

ENL Property Limited

July 25, 2022

Ratings

Facilities/Instruments	Amount (Mur Million)	Rating ¹	Rating Action
Term Loan	2,300	CARE MAU A; Stable [Single A; Outlook: Stable]	Assigned
Overdraft Facilities	300	CARE MAU A1 [A One]	Assigned
Total	2,600		

Rating Rationale

The ratings assigned to the bank facilities of ENL Property Limited ("ENL") derives strength from the established track record of the ENL group, the significant land bank of around 22,000 arpents, one third of which is situated in the Moka region, prime location of the Moka Smart City due to its position in the Central plateau of the island, strong demand for plots of land in Moka, reputation of ENL group for developing quality shopping malls, residential projects and office spaces in prime areas of Mauritius, moderate project execution risk- since the company will be developing infrastructure on land and building residential units in phases, high occupancy and profitability in retail and asset portfolio, comfortable cash flow and cash surplus of dividend paying companies.

The rating is constrained by the risks associated with the sale of land at envisaged prices, the high debt at group level vis-à-vis cashflow, volatility in rentals of newly completed buildings & profitability of the group/associate companies, regulatory risk associated with Smart City project and interest rate risk.

Rating Sensitivities

Positive factors that could, individually or collectively, lead to positive rating action/upgrade:

- Ability to sell land under Moka Smart City Scheme at envisaged price
- Ability to maintain steady cashflow throughout the projected years
- Ability of Officea to develop office space and rent it in a timely manner and as envisaged

Negative factors that could, individually or collectively, lead to negative rating action/downgrade:

- Additional debt by ENL Property Limited and group companies
- Delay in receipt of dividend and cashflows as envisaged from group companies.

BACKGROUND

ENL Property Limited (ENL Property) was incorporated on February 22, 2010. It is a 100% subsidiary of ENL Limited (CARE MAU A; Stable). ENL Property's principal activity consists of operating as a provider of professional and management services in the property development industry. The company builds and manages homes, offices, and shopping malls, leading the real estate market with an integrated offer. The key contributor to the profit is profitable performance of Ascencia and Officea.

ENL Property - engaged in real estate development, management of land bank of ENL group and rental spaces (office and malls). Major group companies:

- Moka City Limited** (60.89% subsidiary of ENL Property) – engaged in urbanization of Moka under the Government-sponsored Smart City Scheme, integrating more advanced technological, environmental, social,

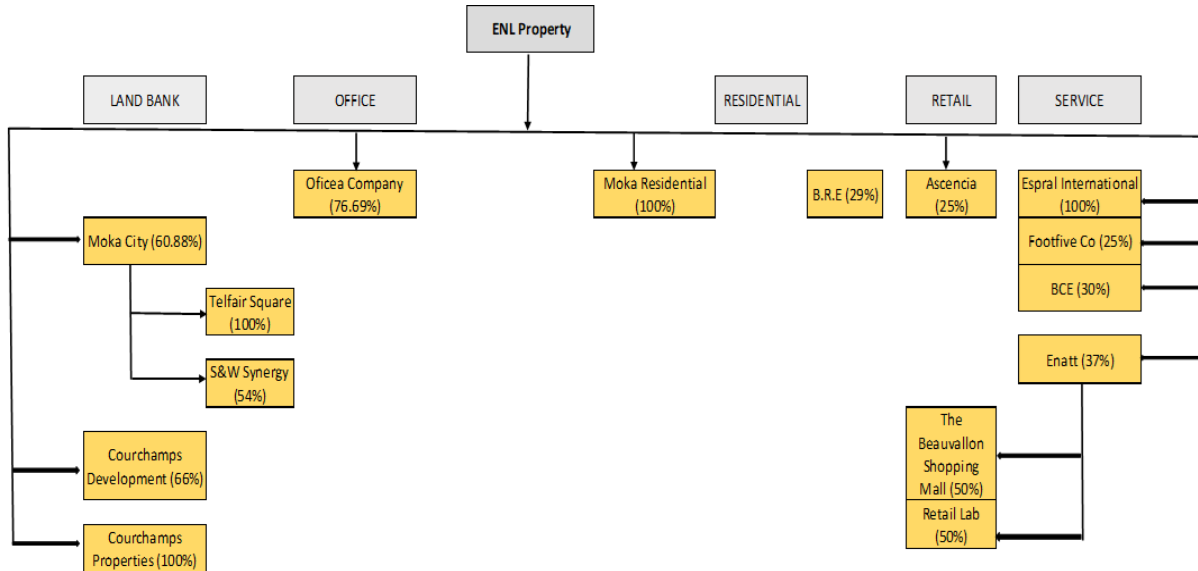
¹Complete definitions of the ratings assigned are available at www.careratingsafrica.com.

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and economic considerations into the Master Plan for the region. The first 2 phase of the Moka Smart City is being developed on 954 acres of land at the crossroads of the island’s two main motorways.

- b. **Ascencia Limited** (24.86% subsidiary of ENL Property) - 7 shopping malls in Mauritius including Bagatelle Mall.
- c. **Oficea Company Limited** (76.69% subsidiary of ENL Property) - Oficea is an income fund holding a portfolio of office properties in Vivea business Park Moka underpinned by MUR denominated medium to long term leases with high quality corporate tenants. Oficea currently has an existing portfolio of around 25,000 sqm of gross lettable area (GLA) into operations with almost 100% occupancy.



CRAF in its analysis considered combined cash flow of ENL Property and its subsidiaries as the company receives cash flow from its subsidiaries either by the way of dividend or capital reduction post the sale of land. EPL will receive cash flows from the following group companies: -

1. Dividends from group companies- Ascencia Ltd. and EnAtt Ltd.
2. Dividend paid by Oficea– out of office Rental
3. Cashflow (capital reduction route) from sale of land by Moka City, Courchamps Development and Courchamps Properties and apartment sale by Moka Residential under Smart City Scheme.

Hence, cash flow analysis of EPL., financials of dividend paying companies, ability of Moka City to sell land and Moka Residential to sell apartments under Smart City Scheme, dividend paying ability of Oficea has been analyzed.

ENL Group profile

ENL Limited (“ENL”) is the surviving entity post the restructuring and amalgamation of Ex-ENL Ltd., ENL Finance, ENL Land and ENL Commercial into La Sablonniere. Subsequently La Sablonniere was renamed as ENL Limited w.e.f. January 2019.

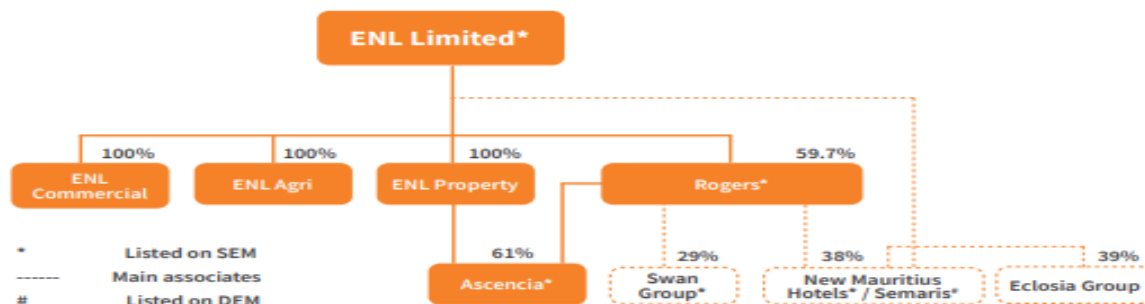
ENL group currently owns around 22,000 arpents (acres) of land in Moka (Centre of the island and most populated & one of the posh areas of Mauritius), Savannah (South) and Bel Ombre/Case Noyale (South-West). ENL grows sugar cane on 15,000 arpents of land and have earmarked about 5% of this area (around 1,000 arpents near Moka) for real estate development over next 10 years. In 2011, the group inaugurated the Bagatelle Mall (utilizing

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part of land), which as on date is the most popular mall of Mauritius and has increased the land value in Moka region.

Four of the group's companies (ENL Limited, Rogers, Ascencia [rated CARE MAU AA- Stable] and Commercial Investment Property Fund [CIPF: rated CARE MAU A and CARE MAU A-; Stable]) are listed on the Stock Exchange of Mauritius. **Current structure of ENL group is as under:**



CREDIT RISK ASSESSMENT

Long track record of the ENL group & its experienced promoters

Incorporated in 1944, ENL Limited is the investment & holding company of ENL group. ENL is currently managed by the fifth generation of the Espitalier Noël family, who are the controlling shareholders of ENL and have played a historic role in the economic development of Mauritius. Since 1821, the Espitalier Noel family has been involved in sugar production (then the key sector of the economy) in Mauritius. As the economy of the country has grown and diversified, the business of ENL has followed suit. Today the group manages a portfolio of more than 100 operating company engaged in varying industries from agriculture, land, real estate, hospitality, logistics, fintech, commerce and manufacturing. A brief on various business segment's turnover and its profitability reflecting steady cash flows is as follows:

A brief snapshot of consolidated financials of ENL Ltd. is given below: *MUR Million*

ENL Limited (Consolidated)	2019	2020	2021	2022
For the Year ended / As at June 30,	12m, A	12m, A	12m, A	9MFY22
Working Results				
Total Op. Income (TOI)	16,027	14,362	13,547	13,433
EBIDTA	3,117	1,178	650	2,066
Interest	1,169	1,257	1,110	863
Reported PBT	1,304	-917	-865	595
Reported PAT	1,061	-1,050	-1,065	608
Gross Cash Accruals (GCA)	1,706	-212	-243	
Equity Share capital	3,358	3,358	3,358	
T. Net Worth (TNW)	36,044	38,883	39,485	
Total Debt	23,946	26,012	28,517	30,000
Cash and Bank	2,231	3,260	4,655	4,268
Key Ratios				
EBIDTA / TOI	19.45	8.20	4.80	
PAT / TOI	7.00	-3.70	-7.86	4.53
RONW	3.66	-1.42	-2.72	1.55
Overall Gearing (x)	0.66	0.67	0.72	
EBIDTA / Interest (x)	2.67	0.94	0.59	
Total Debt / EBITDA	7.68	22.08	43.87	

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ENL's performance was impacted by the COVID-19 outbreak and lockdown which led the group to incur losses for two consecutive years. In FY21, ENL (Consolidated) incurred a loss after tax of MUR 1,065 million, driven mainly by the losses of MUR 2,520 in hospitality sector and loss in the land and investment segment for MUR 341 million. Apart from Agro-Industry and Corporate Office segments which incurred losses of MUR 35 million and MUR 23 million, all the Group's other operating segments showed resilience and posted profits for the period. Losses in the hospitality sector (Veranda and NMH) were funded by availing loan (9 years loan @3.0% p.a. and if not repaid loan will be converted to equity after 9 years) from Mauritius Investment Corporation (MIC) – Central Bank promoted entity. During the 9MFY22, ENL (Consolidated) posted a revenue of MUR 13 billion and PAT of MUR 608 million compared to previous year losses.

Land Bank of ENL group

The Group owns around 22,000 arpents of land in Moka (a gentrified, highly populated and centrally located region of Mauritius), Savannah (south of Mauritius) and in Bel Ombre/Case Noyale (south-west of Mauritius). The Group has earmarked about 5% of this area (around 1,000 acres near Moka) for real estate development over next 10 years. While the Group has been holding the land for decades, it is only since the past 10-15 years that it has decided to develop real estate as one of its key pillars. In 2011, the company inaugurated the Bagatelle Mall (utilizing part of land), which as on date is the most popular mall of Mauritius and has increased the land value in Moka region.

In FY21 and FY22, the group has sold 14 arpents and 100 arpents under the Smart City and has plans to sell around 30 arpents in FY22 and FY23. During discussions the management of Moka City has intimated that they have strong demand for land in Moka region and most projects are already sold out within few months of launching. The group's strategy for growth has remained virtually unchanged over time: it leverages its significant land assets, to create cash-generating businesses that participate in building up modern-day Mauritius.

Analysis of ENL Property Limited vertical

ENL Property is engaged in managing ENL's land bank comprising of land which is ideally situated for real estate development. As on May 31, 2022, the company and its subsidiaries own around 956 arpents of land (transferred from ENL Land against redeemable shares of ENL Property). The company also develops, markets, and manages a portfolio of premium resorts, homes and offices. It has 17 group companies engaged in various activities of which the major companies are- Moka City, Officea Company Limited, Moka Residential, Courchamps Development and Ascencia.

Development of Smart City in Moka region - by utilization of the land bank

Over the last two decades, Moka region has been slowly transformed from a village to a vibrant modern smart city with a rich history. Majority of the area in Moka was agricultural land (owned by ENL) that was used to cultivate sugarcane. In 1970, ENL Group donated land to build the Mahatma Gandhi Institute. During the past 12 years, more developments happened in the region such as the opening of Bocage International School, Ecole du Centre in Helvetia, The Wellkin Hospital, a sport & well-being centre (Synergy) and two malls: Les Allées d'Helvetia and Bagatelle Mall. Later on, Mauritius Broadcasting Corporation moved to Moka and a third shopping mall, Kendra Shopping Centre was open. More and more people started to relocate to Moka, and several residential developments started. As Mon Desert Alma sugar factory ceased its operations, the land surrounding the factory was transformed in a modern business park i.e., Vivea Business Park.

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Post introduction of Smart City Scheme (June 2015), ENL Limited incorporated Moka City Limited in June 2016 through amalgamation of various entities in return for shares. Moka City Limited then applied for a Smart City Certificate for development of freehold land of 454 arpent. In November 2017, GOM provided Smart City Certificate to Moka City Limited for the development of residential units, commercial offices, educational facilities, sports, medical and bus terminus over 454 arpent of land. Development of Phase I took place in the region of Bagatelle. In 2018, ENL got the approval from Govt. of Mauritius to develop 1,600 arpent. Accordingly, for the Phase II, Moka City Limited acquired 534 arpent of land from ENL Limited which was financed by a MUR 3.6 billion equity raising. External investors invested MUR 1.9 billion and the remaining amount of MUR 1.7 billion was invested by ENL Property Limited.

Over last 3 years, ENL Limited has been converting agricultural land (with GoM approval under Moka Smart City Scheme) in and around Moka region and transferring them to ENL Property (against redeemable shares) which in turn was transferred to Moka City and Moka Residential (against redeemable shares). The cost of such land to ENL Limited is negligible, since ENL has been holding these land for more than 100 years. However, under IFRS 9, the company has been revaluing the land over last few years and post revaluation, the value of such land in the books are around Mur 6.0- 10.0 million per arpent. ENL Limited has transferred these lands to ENL Property and then subsequently to Moka City at around Mur 6.0- 10.0 million per arpent. Moka City will develop infrastructure on these land (roads, power, water, boundaries, land scaping & beautification,) and sell it at an average price of Mur 25-35 million per arpent (current market price).

Moka City

Moka City Limited is engaged in development of Moka region under the Government-sponsored Smart City Scheme. The first phase of the Moka Smart City is being developed on 454 arpent of land (for which it has Smart City Certificate) at the crossroads of the island's two main motorways (in and around Bagatelle Mall). The second phase of the Moka Smart City is being developed on 534 arpent of land (for which it has Smart City Certificate) at the crossroads of the island's two main motorways. ENL Limited has transferred 956 acres of land in and around Moka region to Moka City against redeemable shares and cash. 'Les Promenades d'Helvetia' is the first built-up residential development under the Smart City Scheme.

Till June 2021, Moka Smart City sold 69 arpents of land (different sizes) at average price of MUR 25 million per arpent. Between July 2021 – June 2022, Moka City has sold 41 arpents of land which includes 16 arpents sold in Bagatelle for commercial purposes, 5 arpents of land sold in Telfair and 2 arpents of land each sold in Vivea and 15 arpents of land sold in L'Avenir. The total sales value of the 41 arpents is MUR 1.08 billion. Majority of people are looking towards investment in real estate to benefit from the appreciation of land rather than keeping their money as bank deposits offering low saving rate.

Courchamps Development

ENL Property holds 66.5% in Courchamp Development and has provided them a land bank of 15.59 arpents at MUR 12 million per arpent (against shares). The company has sold the entire land and is developing roads & setting up infrastructure. The total sale proceeds already received is MUR 394 million and the cost of infrastructure development incurred till May 2022 is MUR 197 million. The company has paid MUR 180 million for cost of land and has transferred MUR 103 million to ENL Property via loan by December 2021 (profit for the project).

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Courchamps Properties

ENL Property holds 100% in Courchamps Properties and has provided a land bank of 107.6 arpents at Mur 4.0 million per arpent (against shares). It is developing infrastructure on that land and is selling land from FY20. Phase I is sold out. Given the demand for plots of land, it is confident of selling the plots within envisaged timelines. It is debt free. The company has already sold 16 arpents till date.

Moka Residential

As a part of Smart City Scheme, Moka City has to develop & sell units. Moka Residential was incorporated to develop residential units, since Moka City can only develop land. In the first phase, Moka Residential has received 10 arpent of land from Moka City and will be constructing 233 units.

Phase I consisting of 86 apartments were delivered in December 2019. Phase II consisting of 52 studios, duplexes, apartments, and penthouses has been fully sold and delivered. Phase III of 33 units has been fully sold. The construction for the sold units has commenced and property will be handed over in next 2-3 years. The company commences construction only after selling the unit. The company now has bookings for 47 more residential development. Accordingly, the entire construction cost is being financed from payments received from the buyers on milestones completion. Moka Residential is a debt free company and has no plans to avail debt in future.

Dividend from group companies**Ascencia**

ENL Property owns 24.86% in Ascencia Limited (CARE MAU AA- Stable) - the largest listed retail property company in Mauritius with the finest malls across the island. Its assets are professionally managed by a focused team. Ascencia holds 7 shopping malls with a combined Gross lettable area (GLA) of 134,057 m² in Mauritius. It is a profitable company and pays dividend annually. Ascencia is performing well, with all 7 malls having combined occupancy of 97% in FY21. Most of the leases are for 3-5 years with 5% escalation clause. Bagatelle Mall completed its extension phase in FY21, and leasable area was almost at 100% occupancy in December 2021. Given the high demand for space in Bagatelle and other malls, the company's performance is expected to improve going forward. Accordingly, dividend payment is also expected to increase. Revenue and PAT were higher in FY21 as compared to FY20.

EnAtt Ltd.

EnAtt is the leading property and asset development and management specialist in Mauritius. The company crafts leasing strategies, including the tenant mix, marketing strategies, investment strategies on acquisitions, disposals and redevelopment functions. The company currently manages over 23 shopping centres and office buildings in Mauritius, maintaining a close and fruitful collaboration with over 400 tenants with most of these properties being owned by Ascencia. In FY21, EnAtt has made a normalized PAT of MUR 98 million (MUR 59 million in FY20) and paid nil dividend.

Oficea Company Limited (Oficea)

Oficea is an income fund holding a portfolio of office properties in Vivea business Park Moka underpinned by MUR denominated medium to long term leases with high quality corporate tenants. The company currently has an existing portfolio of 12 buildings with 31,974 sqm of gross lettable area (GLA) (around 25,000 sqm as of June 30, 2021) into operations and 92% occupancy (FY21: 97%). Reduced occupancy rate is due to sale of MotorCity building and only one month of operation for newly constructed building, Les Fascines, at 59% occupancy rate. Majority of the office tenants are companies of repute and has been in these premises for last 5-10 years. Majority of the rent agreements are renewable after every 2-3 years. The management has intimated that since inception,

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more than 90% of the tenants have renewed their contracts or has shifted by purchasing their own property in Vivea business park. People prefer this location because of the greenery, landscaping and maintenance. The rentals are inflation linked and will increase by 3% annually. The company is generating profit and paying dividend on annual basis.

Officea had two major developments in progress, one is development of new office space, **Les Fascines** (GLA of 8,879 sqm) at Vivea Business Park and six buildings (4-6 storeys) along **La Promenade in Telfair** (total GLA of 20,415 sqm). **Les Fascines** at Vivea Business Park is operational since June 2022 and has an occupancy rate of 59%. Six buildings (4-6 storeys) along **La Promenade in Telfair** (total GLA of 20,415 sqm) will be added to the portfolio of Officea in January 2024 (construction has already started). The total cost of all the projects is estimated at MUR 3 billion which will be financed partly from the bond issue and partly from equity. As on date, Officea has already tied up for MUR 1,850 million of equity and balance from accruals.

Officea tied up for a bond of MUR 2,300 million over a period of 20 years. The Senior Tranche Bond will be partly used to repay the entire existing term loan and partly to finance construction of office space in Les fascines. The Junior Tranche Bond will be used to finance construction of office space in Telfair and development of super basement for parking & other projects in Telfair square. Officea has teamed up with the best international professionals for the execution of the projects.

Industry Risk

Mauritius Real Estate sector

Over the last few decades Mauritius has witnessed a booming real estate sector, to such an extent that today, the real estate sector attracts major Foreign Direct Investment for the country. This can be explained by an increasingly growing number of construction projects across the island in addition to government introducing schemes such as the Integrated Resort Scheme, the Real Estate Scheme, the Property Development Scheme and the Smart City scheme. Such schemes have transformed the dynamics of the real estate market locally over the years. Today, apart from houses, other options such as apartments, studios, apartment hotel residences, IRS and RES villas are available. However, although a growing number of Mauritians are hunting primarily for apartments, individual houses remain the most sought-after property type; while on one hand singles and international students seek cheap accommodation in the regions of Réduit, Saint Pierre and Quatre Bornes, on the other hand, expatriates demand fully furnished houses or apartments to rent over the duration of their assignments.

The demand for office spaces is seeing significant shifts over the years, with a decentralization of offices (from Port Louis & Ebene) towards Moka and Highlands where parking facilities are more accessible and less traffic congestion. As a result of companies' increasing willingness to rent fully equipped offices with internet access and parking facilities, price of office spaces in the Moka region is on an uptrend. One location attracting high demand is the Vivea Business Park (VBP). Situated between Moka & St. Pierre, it has a strategic location at the heart of the island, close to cities, shopping centres, bus stations and main roads. Key features of VBP such as human-sized buildings, landscaped green areas, modern architecture, large number of parking and strict guidelines to guaranty quality of future developments are its main demand drivers. In addition to office space rental, VBP also offers plots of land that can be bought and developed into offices.

The Moka region has also positioned itself as very attractive to those wishing to rent or buy a residence in the centre of the island, commanding strong rental demand. The land prices range between Mur 25 million per arpent

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to Mur 40 million per arpent based on closer to Bagatelle mall and highway. The high starting price is driven by the views of the surrounding chain of mountains and landscaped gardens.

Retail properties: There are over 15 well-known malls in Mauritius. The years 2020 and half-year 2021 were affected by the pandemic and lockdown. After the lockdown, malls in general, reported a lower physical footfall since all the outlets with exception to grocery stores and pharmacies, were closed. Supermarkets being anchor tenants in all the shopping malls, faced mass purchases during the pandemic with people stocking up on groceries fearing that there might be shortage on the market. Apart from that, travel restriction also contributed to a fall in retail activities and many big international brands have closed a number of their outlets across the world. Fortunately, the Government of Mauritius came up with several measures to keep the economy stable. Gradually, with the re-opening of borders and easing of restrictions, things have started to normalize. Shopping malls and food courts are full again. Nevertheless, despite the pandemic, we note that the overall occupancy rate remained stagnant in most of the malls and operational & financial performance were satisfactory. Reports show that the consumption has taken a dip in volume but has gained in terms of value.

Office properties: As for offices, the situation and demand are stable. The demand for office spaces is one which is seeing significant shifts over the years, with a decentralization of office spaces (from Port Louis & Ebene) towards other places whereby parking facilities are available and commute smoother. Majority of office properties holders have showed resilience to the pandemic and has been able to maintain occupancy level. Overall, majority of companies have resumed normal office since the partial reopening. As discussed with few commercial property holders, it is unlikely that companies will give up their tenancy for a short-term scenario (lockdown) as the Mauritian work culture is still traditionally influenced by having a physical office rather than working remotely.

Smart cities are touted as the best option to move for business or to live. The Smart City Scheme was launched by the Mauritius Government to promote economic development and introduce new and technology-driven urban ecosystems across the country which comprises of residential, commercial and leisure facilities to create a mini city that is pleasant and convenient to live and work in. Smart cities will bring innovation to the island using high and clean technology that aim to reduce waste and carbon emission. Infrastructure is designed to consume low energy.

There are numerous incentives being provided to developers and investors under the Smart City Scheme. The company is exempted from payment of income tax for a period of 8 years, zero VAT paid on capital goods, zero customs duty, land transfer tax and registration duty, morcellement tax and land conversion tax. As for the buyers, the tax benefits are as follows:

1. First-time Mauritian buyers acquiring a residential unit are exempted from registration duty.
2. Full recovery of VAT of input tax allowable in terms of capital goods (building structure), plant, machinery, and equipment.
3. Accelerated annual allowance granted at a rate of 50% of the costs in respect of capital expenditure incurred by any company operating within the Smart City Scheme on energy-efficient equipment and green technology.

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Moka Smart City is located just 15 mins away from Port-Louis and 30 minutes from the airport. It has quickly gained popularity and became the place to live, work and entertainment. The district of Moka comprises of some 26,000 inhabitants. Moka is well appreciated for its temperate climate. More than 35% of Moka Smart City is made up of green and common spaces to ensure inhabitants have ample space for a morning job, bike ride and trail run. Additionally, the smart city has been designed with a number of activities catering for all age range such as great restaurants, cafes, pubs, open-air theatre, cinemas, bowling arena, night trail runs and places to visit such as Eureka Falls, Maison Eureka, Dodo Quest, Bassin Canard to name a few. The mini city comprises of three business centers namely Vivea Business Park (historic place being the former sugar mill), The Gardens of Bagatelle and Telfair Square. Vivea Business Park is home to more than 50 companies employing more than 1,500 people. Many renowned companies such as PwC, AON Hewitt, Alteo, Arup have moved to the business centres from Port-Louis or Ebene. The many residential units, the most striking one being Les Promenades d'Helvetia are close to the business centres, makes a great place to live allowing for a pleasant walk to and back from work. There are 13 medical & paramedical centers (including Wellkin Hospital) and 26 private and public Institutions in and around Moka.

COVID-19 impact on the Mauritius Real Estate Sector:

Land sale is ongoing despite the economic crisis. It is mostly sought by middle to higher income earners who prefer to invest their money in real estate which would otherwise have normally been utilized for travel and purchase of luxury items. More and more people are aware of the numerous advantages that the real estate sector provides and are making the most of it. Investors seek security and real estate is deemed as the safest investment option currently. There may have been fewer foreign acquisitions of real estate properties since tourists and prospective foreign investors are unable to travel to Mauritius due to closure of borders since 2020. However, with the depreciation of the Mauritian Rupee, foreigners will wish to invest in real estate in Mauritius once borders reopen. Agents state that there has been no withdrawal from the potential foreign buyers with only the signing date been postponed for a later date.

Financials of ENL Property Limited (MUR Million)

For the Year ended / As at June 30,	2018	2019	2020	2021	9MFY22
	Audited 12m				
Total Op. Income (TOI)	635	774	351	408	390
EBIDTA	164	205	103	123	110
Interest	97	118	162	134	
PAT	-136	46	-47	-11	
Gross Cash Accruals (GCA)	82	98	-37	-11	
Equity Share capital	3,574	3,720	4,908	4,471	
T. Net Worth (TNW)	3,204	3,339	4,748	6,006	
Total Debt	1,944	1,796	1,502	1,504	1,500
Cash balance	7	100			
Key Ratios			29%	30%	
EBIDTA / TOI	26%	26%	NM	NM	
APAT / TOI	NM	6%	0.32	0.25	
Overall Gearing (x)	0.61	0.54	0.63	0.92	
EBIDTA / Interest (x)	1.70	1.74	14.58	12.26	
Total Debt / EBITDA	11.86	8.76	351	408	

ENL Property Limited manages ENL group's land bank and drives its residential and office developments. The company develop, market and manage a portfolio of premium resorts, homes and offices. Accordingly, the

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company receives asset management fees, property management fees, sales & leasing commission, fund management fees, property development fees, management fees and rental income from various properties from its group companies aggregating. ENL Property by way of capital reduction has received Mur 505 million in FY21 from its subsidiaries (primarily Moka City).

ENL property posted a total income of MUR 408 million (MUR 351 million in FY20) and EBIDTA of MUR 123 million in FY21 (MUR 103 million in FY20). The company has long term debt of Mur 1,504 million from MCB & SBM. It is 10 years facility with a moratorium of 5 years. Both MCB and SBM has rolled over the facility in FY17, with a moratorium of another 5 years.

The company has MUR 800 million of loan from ENL Limited (@6.25%) which has been used for equity infusion in Officea. The company will avail MUR 400 million loan in FY24 and FY26 and will repay the loan to ENL Limited, which in turn will utilize it to repay the Bond. This apart the company has plans to borrow MUR 500-600 million over next 4-5 years to support develop assets in group companies, as and when required. The company can comfortably repay its interest and will be providing fund to ENL Limited by way of dividend or capital reduction.

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Details of instruments

Bank Facilities

Name of instrument	Amount (MUR Million)	Indicative Interest Rate	Repayment Date
Overdraft Facility			
Overdraft	300	MCB PLR (Currently at 4.25%)	1 year tenure
Term Loan (MUR 2,300 million)			
Term Loan	Tranche 1 – MUR 250 million	4.25%	June 2029
	Tranche 2 – MUR 250 million	4.25%	June 2030
	Tranche 3 – MUR 250 million	4.25%	June 2031
	Tranche 4 – MUR 250 million	4.25%	June 2032
	Tranche 5 – MUR 250 million	4.25%	June 2033
	Tranche 6 – MUR 250 million	4.25%	June 2034
	Tranche 7 – MUR 250 million	4.25%	June 2035
	Tranche 8 – MUR 250 million	4.25%	June 2036
	Tranche 9 – MUR 300 million	4.25%	June 2037

Madam Aruna Radhakeesoon has not participated in RCM for discussion of this case, because of her association with Rogers and ENL is the holding company of Rogers.

Disclaimer

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CRAF gets its technical support in the areas such as rating systems and procedures, methodologies, etc. from CARE Ratings Limited on an ongoing basis. CARE Ratings Limited, with an established track record of rating companies over almost three decades, follows a robust and transparent rating process that leverages its domain and analytical expertise backed by the methodologies congruent with the international best practices.

CRAF's Rating Committee consist of full-time members comprising of Senior Rating officials from CARE Ratings Limited and a panel of experienced professionals from Mauritius and African Development Bank.

CRAF has had a pivotal role to play in developing bank debt and capital market instruments including MMIs, corporate bonds and structured credit.

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