

**Investcorp (Holdings) Ltd. (IHL)
Rating Rationale**

Ratings

Instrument	Amount (MUR Million)	Rating	Rating Action
Proposed Bond Issue	1,000	CARE MAU BBB+; Stable [Triple B Plus; Outlook: Stable]	Assigned

Rating rationale

The rating assigned to the proposed bond issue of MUR 1,000 million by Investcorp (Holdings) Ltd – IHL derives strength from prime location of the properties (Ebene, Port Louis & Grand Baie), diversified & established tenants with 17% of existing tenants being part of HYVEC Group, 14,474 sqm of Gross leasable office area (GLA) out of 22,075 sqm GLA has already been rented leading to an avg occupancy of 66% in the office portfolio as on June 30, 2021 (existing office buildings fully occupied), DSRA of one semi-annual repayment, no dividend payment and withdrawal of shareholders loan till full Bond repayment and steady demand for Grade A office properties in Ebene. The rating also takes into consideration that IHL is part of HYVEC Group and the promoter’s experience in real estate development.

The rating is, however, constrained by the risk of tenanting the new office properties in Ebene (GLA of 12,306 sqm with current occupancy of 38%), relatively low interest coverage ratio (1.52x times) till 100% occupancy is achieved in all the properties, short tenure of lease compared to bond tenure, refinancing risk at maturity and ability to maintain 100% occupancy in the wake of new office developments in & around Ebene. In terms of cumulative cash balance in IHL, it would be around MUR 300 million at end of bond tenure, thereby requiring minimum MUR 700 million (around 70% of the bond issue) which will be dependent on property sale or refinancing.

Rating Sensitivities

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

- Ability to increase occupancy ratio to 100% for new properties.
- Timely disposal of the buildings as envisaged by FY26/27, well before maturity
- Ability to achieve the projected occupancy and rentals in the new buildings

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

- Non- renewal of lease agreements
- Additional debt by IHL
- Difficulty in tenanting the new office properties in Ebene
- Dip in occupancy of existing buildings

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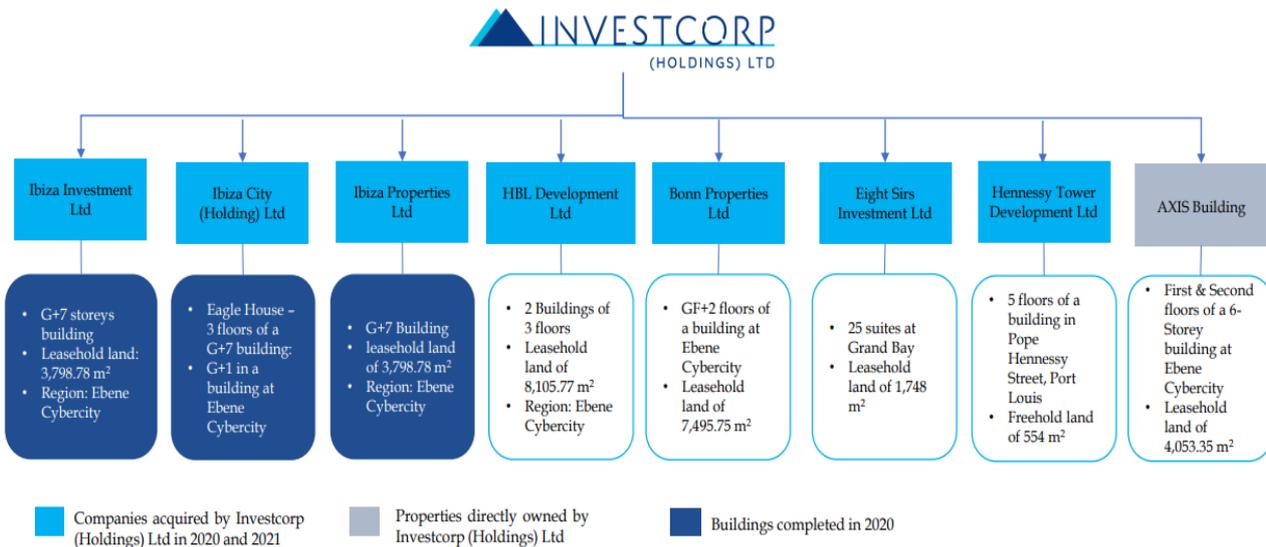
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Background

Incorporated in June 2008, Investcorp (Holdings) Ltd - IHL is a 100% subsidiary of Blue Valley Limited which is fully owned by Mr. Nawaz Khan Chady. Mr. Chady is the founder and CEO of the HYVEC Group.

As on June 30, 2021, IHL owns nine commercial properties directly and indirectly through various wholly owned subsidiaries. The holding structure is as under:



IHL's Board has decided to amalgamate all the wholly owned subsidiaries into IHL. The management has submitted a Board Resolution (dtd. July 8, 2021) which states that there will be an amalgamation of the various subsidiaries into IHL, and all the properties will be directly owned by IHL.

Rental Yielding Properties (office space and premium luxury apartments)

As on August 4, 2021, IHL has a portfolio of nine properties (mix of new & mature properties) with gross leasable area (GLA) of 23,945 sqm into operations with 68% occupancy and a rental of MUR 67 million for FY21. These rentals are underpinned by MUR denominated rentals from office space and premium luxury apartments for vacation residence. Weighted Average Lease Expiry (WALE) as on June 30, 2021, was 5.3 years. The eight properties, rented for office space (GLA - 22,075 sqm with occupancy of 66% as on August 4, 2021) are located in prime office area of Ebene and Port Louis. While the four mature office properties (GLA – 9,769 sqm) are 100% occupied by reputed tenants for more than 4 years, the four new office properties (GLA – 12,306 sqm) launched in September 2020 are 38% occupied as on August 4, 2021.

Office Properties - Hennessy Tower (completed in 2011) is based in Port Louis. The remaining seven office properties are in Ebene namely AXIS house – completed in 2013 (under IHL), SANNE House – completed in 2008 (HBL Development Ltd), HYVEC House – completed in 2016 (Bonn Properties Ltd), Maison Sasha and Eagle House (Ibiza City (Holdings) Ltd), SBM building (Ibiza Investment Ltd) and Quantum building (Ibiza Properties Ltd). Maison Sasha, Eagle House, SBM building and Quantum building (i.e., all the Ibiza properties) were completed in September 2020. In the short span of time, some tenants have already moved in the properties.

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Luxury Apartments - The premium luxury apartments (Grand Bay suites - completed in 2009 with GLA of 1,870 sqm), of 25 suites with swimming pool & spa, is rented to one of the group companies of Mr. Chady for a period of 15 years. The rentals are irrespective of the occupancy of the apartments and full rentals have been received during last 18 months.

Management: The strategic affairs of the company are looked after by the Executive Management Team which comprises of the CEO, Mr. Raju Jadoo and the Deputy CEO, Mrs. Christine John Chuan. They are assisted by a team of qualified and experienced professionals. Mr. Raju Jadoo is a professional accountant with over 30 years of experience having worked for DCDM, MCCI and BOI. Mrs. Christine John Chuan has more than 40 years of experience with SBM and ABSA bank at various management positions.

Bond Issue: As on December 31, 2020, term loans and overdraft from banks in IHL and various subsidiaries amounted to MUR 534 million and loan from promoters was MUR 797 million.

In between January – June 30, 2021, the company availed a term loan from MauBank and repaid the entire bank debt outstanding in Ibiza City, Eight Sirs, IHL and Bonn Properties. Accordingly, as on June 30, 2021, the term loan from banks was MUR 687 million and loan from shareholders was MUR 665 million. The said shareholder loan is subordinated to the Bond and is payable within a period of 10 years but not earlier than the repayment of the totality of the Notes to all Noteholders. In August 2021, IHL proposes to raise a bond of MUR 1,000 million over a period of 7 years. The proceeds will be used for repayment of bank debt (MUR 687 million), amount due to related parties (MUR 307 million) and for listing expenses & payment of lease liabilities (MUR 6 million).

The Bond has LTV of 52% which is secured by a First Rank Fixed charge on immovable properties held by the company for a value of up to MUR 1.928 billion, valued in November 2020 and June 2021.

Credit Risk Assessment

Experienced promoter in real estate development

Mr. Chady started a construction company in 1990 which has grown into a leading Grade A+ (one of the only two CIDB Grade A+ in Mauritius) building and civil engineering construction company – HYVEC Partners Ltd, in Mauritius. HYVEC was ranked 44th by Business Magazine’s Top 100 Companies in Mauritius (2020 Edition). The company has developed various real estate across Mauritius including Melrose Prison, commercial malls, upmarket houses, modern offices, luxurious villas, schools, etc.

Since 2011, Mr. Chady ventured into diverse activities such as Property Development & Construction, Fashion, Retail & distribution, Food and Hospitality sector which resulted in the incorporation of Hyvec Investment Ltd. The Property and Construction sector remains the backbone of the Group. It contributes to majority of the revenue for HYVEC Group, and it has been a profitable business for the past 25 years. The distribution segment deals mainly with retail of cigarettes which is profitable but has a low profit margin. HYVEC Group is behind

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most of the luxury international brands in Mauritius such as Tommy Hilfiger, Armani Jeans, Calvin Klein etc. Other sale segments include catering, interior designing and tourism.

Prime location of properties with diversified tenants

All the nine properties are located in various key locations including Ebene, Port Louis and Grand Baie. Around 85% of the total GLA is in the Plaines Wilhems region where more than 30% of the inhabitants live. Additionally, Ebene hosts majority of offices in Mauritius – area of 312,000 sqm of office spaces closely followed by Port Louis. Ebene is preferred because of the ease to commute, lesser traffic congestion and access to daily amenities. The properties under IHL have diversified tenants with a mix of financial institution, fashion school and others. Hennessy Tower in Port Louis hosts two key tenants such as SBM Bank (which is a government owned institution) and Jan De Nul Pacific which is a leading expert in offshore, marine, civil, environment and project development. The Eight Sirs property in Grand Baie comprises of 25 suites which targets mainly tourists. Majority of tourists prefer accommodations which are near the beach and in a vibrant environment.

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Table 1: Details of Properties

Property	AXIS House - IHL	Bonn Properties Ltd	HBL Development	Hennessy Tower	Ibiza City (Holding)*		Ibiza Properties*	Ibiza Investment*	Eight Sirs Investment	Total
					New Developments					
Location	Ebene	Ebene	Ebene	Port Louis	Ebene		Ebene	Ebene	Grand Bay	
Leasable Area (sqm)	1,475	2,157	4,367	1,770	2,037	408	4,936	4,925	1,870	23,945
Property details	2 floors	Ground + 2 floors	2 buildings of 3 floors each	5 Floors	4 floors	Ground + 1st Floor	Ground + 7 floors	Ground + 7 Floors	25 suites complex	
Valuation (MUR Million)	113	216	362	174	181		400*	400*	82	1,928
(Report Date)	Nov-20	Nov-20	Nov-20	June-21	Nov-20		Nov-20	Nov-20	Nov-20	
Type	Office	Office	Office	Office	Office	Commercial	Office	Office	Commercial	
Key Lessees' & Area Occupied		HYVEC Partners	SANNE (IFS Building)	Jan De Nul Pacific Ltd SBM (Mauritius) Ltd	Eagle House#	Sasha – School / Salon	Quantum Mr. Ismael	SBM Somnath Holdings Ltd Apex	Pine Travel & Tours	
	Axis Fiduciary	Hennessy Tower Development								
	BLC & Associates Ltd	HYVEC Facilities Management								
		Bluefire								
		Supertech Equipment								
Occupancy (in %): Aug. 4, 2020	100%	100%	100%	100%	17%		38%	50%	100%	68%
Occupancy (in %): Dec 31, 2020	100%	100%	100%	100%	17%		13%	25%	100%	58%
(Dec 31, 2019)	100%	100%	0%	100%	0%		0%	0%	100%	55%
Annual Lease rental: FY20	5.4	10.4	12.0\$\$	11.4	-		0.4	0.4	7.6	48
FY19	5.2	8.4	2.2&	11.0	-		-	-	7.0	34
Weighted Lease Expiry (years) based on occupancy	2.6	14.8	4.3	2.1	1.7		0.7	1.1	14.8	5.3

#Eagle House – 4 floors out of 8 have been sold to Eagle Insurance and the remaining 4 floors are vacant. &Building was rented in July 2020 \$\$ Half year rental

****New Developments in Ebene**

In 2017-2020, Mr. Nawaz Khan Chady constructed 7 buildings in Ebene (opposite SBI (Mauritius) Limited and between Emtel and HSBC building) overlooking the main Motorway. In FY17, before commencing construction, 1st building (G+7 floor) was sold and in July 2019, the 4 floors of a 2nd building was sold. In FY20, a 3rd building was sold and in FY21, a 4th building was sold. The last 2 buildings were sold between a range of MUR 300 million - MUR 400 million.

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Diversified Tenants with 17% of tenants being part of HYVEC group

Area-wise, properties owned by IHL are mostly rented as office spaces. In all, there are around 15 tenants in the nine properties. For most of the tenants, the lease term is for between 5 to 15 years, with the option to renew for another consecutive term. The weighted average lease expiry is 5.3 years as on June 30, 2021. Further, the tenants in the properties under IHL includes some companies within HYVEC group (around 17% of the tenants) as well as some other reputed companies. Some of the major tenants include SBM Bank, Somnath Holdings Ltd, SANNE House, Maison Sasha, Quantum Insurance, Axis Fiduciary, BLC Robert, Apex and Jan de Nul to name a few.

The tenant profile is as follows:

Tenant & Property leased	Tenant Profile
Axis Fiduciary	Axis Fiduciary Ltd is licensed by the Financial Services Commission (“FSC”). It offers a full spectrum of corporate and fiduciary services to a diversified client base.
BLC & Associates Ltd	BLC Robert is the leading independent full service business law firm in Mauritius. The firm has 7 partners and over 30 fee earners serving a diverse client base including regional and multinational companies, financial institutions, funds and public sector bodies amongst others.
Pine Travel & Tours Ltd	Pine Travel is travel agency a passion providing exemplary travel and related services to their clientele in South Sudan and to the worldwide market.
HYVEC Partners Ltd	Hyvec Partners Ltd is a leading Grade A building and civil engineering construction company in Mauritius. It has an impressive track record ranges from the Melrose Prison, to commercial malls, upmarket housing, high-rise office buildings, luxurious villas, Schools, traffic centers and other prominent landmarks.
Hennessy Tower development Ltd	Hennessy Tower Development Ltd is a member of the Hyvec group involved in ownership, and through a Syndic, the owners of lots of each building as well as the public visiting them are adequately serviced and that the building is adequately maintained, secured, insured and compliant to statutory requirements and existing regulations
Bluefire Ltd	Bluefire Ltd trades under the Hyvec group. It has acquired several well known franchises for its branded fashion retail sector.
Supertech Equipment Ltd	Supertech Equipment Ltd is high-end products dealer. It is an importer and distributor of premium brands which provides designers’ lifestyle solutions for the home, offices, villas and any other classy infrastructural projects.
Sasha - Coveted Salon Ltd	Sasha has 20 years of experience, offers professional hair and spa treatments while bringing the best of new trends and treatments. It is one of the most renowned salon on the island.
Quantum	Quantum Insurance Ltd is incorporated in Mauritius and registered as a licensed insurer by the Financial Services Commission of Mauritius to serve the General Insurance market
SBM	Established in 1973, The State Bank of Mauritius is a leading bank has a strong franchise in Mauritius, with a market share of more than 20% in domestic advances and deposits. The Group is also present in India, Madagascar, Kenya and also holds a banking licence to operate in the Seychelles.
SANNE House	Sanne is a leading global provider of alternative asset and corporate services. They deliver tailored fiduciary services to a highly valued international client base through a global network of offices located in 20 leading financial jurisdiction
Jan De Nul	Jan De Nul Group is an international group expert in five main activities namely offshore, marine, civil, environment and project development.

Moderate occupancy with established track record and high retention rate of tenants

The prime office areas in Mauritius are Ebene, Port-Louis and Moka. The overall occupancy rate for offices in Mauritius is around 90%. There is a now an ongoing demand for modern Grade A offices. The current rental for office buildings in Port Louis ranges between MUR 480 per sqm for a basic office to MUR 1,100 for grade A modern office buildings. The rental for office properties in Ebene ranges from MUR 330 per sqm for basic office

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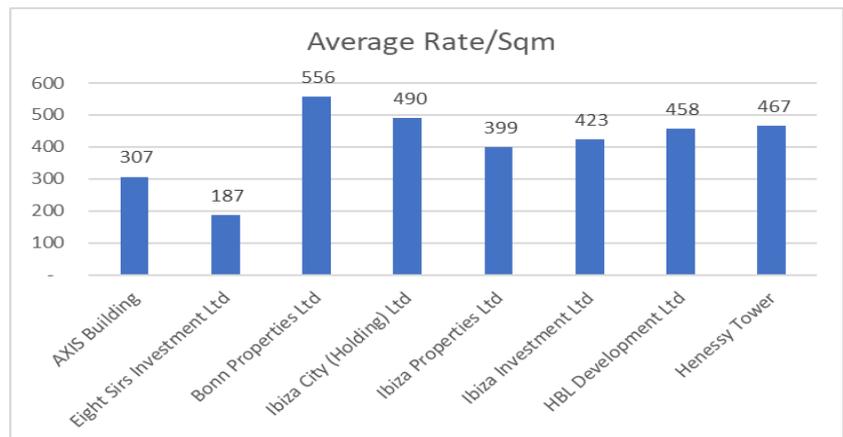
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to MUR 900 sqm for the grade A modern office properties. IHL charges a lower rental of around MUR 410 per sqm for a Grade A type property which is very competitive.

Four of the properties have recently been built in FY20 and thus they are only partly filled. The remaining five properties exist for a longer period of time and are at 100% occupancy with limited movement of tenants. The overall average rent is moderate at MUR 410 per sqm per month.



The property-wise occupancy trend of 2018- 2020:

Occupancy Trend				
Properties	2018	2019	2020	2021 (Jan-August)
AXIS Building	100%	100%	100%	100%
Bonn Properties Ltd	100%	100%	100%	100%
Hennessy Tower	100%	100%	100%	100%
Eight Sirs Investment Ltd	0%	0%	100%	100%
HBL Development Ltd	0%	0%	100%	100%
Ibiza City (Holding) Ltd	0%	0%	17%	17%
Ibiza Properties Ltd	0%	0%	13%	38%
Ibiza Investment Ltd	0%	0%	25%	50%
Total	55%	55%	58%	68%

As of August 4, 2021, the overall average occupancy of the nine properties is 68%. The other mature properties have occupancy rate of 100%. In FY20, Pine Travel & Tours Ltd (part of HYVEC group) signed an agreement with Eight Sirs Investment for rental of the 25 suites at MUR 4.2 million p.a. Subsequently, average occupancy increased to 100%. The other properties, Axis building, Bonn Properties, Hennessy Tower and HBL Development are at 100% occupancy.

Notice Period: The notice period differs for each company ranging between 3 to 6 months.

Short tenure of lease compared to bond tenure

The weighted average tenure of lease in all properties is around 5.3 years compared to bond tenure of 7 years. 17% of the tenants are companies within the HYVEC group and there is minimal risk of these companies vacating the spaces occupied. The existing tenants (Axis Fiduciary, BLC & Associates, and the companies within HYVEC group) have repetitively renewed their lease agreements with IHL and some tenants have been in the properties for nearly 10 years. Majority of the premises have been rented on shell and core basis and the tenants had to cater for the fit-out. It substantially decreases the risk of a tenant leaving within a short span of time due to the significant investment in fit-out.

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DSRA for 1 semi-annual payment

IHL would create funded DSRA equivalent to 1 semi-annual interest payment of the Bond i.e., MUR 25 million. Further, it has provided shortfall undertaking for replenishment of DSRA within a month time of its utilization in case of shortfall of lease rental for interest payments. This provided support to cash flows in light of lower occupancy in the new properties.

Refinancing risk pertaining to principal repayment of the Bond

Interest of the proposed Bond will be serviced from the rentals received from the properties. The surplus cashflow (difference between rental received and operational cost & interest expenses) can be utilised for part repayment of the principal amount. However, the principal repayment of the Bond will be dependent on the sale of properties or refinancing (new bond issue or term loan). As per the Information memorandum and as intimated by the management, IHL has the option to call the Bond, 24 months prior to maturity. During interaction the management stated that in case there is a delay in disposal of the properties, the company will arrange for other modes of financing.

In terms of cumulative cash balance in IHL, the same would be around MUR 300 million at end of bond tenure, thereby requiring minimum refinancing of MUR 700 million i.e., 70% of bond issue. Thereby, refinancing risk is high which could increase in case of downturn in real estate pricing wherein the security coverage would decline. However, LTV is currently at 52% despite the portfolio consisting of newly constructed properties.

The overall refinancing risk is expected to be moderate considering the likely increase in overall value of 7 office properties with full occupancy. In case the company faces difficulty in sealing the deals with the prospective tenants and fails to increase the occupancy rate in the new buildings, the same will impact the repayment of the principal only.

The refinancing risk is partly mitigated considering IHL's ability to sell 2 newly constructed vacant properties between a range of MUR 300 million - MUR 400 million each during last 2 year and that the redemption mode would be decided one year before the bond maturity date providing buffer time for arranging finance. The non-exhaustive list includes (a) a term loan (ii) A new bond issuance; (iii) An equity solution through an IPO, trade sale or raising private capital. Finally, the sale of real estate is the last resort. The ability of IHL to raise funds through any of the sources mentioned in a timely manner would be a key rating sensitivity.

Industry Risk – Real Estate (Office)

The majority of offices is currently based in Ebene occupying some 312,000 sqm GLA out of which 80% are Grade A properties. Port-Louis ranks second with a total GLA of 174,000 sqm out of which only 31% are Grade A properties. In the recent past the Mauritian real estate scenery has been experiencing a decentralization of office spaces from Port Louis to areas like Ebene and Vivea Business Park. The main drivers of this trend have been the lack of parking spaces, increasing traffic congestion to move in and out of Port Louis and increasing rental prices. The current total operational office stock situated in the main business nodes (Ebene, Port-Louis,

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Phoenix and Quatre Bornes) is 535,000 sqm of GLA – 75% are Grade A properties. The current operational office space within the smart cities is 58,400 sqm of GLA, with all Grade A properties. This brings the total existing office stock in Mauritius at 600,000 sqm GLA.

Demand-Supply- As per Jones Lang LaSalle (JLL), the total office space in Mauritius is expected to increase by 15% annually over the next three years. On average, some 30,000 sqm of office spaces are being built yearly. The construction of offices is expected to grow further by 64,000 sqm of GLA after three years to meet the high demand for business parks and modern Grade A offices. Over the past five years, demand for office space has been growing at an increasing pace and has exceeded the supply of Grade A office properties. The trend is expected to continue. The main drivers for demand are steady GDP growth, currency, political stability, and favourable investment incentives. Office developments in Mauritius is considered to be potentially lucrative.



Source: Google Maps, JLL

Rentals: The current rental for office buildings in Port Louis ranges around MUR 480 per sqm for a basic office to MUR 1,100 for grade A modern office buildings. The rental for office properties in Ebene ranges from MUR 330 per sqm for basic office to MUR 900 per sqm for the grade A modern office properties. We have seen that tenants are willing to pay higher rentals for Grade A modern office buildings. The main requirements of these tenants are offices being strategically situated mainly in the centre of the island, flexible layout within the building to cater for future expansion, sufficient parking spaces and attractive work environment (which is catered by business parks with green spaces, daily conveniences within reach and modern spaces).

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Financials of IHL (Standalone)

As on	Dec-17	Dec-18	Dec-19	Dec-20
	Audited			
Rental Income	5.0	5.2	5.2	5.4
Revenue from contract with customers	0.9	1.1	1.1	1.1
Turnover	5.9	6.3	6.3	6.6
EBITDA	4.5	5.0	5.1	1.5
Depreciation	-	-	-	-
Interest	3.2	3.0	2.8	2.3
Non- operating Income (Gain on disposal of property)	-	-	7.2	29.2
PBT	1.3	2.1	9.4	28.4
PAT	1.3	2.1	9.4	28.4
GCA	1.3	2.1	9.4	28.4
Share Capital	0.0	0.0	0.0	100.0
Tangible Networth	28.7	30.8	40.2	381.7
Total Debt	43.1	41.3	39.1	36.5
Shareholder's loan	-	-	-	443.8
EBITDA Margin	0.8	0.8	0.8	0.2
PAT Margin	0.2	0.3	1.5	4.3
Gearing	1.5	1.3	1.0	0.1
Debt to Rental	8.6	7.9	7.5	6.7
Interest Coverage	1.4	1.7	1.8	0.6

Standalone: In FY20 (January - December 31), total income of IHL was MUR 12 million with a PAT of MUR 28 million (including gain on disposal of property).

IHL consolidated cashflow

(MUR Million)

Particulars /Year ended 31,	Dec-20 12m, A
Cash Inflow	
Rental Income	47.6
- AXIS Building	5.4
- Eight Sirs Investment Ltd	7.6
- Bonn Properties Ltd	10.4
- Ibiza City (Holding) Ltd	-
- Ibiza Properties Ltd	0.4
- Ibiza Investment Ltd	0.4
- HBL Development Ltd - IFS Building	12.0
- Hennessy Tower	11.4
Revenue from contract with customers	2.2
Total Cash Inflow	79.0
Cash Outflow	
Other administrative expenses	25.9
Staff cost	
Management fee	
Tax	-
Repayment of bank Loan / Shareholders' loan	-
Total Cash Outflow	25.9
Cash Available for debt servicing (B)	23.3
Interest Expenses - Bank Loans	11.6
Cash Surplus/(deficit)	11.7

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Financials of IHL consolidated

(MUR Million)

As on	Dec-20
	Audited
Turnover	11.6
EBITDA	2.7
Depreciation	0.7
Interest	3.6
Non- operating Income (Gain on disposal of property)	29.2
PBT	27.7
PAT	27.7
GCA	28.4
Share Capital	100.0
Tangible Networth	369.2
Total Debt:	533.7
EBITDA Margin	24%
PAT Margin	238%
Overall gearing	1.4
Interest Coverage	0.8
Debt to Rental	46.0

**Acquisition of the properties under the various properties was post FY20*

Consolidated: Total income of IHL and the various subsidiaries for FY20 was MUR 48 million. Average occupancy for FY20 was 68% for the nine properties. LTV is currently at 52% despite the portfolio including newly constructed properties. Interest of the proposed Bond can be serviced from the rentals received from the properties with a projected interest coverage ratio of 1.52-3.72x.

Particulars of the bond issue: Bond Issue of MUR 1,000 million

Notes	Drawdown date	Amount (MUR Million)	Interest (Fixed Rate)	Repayment
Bond Issue	August 2021	1,000	5% p.a – semi-annual (interest payment in April and October)	September 2028 (7 th Year from issue)
Purpose	Proceeds from the Bond issue will be used to repay existing debts and amount due to related parties.			
Security	The Notes of MUR 1 billion (plus any additional amount accepted from oversubscription) will be secured by a fixed charge on the immovable properties held by the Company for a value of up to MUR 1.928 billion valued by Prime Pillar Valuation Services Ltd in November 2020/June 2021.			
Covenant	<p>The covenants herein shall remain in force during the whole tenor of the Bond. Based on the annual audited accounts of the Issuer:</p> <ol style="list-style-type: none"> Loan-to-Value (LTV) Ratio: 0.65X (The test will be performed on the audited accounts on an annual basis. Any decrease in the value of the property pledged will not constitute a default if the company pledges additional assets to cover the shortfall within a timeframe as may be agreed with the Noteholders' Representative). Loan-to-Value (LTV) Ratio = Fixed Rate Secured Notes / Value of Allocated Immovable Properties (MUR 1,928 million) Interest Coverage Ratio: 1.5X at all times (The test will be performed on the audited accounts on an annual basis) Interest Coverage Ratio = Earnings Before Interest, Taxes, Depreciation and Amortisation / Interest Expense Escrow account – coupon payments for 6 months will be deposited and ringfenced in an Escrow Account at all times. 			
Early Redemption	The Issuer will have a window of 24 months before the Maturity Date to redeem the Fixed Rate Secured Notes, by giving the Redemption Notice.			

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Status of the Notes	The Notes will constitute senior secured obligations of the Issuer, with the ranking being as hereunder: 1. Senior to all classes of the share capital of the Issuer. 2. Senior to an amount due to the only shareholder on acquisition of properties.
Arranger, Book Runner and Placing Agent	Perigeum Capital Ltd
Noteholder Representative	SBM Fund Services Ltd
Escrow Agent	SBM Bank (Mauritius) Ltd
Call option	The issuer will have a window of 24 months before the maturity date to redeem the fixed rate secured notes, by giving the redemption notice.
Redemption of Bond	At least twelve (12) months prior to the maturity date, the issuer shall notify and inform the noteholders representative of its financing plan for the redemption of the notes , i.e either through a term loan(s)or through the disposal of asset (s)or through the issue of new securities or such other means as the Board would think appropriate.
Dividend payment	The company may declare or pay any dividend to the ordinary shareholder until full repayment of the Notes.
Interest payment & escrow	Coupon payments for 6 months will be deposited and ring- fenced in an Escrow Account, at all times. In the event of the breach of a financial covenant, the noteholders will be notified within 3 business day and the breach will be cured by the issuer within a grace period of 30 days.

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