

Dear Shareholder,

The financial year ended 30 June 2018 showed an increase in our Group's turnover of Rs. 510 million, from Rs. 1.22 billion in financial year 2017 to Rs. 1.73 billion for financial year 2018, attributable to the full year consolidation of Wellkin Hospital for FY2018 (6 months for FY2017). Our after-tax loss as at 30 June 2018 stands at Rs. 19.6 million, compared to Rs. 23.6 million for the previous financial year.

During the financial year under review, the Group's operating profit has improved by Rs. 11M compared to the corresponding period last year which is explained by the sustainable performance at FCD, with a constant high occupancy rate of 84%, coupled with better results for Wellkin, whose performance during FY2018 has shown significant improvement, namely with a growth in occupancy rate from 45% to 58%.

These figures illustrate the successful implementation of strategies at both our facilities to achieve excellence in patient care through continuous improvement of our internal processes along with advanced medical and surgical procedures. They also illustrate the efforts of our Management Team who makes a more effective use of our expenses while ensuring that the level of service never falters.

Operational excellence remains at the heart of our strategy. Indeed, since 2017, we have been working relentlessly to consolidate Wellkin Hospital within The Medical and Surgical Centre Limited ("MSCL") from an operational standpoint while starting to work on group advantages and synergies. We have thus reinforced the Executive Management Team with the appointment of Nursing, Quality, Supply Chain, Finance, HR and IT functions at MSCL Level.

As announced previously, the partnership agreement between CIEL Healthcare and Fortis Healthcare will reach an end on 31 December 2018. This strategic partnership with Fortis Healthcare International Limited ("FHIL") has been beneficial for both entities. On behalf of the Board, I would like to thank Fortis for their commitment during the past 10 years and for bringing in the knowledge and processes that were needed to reinforce our operations. Moving forward, MSCL's Board of Directors has decided to undertake the direct management of both hospitals as from 1 January 2019 with the Executive Management Team. MSCL and Fortis Healthcare will continue to collaborate on technical matters, while Fortis Healthcare will play an advisory role through its nominees on the Board.

In line with the strategy that we have laid out over the past months, we have appointed Olivier Schmitt, current Chief Operating Officer at Fortis Clinique Darné, to the position of Chief Executive Officer of MSCL, that is, of both Wellkin and Darné. He will take over his position as from 1 January 2019.

Olivier comes with 20 years of experience in the private health sector which gives us the confidence of a smooth transition. Building upon the foundation designed so far, he will be guiding the Executive Management Team to continuously work towards boosting the quality of care and the quality of service provided by both hospitals. This is reflected in the acquisition of new equipment and the quest to enhance patients' experience with the launch of Patient Delight Management, a custom-made cloud based software for feedback collection. This digital platform, aims to make the patient experience more enriching and leads us towards our goal of ensuring that the patient journey is significantly improved and our patients are satisfied with their experience.

### **Moving forward**

Our health care institution continues to open doors to new opportunities for growth, while pursuing the same focus that has characterised our service over the past six decades. Indeed, our commitment towards our shareholders remains our unflinching mission to always provide higher levels of medical care and to build a position of leader in the regional healthcare industry.

One of the first things on which we shall focus during the financial year 2019 is our “People at Heart” journey by reinforcing our proximity with our teams and training our people, a vital requirement in our pursuit of offering quality services to patients. We are also upgrading our Hospital Information System at both Welkin Hospital and Fortis Clinique Darné to have one common IT system to enhance the patient’s journey.

Another aspect of our operations on which we are laying additional emphasis is quality control, with the aim of getting both our facilities accredited in the medium-term.

Last but not least, we shall be working even more closely with our medical staff, especially our doctors, so as to continuously improve the care and the processes to meet the needs of patients and to provide healthcare which is at par with international standards along with the services available in hospitals worldwide.

### **Appreciation**

This would not have been possible without the support of the Directors of MSCL, the Fortis team and that of the Management Team of FCD and WH, who have been able to translate the Board’s vision into reality. I also have a special thank you for all our staff who are constantly giving their best to help us realise our ambitions. We also remain committed to our insurance partners, who continue to provide tailor-made solutions to their clients for an overall better care access in Mauritius.

At last, I would like to thank all those patients for their continued trust in our teams and our services. As we shift towards a new operating environment, we shall put in every effort to continuously reinforce this patient-centric culture that people in Mauritius and in the region have come to associate with FCD and WH over time.

Hélène Echevin  
Chairperson  
19 September 2018