

**Lottotech Ltd**  
**19 May 2023**

**Ratings**

Facilities/Instruments	Amount (Mur Million)	Rating <sup>1</sup>	Rating Action
Bank Loan	77 (reduced from MUR 90 million)	<b>CARE MAU AA-; Positive [Double A Minus; Outlook: Positive]</b>	<b>Reaffirmed with change in outlook from stable to positive</b>
Overdraft Facility	<b>37</b>	<b>CARE MAU A1+ [A One Plus]</b>	<b>Reaffirmed</b>

**Rating Rationale**

The rating assigned to the bank facilities of Lottotech Ltd ("Lottotech") derives strength from established and strong market position of the company in the National Lottery segment, tracks record of successful varied business operations of the Gamma group, experienced and resourceful promoters, professional and experienced management team at Lottotech, reasonably priced Loto ticket (MUR 20) and high participation rate of more than 65% of the adult population in Mauritius. The rating also draws comfort from the long-term operating licence by the Government of Mauritius (GoM) until 2029 which covers the tenure of the loan and strong financial performance during FY22 with healthy growth in total operating income, profitability and comfortable debt coverage indicators.

The rating is, however, constrained by high regulatory risk, high dividend pay-out ratio leading to low networth and risk associated with execution of proposed capex.

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

- Ability to improve profitability and retain excess cash in the company
- Diversification of revenue stream with new games
- Successful execution of the project leading to improvement in turnover & margin

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

- Reduction in Participation rate below 50%
- Any increase in contribution percentage to the consolidated fund
- Government intervention adversely impacting the revenue or profitability

**BACKGROUND**

Lottotech Limited ("Lottotech") was incorporated in Mauritius in April 2008, by Gamma-Civic Ltd (Gamma; rated CARE MAU AA-; Stable) for the purpose of operating lotteries and related activities within the gaming industry of Mauritius. In July 2008, the company was chosen as the preferred bidder by the State Investment Corporation Ltd (GOM's investment arm) to implement & operate the Mauritius National Lottery. The activity of the Mauritius National Lottery, also called La Loterie Nationale, is regulated by the Gambling Regulatory Authority ("GRA") Act 2007. Lottotech being the exclusive operator of the Mauritius National Lottery on behalf of the Government of Mauritius, was issued a licence in April 2009 to operate the Mauritius National Lottery under the GRA ACT 2007. The Company operates in a highly regulated environment.

Lottotech is a member of the World Lottery Association ("WLA"), the global authority on lottery business. The Company has received the WLA Responsible Gaming certification Level 4, which is the highest international standard Certification.

In October 2009, Lottotech successfully launched La Loterie Nationale in Mauritius and Rodrigues with the sale of lottery games through a network of retailers.

In March 2014, Lottotech was converted into a public company and was listed on the Official Market of the Stock Exchange of Mauritius Ltd in June 2014. As on Dec 31, 2022, the shareholders of Lottotech are Gamma Civic (56.26%), State Investment Corporation Ltd (18.75%) and public (24.99%).

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratingsafrica.com](http://www.careratingsafrica.com).

---

**CARE Ratings (Africa) Private Limited**


---

(Subsidiary of CARE Ratings Ltd.)

Registered Office: 5th Floor, MTML Square, 63, Cyber City, Ebene, Mauritius

Phone: +230 59553060/58626551 • [www.careratingsafrica.com](http://www.careratingsafrica.com)

BRN: C14127054 • FSC Licence No.: CR14000001

In March 2015, GOM announced budgetary measures that banned advertising of the lottery with immediate effect, and the prohibition of the Quick Win category of games effective June 2015.

In June 2018, following the conclusion of the mediation between Lottotech, GRA and the Ministry of Finance and Economic Development before the Supreme Court of Mauritius (Mediation Division), the Company informed its shareholders that following judgement of the Supreme Court:

- The Company's licence has been renewed until 2029;
- The company has been granted approval to launch a second weekly draw of the Loto
- The Company has been granted the licence for the Loto vert game

In 2019, Lottotech acquired the company Pool Joseph Merven Ltd (PJML), which holds the licence to operate as an agent of The Football Pools, a sports betting operator in UK. With this acquisition, Lottotech is diversifying its portfolio of products and provides new games to its player base. In October 2020, the Company successfully launched a modernized Loto vert game under the Loto vert brand.

Currently, Lottotech offers Loto game (two weekly draws on Wednesday and Saturday) and Loto Vert (weekly draw on Friday) through a network exceeding 676 retailers, comprising mainly small family-owned businesses. **Management:** Lottotech is a company managed by professional managers, governed by a 10-member Board of Directors which comprises of 3 members from Ah Teck family. The strategic affairs of the company are looked after by Mr. Chian Tat Ah Teck (Tommy Ah Teck) as Executive Chairman along with the Managing Director and other professionals.

### CREDIT RISK ASSESSMENT

#### Experienced and resourceful promoters with strong parentage of Gamma group

Incorporated in 2008 by the promoters, Ah Teck family of Gamma Group, Lottotech is engaged in operating of lotteries and related activities within the gaming industry of Mauritius. Gamma Civic Group is among the top 10 industrial group in Mauritius with interest in the production and supply of aggregates and construction materials, import and distribution of cement, construction & engineering, property & real estate, financial services and hospitality other than the lottery business. Gamma derives its revenue essentially from dividend and management fees from its investments in its subsidiaries & associates engaged in lottery, cement, materials, property and finance vertical. The Group has a highly qualified and experienced employee pool having significant experience in their related field. A snapshot of Gamma Group's financials is as under:

Gamma Civic - Consolidated	Dec-20	Dec-21	Dec-22
	MUR Million		
Total Income	3,748	4,522	5,676
EBITDA	372	374	439
Interest	49	71	103
PAT	228	360	425
GCA	344	483	582
Dividend paid	270	327	353
Total debt	1,035	1,996	2,148
Cash & Bank balances	653	1,125	1,116
Tangible networth	2,423	2,384	2,514
EBITDA Margin (%)	10.03	8.37	7.91
PAT Margin (%)	6.08	7.97	7.49
Gearing	0.43	0.84	0.85
Total debt / GCA	3.01	4.14	3.69
Total Debt / EBITDA	2.78	5.34	4.89
Interest coverage (times)	7.57	5.24	4.27

Gamma Civic posted a satisfactory performance in FY22 with positive EBITDA and PAT at the consolidated level. The group is moderately geared with comfortable coverage ratios as on December 31, 2022, and it had a cash balance of MUR 1,116 million at the same date.

#### CARE Ratings (Africa) Private Limited

(Subsidiary of CARE Ratings Ltd.)

Registered Office: 5th Floor, MTML Square, 63, Cyber City, Ebene, Mauritius

Phone: +230 59553060/58626551 • www.careratingsafrica.com

BRN: C14127054 • FSC Licence No.: CR14000001

**Professional and experienced management team**

Lottotech has qualified and experienced employee pool having vast experience in related field. The day-to day affairs of the company are looked after by Mr. Allagappen Veeramootoo (Chief Executive Officer) and Mr. Chian Tat Ah Teck (Executive Chairman). Mr. Allagappen has previously worked for Innodis, Cread and Co. and Gamma. Mr Shaun Kim Tiam Fook Chong is the Chief Financial Officer (CFO) of Lottotech. The latter previously worked at Kolos Cement Ltd as CFO and later moved to Gamma Civic Ltd under the role of Deputy CFO. He holds a bachelor's degree from the university of Leeds and is a member of the ICAEW (FCA). They are assisted by a team of seasoned professional.

**Sole operator of the national lotteries business in Mauritius on behalf of the GoM**

Lottotech enjoys the leverage of being the sole operator of the Lotto game, in Mauritius. The latter demonstrated steady financial performance despite operating in highly regulated environment. As a sole operator, the company is building sustainable competitive advantage in the marketplace. The company does not face direct competition, consequently, Lottotech is committed to improve its operation's efficiency and innovation to further its growth. The company has grown in terms of the numbers of staffs and retail terminals which now exceeds 697 over the island, following demand from their clients.

**Reasonably priced Loto ticket (MUR 20) and high participation rate**

Lottotech is the preferred gaming provider of Mauritius. More than 65% of adults in Mauritius participates in the lotto annually. It gives an indication that the service of the company is highly demanded by the population. Since inception of Lottotech Ltd, the price ticket of the Loto stayed at a reasonable MUR 20 which makes it the most affordable and popular gaming company in Mauritius. The low-ticket cost also reduces a player's downside risk.

**Acquisition of the Football Pools game**

Lottotech acquired Pool Joseph Mervin Ltd (PJML) in 2019. The principal reason behind the acquisition was to benefit from the operating licence of The Football Pools Ltd held by PJML. The Football Pools Ltd is a sports betting operator in UK operating in the African region. Lottotech, having secured the new licence, has now a more diversified portfolio comprising of lottery (Loto and Loto vert) and sport games (Football Pools) and provides new games to its base players.

The Football Pools offers 3 games options: Classic Pools, Premier 10 and Goal Rush. Initially, those games were played via coupons which were then sent to The Football Pools in UK for validation. This procedure was complex and time consuming. Hence, Lottotech implemented a new platform which has eliminated the use of coupons and where winnings are directly credited to the participants' bank accounts. However, for now, players must validate their tickets (generated from the app) at an authorized retailer and can only check results on same. With the exclusive rights to operate the football pools game in the African Region, Lottotech can potentially target more players.

**Exposed to Regulatory risk**

The gaming industry is highly regulated by the Gambling Regulatory Authority ("GRA"). The GRA is a body which has been operating under the aegis of the Ministry of Finance, Economic Planning and Development since 2007. The main objective of the Authority is to regulate and control gambling and gaming activities and ensure that gambling and gaming is conducted in a fair and transparent manner.

The company is exposed to Regulatory risk since its licence is dependent on approval from GRA. In March 2015, GOM announced budgetary measures that banned advertising of the lottery effective March 2015, and the prohibition of the Quick Win category of games effective June 2015. In FY15-17, the company suffered a high revenue loss and receivables of MUR 23 million had to be written off. The company filed a litigation against GRA. Following the resolution of the court case with GRA in 2018, an agreement was reached between the parties and ratified as a judgement of the mediation division of the Supreme Court, the company's licence to operate the Mauritius National Lottery was extended for a further period of 10 years to April 2029.

CARE Ratings (Africa) Private Limited

---

(Subsidiary of CARE Ratings Ltd.)

Registered Office: 5th Floor, MTML Square, 63, Cyber City, Ebene, Mauritius

Phone: +230 59553060/58626551 • www.careratingsafrica.com

BRN: C14127054 • FSC Licence No.: CR14000001

### Operating Licence renewed for next 10 years

Lottotech initially offered the Loto game with one weekly draw on Saturday and Quick Win category of games. However, after the Government budgetary measures that banned the Quick Win category of games led the company to operate with one weekly draw. In September 2018, Lottotech introduced an additional draw (post approval of Gambling Regulatory Authority) to the Lotto game on Wednesdays with jackpots in million. In FY18, Lottotech acquired the brand Loto vert and relaunched it in November 2020.

In FY19, Lottotech acquired 100% of PJML company (debt-free company) and partnered with The Football Pools which is a sports betting operator in UK. The principal reason behind the acquisition is the benefits attributable to the operating licence held by PJML. This offers the opportunity for a more diversified portfolio and provide new games to its base players.

In June 2018, following the conclusion of the mediation between Lottotech, Gambling Regulatory Authority (GRA) and the Ministry of Finance and Economic Development before the Supreme Court of Mauritius (Commercial Division), Lottotech's licence was renewed until 2029 – covering tenure of the Term Loan.

### Mandatory contribution (47.16% of total income) to consolidated fund

Lottotech continues its effort to make a difference and participate in the Mauritian communities through its involvement in many projects to enhance the education of vulnerable groups and women entrepreneurs. The purpose for the existence of the Mauritius National Lottery is to offer lottery games that generate funds for good causes such as sports, education, health, culture, community development, and the reimbursement of the national debt. The company contributes most of its net revenue for improvement in standard of living of the Mauritians. Lottotech's contribution rate to the consolidated fund is a considerate 47.16% per annum of the total income of the company. The Company contributed MUR 697 million to the Consolidated Fund in 2022 compared to the contribution of MUR 497 million in 2021. This apart they have contributed MUR 39.1 million and MUR 70.6 million to the National Solidarity Fund for the period 2022 and 2021, respectively. The National Solidarity Fund is used to improve the lives of the most vulnerable Mauritian citizens. Any adverse increase in the percentage of contributions towards the fund may impact the profitability of Lottotech.

### Capex execution risk

Regular capex is an integral part of the Lottotech's business, and the company continuously incur capex to expand and provide better services. The detailed projected capex over the next year (FY23-24) is as under:

Particular	Cost (Mur Million)	Funding	(Mur Million)
Maintenance of Capex - includes Laptops, Cyber Security Software upgrade, managing and setting up new servers etc.	30	Internal accruals to be generated over FY23-24	60
Development of new game in the pipeline – Lotoplus and Hotpicks	20		
Purchase of new terminals to replace old ones	10		
<b>Total</b>	<b>60</b>		<b>60</b>

The Lotterie engine software, the main software application running the core business of the Loterie system, was upgraded to the latest engine (Aurora) released by International Game Technology (IGT) in FY21 at a total cost of MUR 88 million.

Benefits of the new system:

- Increase the reach of Loto participants through online platform and apps.
- Improved speed of the services
- Optimization of retailer's commission
- Operational efficiency -Implementation of mobile applications whereby people can play from home
- Implementation of new gaming platform

The new software also helps to maintain pace with the continuous evolution in Information & Technology and not to get impacted by software incompatibility - impact system performance or potentially increase the risks associated with cyber security.

### CARE Ratings (Africa) Private Limited

(Subsidiary of CARE Ratings Ltd.)

Registered Office: 5th Floor, MTML Square, 63, Cyber City, Ebene, Mauritius

Phone: +230 59553060/58626551 • www.careratingsafrica.com

BRN: C14127054 • FSC Licence No.: CR14000001

### High dividend payout ratio

Lottotech generally follows a policy of total dividend payment to its shareholders (77% in FY21 and 82% in FY22) subject to availability of cash post meeting debt repayment obligation and investment in capex. This policy of regular and total dividend payment has confined the growth of the net worth of the company, despite consistent high profits keeping networth low. Dividend payout ratio will be subject to availability of cash post debt repayment. In the same line, gearing ratio is at 1.12x despite having a comfortable cash balance of MUR 371 million in FY22.

### Gaming & gambling Industry in Mauritius

The gaming & gambling industry in Mauritius comprises establishments that operates by providing and rendering gaming activities which includes lotteries, land-based casinos, horse racing operators, football betting operators and online gambling. There are currently no active local online gambling and gaming sites on the Island and has therefore no direct influence on the market, leaving a larger audience to the land-based gambling operators. The gaming and gambling market is estimated to be around MUR 15 billion (FY20). Loto has an approximate of 15% market share of the regulated market and around 65% of the adult population in Mauritius plays lottery annually. The attraction for lottery is more due to the low-ticket cost kept at Mur 20 since inception, which gives the business model of Lottotech an edge on the participation rate. However, the probability of winning in a lottery is low compared to others. The participants in a casino and horse racing events are mainly skilful and knowledgeable individuals as they tend to analyze and bet accordingly. Lottotech, on the other hand, has a different operational approach from that of Horse racing and Casinos where participants do not require any analytical skills, whereby 6 out of 40 numbers from (1 to 40) are chosen at random bearing in mind that they are not missing a winning opportunity. The legal age to play the Lotto in Mauritius is 18 whereas no person under the age of 21 is allowed to enter in any gambling house to participate in gambling.

As Mauritius enjoys a strong tourism industry, the Island offers a diversified gambling choice to cater for the demand. All gambling and gaming activities are overseen and regulated by the Gambling Regulatory Authority (GRA), an aegis of the Ministry of Finance, Economic planning and development and it is taxable by the Mauritius Revenue Authority (MRA) at 47.16% of the net proceeds from lottery games. Gambling winnings are tax free, and instead, operators are taxed and pay fees.

### Prospects

The prospect of Lottotech depend on its ability to improve profitability and higher participation to play lotto.

In same line, the participation rate will depend on the ease of playing the games (reliable retail networks, user friendly interface and innovation) bringing comfort to the customers and is therefore considered key to achieving the revenue objective of the company. The company remains sensitive to the Government intervention to ban services.

### Strong financials with comfortable debt coverage indicators

Lottotech has historically shown strong financial performances with a steady growth in total income and PAT before witnessing a dip in FY20 (due to 3 months of lockdown due to COVID-19). In FY21, revenue and PAT increased by 10% and 24% respectively resulting from higher sale of lottery tickets, innovative communications, technological development, and cost management. The increase in revenue is also attributed to the sale of Loto vert and the solid participation rate of around 65%. In FY22, Revenue and PAT surged by a notable 40% and 105% respectively. The concurrent growth of Revenue and PAT of Lottotech was bolstered by consecutive high jackpot rollovers, lower number of missed draws, new games introduced (Football pools game and revival of the millionaire game) and innovative communications. A solid participation rate of 65% was maintained. EBITDA was comfortable at MUR 230 million vis a vis MUR 127 million in FY21.

As the company increases the number of terminals throughout the country, the gaming systems and data communication costs also increase. Lottotech also pays a 6% of the annual turnover to the retail terminals as commission. Hence, the EBITDA growth has been quite volatile with the growing number of retail terminals each year. In FY22, overall gearing

CARE Ratings (Africa) Private Limited

(Subsidiary of CARE Ratings Ltd.)

Registered Office: 5th Floor, MTML Square, 63, Cyber City, Ebene, Mauritius

Phone: +230 59553060/58626551 • www.careratingsafrica.com

BRN: C14127054 • FSC Licence No.: CR14000001

stood at 1.12x (1.56x in FY21). The company enjoys strong liquidity with low debt due to its cash generating nature of operation and unique position in the lottery business in Mauritius. Lottotech enjoys steady cash flow and low collection period as the nature of the business is pay and play. Lottotech had a cash balance of MUR 371 million on 31 December 2022.

### Financial Performance of Lottotech

For the year ended,	Dec-20	Dec-21	Dec-22
	MUR Million		
Sale from Lottery Tickets	1,870	2,091	2,916
Less Prizes	-911	-1,037	-1,439
<b>Turnover from Lottery Income</b>	<b>959</b>	<b>1,054</b>	<b>1,478</b>
Consolidated fund and levy	-452	-497	-697
Other operating Income	0	1	1
<b>Total Income</b>	<b>507</b>	<b>558</b>	<b>782</b>
EBITDA	102	127	230
Depreciation	23	33	43
Interest	2	3	5
PBT	78	91	185
PAT	60	75	153
Gross Cash Accruals (GCA)	84	108	195
Dividend paid/proposed	109	58	126
Equity share capital	100	100	100
Tangible net worth	160	55	69
Total debt	-	86	77
- Long term debt	-	77	68
- Short term debt	-	9	9
Cash & Bank balances	288	253	371
<b>Key Ratios</b>			
EBITDA margin	20.11	22.75	29.48
PAT margin	11.92	13.43	19.62
ROCE- operating (%)	36.69	48.37	98.25
RONW (%)	32.71	69.63	247.07
Debt equity ratio	0.00	1.39	0.99
Overall gearing ratio	0.00	1.56	1.12
Interest coverage (times)	50.29	40.09	43.41
Total debt/EBITDA	0.00	0.68	0.33
Current ratio	0.94	1.00	1.02
Avg. Coll. Period (days)	54	26	45
Avg. Inventory (days)	1	2	2
Avg. Creditors (days)	277	253	246
Op. cycle (days)	(222)	(225)	(200)

### Adjustments

1. Tangible net worth is calculated by netting off revaluation reserve and intangible assets from total equity.
2. Gross Cash Accruals (GCA) is calculated as PAT+ Depreciation + deferred tax.
3. Gearing ratio is calculated as total debt (long term and short-term debt)/Tangible Net worth.
4. Total Operating Income includes revenue from others (Dividend income, rental income, Management fees, rebate on purchase, etc.)

CARE Ratings (Africa) Private Limited

(Subsidiary of CARE Ratings Ltd.)

Registered Office: 5th Floor, MTML Square, 63, Cyber City, Ebene, Mauritius

Phone: +230 59553060/58626551 • www.careratingsafrica.com

BRN: C14127054 • FSC Licence No.: CR14000001



### Details of Instruments

Particulars	Bank	Amount (MUR Million)	Repayment	Interest Rate
Bank Loan	SBM Bank (Mauritius) Limited	77	Monthly repayment for a period of 10 years (Moratorium of 6 months)	Daily balances at 0.65% less than SBM PLR at 7.05%
Overdraft Facility		37	-	Daily balances at 0.25% below SBM PLR at 7.05%

#### Disclaimer

CARE Ratings (Africa) Private Limited ("CRAF")'s ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CRAF's ratings do not convey suitability or price for the investor. CRAF's ratings do not constitute an audit on the rated entity. CRAF has based its ratings/outlooks 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. CRAF may also have other commercial transactions with the entity.

In case of partnership/proprietary concerns, the rating /outlook assigned by CRAF is, inter-alia, 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. CRAF is not responsible for any errors and states that it has no financial liability whatsoever to the users of CRAF's rating.

CRAF's ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

#### CARE Ratings (Africa) Private Limited

(Subsidiary of CARE Ratings Ltd.)

Registered Office: 5th Floor, MTML Square, 63, Cyber City, Ebene, Mauritius

Phone: +230 59553060/58626551 • www.careratingsafrica.com

BRN: C14127054 • FSC Licence No.: CR14000001

## Annexure I

### Rating Symbols

#### Long /Medium-term Instruments

Symbols	Rating Definition
<b>CARE MAU AAA</b>	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.
<b>CARE MAU AA</b>	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.
<b>CARE MAU A</b>	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.
<b>CARE MAU BBB</b>	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.
<b>CARE MAU BB</b>	Instruments with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations, in Mauritius.
<b>CARE MAU B</b>	Instruments with this rating are considered to have high risk of default regarding timely servicing of financial obligations, in Mauritius.
<b>CARE MAU C</b>	Instruments with this rating are considered to have very high risk of default regarding timely servicing of financial obligations, in Mauritius.
<b>CARE MAU D</b>	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.**

#### Short term Instruments

Symbols	Rating Definition
<b>CARE MAU A1</b>	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.
<b>CARE MAU A2</b>	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.
<b>CARE MAU A3</b>	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.
<b>CARE MAU A4</b>	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.
<b>CARE MAU D</b>	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.**

### 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.

CARE Ratings (Africa) Private Limited

(Subsidiary of CARE Ratings Ltd.)

Registered Office: 5th Floor, MTML Square, 63, Cyber City, Ebene, Mauritius

Phone: +230 59553060/58626551 • www.careratingsafrica.com

BRN: C14127054 • FSC Licence No.: CR14000001



**Contact us****Chief Executive Officer**

Name : Mr. Saurav Chatterjee  
Phone : + 230 5862 6551  
E-mail : [saurav.chatterjee@careratingsafrica.com](mailto:saurav.chatterjee@careratingsafrica.com)

**Analytical contact****Chief Rating Officer**

Name : Mr. Vidhyasagar Lingesan  
Phone : +230 5273 1406  
E-mail : [Vidhya.sagar@careratingsafrica.com](mailto:Vidhya.sagar@careratingsafrica.com)

**About CARE Ratings (Africa) Private Limited:**

CARE Ratings (Africa) Private Limited (CRAF) is the first credit rating agency to be licensed by the Financial Services Commission of Mauritius in May 2015. It is also recognized by Bank of Mauritius as External Credit Assessment Institution (ECAI) from May 2016. CRAF is also licensed by Capital Markets Authority of Kenya to operate as a Credit Rating Agency in Kenya. CRAF intends to expand across other geographies in Africa with Mauritius as its hub of operations. With an equitable position in the Mauritius capital market, CARE Ratings (Africa) Private Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company. CRAF's shareholders are CARE Ratings Limited, African Development Bank, MCB Equity Fund and SBM (NFC) Holdings Limited.

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.

**CARE Ratings (Africa) Private Limited**

---

(Subsidiary of CARE Ratings Ltd.)

Registered Office: 5th Floor, MTML Square, 63, Cyber City, Ebene, Mauritius  
Phone: +230 59553060/58626551 • [www.careratingsafrica.com](http://www.careratingsafrica.com)  
BRN: C14127054 • FSC Licence No.: CR14000001