

Rating Rationale
CM Structured Finance (1) Ltd (“CMSFL”)

Ratings

Instrument	Amount	Rating	Rating Action
Secured Credit Linked Floating Rate Notes	USD 20 million (MUR 700 million)	CARE MAU A- (SO) Stable [Single A Minus (Structured Obligation); Outlook: Stable] CARE MAU A2+ (SO) (A Two Plus) (Structured Obligation)	Assigned

Rating Rationale

The ratings are supported by the integrity of the legal structure and the structured payment mechanism designed to ensure timely payment of the interest on the rated Credit-linked Notes, as per the terms of the transaction and is not a standalone rating of CM Structured Finance (1) Ltd (“CMSFL”).

The ratings assigned to CMSFL derives strength from the financial performance of the reference entity, NMC Healthcare LLC, since the debt repayment will made out of the operational cashflow of both the companies.

The ratings are however constrained by the ability of the Underwriter to arrange funds on the execution of Put option by the Investor on the interest rest date, regulatory risk and interest rate risk.

NMC Healthcare LLC’s ability to improve occupancy of the existing hospital from current level of 67%, ability to reduce level of indebtedness vis-à-vis operational cashflow, and ability of the Underwriter to arrange funds in a timely manner on interest reset dates are the key rating sensitivities.

BACKGROUND

CM Structured Finance (1) Ltd, a public limited company, was incorporated under the laws of Mauritius on April 10, 2019 with a capital of MUR 10,000 (1,000 Class A Shares issued at MUR 10 each) and USD 2 million (2,000 Class B Shares issued at the price of USD 1,000 each). It is wholly-owned by MCB Capital Markets Ltd, which is a wholly-owned subsidiary of MCB Group Limited (MCBG), a company listed on the Official Market of the SEM. The Mauritius Commercial Bank Limited which is also a wholly owned subsidiary of MCBG is rated CARE MAU AAA (IS) Stable.

CMSFL has issued Secured Credit Linked Floating Rate Notes (CLN) of USD 20 million to investors, for the purpose of providing debt financing to NMC Healthcare LLC (Reference Entity) by participating in a syndicated loan alongside other lenders, in accordance with the terms of the Loan Agreement. The broad structure is as under:

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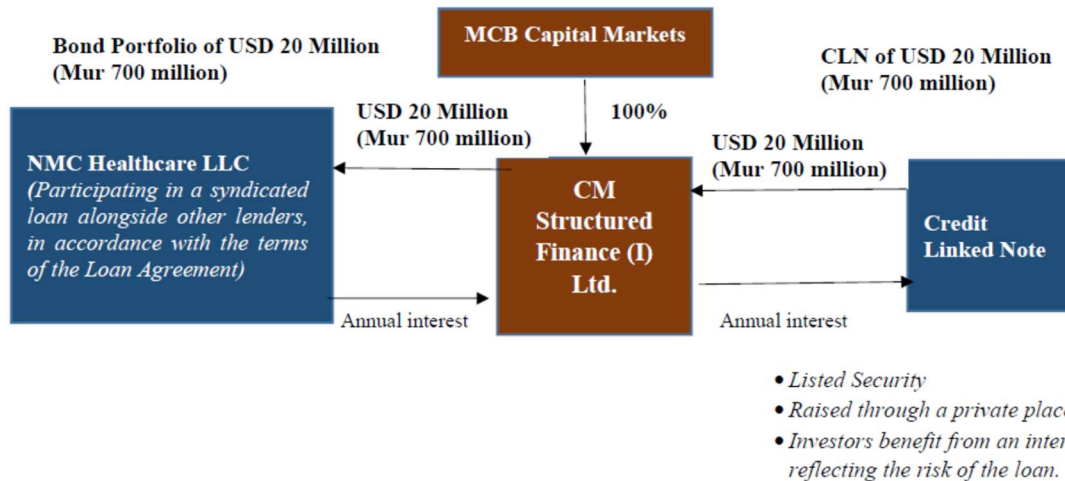
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CMSFL will participate as an original lender under a syndicated loan proposal alongside other banks. CMSFL’s participation in the syndication will be funded through the proceeds of the issuance of CLNs to investors. The return of the CLNs will be linked to the repayments under the syndicated loan. CMSFL will act as an original lender under the terms of only one facility.

CMSFL’s sponsor (MCB Capital Markets Ltd) has credit-enhanced (to the extent of 10%) the Notes by USD 2 million (by subscribing to 2,000 Class B Equity Shares at a price of USD 1,000). This amount shall be used as a first-loss cash-collateralised guarantee and will be held in a segregated account with The Mauritius Commercial Bank Limited. This account will be pledged in favour of the Noteholders’ Representative on the Issue Date pursuant to the Pledge of Segregated Account Agreement.

CLN of USD 20 million (equivalent of MUR 700 million) is repayable in May 2022 (25%), May 2023 (25%) and May 2024 (50%) out of the operational cashflow of NMC Healthcare LLC. Interest Rate, based on LIBOR, will be reset every month. The interest rate for the first three months shall be around 4.50%.

The rating is dependent on the financial performance of NMC Healthcare LLC, since the debt repayment will be made out of the operational cashflow of NMC Healthcare LLC. The Noteholder shall have the right, upon receipt of the Circular Notice, to request and compel the Issuer to redeem, purchase or arrange for the purchase of, the whole or part of its Notes (“Put Option”) on the Interest Reset Dates.

MCB Stockbrokers Ltd (the “Underwriter”) has provided a Shortfall undertaking for MUR 700 million for 5 years to CMSFL. As per the undertaking in the event of the exercise of the Put Option by a Noteholder (Existing Investor) in accordance with the terms of the agreement, the Underwriter shall purchase and/or cause for the purchase of all Notes in respect of which a Put Option has been exercised. The Underwriter shall pay the Put proceeds to each existing investor on the Transfer date.

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During the tenure of the CLN (USD 20 million for 5 years), the maximum amount of Put Option that can be exercised on the interest reset dates is USD 20 million only.

MCB Stockbrokers Ltd is a 100% subsidiary of MCB Capital Markets Ltd and step-down subsidiary of MCBG. The company was established in 1989 and is a founding member of the Stock Exchange of Mauritius (SEM). Licensed and regulated by the Financial Services Commission (FSC) of Mauritius, MCB Stockbrokers Ltd is one of the leading stockbroking companies of Mauritius, offering a range of services to local, foreign, retail as well as institutional clients. MCB Stockbrokers Ltd holds an Investment Dealer (Full Service Dealer including Underwriting) licence from the FSC and has been underwriting corporate transactions for amounts ranging from MUR 100 million to MUR 3.6 billion since 2014, with aggregate exposures not exceeding MUR 4.0 billion in any single financial year. As of date, MCB Stockbrokers Ltd doesn't have any underwriting obligation.

MCB Stockbrokers Ltd has provided an undertaking that it has access to sources of finance within MCB Group should a significant portion of the underwriting risks materialize.

Financial Indebtedness

As at the date of the PPM, the Issuer (CMSFL) warrants that it does not have any Financial Indebtedness. Save/Except for the Permitted Financial Indebtedness, the Issuer shall be prohibited from entering into any Issuer Financial Indebtedness without the consent of the Noteholders' Representative.

Interest Rate and Repayment Terms of the CLN - The CLN will be repaid out of cashflow to be received from NMC Healthcare LLC.

Interest Rate = Reference Rate* + Spread	Interest Rate during First Spread Period = 4.50% p.a. = (2.50% p.a. +2.00% p.a.)
First Spread Period	The period beginning on (and including) the Issue Date and ending on (but excluding) the date of the first anniversary of the Issue Date
First Interest Payment Date	August 30 th 2019
Frequency of Interest Payment	Interest shall be paid quarterly in arrears on the last Business Day of February, May, August and November (each an "Interest Payment Date") of each year.
Spread Reset Date	The first Spread Reset Date shall be on the first anniversary of the Issue Date. Subsequent Spread Reset Dates will be notified to the Noteholders by way of the Circular Notice
Circular Notice (Clause 3.2)	Subject to a Circular Notice being served, the Issuer (CMSFL) shall have the option of revising the Spread and the Interest Payment Dates. In setting out the Spread at each Interest Reset Date, the Issuer shall take into account various market conditions, including but not restricted to (i) Relevant USD deposit rates, (ii) US Government yield curve, (iii) Rates offered by other short-term USD credit investment products (if applicable), and (iv) Rating of the Notes (if applicable).
Repayment Terms of the CLN	Year 3 (May 2022) - 25% of the Issue size Year 4 (May 2023) - 25% of the Issue size Year 5 (May 2024) - 50% of the Issue size

**Reference Rate = 1 month USD LIBOR to be reset on a monthly basis (described under the Loan Agreement)*

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Interest Rate and Repayment Terms of the loan to be extended NMC Healthcare LLC

Frequency of Interest Payment	Monthly
Repayment Terms of the Loan	Year 3 (May 2022) - 25% of the loan amount Year 4 (May 2023) - 25% of the loan amount Year 5 (May 2024) - 50% of the loan amount
Source of Repayment	Operational cashflow of NMC Healthcare LLC
Guarantee	NMC Health PLC (holding company and rated BB+ by S&P and Ba1 by Moodys) has also given a Corporate Guarantee for debt repayment.
Security Cheque	NMC Healthcare LLC has provided a security cheque, representing the outstanding amount under the Loan Agreement, which shall be held by the Agent (CMSFL)
DSRA	A Debt Service Reserve Account representing 3 month of debt service shall be set up and maintained with MCB Ltd
Put option (available to the Noteholders)	Noteholders shall have the right, upon receipt of the Circular Notice, to request and compel the Issuer to redeem, purchase or arrange for the purchase of, the whole or part of its Notes ("Put Option") on the Spread Reset Dates. In case all the Noteholders exercise their Put Option, the Underwriter shall arrange for USD 20 million of debt repayment on the Spread reset date.

Principal terms pertaining to the Secured Credit-linked Notes

TERMS AND CONDITIONS	
Nature of Instruments	Secured credit-linked floating rate notes
Issuer	CM Structured Finance (1) Ltd
Method of placing	Private placement with Eligible Investors pursuant to this PPM
Aggregate Nominal Amount	Up to USD 20,000,000
Nominal / Issue Price per Note	USD 1,000
Currency	USD
Minimum Subscription Amount	USD 35,000
Use of proceeds	To provide debt financing to the Reference Entity (NMC Healthcare LLC) under the terms of the Loan Agreement
Interest Rate	<ul style="list-style-type: none"> The Interest Rate shall be the aggregate of the Reference Rate and Spread. Based on a Reference Rate of c. 2.5% and a Spread of 2.0%, the Interest Rate during the First Spread Period is approximately 4.50% p.a.; Thereafter, the Issuer shall, through the Circular Notice, inform Noteholders of the Spread
Interest Commencement Date	Same date as the Issue Date
Spread Reset Date	The first Spread Reset Date shall be on the first anniversary of the Issue Date. Subsequent Spread Reset Dates will be notified to the Noteholders by way of the Circular Notice
Interest Payment Date	The Interest Payment Dates shall be: <ul style="list-style-type: none"> during the First Spread Period, the last Business Day of August 2019, November 2019, February 2020 and May 2020; and thereafter, as may be determined through a Circular Notice.
Redemption Price	Except in the case of a Credit Event, each Note shall be redeemed at a price per Note equal to the Nominal Amount per Note If there is a Credit Event which is continuing, the Issuer may elect to redeem the Notes as per Clause 7.9.4 (<i>Credit Event Acceleration</i>) of this PPM and the price per Note shall be as calculated under the foregoing Clause
Put Option	Except in the case of a Credit Event or an Issuer Event of Default, each Noteholder shall have the right, upon receipt of the Circular Notice, to request the Issuer to redeem, purchase or arrange for the purchase of, the whole or part of its Notes on terms specified in Clause 7.9.1
Call Option	The Issuer may, at its sole discretion, at any time upon giving to the Noteholders at least five Business Days written notice (or such other delay as may be prescribed by the Applicable Procedures), redeem the whole or part of the Notes on terms specified in Clause 7.9.2
Credit Event	Shall occur where the Issuer has been notified, or has taken cognisance, of an event of default by the Reference Entity under the Loan Agreement

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Credit Event Acceleration	Upon being notified, or upon taking cognizance of the occurrence of a Credit Event, the Issuer shall give notice thereof to the Noteholders' Representative and to the Noteholders and the Issuer shall redeem the Notes on terms specified in Clause 7.9.4 (<i>Credit Event Acceleration</i>)
Limited Recourse	Recourse of the Noteholders shall be limited to the Issuer and the Reference Underlying and no recourse shall extend to the Issuer's directors, shareholders, employees, service providers or agents who shall not be liable for any shortfall arising or losses sustained by Noteholders. The Noteholders shall have no rights whatsoever against the Issuer's directors, shareholders, employees, service providers or agents
Form of the Notes	The Notes will be issued in inscribed form. No certificates will be issued. Legal ownership of the Notes will be reflected in book entries recorded by the Registrar on the Register which shall constitute the definitive evidence of the title of the Noteholder to the number of Notes shown against his name. Upon listing of the Notes (if any) legal ownership will be reflected in book entries recorded by the CDS and such records shall constitute the definitive evidence of the title of the Noteholder to the number of Notes shown in his CDS account
Status of the Notes	The Notes will constitute secured debt obligations of the Issuer and will rank: a) <i>pari passu</i> without any preference among themselves; and b) senior to: i. any unsecured creditors of the Issuer; and ii. holders of all classes of share capital of the Issuer.
Security Interest attached to the Notes	The Notes will be secured by way of: (a) a pledge of all the bank accounts (excluding the Segregated Account) of the Issuer in favour of the Noteholders' Representative in accordance with the Pledge of Bank Accounts Agreement; and (b) a pledge of the Segregated Account in favour of the Noteholders' Representative in accordance with the Pledge of Segregated Account Agreement
Noteholders' Representative	BLC Robert & Associates Ltd
Registrar, Calculation, Transfer and Paying Agent	MCB Registry & Securities Ltd
Listing	The Issuer shall use its best endeavours to list the Notes on a Mauritius Stock Exchange prior to the First Interest Payment Date
Rating	The transaction advisor expects that CARE Ratings (Africa) Private Limited ("CRAF") assigns a rating of at least CARE MAU A- (SO) to the Notes. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning agency <u>Rating Surveillance</u> The assigned rating shall be monitored by CRAF during the lifetime of the Note. The Notes may be upgraded or downgraded. The conclusion of this annual review will be communicated by CRAF to the general public on the website, www.careratingsafrica.com
Governing Law	The laws of the Republic of Mauritius
Dispute Resolution	By way of mediation and/or arbitration pursuant to the corresponding rules made under the MARC in the manner as described in this PPM
Offer Start Date/ Time	16 April 2019/ 09.00 (Mauritius time)
Offer End Date/ Time	31 May 2019/ 16.00 (Mauritius time)
Settlement Date/ Time	31 May 2019/ 09.30 (Mauritius time)
Issue Date	The same date as the Settlement Date
Final Redemption Date	Within three (3) Business Days of the Termination Date
Clause 7.9.1 (Put Option) in which case (CRAF has analysed the ability of CMSFL and MCB group to repay USD 20 million to the Noteholders on the Interest reset date)	Put Option a) Except in the case of a Credit Event or an Issuer Event of Default and subject to the exercise of the Call Option, each Noteholder shall have the right, upon receipt of the Circular Notice, to request and compel the Issuer to redeem, purchase or arrange for the purchase of, the whole or part of its Notes (" Put Option ") on the Spread Reset Date. b) The Put Option shall be exercised by way of a notice in writing (" Put Notice ") served on the Issuer and the Noteholders' Representative within three Business Days of the date of the Circular Notice. Once sent, the Put Notice shall be irrevocable, except if waived by the Issuer or if a Credit Event has occurred between date of the Circular Notice and Spread Reset Date. c) Unless redeemed by the Issuer, the transfer of the Notes in respect of which the Put Option have been exercised shall be done on the SEM in accordance with the Applicable Procedures and such procedure as may be agreed between the Issuer and the SEM and notified to the

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	<p>Noteholders and Noteholders' Representative through the Circular Notice. Any Noteholder exercising its Put Option shall bear the applicable trading costs according to the Applicable Procedures (the "Trading Costs").</p> <p>d) The proceeds payable to the relevant Noteholder will be calculated at a price per Note equal to the Nominal Amount per Note and will be paid together with accrued interest in respect of the applicable Interest Period and net of any trading costs ("Put Proceeds").</p> <p>e) The Put Proceeds shall be payable on the Interest Payment Date immediately following the date on which the Put Notice is sent to the Issuer.</p>
<p>Clause 7.9.2 (Call Option)</p>	<p>Call Option</p> <p>a) The Issuer may, at its sole discretion and at any time, upon giving the Noteholders at least five Business Days written notice ("Call Notice") (or such other delay as may be prescribed by the Applicable Procedures), redeem the whole or part of the Notes ("Call Option").</p> <p>b) The redemption proceeds payable by the Issuer (or any person on its behalf) in relation to the exercise of a Call Option will be calculated at a price per Note equal to the Nominal Amount per Note and will be paid together with accrued interest from the last Interest Payment Date until the date of actual payment ("Call Proceeds").</p> <p>c) The Call Proceeds shall, subject to any other delay as may be prescribed by the Applicable Procedures, be payable within five (5) Business Days from the date of the Call Notice.</p> <p>d) The Call Option shall always have prevalence on any Put Option that has been exercised before the Call Option. Accordingly, the exercise of the Put Option shall be processed only for the number of Notes that exceeds the number of Notes contemplated in the Call Notice.</p> <p>e) The Notes which are the subject of a Call Option shall be redeemed and such redemption shall, to the extent the Notes are listed, be effected as an off market transaction under the Applicable Procedures.</p>
<p>Clause 7.9.4 (Credit Event Acceleration)</p>	<p>Credit Event Acceleration</p> <p>(a) On the occurrence of a Credit Event:</p> <p>(i) Issuer shall give notice thereof ("Credit Event Notice") within five Business Days of being notified or taking cognizance of the occurrence thereof to Noteholders;</p> <p>(ii) Noteholders shall cease to have the right to receive interest payments under the Notes, starting from Interest Payment Date immediately preceding the occurrence of Credit Event;</p> <p>(iii) the Put Option and the Put Notice shall cease; and</p> <p>(iv) Issuer shall be entitled to redeem the whole of the Notes following receipt of any liquidation proceeds under the Loan Agreement in accordance with the terms of this Clause 0.</p> <p>(b) Where the Issuer has received any liquidation proceeds under the Loan Agreement after a Credit Event:</p> <p>a. it shall distribute such amount, net of Expenses and Recovery Fee (the "Recovery Amount") to the Noteholders, on a pro-rata basis; and</p> <p>b. Following the end of all recovery proceedings in respect of the Reference Underlying, should the Recovery Amount per Note be less than the Nominal Amount, the Noteholders' Representative shall then be entitled to enforce the Pledge of Segregated Account Agreement. Accordingly, the Noteholders shall receive an amount, on a pro-rata basis, corresponding to the lower of, (i) the difference between the outstanding Aggregate Nominal Amount and the Recovery Amount or (ii) the Credit Enhancement Amount.</p>
<p>Issuer Event of default</p>	<p>7.13.1 Subject to Clause 7.13.2, an Issuer Event of Default shall arise if any one or more of the following events shall have occurred and be continuing:</p> <p>(a) the failure by the Issuer to pay within seven (7) Business Days from the due date any amount due in respect of any of the Notes; or</p> <p>(b) any breach of any covenants or other obligations as set forth in the PPM and in the Charge Documents; or</p> <p>(c) an Issuer Cross Default where it relates to an amount exceeding USD 100,000; or</p> <p>(d) any amendment under Clause 7.4 that cancels or restricts the right of Noteholders to exit their investment by the exercise of the Put Option; or</p> <p>(e) unless the Call Option has been exercised for the entire outstanding Aggregate Nominal Amount, the failure of the Issuer to serve the Circular Notice in accordance with the terms of the PPM; or</p> <p>(f) the granting of an order by any competent court or authority for the liquidation, winding-up, conservatorship, receivership, dissolution or administration of the Issuer; whether provisionally (and not dismissed or withdrawn within thirty (30) days thereof) or finally, or the placing of the</p>

	<p>Issuer under voluntary liquidation and the facing of other Insolvency Proceedings, provided that no such proceedings shall constitute an Issuer Event of Default if any of such proceedings is for the purpose of effecting an amalgamation, merger, demerger, consolidation, reorganization or other similar arrangement.</p> <p>For the avoidance of doubt, a Credit Event shall not constitute an Issuer Event of Default and no Issuer Event of Default may be declared against the Issuer when a Credit Event has occurred.</p> <p>An Issuer Event of Default is continuing if it has not been remedied within thirty (30) days (or such other extended period as approved by the Noteholders' Representative in writing) of occurrence of such Issuer Event of Default.</p> <p>If the Issuer becomes aware of the occurrence of any Issuer Event of Default, it shall forthwith notify the Noteholders' Representative in writing.</p> <p>Upon the occurrence of an Issuer Event of Default which is continuing, subject to the Noteholders' Representative Agency Agreement, the Noteholders' Representative may do any of the following:</p> <ul style="list-style-type: none"> (a) bring proceedings to recover any amount then due and payable but unpaid pursuant to the Notes; (b) initiate any Insolvency Proceedings and, subject to the ranking of the Notes, prove the claim in any of the Insolvency Proceedings; or (c) by written notice to the Issuer, declare all amounts payable under the Notes to be forthwith due and payable. Upon receipt of that notice, such Notes shall become forthwith due and payable, together with accrued interest (if any) to the date of payment.
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Analysis of Reference Entity

Background of NMC Health PLC and NMC Healthcare LLC (Reference Entity)

NMC Health PLC (holding 100% stake in NMC Healthcare LLC) was incorporated in England. It is a public limited company listed on London Stock Exchange premium market (FTSE 100 company) with a market capitalization of USD 7 billion (May 2019). NMC Health PLC is domiciled in England but the day-to-day operations are executed through NMC Healthcare LLC (NMC) domiciled in the UAE. NMC's senior management teams and headquarters are located in Abu Dhabi.

NMC is the leading privately owned operator of health care services in the UAE. It operates across two major segments: healthcare and distribution. Healthcare services account for over 70% of its 2018 revenues and over 80% of the EBITDA. NMC's distribution business ranks as one of the largest in the UAE. It offers over 108,900 products across five verticals: pharma, medical equipment and consumables, consumer, education and veterinary.

Experienced and resourceful promoters of the Reference Entity

Founding shareholders, Dr. B.R. Shetty and the Bin Butti family together hold 55.5% of NMC. Dr. B. R. Shetty (Networth of USD 2.7 billion as per Forbes website dated June 21, 2019) is the founder and Chairman of NMC Health PLC, Finabl, Neopharma and BRS Ventures. Mr. Khalifa Butti Bin Omeir (Networth of USD 1.1 billion as per Forbes website dated June 21, 2019), is the founder and Chairman of KBBO Group with investment portfolio and operational verticals including leading companies in the field of healthcare, education, retail, financial services and technology, amongst others. Khalifa Butti, is a recognised UAE business leader with over 15 years of experience in entrepreneurship and financial investments. Top 10 shareholders of NMC Health PLC owns 70.3% stake. NMC is managed by an 11-member Board of Directors.

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Present in a prosperous market with strong growth prospects

NMC is the leading private sector healthcare operator in the Gulf Cooperation Council (GCC) region, and the largest in the UAE by revenue, with a network of hospitals and operations across the UAE since 1975. A majority of the population in the GCC region is covered by private medical insurance, given that such insurance is either mandatory or becoming mandatory across the UAE. In the majority of GCC countries, the local governments cover health care costs for their nationals.

NMC Healthcare continues to benefit from the roll out of mandatory healthcare insurance in Dubai (2014-2016) and Abu Dhabi (2007) and the continued penetration of private healthcare insurance in Saudi Arabia.

Low collection risk with revenue and costs being majorly USD denominated

In GCC, more than 70% of the health care expenditure in the region are financed by the governments. This reduces fees collection cost & risk. Also, NMC is a USD currency earning generator, hence its margins are not exposed to foreign exchange risk.

Growth driven by acquisitions

NMC has expanded aggressively both organically and inorganically quadrupling in size since 2013. This predominantly debt-funded growth has resulted in increase in debt level in the company. Though, the company has demonstrated its strong ability to integrate acquisitions into existing operations. This rapid expansion is a major risk to NMC's credit quality.

Strong operational performance

NMC reinforced its position as the leading healthcare operator in the GCC, with a total of 7.5 million patients visiting the group's facilities in 2018, (y-o-y growth of 30.1%). Licensed bed capacity stood at 2,186 (y-o-y growth of 42%) in 2018, while operational beds capacity rose by 34% to 1,831. Occupancy rate for the Healthcare division stood at 66.9% in 2018, (down from 71.5% in 2017). The decline in occupancy was due to the significant increase in capacity noted above, through both organic and inorganic means. Revenues for the IVF business as a whole increased 19.2% YoY in FY 2018.

Financial Analysis

In FY18, NMC's revenue grew by 34% to USD 2,142 million, with y-o-y organic revenue growth of around 15.4%. EBITDA grew by 36% due to better performance of the Healthcare division. Stable balance sheet to support future growth with year-end debt / EBITDA at around 3.2-3.3x. NMC Health PLC's 2018 group revenues were USD 2.0 billion with EBITDA of USD 481 million. However, 68.3% of the group's total EBIDTA is derived from just six of NMC's facilities.

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Financial Performance (NMC Healthcare LLC)

For the year ended as on	Dec-16	Dec-17	Dec-18
	12M	12M	12M
	Audited		Prov.
Total Income	1,280.3	1,661.5	2,142.2
EBIDTA	263.3	369.3	501.6
Depreciation	57.4	74.0	102.7
Interest	41.7	63.8	113.8
PBT	164.2	231.5	285.1
PAT	164.0	230.3	280.2
Gross Cash Accruals (GCA)	221.4	304.2	382.8
Dividend paid	58.5	65.6	39.9
Financial Position			
Equity share capital	194.3	523.4	523.4
Tangible net worth	606.3	1,126.5	1,320.9
Total debt	1,050.0	1,400.2	1,611.0
Cash & Bank balances (incl. deposits)	618.1	387.8	488.5
Key Ratios			
Profitability (%)			
EBIDTA / Total income	20.57	22.23	23.41
PAT / Total income	12.81	13.86	13.08
RONW (%)	27.05	26.58	22.90
Solvency			
Overall gearing ratio (Total debt/Net worth)	1.73	1.24	1.22
Interest coverage	6.31	5.78	4.41
Total Debt/ EBITDA	3.99	3.79	3.21
Current ratio	1.14	1.56	1.76

Financial Performance (NMC Healthcare PLC)

USD Million

For the year ended as on	Dec-16	Dec-17	Dec-18
	12M	12M	12M
	Audited		
Total Income	1,276.5	1,657.3	2,144.8
EBIDTA	250.6	348.1	480.7
Depreciation	57.4	73.9	102.6
Interest	41.7	63.8	121.3
PBT	151.6	210.4	256.8
PAT	151.4	209.2	251.9
Gross Cash Accruals (GCA)	208.8	283.1	354.5
Dividend paid/proposed	-	-	-
Equity share capital	523.7	524.6	666.2
Tangible net worth	948.9	1,144.6	1,356.8
Total debt	1,049.2	1,399.0	1,994.4
Cash & Bank balances (incl. deposits)	617.8	387.6	491.2
Key Ratios			
EBIDTA / Total income	19.63	21.00	22.41
PAT / Total income	11.86	12.62	11.74
RONW (%)	15.96	19.98	20.14
Gearing ratio (Total debt/Net worth)	1.11	1.22	1.47
Interest coverage	6.01	5.46	3.96
Total Debt/ EBITDA	4.19	4.02	4.15
Current ratio	1.74	1.60	1.45

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Details of Instrument

Particulars	Amount	Repayment	Interest Rate
Secured Credit Linked Note	USD 20 Million (MUR 700 Million)	Year 3 (May 2022) - 25% of the Issue size Year 4 (May 2023) - 25% of the Issue size Year 5 (May 2024) - 50% of the Issue size	4.50% p.a.

Disclaimer

CARE Ratings (Africa) Private Limited (“CRAF”)’s ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security or to invest in or withdraw funds from deposits. CRAF has based its ratings/outlook on information obtained from sources believed by it to be accurate and reliable. CRAF does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CRAF have paid a credit rating fee, based on the amount and type of bank facilities/instruments/deposit programme.

In case of partnership/proprietary concerns, the rating/outlook assigned by CRAF is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

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Annexure I

Long /Medium-term Instruments

Symbols	Rating Definition
CARE MAU AAA	Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry lowest credit risk.
CARE MAU AA	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry very low credit risk.
CARE MAU A	Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry low credit risk.
CARE MAU BBB	Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry moderate credit risk.
CARE MAU BB	Instruments with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations, in Mauritius.
CARE MAU B	Instruments with this rating are considered to have high risk of default regarding timely servicing of financial obligations, in Mauritius.
CARE MAU C	Instruments with this rating are considered to have very high risk of default regarding timely servicing of financial obligations, in Mauritius.
CARE MAU D	Instruments with this rating are in default or are expected to be in default soon.

Modifiers {"+" (plus) / "-"(minus)} can be used with the rating symbols for the categories CARE MAU AA to CARE MAU C. The modifiers reflect the comparative standing within the category. A suffix of '(SO)' may be added to the rating indicating that the instrument / facility is a "Structured Obligation". A prefix of 'Provisional' may be added to a 'SO' rating indicating that the rating is subject to completion of certain conditions.

Rating Outlook

The rating outlook can be 'Positive', 'Stable' or 'Negative'.

A 'Positive' outlook indicates an expected upgrade in the credit ratings in the medium term on account of expected positive impact on the credit risk profile of the entity in the medium term.

A 'Negative' outlook would indicate an expected downgrade in the credit ratings in the medium term on account of expected negative impact on the credit risk profile of the entity in the medium term.

A 'Stable' outlook would indicate expected stability (or retention) of the credit ratings in the medium term on account of stable credit risk profile of the entity in the medium term.

Rating Symbols

Short term Instruments

Symbols	Rating Definition
CARE MAU A1	Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations, in Mauritius. Such instruments carry lowest credit risk.
CARE MAU A2	Instruments with this rating are considered to have strong degree of safety regarding timely payment of financial obligations, in Mauritius. Such instruments carry low credit risk.
CARE MAU A3	Instruments with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations, in Mauritius. Such instruments carry higher credit risk as compared to instruments rated in the two higher categories.
CARE MAU A4	Instruments with this rating are considered to have minimal degree of safety regarding timely payment of financial obligations, in Mauritius. Such instruments carry very high credit risk and are susceptible to default.
CARE MAU D	Instruments with this rating are in default or expected to be in default on maturity.

Modifiers {"+" (plus) / "-"(minus)} can be used with the rating symbols for the categories CARE MAU A1 to CARE MAU A4. The modifiers reflect the comparative standing within the category.

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