

AUDITED FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2019

A detailed review is available on the Company's website at : www.cielgroup.com/financial-review

CIEL Limited achieved a normalised EBITDA of MUR 3.44bn and a normalised Profit After Tax of MUR 1.30bn for the year ended 30 June 2019 representing an annual growth of 17% and 19% respectively over prior year. Non-cash impairment & related tax charges of MUR 2.50bn brought reported loss attributable to ordinary shareholders to MUR 860 M (2018: Profit of MUR 442M)

GROUP CONSOLIDATED REVENUE ▲ 24.21 7% MUR bn MUR 22.61bn - 30 June 2018	NORMALISED GROUP EBITDA ▲ 3.44 17% MUR bn MUR 2.95bn - 30 June 2018	NORMALISED PROFIT AFTER TAX ▲ 1.30 19% MUR bn MUR 1.09bn - 30 June 2018	LOSS ATTRIBUTABLE TO OWNERS OF THE PARENT ▼ (860) MUR M MUR 442M - 30 June 2018	COMPANY NAV PER SHARE ▼ 7.02 (17%) MUR MUR 8.49 - 30 June 2018	DIVIDEND PER SHARE ▲ 0.21 MUR MUR 0.20 - 30 June 2018
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CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

THE GROUP		30 June 2019	30 June 2018
		MUR '000	MUR '000
Revenue		24,206,459	22,608,499
Normalised Earnings Before Interests, Taxation, Depreciation, Amortisation (EBITDA)*		3,443,392	2,952,622
Depreciation and amortisation		(1,215,821)	(1,165,936)
Normalised Earnings Before Interests and Taxation (EBIT)		2,227,571	1,786,686
Impairment of Goodwill and Non-Current Assets		(2,078,126)	-
Finance income		32,138	26,614
Finance costs		(812,721)	(780,711)
Share of results of joint ventures net of tax		161,215	272,237
Share of results of associates net of tax		(283,097)	74,084
(Loss)/Profit before tax		(753,020)	1,378,910
Taxation		(436,041)	(288,574)
(Loss)/Profit after tax		(1,189,061)	1,090,336
(Loss)/Profit attributable to:			
Owners of the Parent		(860,428)	441,817
Non controlling interests		(328,633)	648,519
		(1,189,061)	1,090,336
Basic and diluted (loss)/earnings per share	MUR	(0.52)	0.27
Weighted average no. of ord shares for EPS Calculation		1,645,093	1,627,255
Additional information:			
Normalised profit after tax for the year**		1,307,045	1,090,336
THE GROUP		30 June 2019	30 June 2018
		MUR '000	MUR '000
TOTAL COMPREHENSIVE INCOME		(1,189,061)	1,090,336
(Loss)/Profit after tax		(1,189,061)	1,090,336
Other comprehensive income for the year		(743,972)	487,838
Total comprehensive income for the year		(1,933,033)	1,578,174
Attributable to:			
Owners of the Parent		(1,397,751)	756,201
Non-controlling interests		(535,282)	821,973
		(1,933,033)	1,578,174

* Excludes all non-cash impairments
** Excludes all non-cash impairments (including associates) and deferred tax reversals

CONDENSED STATEMENTS OF FINANCIAL POSITION

THE GROUP		30 June 2019	30 June 2018
		MUR '000	MUR '000
ASSETS			
Non-current assets		35,113,803	37,600,719
Current assets		16,259,812	15,901,535
Non-current assets classified as held for sale		12,726	91,062
Total non specific banking assets		51,386,341	53,593,316
Total specific banking assets		17,597,829	15,291,361
TOTAL ASSETS		68,984,170	68,884,677
EQUITY AND LIABILITIES			
Capital and Reserves			
Owners' interests		12,935,181	14,386,057
Non controlling interest		9,195,956	10,362,278
Current liabilities		12,738,789	11,569,806
Non current liabilities		14,035,928	13,611,077
Specific banking liabilities*		20,078,316	18,955,459
TOTAL EQUITY AND LIABILITIES		68,984,170	68,884,677
NET ASSET VALUE PER SHARE	MUR	7.79	8.76
NO OF SHARES IN ISSUE	'000	1,660,274	1,642,818
INTEREST BEARING DEBT (Net)		15,521,512	15,498,238
Gearing = Debt/(Debt+Equity)		41.2%	38.5%
DEBT to Normalised EBITDA (times)		4.5	5.2

* Specific banking liabilities relate to deposits from customers of BNI Madagascar

CONDENSED STATEMENTS OF CASH FLOWS

THE GROUP		30 June 2019	30 June 18
		MUR '000	MUR '000
Cash from operating activities before working capital movements		2,023,633	2,105,530
Movement of working capital of specific banking assets and liabilities*		(543,270)	2,027,444
Movement of working capital of non-specific banking assets and liabilities		(171,595)	(472,211)
Net cash from operating activities		1,308,768	3,660,763
Net cash used in investing activities		(1,129,358)	(1,535,926)
Net cash used in financing activities		(199,159)	(417,236)
(Decrease)/Increase in cash and cash equivalents		(19,749)	1,707,601
Movement in cash and cash equivalents		4,680,768	3,180,501
At 1 July		(19,749)	1,707,601
(Decrease)/Increase in cash and cash equivalents		(159,661)	(207,334)
Effect of foreign exchange			
At 30 June		4,501,358	4,680,768

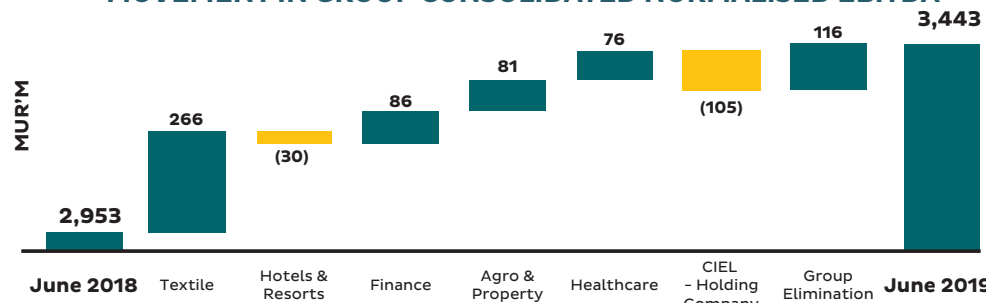
* Specific banking assets and liabilities consist of: Loans and advances to customers, Loans to banks, Investment in securities and Deposits from customers

CONDENSED STATEMENTS OF CHANGES IN EQUITY

THE GROUP	Owner's Interest Total	Non-Controlling Interests	Total Equity
	MUR '000	MUR '000	MUR '000
Balance at 1 July 2018	14,386,057	10,362,278	24,748,335
- Effect of adoption of IFRS 9	13,144	50,481	63,625
- Effect of adoption of IFRS 15	(18,594)	(18,519)	(37,113)
- as restated	14,380,607	10,394,240	24,774,847
Total comprehensive income for the period	(1,398,751)	(534,282)	(1,933,033)
Dividends	(347,456)	(468,963)	(816,399)
Other movements	300,763	(195,039)	105,722
Balance at 30 June 2019	12,935,181	9,195,956	22,131,137
Balance at 1 July 2017	13,654,483	9,722,838	23,377,321
Total comprehensive income for the period	756,201	821,973	1,578,174
Dividends	(328,409)	(428,213)	(756,622)
Other movements	303,782	245,680	549,462
Balance at 30 June 2018	14,386,057	10,362,278	24,748,335

"The above audited condensed statements for the year ended 30 June 2019 have been prepared in compliance with International Financial Reporting Standards and have been audited by Pricewaterhouse Coopers. The audited condensed financial statements are issued pursuant to the listing rule 12.14 and the Securities Act 2005. The Board of Directors of CIEL Limited accepts full responsibility for the accuracy of the information contained in this report. Copies of the audited condensed financial statements are available, free of charge, upon request from the Company Secretary, 5th Floor, Ebène Skies, rue de l'Institut, Ebène. The statement of direct and indirect interests of insiders, pursuant to Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, is available free of charge, upon request from the Company Secretary, 5th Floor, Ebène Skies, Rue de l'Institut, Ebène."

MOVEMENT IN GROUP CONSOLIDATED NORMALISED EBITDA



SEGMENTAL INFORMATION

In MUR 'M	YEAR	TEXTILE	HOTELS & RESORTS	FINANCE	AGRO & PROPERTY	HEALTHCARE	CIEL HOLDING COMPANY(a)	GROUP ELIMINATION	TOTAL
REVENUE	2019	12,151	6,615	2,853	142	2,495	480	(530)	24,206
	2018	10,944	6,724	2,611	106	2,264	585	(626)	22,608
(Loss)/Profit after tax	2019	453	150(b)	710	149	49	135	(339)	1,307
	2019	453	(1,893)	630	(63)	(143)	135	(307)	(1,189)
	2018	317	198	742	105	(63)	251	(460)	1,090
Cash Flow from operating activities(c)	2019	824	1,313	714	27	204	131	(1,190)	2,023
	2018	546	1,395	817	22	82	302	(1,058)	2,106

a) Includes CIEL Limited's figures as well as wholly owned subsidiaries - CIEL Corporate Services & Azur Financial Services (Head Office & Treasury services of CIEL Group)
b) Includes share of results Anahita Golf & Spa Resorts (50%)
c) Cash flow from operating activities before working capital movements

CIEL Limited ('CIEL') is a diversified investment group headquartered in Mauritius, with interest in five sectors, namely Textile, Hotels & Resorts, Financial Services, Agro & Property and Healthcare, present across Africa, Asia and the Indian Ocean.

Corporate actions

CIEL has raised MUR 1bn of secured fixed rate notes and MUR 400M secured fixed and floating rate notes by way of private placement to partly refinance its existing debts and to finance the following earmarked investments:

- CIEL has acquired 100% of CIEL Textile Limited ('CTL') as from 4 July 2019;
- CIEL has consolidated its stake in C-Care. As of 8 July 2019, CIEL's direct shareholding in C-Care (Mauritius) Ltd amounts to 20.08% and CIEL Healthcare Limited's shareholding has increased from 58.60% to 67.41%.

Financial Results

Group revenue for the year ended 30 June 2019 rose by 7% to MUR 24.21bn (2018: MUR 22.61bn) and Normalised Earnings before Interest, Taxes, Depreciation and Amortisation ('EBITDA') recorded a double-digit increase of 17% to reach MUR 3.44bn (2018: MUR 2.95bn). This led to an EBITDA margin of 14.2%, a 1.1 percentage point gain over the previous financial year.

The Group net interest bearing debt was maintained at MUR 15.5bn as at 30 June 2019 (June 2018: MUR 15.5bn).

Cluster's performance :

- The **Textile cluster** posted a 43% increase in Profit After Tax, with the Woven segment (Aquarelle) standing as leading performer owing to its Indian and Regional (Mauritius and Madagascar) operations which are well positioned in the market and consistently delivering outstanding customer satisfaction. The Knits segment (Tropic Knits) had an improved performance of its Indian operations whilst the regional performance was to some extent below last year. The Knitwear segment (Floreal) showed good progress, benefitting from the turnaround of the Mauritius-based wool yarn producer, Ferney Spinning Mills and the good performance of its Bangladesh facility.
- In the **Hotels & Resorts cluster**, SUN Limited ('SUN') managed to achieve a 5% growth in average daily rate in challenging market conditions despite a slight decrease of 3.6% in occupancy rate mainly due to the renovation works at its Sugar Beach resort (Mauritius) which started in the financial year. SUN's normalised Profit After Tax was MUR 166M compared to MUR 194M, 14% below previous year.
- The **Finance cluster's** operational results were in line with prior year with a strong underlying operational performance of its banking activities, namely BNI Madagascar and Bank One, despite a one-off impairment of a foreign non-performing loan recognised by Bank One.
- The **Healthcare cluster's** operational performance has improved significantly compared to prior year, reflecting higher occupancy rates at Wellkin Hospital and Clinique Darné and enhanced synergies between the two hospitals in Mauritius. The trading environment in Uganda and Nigeria however weighed on the cluster's results.
- The **Agro & Property cluster's** results, consisting mainly of the activities of our associated entity, Alteo Ltd ('Alteo'), and subsidiary Ferney Ltd ('Ferney'), were fairly stable despite difficult market conditions prevailing in the Mauritius sugar operations. The improved performance of Alteo's Eastern African operations and property cluster sales somewhat mitigated the negative impact of lower sugar prices in Mauritius. Ferney benefitted from sales of non-core land which led to an increase in results.

This year's financial results were impacted by non-cash impairment and related tax charges of MUR 2.50bn at the level of subsidiaries and associates undertaking. This resulted from management's annual impairment tests of specific assets and investments at cluster level which led to a Group reported loss after tax of MUR 1.19bn (June 2018: Profit of MUR 1.09bn).

Normalised Profit After Tax

Excluding the non-cash impairment and related tax charges, Group normalised profit after tax stood at MUR 1.30bn, a 19% increase compared to prior year (2018: MUR 1.09bn). Below is a reconciliation from (loss)/profit after tax to normalised profit after tax:

	2019 MUR 'M	2018 MUR 'M
(Loss)/Profit after tax	(1,189)	1,090
Impairment of Goodwill and other non-financial assets:		
Subsidiary Level		
- SUN	1,934	-
- Healthcare	141	-
CIEL's share at Associates level		
- Healthcare	51	-
- Alteo	212	-
- Finance	48	-
	2,386	-
Taxation		
- Reversal of deferred tax: SUN	110	-
Normalised PAT	1,307	1,090

MUR 1.9bn impairment on goodwill, relating mainly to SUN's luxury resort, Kanuhura (Maldives) due to the downward revision of cash flow & profit projections attributable to slower growth worldwide and strong competition in the Maldives tourism industry.

MUR 192M impairment on the Healthcare sector's Nigerian and Ugandan operations due to the downward projection of financial forecast arising from the difficult economic conditions prevailing in these countries and persisting operational challenges.

MUR 212M corresponding to the prorated share of the impairment taken at Alteo level. This charge mainly relates to bearer biological assets, milling and refining equipment spare parts and other idle milling equipment in Mauritius. The impairment has been booked to reflect current and forecast low sugar prices, lower sugar feedstock available for refining and the limited market for second-hand milling equipment.

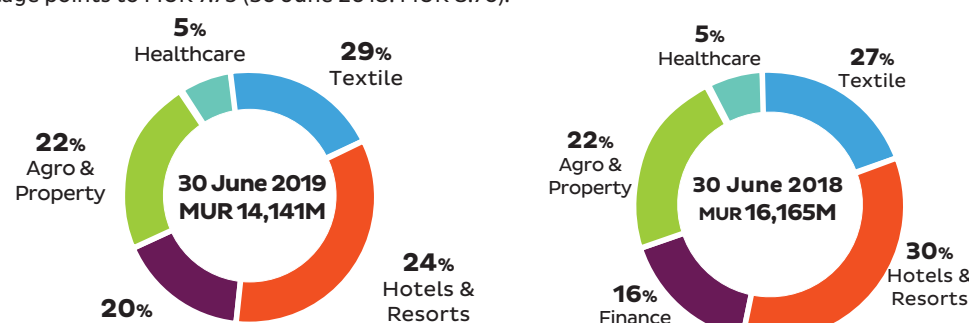
MUR 48M corresponding to CIEL's share in the impairment charge of an investment in Kibo Fund Llc ('KIBO') - CIEL Finance's private equity arm.

CIEL Group's loss attributable to ordinary shareholders stood at MUR 860M (2018: Profit of MUR 428M) for the year under review.

Going forward, CIEL is confident in its ability to sustain EBITDA growth across its portfolio. CIEL will continue its focus on selective capital allocation to enhance free cash flow generation and profitability.

COMPANY INVESTMENT PORTFOLIO OVERVIEW

At Company level, the Net Asset Value ('NAV') per share stood lower at MUR 7.02 (30 June 2018: MUR 8.49) reflecting mainly the fall in the share price of most listed entities within the Group's portfolio with the exception of the listed investment in the Healthcare cluster (C-Care (Mauritius) Ltd ('C-Care')). At Group level, the NAV per share dropped by 11 percentage points to MUR 7.79 (30 June 2018: MUR 8.76).



By order of the Board

CIEL Corporate Services Ltd
Secretaries

27 September 2019

BRN: C06000717

For more information, contact us on:
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