

Morning Light Co. Ltd
22 October 2026

Rating

Facilities/Instruments	Amount (MUR Million)	Rating¹	Rating Action
Bank Facility – Term Loan	925 (1,100)	CARE MAU A-; Positive	Reaffirmed with a change in outlook from stable to positive

Rating Rationale

The rating assigned to the bank facility of Morning Light Co. Ltd (MLCL) continues to derive strength from its established position in the Mauritian hospitality sector, strong operational recovery following the completion of its renovation programme, improving financial risk profile and strategic affiliations with Hilton International LLC and Gamma-Civic Hotel Holdings Ltd, a subsidiary of Gamma Civic Ltd (rated CARE MAU AA-; Stable). The company's association with the globally recognised Hilton brand supports its competitive position through established operating standards, global distribution channels, customer loyalty programmes and revenue management capabilities. Furthermore, Gamma Civic group's strategic shareholding and demonstrated support provide additional comfort regarding governance and financial flexibility. The rating also factors in the sustained improvement in occupancy levels, average daily rate (ADR), profitability and cash flow generation since the reopening of the renovated resort. MLCL's gearing and debt coverage metrics have improved in FY25 and H1FY26, supported by stronger EBITDA generation and scheduled debt repayments. With no significant debt-funded capital expenditure planned over the near to medium term, the company is expected to continue deleveraging through internal accruals. The diversified revenue mix comprising room revenue, food and beverage (F&B) operations, and ancillary hospitality services further support earnings stability.

Additionally, the rating derives comfort from favourable industry fundamentals, characterised by resilient tourist arrivals, improving tourism receipts, expanded air connectivity and Mauritius' strong positioning as a premium leisure destination. These factors, combined with the hotel's strategic location and upgraded facilities, are expected to support occupancy and pricing strength over the medium term.

However, the strengths are partially offset by the company's exposure to cyclical demand in the hospitality sector, operational concentration arising from a single-property business model, competition from regional luxury destinations, and vulnerability to adverse external events, including economic downturns, geopolitical disruptions and climate-related risks.

Rating sensitivities: Factors likely to lead to rating actions**Positive factors: Factors that could individually or collectively lead to positive rating action/upgrade:**

- Ability to improve occupancy to above 80%, while maintaining ADR above MUR 13,000, resulting in continued growth in RevPAR and operating cash flows.
- Sustained EBITDA margin above 26%, supported by healthy operating performance and improvement in internal cash generation.

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

- Improvement in the financial risk profile, with total debt/EBITDA reducing below 2.5x and overall gearing remaining below 0.75x, while maintaining adequate debt-servicing coverage on continuous basis

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

- Sustained decline in occupancy below 60% and/or material weakening in ADR, resulting in EBITDA margin falling below 20%.
- Material deterioration in the financial risk profile, with total debt/EBITDA increasing above 4.0x and/or overall gearing exceeding 1.0x on a sustained basis.
- Weakening in debt-servicing capacity, with interest coverage falling below 2.0x and/or DSCR falling below 1.20x on a sustained basis.

Analytical approach

CRAF has adopted a standalone analytical approach for assessing MLCL's credit profile while factoring in linkages with Gamma Civic Ltd (through Gamma-Civic Hotel Holdings Ltd) and Hilton International LLC, given their role as anchor shareholders and strategic influencers.

Outlook: Positive

The positive outlook reflects CRAF's expectation that MLCL's credit profile could strengthen over the medium term, supported by sustained improvement in operating performance following the renovation of the resort, characterised by healthy occupancy levels, strengthening ADR and improved profitability. The outlook also factors in the expected improvement in the company's financial risk profile, driven by higher internal cash generation and scheduled debt repayments, which are expected to result in continued deleveraging and strengthening of debt protection metrics. The outlook may be revised to stable if the anticipated improvement in operating performance and credit metrics does not materialise on a sustained basis.

Applicable criteria

[Financial-Ratios-Non-financial-sector](#)
[CRAF's Policy on Default Recognition](#)
[Liquidity-Analysis-of-Non-financial-sector-entities](#)
[Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings](#)
[Criteria for Short-Term-Instruments](#)
[Rating Methodology: Hotel-Industry](#)
[Rating Methodology: Service-Sector-Companies](#)

About the company

Morning Light Co. Ltd ("MLCL, established in 1994, is a public limited company and the owner of Hilton Mauritius Resort & Spa, a luxury five-star resort situated on the west coast of Mauritius. Through its long-standing management agreement with the Hilton group, the company benefits from a globally recognised hospitality brand, established operating standards and access to international marketing and distribution platforms. MLCL operates within the upscale hospitality segment, targeting predominantly international leisure travellers, while also catering to corporate and business guests. The resort comprises 74 deluxe rooms, 100 grand deluxe rooms and 18 suites, multiple dining outlets, conference facilities, and a wellness spa. The company generates revenue from multiple business segments, including room accommodation,

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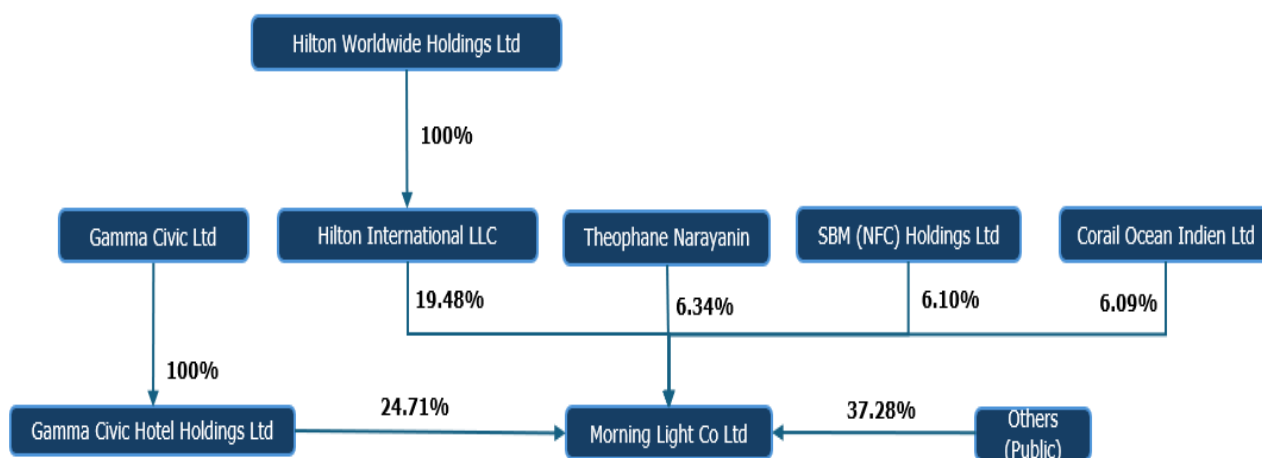
F&B operations and event-related activities, thereby supporting a balanced revenue profile. Nevertheless, demand is influenced by seasonal tourism patterns.

In FY23, the company invested MUR 870 million to undertake and complete a comprehensive renovation of the resort, aimed at enhancing the hospitality experience for guests and tourists and reinforcing its position as a premier luxury destination.

In FY25, the hotel recorded an average occupancy rate of 67%, compared with 62% in FY24; in H1FY26, it was 66%.

MLCL's shareholding is anchored by Gamma-Civic Hotel Holdings Ltd (24.71%) and Hilton International LLC (19.48%), giving both shareholders significant strategic influence. The remaining 55.81% is widely held by institutional investors (e.g., SBM Holdings, State Insurance Company of Mauritius) and individuals, none exceeding 7%, ensuring a balanced governance structure.

The holding structure of MLCL is as follows:



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.

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.

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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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