

# UNAUDITED FINANCIAL PERFORMANCE FOR THE QUARTER ENDED 30 SEPTEMBER 2019

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

GROUP CONSOLIDATED REVENUE	GROUP EBITDA*	GROUP PROFIT AFTER TAX*	PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT	GROUP NAV PER SHARE
<b>▲ 6.27</b> 3% MUR bn	<b>▲ 728</b> 18% MUR M	<b>▼ 126</b> 3% MUR M	<b>▼ 73</b> 18% MUR M	<b>▼ 7.60</b> 2% MUR
MUR 6.09 bn - 30 September 2018	MUR 616 M - 30 September 2018	MUR 129 M - 30 September 2018	MUR 88 M - 30 September 2018	MUR 7.79 - 30 June 2019

\* IFRS 16 had a positive impact of MUR 87M on EBITDA and a negative impact of MUR 13M on PAT for the quarter under review.

## CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

THE GROUP		30-Sep-19	30-Sep-18
		MUR '000	MUR '000
<b>Revenue</b>		<b>6,273,189</b>	6,084,662
Earnings Before Interests, Taxation, Depreciation and Amortisation (EBITDA)		<b>728,098</b>	615,804
Depreciation and amortisation		<b>(360,367)</b>	(302,295)
Earnings Before Interests and Taxation (EBIT)		<b>367,731</b>	313,509
Finance income		<b>5,538</b>	3,586
Finance costs		<b>(271,467)</b>	(201,605)
Share of results of joint ventures net of tax		<b>59,210</b>	41,312
Share of results of associates net of tax		<b>(9,384)</b>	6,949
Profit before taxation		<b>151,628</b>	163,751
Taxation		<b>(25,612)</b>	(34,254)
<b>Profit after tax</b>		<b>126,016</b>	129,497
Profit attributable to:			
Owners of the Parent		<b>72,607</b>	88,211
Non controlling interests		<b>53,409</b>	41,286
		<b>126,016</b>	129,497
Earnings per share	MUR (000)	<b>0.04</b>	0.05
Weighted average no. of ord shares for EPS Calculation		<b>1,675,954</b>	1,642,818

THE GROUP		30-Sep-19	30-Sep-18
		MUR '000	MUR '000
<b>TOTAL COMPREHENSIVE INCOME</b>			
Profit after tax		<b>126,016</b>	129,497
Other comprehensive income for the period		<b>69,459</b>	(157,166)
<b>Total comprehensive income for the period</b>		<b>195,475</b>	(27,669)
Attributable to:			
Owners of the Parent		<b>108,254</b>	(7,445)
Non-controlling interests		<b>87,221</b>	(20,224)
		<b>195,475</b>	(27,669)

## CONDENSED STATEMENTS OF FINANCIAL POSITION

THE GROUP		30-Sep-19	30-Jun-19
		MUR '000	MUR '000
<b>ASSETS</b>			
Non-current assets		<b>38,231,322</b>	35,113,803
Current assets		<b>14,985,829</b>	14,857,639
Non-current assets classified as held for sale		<b>12,726</b>	12,726
Total non specific banking assets		<b>53,229,877</b>	49,984,168
Total specific banking assets		<b>19,352,530</b>	19,000,002
<b>TOTAL ASSETS</b>		<b>72,582,407</b>	68,984,170
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Owners' interests		<b>12,797,866</b>	12,935,181
Non controlling interest		<b>8,582,064</b>	9,195,956
Current liabilities		<b>12,253,139</b>	12,588,789
Non current liabilities		<b>18,718,091</b>	14,185,928
Specific banking liabilities*		<b>20,231,247</b>	20,078,316
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>72,582,407</b>	68,984,170
<b>NET ASSET VALUE PER SHARE</b>	MUR	<b>7.60</b>	7.79
<b>NO OF SHARES IN ISSUE</b>	'000	<b>1,684,334</b>	1,660,274
<b>NET INTEREST BEARING DEBT**</b>		<b>15,871,275</b>	15,521,512
<b>Gearing = Debt/(Debt+Equity)</b>		<b>42.6%</b>	41.2%

\* Specific banking liabilities relate to deposits from customers of BNI Madagascar  
\*\* Exclude right of use liabilities under IFRS 16

## CONDENSED STATEMENTS OF CASH FLOWS

THE GROUP		30-Sep-19	30-Sep-18
		MUR '000	MUR '000
Cash from operating activities before working capital movements		<b>554,435</b>	502,550
Movement of working capital of specific banking assets and liabilities*		<b>280,900</b>	(670,418)
Movement of working capital of non-specific banking assets and liabilities		<b>24,909</b>	(508,932)
<b>Net cash from/(used in) operating activities</b>		<b>860,244</b>	(676,800)
<b>Net cash used in investing activities</b>		<b>(998,010)</b>	(254,930)
<b>Net cash generated from financing activities</b>		<b>223,860</b>	304,439
Increase/(Decrease)in cash and cash equivalents		<b>86,094</b>	(627,291)
<b>Movement in cash and cash equivalents</b>			
At 1 July		<b>4,501,358</b>	4,680,768
Increase/(Decrease)in cash and cash equivalents		<b>86,094</b>	(627,291)
Effect of foreign exchange		<b>(29,545)</b>	(132,544)
At 30 September		<b>4,557,907</b>	3,920,933

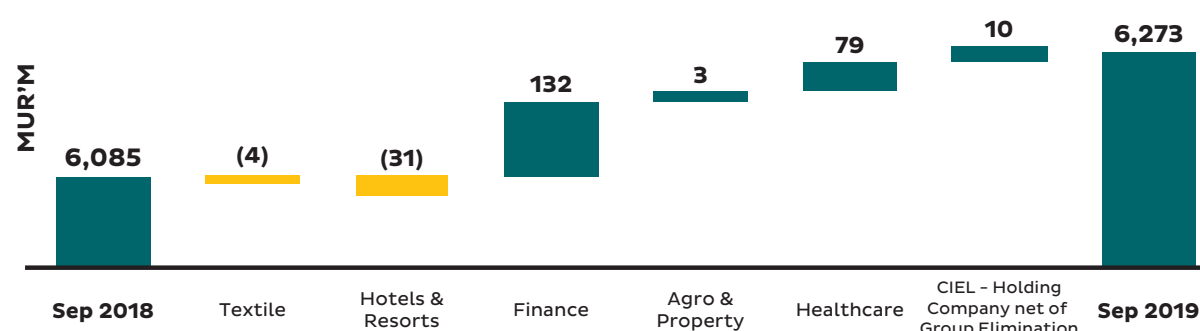
\* Specific banking assets and liabilities consist of: Loans and advances to customers, Loans to banks, Investment in securities and Deposits from customers

## 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 2019	12,935,181	9,195,956	22,131,137
- Effect of adoption of IFRS 16	(246,862)	(188,145)	(435,007)
- as restated	12,688,319	9,007,811	21,696,130
Total comprehensive income for the period	108,254	87,221	195,475
Other movements	1,293	(512,968)	(511,675)
<b>Balance at 30 September 2019</b>	<b>12,797,866</b>	<b>8,582,064</b>	<b>21,379,930</b>
Balance at 1 July 2018	14,386,056	10,362,278	24,748,334
Total comprehensive income for the period	(7,445)	(20,224)	(27,669)
Other movements	(6,629)	(3,756)	(10,385)
<b>Balance at 30 September 2018</b>	<b>14,371,982</b>	<b>10,338,298</b>	<b>24,710,280</b>

The above condensed statements for the 3 months ended 30 September 2019 have been prepared in compliance with International Financial Reporting Standards and have been prepared using the same accounting policies and methods adopted in the audited financial statements for the financial year ended 30 June 2019 audited by Pricewaterhouse Coopers. The unaudited condensed financial statements are issued pursuant to the listing rule 12.20 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 unaudited condensed financial statements are available, free of charge, upon request from the Company Secretary, 5<sup>th</sup> 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, 5<sup>th</sup> Floor, Ebène Skies, Rue de l'Institut, Ebène.

## MOVEMENT IN GROUP CONSOLIDATED REVENUE



## GROUP EBITDA, PROFIT AFTER TAX & CASH FLOW

In MUR 'M	YEAR	TEXTILE	HOTELS & RESORTS	FINANCE	AGRO & PROPERTY	HEALTHCARE	CIEL HOLDING COMPANY*	GROUP ELIMINATION	TOTAL
EBITDA	2019	361	29	257	6	90	190	(204)	<b>728</b>
	2018	335	(21)	216	41	57	(16)	4	<b>616</b>
PAT	2019	201	(259)	223	(18)	28	155	(204)	<b>126</b>
	2018	199	(246)	167	42	8	(44)	3	<b>129</b>
CF**	2019	285	(23)	278	3	60	145	(194)	<b>554</b>
	2018	298	(10)	186	9	54	(42)	9	<b>503</b>

\* Includes CIEL Limited's figures as well as wholly owned subsidiaries - CIEL Corporate Services & Azur Financial Services (Treasury services of CIEL Group).  
\*\* Cash 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.

## Executive Summary

### Adoption of IFRS 16

CIEL Group has adopted IFRS 16 using the Modified Retrospective Approach in the reporting period beginning on 1 July 2019. The accounting standard deals with the accounting for leases and replaces IAS 17. No restatements were made to comparative periods which continue to be presented in terms of IAS 17 with a transitional adjustment of MUR 435M made to equity on 1 July 2019. The implementation of IFRS 16 results in the recognition of lease liabilities of MUR 3.62bn and right-of-use assets of MUR 3.45bn as at 30 September 2019. IFRS 16 had a positive impact of MUR 87M on Earnings before Interest, Tax, Depreciation and Amortisation ('EBITDA'), a negative impact of MUR 48M on Depreciation and Amortisation, and a negative impact of MUR 52M on Finance Cost in the September 2019 quarter. Overall the adoption of IFRS 16 had a negative impact of MUR 13M on Profit after Tax ('PAT') for the quarter.

### Group Results

Group revenue for the quarter ended 30 September 2019 increased by 3% to MUR 6.27bn (2018: MUR 6.09bn) while EBITDA rose to MUR 728M (2018: MUR 616M). Excluding the effect of IFRS 16, EBITDA margin remained stable at 10%.

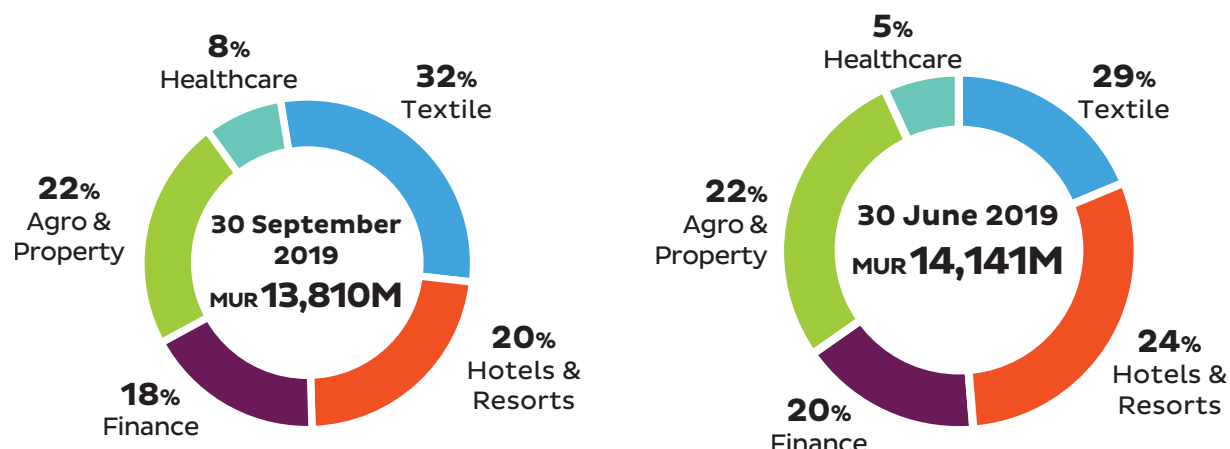
The Group PAT was at par with prior year at MUR 126M (2018: MUR 129M) for the period under review explained as follows:

- The Textile cluster posted steady results in the September 2019 quarter compared to prior year. The Woven segment remains the primary contributor to the cluster's profits while its operations in India have performed particularly well on the back of manufacturing efficiencies and good customer satisfaction. The Knits segment had a more challenging quarter with some operational challenges whilst the Knitwear segment posted better results on the back of an improved performance of its automated factory in Antsirabe, Madagascar.
- In this low seasonal quarter for the Hotels & Resorts cluster, SUN Limited ('SUN') saw a fall of 3.4% in occupancy rate whilst its average daily rate grew by 12.6% leading to financial results somewhat below those of last year mostly due to the impact of the phased renovation of the Sugar Beach resort.
- The Finance cluster achieved a 33% increase profit after tax year-on-year owing to the strong performance of its banking activities. Bank One and BNI Madagascar performed well across most of their business lines.
- The Agro & Property cluster was impacted by the lower performance of Alteo Limited's ('Alteo') Mauritian and Kenyan sugar operations. In Mauritius, lower sucrose levels combined with the lack of industry support is putting the industry under stress whilst in Kenya lower sugar prices affected the quarterly results. A gain on sale of land at Ferney Limited had also boosted the cluster's results in prior year.
- The Healthcare cluster showed good progress this quarter compared to the same period last year owing to the operational efficiencies and higher occupancy rates achieved at Clinique Darne ('CD') and Wellkin Hospital ('Wellkin'). The trading conditions in Nigeria and Uganda have also improved.

CIEL Group's profit attributable to ordinary shareholders stood at MUR 73M (2018: MUR 88M) for the quarter under review.

## COMPANY INVESTMENT PORTFOLIO OVERVIEW

At Company level, the Net Asset Value ('NAV') per share stood at MUR 6.51 as at 30 September 2019 (30 June 2019: MUR 7.02) reflecting mainly the fall in the share prices of SUN and Alteo.



By order of the Board

CIEL Corporate Services Ltd  
Secretaries

14 November 2019

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