Gamma Civic Ltd
08 September 2025

Ratings

Facilities/Instruments	Amount (MUR Million)	Rating[1]	Rating Action
Bond Issue (long term)	**1,000**	**CARE MAU AA-; Stable**	Reaffirmed

Rating Rationale

The rating assigned to the long-term bond issue of Gamma Civic Ltd ("**Gamma**") continues to derive strength from established track record of Gamma group, experienced and resourceful promoters, investment across diverse business verticals, consistent flow of dividends from financial services, lottery, cement & materials verticals, stable performance along with comfortable cash surplus & low debt profile of dividend paying companies. The rating also draws comfort from the sizeable holdings of land & property and comfortable financial position with low gearing, high liquidity position and low working capital utilization both at the standalone and group level earmarked for future investments to grow future profitability and cashflow.

The rating is, however, limited by Gamma being an investment company and its sources of revenue being dividend & management fees from group companies - contingent upon performance of various subsidiaries/associate companies, revenue of lottery business exposed to regulatory risk, concentration of the group's cashflow towards the construction sector, the market risk associated with sale of land & properties and impact of the proposed application of the proceeds for strategic initiatives and investment.

Rating Sensitivities

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

- Ability to scale and maintain profitability in all the dividend paying companies
- Effective cash and working capital management
- Significant improvement in debt coverage metrics on a sustainable basis

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

- Additional debt both at the company & group level over and above the envisaged level
- Dip in liquidity at the group level well below the committed level
- Potential impact of new debt funded investments affecting Gamma's profitability & capital structure

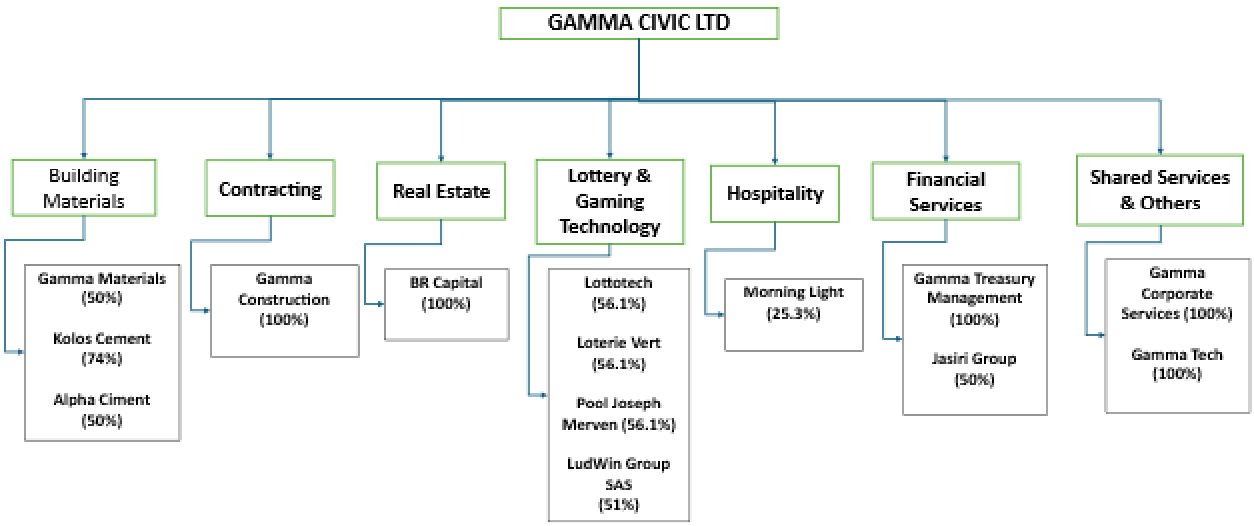
BACKGROUND

Gamma Civic Ltd ("Gamma") is a publicly listed investment and holding company. As of the reporting date, members of the Ah Teck family collectively hold a 60.5% effective equity interest in the company, without any single member having significant influence on the company. The board of directors is composed of nine directors, which includes four Ah Teck family members. Out of these four Ah Teck family directors, two hold executive positions and actively participate in the management of the company. Gamma Group is among the top 100 companies (ranked 16th for 2024) listed on the Stock Exchange of Mauritius (SEM).

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

Incorporated in July 1961, Gamma Civic Ltd derives its revenue as dividends and management fees from the various group companies engaged in diversified sectors like lottery, supplying construction materials, distribution of cement, construction & engineering, property & real estate, financial services, and hospitality. The major companies of the group are Gamma Construction Ltd, Gamma Materials Ltd, Kolos Cement Ltd (listed on the Development and Enterprise Market "DEM"), Lottotech Ltd (listed on "SEM"), BR Capital Ltd, Jasiri Investment Ltd (ex-Square Mile Investment Nine Ltd), Ludwin group, Alpha Ciment SA and Morning Light Co. Ltd (listed on "DEM").

The group structure of Gamma is depicted as follows:



In 2024, post the launch of Mafonja cement through Kolos Madagascar SA, Gamma Civic Ltd, in collaboration with its Indonesian strategic partner, Cemindo Gemilang (Cemindo) acquired Cementis (Madagascar) SA each holding a 50/50 share and renamed the company as Alpha Ciment SA. This acquisition shall further amplify the presence of Gamma Civic in the Malagasy market. Alpha Ciment SA is 100% owned by Ciment de Madagascar SA, the intermediary holding company wherein Gamma and Cemindo have 50% stake each.

Gamma Civic Ltd maintains a diversified portfolio of operations in cement distribution, construction & materials, gaming, real estate, and financial services. The group continues to pursue a debt-light capital structure by monetizing mature assets and entering resilient sectors through strategic alliances and acquisitions. Gamma's diversification strategy is reflected in its cement manufacturing operations in Mauritius and Madagascar, its majority stake in Lottotech Ltd; the operator of the national lottery in Mauritius, and its expanding presence in the African gaming sector through the LudWin Group, a gaming technology specialist partnering with licensed gaming operators across the continent.

Management Team: Gamma has a highly qualified and experienced workforce, supported by a sound management team that has driven improvements in operational efficiency over the years. Each vertical is managed by a team of professionals. Mr. Tommy Ah Teck is the Executive Chairman of Gamma Civic Ltd since 2020. Mr. Boon Hui Chan was appointed as CEO of

Gamma in May 2025. Mr. Twalha Dhunnoo is the Deputy CEO and Chief Investment Officer since September 2023. The finance function of Gamma Civic Group of companies is overseen by Mr. Kavi Baboolall, CFO of Gamma appointed in September 2023.

Standalone Performance in FY24

In FY24, revenue rose by 55% to MUR 782 million due to higher distributions from subsidiaries, including a MUR 75 million dividend from Gamma Construction. EBITDA and PAT grew by 48% and 70% to MUR 462 million and MUR 398 million respectively. Interest coverage stood at 6.47 times in FY24 and overall gearing as at December 31, 2024, moderated to 0.90 times. The company paid MUR 267 million dividend during the year.

Consolidated Performance in FY24

In FY24, Gamma Group witnessed a 28% growth in revenue, setting a new benchmark at MUR 8,576 million (MUR 6,697 million in FY23) in line with the better performance of major group companies. EBITDA and PAT increased by 12% and 24% to MUR 548 million and MUR 549 million respectively, supported by the sale of a subsidiary for MUR 176 million. Gamma Group had a cash balance of MUR 1,006 million as of December 31, 2024. The Group paid a dividend of MUR 362 million in FY24.

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Annexure I

Long /Medium-term Instruments

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

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

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.

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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.