volume weighted average price

Increased valuations:

- Healthcare: +82% increase on VWAP price of C-Care
- Hotels & Resorts: +39% increase in SUN Limited's share price
- Properties: increase of +32% resulting from the revaluation of assets transferred from the Textile cluster into the new property vehicle, Evolis
- Agro: +23% increase in Alteo's share price
- Textile: +12% increase using DCF model based on projections of its healthy order books at strong margin levels

Shareholder Returns

Share price increased by 31% and dividend yield back to pre-COVID level



Dividend policy - A minimum of 75% of net profits after tax of the Company, depending on the cash flow and financial needs
 Payout ratio was 104% for the year ended 30 June 2022

Cluster Review



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AGRO

Agro

Sugar and property operations key in driving up Alteo's underlying earnings

		Year ended		
CIEL Group's 20.96% share				
Share of results	MUR'M	212	244	(13%)
Share of assets	MUR'M	3,606	3,525	2%

Main drivers of performance

- Higher sugar prices drove up revenue across the local sugar sector with rising costs impacting profitability
- Property operations demonstrated significant progress, showcasing commercial strength
- Tanzanian operations saw higher volume and average prices, resulting in incremental revenue and profitability growth
- Kenyan operations improved significantly with revenue growth and a positive operational bottom-line, reversing the trend of losses over recent years
- The slight decrease in share of profits can be explained by the prior year benefitting from positive one-off items



CIEL Agro strategic directions for 2022-2023

- Complete the Alteo Group restructuring with the listing of Miwa Sugar on the Development and Enterprise Market (DEM) by end November 2022

Mauritius

- Focus on green and sustainable development through the launch of Anahita Beau Champ Smart City Project
- Focus on tight cost control in the current inflationary environment and improve agricultural practice to increase the tonnage of sugar per acre
- Focus on mechanisation strategy

East Africa

- Kenya: Improve factory reliability in order to increase production



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TEXTILE

CIEL Textile



Continued and robust results in the Textile cluster with overall good momentum in the order books particularly in Woven and Knitwear clusters

		Year ended 30 June		
		2022	2021	Variance
Revenue	MUR'M	15,454	10,444	48%
EBITDA	MUR'M	1,720	1,185	45%
EBITDA margin		11.1%	11.3%	
Profit after tax	MUR'M	744	627	19%

Main drivers of performance

Woven segment

- Good performance driven by both Indian operations (formal and casual shirts)
- Improved client base and product offering
- Closure costs of Consolidated Fabrics Limited weighed on profitability

Knitwear segment

- Overall sales volumes and margin are strong however headwinds persist
- High-end (Grade A) brands showing interest
- Building on global manufacturing and marketing capabilities

Knits segment

- Performed below expectation
- Order books are thin due to increased input costs and lower volumes
- Human capital remains a focus for the segment



CIEL Textile strategic directions for 2022–2023

- ▶ Invest and grow our woven shirts manufacturing capacities in India to capture fast-growing demand for “Made in India” products
- ▶ Turn around Tropic Group through market-product positioning adjustments and manufacturing performance enhancements
- ▶ Manage and provide full support to COTONA (Madagascar) for the JV business plan execution
- ▶ Pursue our strategic vision around digitalisation
- ▶ Accelerate the deployment of our Photo-voltaic electricity generation across our regions
- ▶ CO2 emissions evaluation Scope 1, 2 and 3 as well as implementation of a comprehensive supply chain traceability tool
- ▶ Attract excellent talents to enhance the effectiveness of our high-level succession plan process. Recruit a high-level Human Resources manager in India for talent acquisition
- ▶ Launch a CIEL Textile International Graduate Program



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FINANCE

CIEL Finance

The Finance cluster continues to perform well despite difficult operating environment in Madagascar

		Year ended 30 June		
		2022	2021	Variance
Revenue	MUR'M	4,536	3,782	20%
EBITDA	MUR'M	1,409	1,265	11%
EBITDA margin		31.1%	33.4%	
Profit after tax	MUR'M	703	608	16%

Main drivers of performance

BNI Madagascar

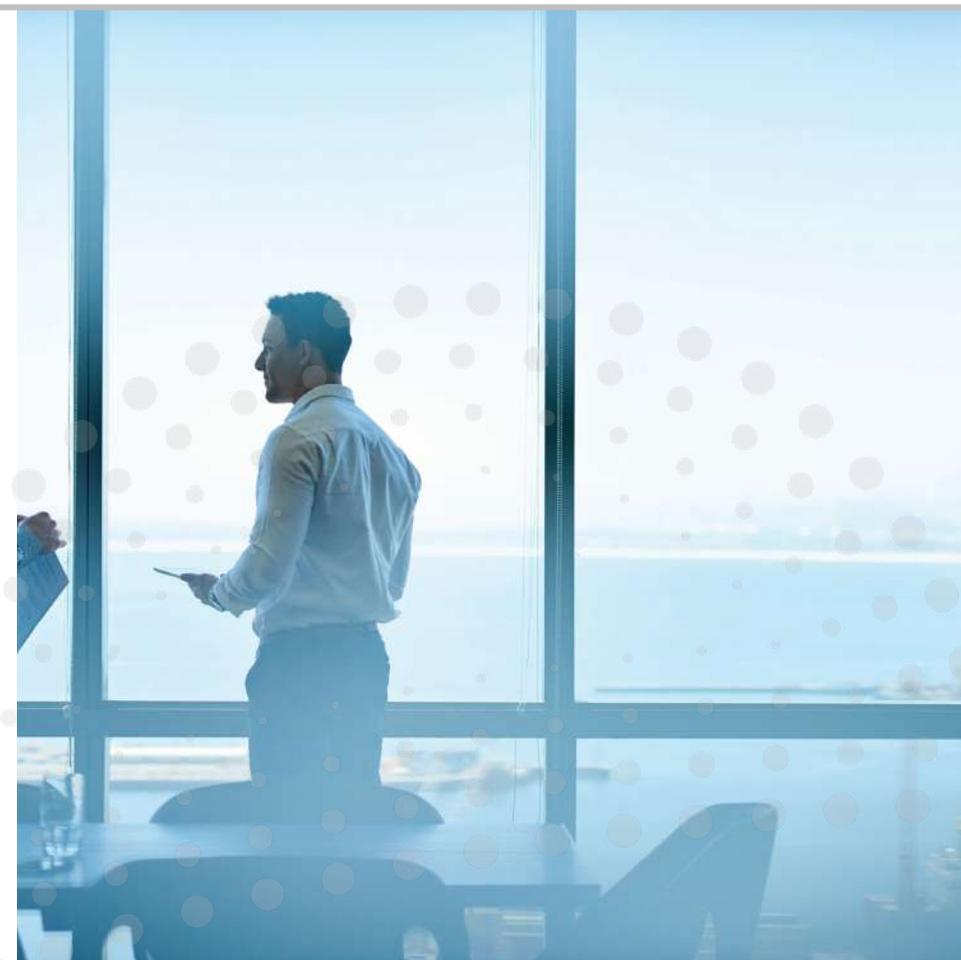
- BNI's performance for current financial year lower than expected
- Provisions higher than expected
- Difficult economic climate in Madagascar

Bank One

- CIEL's share of profits up more than 100% on prior year
- Reversal of provisions supported profitability

MITCO

- Low levels of new business partially mitigated by good cost control and much lower provisions than last year



CIEL Finance strategic directions for 2022–2023

BNI MADAGASCAR

- ▶ Upgrade the core banking system
- ▶ Focus on operational excellence
- ▶ Grow healthy loan book (corporates)
- ▶ Develop new products and services as per clients' needs in line with "Grow Better" strategy
- ▶ Maintain position as leader on the market both on the credit and deposit fronts

Bank One

- ▶ Deepen focus on new Sub-Saharan strategy
- ▶ Integrate POP into the current Bank One banking app
- ▶ Roll-out trade finance platform
- ▶ Grow market share for domestic mortgages

MITCO

- ▶ Target for excellence for customer experience
- ▶ Develop new products and services as per client needs



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HEALTHCARE

C-Care (International) Ltd

The Healthcare cluster demonstrated a strong performance on the back of high volumes of activities at C-Care Mauritius

		Year ended 30 June		
		2022	2021	Variance
Revenue	MUR'M	3,562	2,995	19%
EBITDA	MUR'M	817	557	47%
EBITDA margin		22.9%	18.6%	
Profit after tax	MUR'M	432	296	46%

Main drivers of performance

CIEL Healthcare Ltd has been renamed C-Care (International) Ltd

C-Care Mauritius

- PRC testing remained strong during FY 22, with a good contribution to the bottom line along with good cost management
- The last quarter brought with it an increase in normal activities

C-Care Uganda

- Increase in occupancy
- Good cost management

C-Lab

- The Ugandan market continues to benefit from its newly launched laboratory activities under C-Lab Uganda



C-Care (International) strategic directions for 2022–2023



C-Care Mauritius

- Consolidate rebranding and new communication strategy
- Quality strategy: Comprehensive Health Knowledge System (CHKS) Accreditation obtained
- C-Care App
- C-Lab: Increase number of collection centers
- C-Care Darné renovation of levels, maternity ward and new wellness centre and oncology unit
- C-Care Grand Baie: Work in Progress
- C-Care Tamarin: Relocalisation

C-Care Uganda

- Consolidate rebranding and new communication strategy
- Continue to increase volumes and asset utilization e.g. CT scan
- C-Care IHK: Maternity ward renovation
- C-Care Clinic: Renovations and relocations

C-Lab

- Uganda: Opening of eight new collection centers
- Mauritius: continue to grow the C-Lab footprint



CIFL



HOTELS & RESORTS

CIEL Hotels & Resorts

SUN Resorts reported a better-than-expected performance

		Year ended 30 June		
		2022	2021	Variance
Revenue	MUR'M	4,840	528	>100%
EBITDA	MUR'M	1,224	(594)	>100%
EBITDA margin		25.3%	N/A	
Profit/(Loss) after tax	MUR'M	210	(2,145)	>100%

Main drivers of performance

- Since the reopening of the Mauritian borders in October 2021, the industry continued its recovery leading to a better-than-expected result from the Hotels & Resorts cluster
- SUN Resorts' occupancy was at 48.1% compared to 72.4% in financial year 2019 with the ADR at MUR 11,933 up 27.1% on same pre-Covid comparative year leading to a profit after tax of MUR 200M compared to a loss of MUR 2,077M at year end 30 June 2021
- In spite of increased inflation SUN Resorts have managed significant costs reduction through restructuration and long-term productivity gains
- The Hotels & Resorts cluster further received a positive contribution of MUR 10M of their share of Anahita Residences & Villas Limited ("ARVL") earnings, compared to last year where our share of the loss amounted to MUR 68M



SUN strategic directions for 2022-2023

- Launch of Sun brand-led transformation project
- Launch of new customer experiences
- Finalisation of La Pirogue Residences property project in conjunction with CIEL Properties Development Ltd
- Finalisation of Ile aux Cerfs Master Plan
- Implement the strategy to address the industry-wide issue of lack of skilled staff
- Ensure significant progress on our digitalisation and sustainability road maps



CIEL



PROPERTIES

CIEL Properties

The Properties cluster embarked on a new strategy

		Year ended 30 June		
		2022	2021	Variance
Revenue	MUR'M	133	103	29%
EBITDA	MUR'M	65	2	>100%
Profit/(Loss) after tax	MUR'M	137	913	(85%)

Main drivers of performance

Evolis Ltd

- Transferred non-core assets from CIEL Textile to this newly created property vehicle
- Successful regeneration of Industrial Assets to new purposes generating third party new income

Ferney Ltd

- Smart City Certificate received in June 2022

CIEL Properties Development Ltd

- Launched sale of La Pirogue Residences



Properties strategic directions for 2022-2023

Evolis Ltd

- ▶ Launch of Nouvelle Usine, a 14,000 sqm building rehabilitation offering for a new working lifestyle in Floreal
- ▶ Regeneration of the ex-Consolidated Fabrics Ltd building into a 25,000 m2 light industrial and warehousing hub to be launched in Q1 of 2023
- ▶ Expecting 86% of occupancy on its portfolio of approx. 73,000 sqm

Ferney Ltd

- ▶ The acceleration of Ferney Eco-Tourism and Sustainable Farming Strategies
- ▶ The launch of Ferney Development project, including the launch of the sales and infrastructure

CIEL Properties Development Ltd

- ▶ The construction launch of La Pirogue Residences



ESG Update



4

Foster a Vibrant Workforce

Focus Areas

- Work Environment
- Diversity & Ethics
- Learning & Development



Key Strategic Goals

- Achieve “Top Employer Brand” or equivalent status
- Reach 35% women at management level by 2025 and 30% at directorship level by 2030

Women at Management Level



Women at Board Level



Champion Inclusive Growth

Focus Areas

- ▶ Sustainable Offering
- ▶ Local Economy
- ▶ Community Empowerment



Key Strategic Goals

- ▶ Proactively develop responsible products / services / experiences in each cluster
- ▶ Source/buy at least 25% of food & beverages from local producers by 2030, without compromising on nutritional value & quality
- ▶ Increase the proportion of long-term community actions from 40% to 60



Go Beyond

Activate Climate Response

Focus Areas

- Energy
- Supply Chains
- Conservation & Regeneration



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Key Strategic Goals

- Establish accurate emissions baseline
- Decrease our Scope 1 & 2 carbon intensity by 50% by 2030 (tCO2/\$M of revenue)
- Reduce waste to landfill by 50% by 2030
- Reforest and/or Afforest 1000 Hectares of land by 2030

Carbon Intensity



- 47%
vs FY 2019



37000
Trees planted in the
Conservation Zone

6 Ciel Textile

ZERO WASTE FACTORIES

Looking Ahead



Update our Climate Strategy and subscribe to science based-targets



Create a culture of sustainability & innovation



Incentives and Remuneration:
ESG KPIs for executives
Bridging the pay gap

Strategy & Outlook



5

Strategy Affirmed



2019-2021

2022-2024

Optimise the portfolio

- Rebalance portfolio
- Fix the basics
- Improve cost base
- Focus on recovery
- Strengthen capital structure

Grow the base

- Grow market share in each sector and protect margins
- Build on strong foundations
- Seize opportunities and maintain momentum
- Expand in regions where we operate
- Strategic review

The continued growth of CIEL Group's results confirms the soundness of our diversification strategy, both geographically and sectorally, as well as the discipline with which all teams are implementing it.



Manage activities and preserve margins and cash flow



Vigilant of uncertain macroeconomic conditions



Property asset management and development



Capitalise on Indian presence

Focus remains on:

- ▶ Achieving long-term value creation objectives through:



Growth:

Continue to build on current strengths across clusters



Financial discipline:

Cash generation, cost management, capital allocation



ESG:

Harnessing opportunities by accelerating the delivery of our ESG strategy

Ciel

Go Beyond

THANK

YOU

