Le Collège de L'Ouest Associé Ltée

23 June 2026

Ratings

Facilities/Instruments	Amount (MUR Million)	Rating[1]	Rating Action
Proposed Fixed Rate Notes	**99.5 (increased from 77)**	**CARE MAU BB+; Stable**	Reaffirmed

Rating Rationale

The rating assigned to the Proposed Fixed Rate Notes of Le Collège de l'Ouest Associé Ltée (LCDLAL) continues to remain constrained by project execution risk associated with the construction and phased development of the new school, regulatory and compliance risks related to the operation of a private French-curriculum institution, potential competition from new entrants in the western region and the ability to achieve the envisaged enrolment ramp-up within planned timelines.

The rating, however, derive strength from the experienced and reputable promoters, namely École du Centre ("EDC") and École Paul et Virginie ("EPV"), both with long operating track records in the education sector, and Medine Limited, which together provide comfort on governance standards, operational oversight, and project execution capability. The rating also factors in the school's affiliation with the Agency for French Education Abroad ("AEFE"), which lends credibility to academic standards and operational quality, as well as the favourable geographic location in the western region of Mauritius, characterised by growing residential development and sustained demand for private and internationally recognised education.

Further supporting factors include a qualified and experienced project and execution management team, a low capital intensity and fee-based operating model that enhances operating leverage as enrolments increase, and generally supportive sector dynamics underpinned by rising household incomes, urbanisation, and expatriate inflows. The phased development approach, with future expansion expected to be largely funded through internal cash generation, also helps to moderate medium-term funding and leverage risks. The financial profile reflects gradual improvement driven by rising student enrolment, with revenues increasing in line with capacity expansion and operating performance strengthening as fixed costs are progressively absorbed.

Rating Sensitivities:

Positive Factors - Factors that could lead to positive rating action/upgrade:

- Timely completion of the school infrastructure within time and cost parameters.
- Ability to generate positive and stable free cash flows post ramp-up.
- Achievement of planned annual student enrolment ramp-up in line with projections.
- Sustained improvement in operating profitability and margins leading to stable net earnings.

Negative Factors - Factors that could lead to negative rating action/downgrade:

- Additional debt resulting in overall gearing remaining above 2.0x on sustained basis.
- Change in regulations pertaining to operations of private schools which can impact operations of the school.
- Debt service cover ratio falling below sustainable levels on recurring basis if subsidy is not received from AEFE.
- Cost overruns or delays in construction of the school.

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

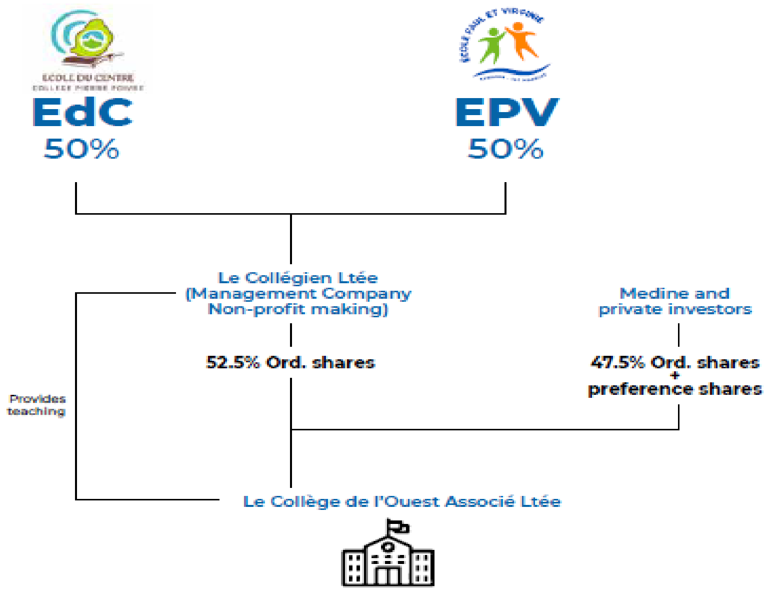
Analytical approach
CRAF has adopted a standalone analytical approach for assessing LCDLAL's credit profile, while factoring in strong linkages with its promoters, EDC and EPV, given their majority ownership, active operational involvement, and demonstrated track record in the education sector, which ensures execution and operational support.

Outlook: Stable
The stable outlook reflects the expectation that LCDLAL will maintain stable enrolment level, recurring fee income and steady operating performance. This stability is supported by backing from parents EPV and EDC, as well as prudent cost management.

Applicable criteria
[Rating Methodology: Service Sector Companies](#)
[Financial ratios – Non-Financial Sector](#)
[Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings](#)
[Liquidity Analysis of Non-Financial Sector Entities](#)
[CARE's Policy on Default Recognition](#)

BACKGROUND
LCDLAL is a school project involving the establishment of a new French-medium secondary school, alongside a second primary school, in the western region of Mauritius (Black River). The school is expected to be affiliated with AEFE as an academic partner, which serves as a licensing body for the delivery of French education.
Shareholding: Medine Limited (rated CARE MAU A; Stable) and other private investors hold a combined 47.5% stake, with the remaining 52.5% held by Le Collégien Ltée, which is equally owned by EdC and EPV—the promoters of the project.

The holding structure of LCDLAL is as below:



EDC is an established institution with over 30 years of experience in providing French-medium primary and secondary education in Mauritius. EPV has been operating in the western region for over 20 years and has historically served as a feeder school to the existing French colleges. The promoters have partnered to expand their presence and cater to the growing demand for French education in the western region.

The primary and secondary school projects are being executed in two phases under separate legal entities. The primary school operates under EDC and the secondary under LCDLAL. CRAF has assigned a rating solely to LCDLAL's term loan of MUR 99.5 million.

LCDLAL derives its revenue primarily from yearly subscription fees, supported by contributions from the international section and other school-related fees. Construction work has commenced and Phase I is scheduled to complete in November 2026. In the interim, the secondary school commenced operations in August 2024, with initial classes conducted at EPV's premises in Tamarin. As of March 2026, the number of students has increased to 114 (FY25: 75 students) supported by 13 teaching staff.

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Annexure I

Rating Symbols

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.

Short term Instruments

Symbols	**Rating Definition**
CARE MAU A1	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.
CARE MAU A2	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.
CARE MAU A3	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.
CARE MAU A4	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.
CARE MAU D	Instruments with this rating are in default or expected to be in default on maturity.

Modifier {"+" (plus)} can be used with the rating symbols for the categories CARE MAU A1 to CARE MAU A4. The modifier reflects the comparative standing within the category.

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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 best international 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.