

Fleet Pro Services Ltd ("FPSL")
06 October 2025
Ratings

Facilities/Instruments	Amount (MUR Million)	Rating ¹	Rating Action
Proposed Bond Issue	240	Prov CARE MAU A- (SO)*	Assigned

****Structured Obligation (SO) is on account of RHT Investments Ltd's unconditional and irrevocable guarantee to meet cashflow shortfall 15 days (T-15 structure) prior to the debt repayment date.***

The provisional rating is contingent upon the submission of documents affecting final execution of the letter of guarantee from RHT Investments Ltd providing unconditional and irrevocable guarantee to meet the cash flow shortfall T-15 structure.

Rating Rationale

The rating assigned to the proposed bond issue of Fleet Pro Services Ltd ("FPSL" or "the company") is supported by the integrity of the proposed unconditional and irrevocable guarantee from RHT Investments Ltd (RHTIL), together with a structured payment mechanism designed to ensure timely repayment of the rated debt (covering any cash flow shortfall 15 days prior to the repayment date under a T-15 structure). The rating is anchored on the envisaged terms and enforceability of the transaction and does not represent a standalone assessment of the FPSL's credit profile.

The rating takes cognisance of the fact that approximately 65% of RHTIL's investment portfolio consists of shares in MCB Group Limited (MCBG – rated CARE MAU AAA; Stable) providing a minimum cover of 2.12x. The balance of the portfolio is diversified across quoted global equities, USD-denominated bonds, and other investments. The rating also factors in the consistent dividend payments from the investment portfolio, its liquid nature which provides flexibility to meet the fund requirements at group level without having major cost impact and overall satisfactory performance of RHTIL's portfolio entities.

The rating further derives strength from the established track record of FPSL as a Full Maintenance Lease (FML) provider, demonstrated high fleet utilisation and presence of experienced & resourceful promoter.

The rating is, however, constrained due to guarantor's dependence on dividend income from its portfolio investment, the envisaged reliance on the liquidation of shares or refinancing at the time of debt maturity, the exposure to regulatory risk and market volatility, and concentration risk of the underlying portfolio having 65% exposure to single entity.

The rating is further constrained by the risk of competition at FPSL level, risk of non-renewal of lease agreements with clients and exposure to interest rate risk.

Rating Sensitivities

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

- Sustained growth in the investment portfolio of the guarantor
- Reduction in the concentration risk and diversifying portfolio
- Sustained increase in revenue, supported by successful expansion and higher utilisation of fleet size
- Ability of FPSL to improve profitability and gearing

Negative factors - Factors that could, individually or collectively, lead to a negative rating action/upgrade:

- Sharp decline in the value of the investment portfolio
- Increase in concentration exposing the portfolio to significant market risk
- Significant addition to debt in both RHTIL and FPSL
- Non-renewal of lease agreements with clients of FPSL resulting in significant deterioration in financial performance

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

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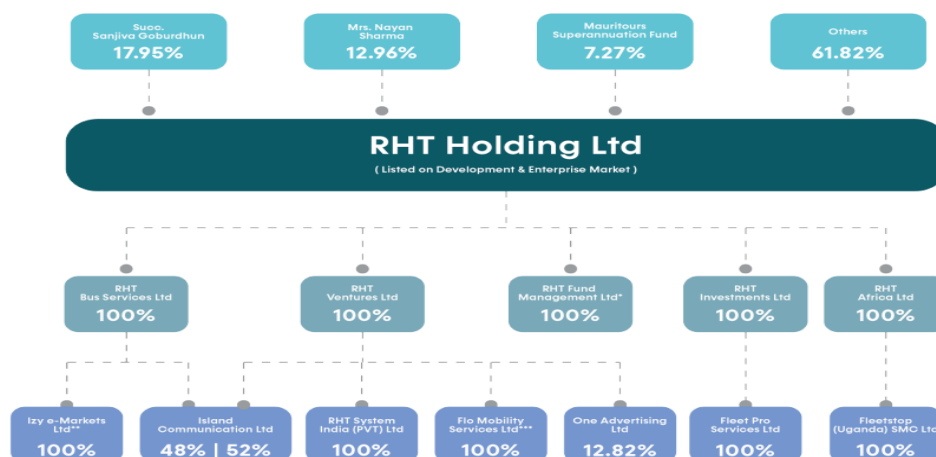
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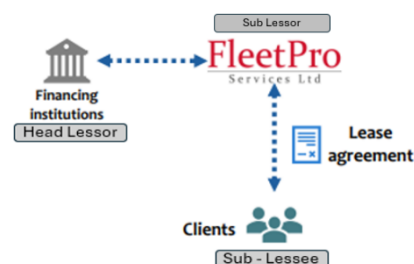
BACKGROUND

Incorporated in 2015 and operating since 2017, Fleet Pro Services Ltd ("FPSL") is a fully owned subsidiary of RHT Investments Ltd ("RHTIL"), which in turn is 100% held by RHT Holding Ltd. FPSL offers fleet management and Full Maintenance Lease (FML) services tailored to businesses and individuals. Since inception, FPSL has leased over 300 vehicles to more than 200 clients, including several blue-chip companies listed on the SEM. The company has diversified its operations by acquiring the management of Mautourco Ltd's workshop in 2021 and opening a new service centre at Plaine Lauzun in 2022, complementing its existing facility in Curepipe.



Overview of FPSL operating model

FPSL offers FML on five-year terms, bundling maintenance, insurance, tyres replacement, towing and fleet administration into a single fixed monthly fee. This turnkey model frees businesses and individuals from the financial and administrative burden of vehicle ownership. Since inception, the company financed its fleet through head-lease facilities provided by banks and sub-leased these vehicles to end customers under operating leases, creating a tripartite funding structure.



Proposed operating model of FPSL (Use of bond proceeds)

Under the proposed model FPSL will use part of the MUR 240m of bond proceeds to acquire and register vehicles in its own name, replacing the tripartite structure with direct on-balance-sheet leasing (bipartite agreement). The proposed change will gradually strengthen asset control, margin capture and reduce reliance on financing institutions for lease liabilities.



About Guarantor

RHTIL, the investment holding arm of RHT Holding Ltd ("the Group"), has evolved over the past seven years into a diversified and resilient portfolio, consisting of equity interests across banking, passenger transport, auto, real estate, financial services, technology, and sustainable energy, as well as other financial instruments. As at June 30, 2025, RHTIL's investment portfolio was valued at MUR 704 million, generating recurring dividend income, supporting the company's cash flow and financial flexibility.

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For the proposed bond issue, the guarantor, RHTIL, has undertaken to provide an unconditional and irrevocable guarantee to meet any cash flow shortfall at least 15 days prior to the debt repayment date (T-15 structure).

Experienced management with established track record of FPSL: The company is professionally managed and governed by a five-member board (two executive directors and three non-executive directors). Mr. Stephane Leal is the chairperson of the board and holds a BSc in Business Management (cum laude) with double majors in Finance and Marketing from Boston College, USA. Dr. Siddharth Sharma, Group CEO and Executive Director of Fleet Pro, oversees the strategic affairs of the company. He holds an MSc in Communication and System Engineering, and a PhD in Wireless Network Planning from the University of Bristol (UK). Dr. Sharma joined the Board of RHT in 2000 and was appointed Group CEO in 2012. He is supported by a team of experienced and highly qualified professionals.

Healthy credit risk profile with comfortable investment to debt ratio of RHTIL (Guarantor): RHTIL's income generated from quoted and unquoted securities rose to MUR 74 million in FY24, boosted by higher dividend payouts mainly from MCBG and by a fair value gain on those securities as at 30 June 2024. EBITDA and PAT increased to MUR 65 million and MUR 82 million respectively during FY24. GCA remained stable at MUR 16 million in FY24. Tangible Networth stood at MUR 958 million with low debt of MUR 66 million, resulting in healthy metrics: Interest coverage of 10.3x, an overall gearing of 0.07x, and an investment-to-debt ratio of 10.7x.

Improvement in operating performance of FPSL: FPSL derives its revenues from two core activities; sub-leasing vehicles (which, under IFRS 16, give rise to right-of-use assets and lease liabilities rather than P&L recognized lease income) and garage/workshop services (which appear directly in the income statement). In FY24, revenue rose to MUR 42 million driven by garage services and a MUR 14 million gain on end-of-lease disposals. In FY24, PAT stood at MUR 18 million, while GCA remained negative due to non-cash adjustments. Fleet growth moderated to 5% in FY24, reflecting the transition toward a pure operating lease model.

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.

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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.

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