

CIEL Group posts MUR 4.3 bn profit after tax for the financial year ended 30 June 2023

GROUP CONSOLIDATED REVENUE	EBITDA MARGIN
MUR 35,409 M	20.0%
▲ 24%	▲ 18.5%
MUR 28,525M - 30 June 2022	30 June 2022
EBITDA¹	DEBT TO EBITDA
MUR 7,084 M	1.7
▲ 34%	2.5
MUR 5,269M - 30 June 2022	30 June 2022
GROUP PROFIT AFTER TAX	ROCE
MUR 4,302 M	14.1%
▲ 100%	▲ 9.7%
MUR 2,154M - 30 June 2022	30 June 2022
PROFIT ATTRIBUTABLE TO OWNERS	COMPANY NAV PER SHARE
MUR 2,653 M	MUR 11.03
▲ >100%	▼ (12%)
MUR 1,300M - 30 June 2022	MUR 12.49 - 30 June 2022
GROUP EARNINGS PER SHARE	GROUP NAV PER SHARE
MUR 1.57	MUR 12.38
▲ >100%	▲ 18%
MUR 0.77 - 30 June 2022	MUR 10.50 - 30 June 2022

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	THE GROUP	
	Year ended	
	30-Jun-23	30-Jun-22
	MUR'000	MUR'000
Revenue	35,408,595	28,524,594
EBITDA ¹	7,084,215	5,269,199
Depreciation and amortisation	(1,392,813)	(1,390,316)
EBIT ²	5,691,402	3,878,883
Expected credit losses ³	(354,414)	(474,343)
Finance income	302,820	71,884
Finance costs	(1,114,371)	(923,053)
Share of results of associates & joint ventures net of tax	605,027	431,901
Profit before tax	5,130,464	2,985,272
Taxation	(828,440)	(544,560)
Profit from continued operations	4,302,024	2,440,712
Loss from discontinued operations	-	(286,721)
Profit for the period	4,302,024	2,153,991
Profit attributable to:		
Owners	2,653,326	1,300,087
Non controlling interests	1,648,698	853,904
	4,302,024	2,153,991
Basic and diluted earnings per share (continuing operations)	MUR 1.57	0.94
Basic and diluted earnings per share	MUR 1.57	0.77
Weighted average no. of ord shares for EPS Calculation	(000) 1,687,560	1,687,455

TOTAL COMPREHENSIVE INCOME

	THE GROUP	
	Year ended	
	30-Jun-23	30-Jun-22
	MUR'000	MUR'000
Profit after tax	4,302,024	2,153,991
Other comprehensive income for the year	997,511	2,571,864
Total comprehensive income for the year	5,299,535	4,725,855

Attributable to:

	THE GROUP	
	Year ended	
	30-Jun-23	30-Jun-22
	MUR'000	MUR'000
Owners of the Parent	3,363,843	2,531,590
Non-controlling interests	1,935,692	2,194,265
	5,299,535	4,725,855

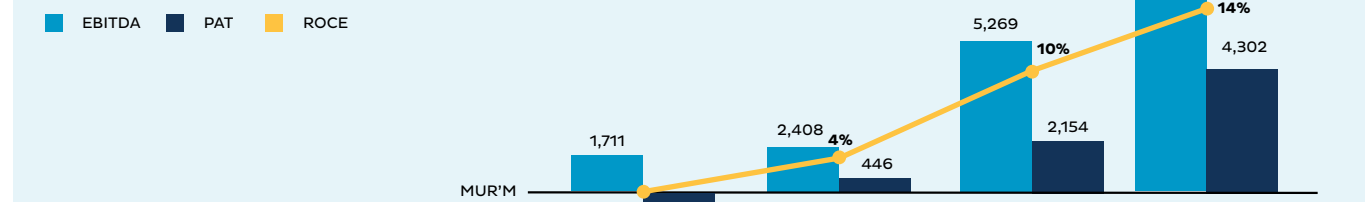
AUDITED FINANCIAL PERFORMANCE FOR THE FULL YEAR ENDED 30 JUNE 2023

A detailed review is available on the Company's website at: <https://www.cielgroup.com/en/investors/financial-publications>

KEY HIGHLIGHTS

- ▲ The strategy execution across regions led to a strong financial performance:
 - Revenue of MUR 35.4 bn, up 24% from the prior year driven by solid growth in all clusters
 - EBITDA totalled MUR 7.1 bn with the EBITDA Margin reaching 20%, a one and a half percentage point increase on last year
 - The two-fold increase in Profit after Tax to MUR 4.3 bn benefitted from Hotels & Resorts, Textile and Finance all breaking the MUR 1 bn milestone
 - Profit attributable to owners doubled to MUR 2.7 bn
- ▲ Continued financial discipline underpins balance sheet strength:
 - Free Cash Flow increased by more than 100% to reach MUR 4.2 bn, after a 70% increase in maintenance capex
 - Net Interest Bearing Debt reduced by MUR 1.1 bn and stood at MUR 12.1 bn with a gearing ratio of 28.6%
- ▲ Increased shareholder returns:
 - A dividend increase of 33% to MUR 0.28 per share was declared for the 2023 financial year

EARNINGS GROWTH AND CAPITAL EFFICIENCY



SEGMENTAL INFORMATION (MUR'M)

	FULL YEAR	HOTELS & RESORTS ^(a)	TEXTILE	FINANCE	HEALTHCARE	PROPERTIES	AGRO	CIEL HOLDING COMPANY ^(b)	TOTAL
REVENUE	Jun 2023	8,105	17,835	5,129	4,121	206	-	13	35,409
	Jun 2022	4,839	15,454	4,544	3,562	133	-	(7)	28,525
EBITDA	Jun 2023	2,448	2,057	1,601	803	278	-	(103)	7,084
	Jun 2022	1,224	1,721	1,424	817	237	(3)	(151)	5,269
PROFIT/(LOSS)AFTER TAX	Jun 2023	1,528	1,093	1,085	350	200	306	(260)	4,302
	Jun 2022	210	744	703	432	136	212	(283)	2,154
FREE CASH FLOW ^(c)	Jun 2023	1,968	1,330	1,428	169	(79)	(2)	(566)	4,248
	Jun 2022	1,249	(745)	1,229	554	(71)	4	(593)	1,627
ROCE	Jun 2023	12.9%	16.4%	23.7%	22.1%	5.2%	8.0% ^(d)	-	14.1%
	Jun 2022	4.6%	14.8%	17.3%	30.7%	4.7%	5.9%	-	9.7%

- a) Includes Sun Limited's performance and share of results of Anahita Golf & Spa Resorts (50%)
 b) Includes CIEL Limited's figures as well as wholly owned subsidiaries - CIEL Corporate Services, Azur Financial Services (Head Office & Treasury services of CIEL Group), FX Market Edge Ltd, Procontact Ltd (49.17%), and EM Insurance Brokers Limited (51% net of Group eliminations)
 c) Cash flow from operations net of working capital movements after recurrent capital expenditure (excluding specific banking working capital movements and project capex of MUR 881M (2022: MUR 559 M))
 d) At underlying level, ROCE of MIWA is 46% and Alteo is 5%

CONDENSED STATEMENTS OF FINANCIAL POSITION

	THE GROUP	
	Year ended	
	30-Jun-23	30-Jun-22
	MUR'000	MUR'000
ASSETS		
Non-current assets	43,556,790	40,898,131
Current assets	14,845,149	14,391,716
Non-current assets classified as held for sale	-	59,331
Total non specific banking assets	58,401,939	55,349,178
Total specific banking assets	39,656,511	42,821,851
TOTAL ASSETS	98,058,450	98,171,029
EQUITY AND LIABILITIES		
Capital and reserves		
Owners' interests	17,808,967	14,903,040
Convertible bonds	3,086,192	2,812,392
Non controlling interest	9,151,511	8,667,888
TOTAL EQUITY	30,046,670	26,383,320
Non current liabilities	16,327,340	15,887,351
Current liabilities	16,000,565	16,705,895
Liabilities directly associated with assets classified as held for sale	-	10,427
Total non specific banking liabilities	32,327,905	32,603,673
Specific banking liabilities*	35,683,875	39,184,036
TOTAL LIABILITIES	68,011,780	71,787,709
TOTAL EQUITY AND LIABILITIES	98,058,450	98,171,029
NET ASSET VALUE PER SHARE	MUR 12.38	10.50
NO OF SHARES IN ISSUE	1,687,560	1,687,560
NET INTEREST BEARING DEBT**	12,064,240	13,133,841
Gearing = Debt / (Debt + Equity)	28.6%	33.2%

- * Specific banking liabilities relate to deposits from customers of BNI Madagascar
 ** Excludes lease liabilities under IFRS 16 and banking liabilities

Cluster Review – Diversified Portfolio Elevates Group's 2023 Full Year Results

HOTELS & RESORTS

The positive trend in tourist arrivals to Mauritius for the financial year under review translated into a MUR 3.3 bn increase in revenue to MUR 8.1 bn for the cluster. EBITDA was up 100% to MUR 2.4 bn supported by the operational improvements of the past few years which led to an EBITDA margin of 30.2%, up from 25.3% in the prior year. The cluster posted a MUR 1.5 bn profit after tax compared to MUR 210M in the prior year. SUN Limited repaid its rupee-denominated bonds totalling MUR 1.0 bn, six months ahead of schedule in May 2023, bringing the cluster's gearing ratio down to 22.7% from 34.8%.

FINANCE

The cluster recorded a 13% uptick in revenue to reach MUR 5.1 bn. This performance was primarily attributed to BNI Madagascar's increase in net banking income led by improved interest rate margins. This resulted in a 12% year-on-year increase in EBITDA which closed at MUR 1.6 bn with EBITDA margin of 31.2% at par against FY 2022. Reversal of provisions coupled with higher interest income arising from the growth in Bank One's loans and advances further enhanced the financial performance. The cluster's profit after tax increased by MUR 382M to reach MUR 1.1 bn for FY 2023.

PROPERTIES

The cluster achieved a 55% increase in revenue which stood at MUR 206M for the financial year under review, underpinned by the successful regeneration of various buildings in the portfolio, two of which have reached full occupancy. In addition, the Ferney sustainable development project gained traction, with the first phase of sales fully reserved. EBITDA increased by 17% to MUR 278M on account of the revaluation of investment properties in the portfolio of MUR 271M, with a flow-through to profit after tax of MUR 200M from MUR 136M in the prior year.

CONDENSED STATEMENTS OF CASH FLOWS

	THE GROUP	
	30-Jun-23	30-Jun-22
	MUR'000	MUR'000
Cash from operating activities before working capital movements	6,014,174	3,291,548
Movement of working capital of specific banking assets and liabilities*	51,661	390,046
Movement of working capital of non-specific banking assets and liabilities	(626,395)	(1,118,633)
Net cash generated from operating activities	5,439,440	2,562,961
Net cash used in investing activities	(1,746,495)	(549,341)
Net cash (used in)/ generated from financing activities	(4,066,007)	265,021
(Decrease)/increase in cash and cash equivalents	(373,062)	2,278,641
Movement in cash and cash equivalents		
At 1 July	11,551,438	9,191,978
(Decrease)/increase in cash and cash equivalents	(373,062)	2,278,641
Effect of foreign exchange	(321,742)	80,819
At 30 June	10,856,634	11,551,438

* 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

	Owners' Interest & Convertible Bonds Total	Non-Controlling Interests	Total Equity
	MUR'000	MUR'000	MUR'000
Balance at 1 July 2022	17,715,432	8,667,888	26,383,320
Total comprehensive income for the period	3,363,843	1,935,692	5,299,535
Dividends	(473,077)	(499,829)	(972,906)
Transactions with owners of the company			
- Issue of convertible bonds	273,800	-	273,800
- Other movements	15,161	(952,240)	(937,079)
Balance at 30 June 2023	20,895,159	9,151,511	30,046,670
Balance at 1 July 2021	14,931,409	7,253,727	22,185,136
Total comprehensive income for the period	2,531,590	2,194,265	4,725,855
Dividends	(354,382)	(550,202)	(904,584)
Transactions with owners of the company			
- Issue of convertible bonds	547,600	-	547,600
- Other movements	59,215	(229,902)	(170,687)
Balance at 30 June 2022	17,715,432	8,667,888	26,383,320

The accompanying consolidated condensed financial statements, without reference to the detailed notes, are derived from the audited consolidated financial statements of CIEL Limited (the "Company") for the year ended 30 June 2023. These audited financial statements, which have been prepared in accordance with International Financial Reporting Standards, 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 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.

TEXTILE

The concerted efforts in enhancing product mix, diversifying the customer base and bolstering manufacturing capacity in the cluster led to a MUR 2.4 bn increase in revenue to reach MUR 17.8 bn. The robust growth in the Woven segment, across business units in India and the Indian Ocean region, mitigated headwinds stemming from volume reduction and softer market conditions experienced in other segments and geographies. EBITDA rose to MUR 2.1 bn, up from MUR 1.7 bn in the previous year whilst, the EBITDA margin edged slightly up to 11.5% from 11.1%. Profit after tax for the year increased to MUR 1.1 bn versus MUR 744M for the 2022 financial year, which included the MUR 100 M closure costs for Consolidated Fabrics Limited operations in Mauritius, part of the strategic partnership with SOCOTA in Madagascar.

HEALTHCARE

The healthcare cluster's execution of its strategy with ongoing capital expenditure to modernise and expand facilities as well as its focus on quality patient care resulted in a 16% revenue increase to MUR 4.1 bn for the financial year ended on 30 June 2023. EBITDA was MUR 803M, a limited decline of 2%, due to efficient cost management which mitigated the impact of a strong prior year comparison, which included a MUR 62M profit on divesting from the Nigerian medical insurance business. The EBITDA margin dropped circa three percentage points to 19.5%. Profit after tax was MUR 350M due to a good performance in Mauritius and the turnaround of the Ugandan operations, compared to MUR 432M in the prior year.

AGRO

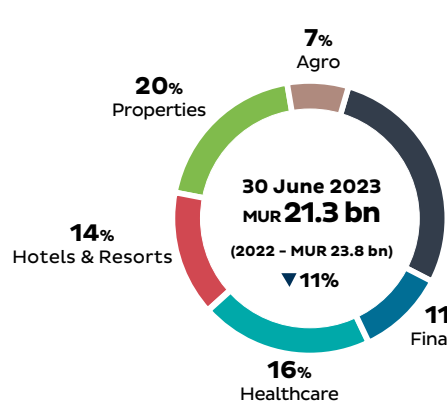
CIEL reported a 44% increase in the combined share of profit attributable from Alteo Limited and MIWA Sugar Limited of MUR 306M. MIWA Sugar, a positive contributor to the cluster, as both the Kenyan and Tanzanian operations continue to perform well. MIWA benefitted from higher sugar prices despite challenges from persistent inflationary cost pressures and the depreciation of the Kenyan shilling. At Alteo Limited, the property segment's revenue performance has been lower than the prior year due to the cyclical nature of the delivery of residential projects. However, at profit level, this shortfall was more than offset by the fair value gain on revaluation of investment properties. On the agricultural side, the company benefitted from higher sugar prices that helped to mitigate the negative impact of higher production costs and reduced tonnage of cane harvested for the 2022 crop.

PORTFOLIO VALUATION RESPONDS TO BEARISH MARKET CONDITIONS

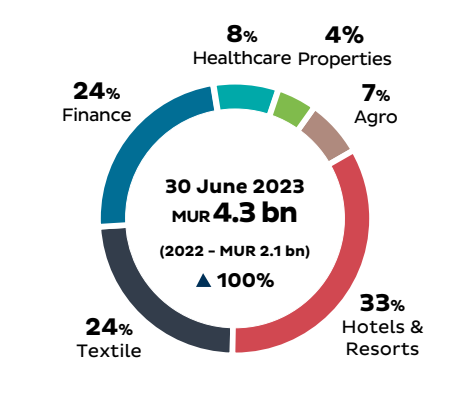
CIEL's overall portfolio valuation fell by MUR 2.6 bn on the back of lower valuations of MUR 4.0 bn coming from the Finance, Agro and Healthcare clusters. In turn, the increase in investment valuations of MUR 1.5 bn from the Hotels & Resorts, Textile and Properties clusters mitigated the overall reduction. The value of CIEL's portfolio stood at MUR 21.3 bn at 30 June 2023. The Company Net Asset Value fell by 12% to MUR 11.03 per share at 30 June 2023 versus MUR 12.49 at 30 June 2022.

Over the year, CIEL's share price decreased by 3% to MUR 6.52 from MUR 6.70 at year end 30 June 2022, whilst the SEMDEX dropped 7%. The market capitalisation stood at MUR 11.0 bn.

CONTRIBUTION TO VALUATION BY CLUSTER



CONTRIBUTION TO PROFIT AFTER TAX BY CLUSTER



OUTLOOK

The Group's diversification and geographical positioning remains pivotal in upholding its competitive edge and profitability. In particular, CIEL benefits from operating in regions, like India, where GDP growth is outpacing that of most advanced economies. Our focus remains on pursuing earnings growth, attractive returns and making positive contributions to the economies and societies where we operate. As we enhance our foothold in specific markets in Africa and Asia and continue to strengthen operational excellence across the Group, CIEL remains committed to strategic investments to support future growth.

By order of the Board

CIEL Corporate Services Ltd
Secretary

29 September 2023

BRN: C06000717

For more information:
investorrelations@cielgroup.com