Omnicane Milling Operations Limited

3 September 2026

Ratings

Facilities/Instruments	Amount (MUR Million)	Rating[1]	Rating Action
Bank Facility - Term Loan I	**271 (reduced from 322)**	**CARE MAU A-; Negative [Single A Minus; Outlook: Negative]**	Reaffirmed
Bank Facility - Overdraft	**220 (increased from 145)**	**CARE MAU A2+ [A Two Plus]**	Reaffirmed
Bank Facility - Proposed Term Loan II	**187.5**	**CARE MAU A-; Negative [Single A Minus; Outlook: Negative]**	Assigned
Bank Facility - Proposed Term Loan III	**75**	**CARE MAU A-; Negative [Single A Minus; Outlook: Negative]**	Assigned
Total	**753.5**		

Rating rationale

The reaffirmation of the ratings for the existing bank facilities and the ratings assigned to the proposed facilities of Omnicane Milling Operations Limited (OMOL) continues to be supported by the company's strong parentage and group linkages with the Omnicane Group, its strategic importance within the group's integrated agro-industrial operations, the strong and diversified sugarcane supply base, stable domestic and international offtake arrangements through the Mauritius Sugar Syndicate (MSS). The rating also factors in OMOL's efficient production process, stable global demand for sugar, benefits from in-house logistics and energy support through Omnicane Logistics Operations Limited and OTEOLB/OHPS Ltd, which help contain transport and energy costs, as well as its status as the sole sugar refinery in Mauritius, which supports market positioning, revenue visibility, and higher premiums for White Refined Sugar (WRS).

Offsetting these strengths, OMOL witnessed a sharp deterioration in operating and financial performance in FY25 driven by refinery disruption following major machinery breakdown at the powerplant and consequent higher energy costs, and lower cane crushed recorded in FY25 due to the extension of end of crop to January 2026, which led to a sharp decline in profitability and deterioration in debt coverage metrics.

The ratings further remain constrained as the company remains exposed to the commodity nature of sugar, foreign exchange risk associated with Euro-denominated pricing, increase in debt profile, interest rate fluctuations linked to PLR-based facilities, high-cost dependence on associate power companies and climatic risks that could impact sugarcane availability. These factors, combined with the volatility of sugar prices on the market, underline the sensitivity of OMOL's credit profile to operational and environmental variables despite its integrated operations and strong market position.

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

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Rating Sensitivities

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

- Sustained improvement in operating performance, reflected in increase in EBITDA margins above 20% and PAT margin above 10%.
- Ability to sell the Land Conversion rights as envisaged over the stipulated timeline
- Improved capacity utilisation driven by higher and stable sugarcane availability, leading to increased production volumes and revenue growth

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

- Volatility of sugar prices leading to pressure on revenue and cashflows.
- Significantly additional debt by OMOL leading to overall gearing above 1x.
- Weakening of credit risk profile of the parent i.e. Omnicane Ltd.

Analytical approach

CRAF, in its analysis factored in the standalone performance of OMOL and the linkage with its ultimate holding company, Omnicane Limited.

Outlook: Negative

The Negative outlook reflects the pronounced weakening in OMOL's profitability and coverage metrics in FY25 following the disruption in refining operations caused by a breakdown at the OTEOLB power plant and delay in receipt of sugar cane for crushing which led to lower sugar produced due to the extended crop season. While the company benefits from strong group support and maintains a low-geared balance sheet, sustained recovery in operating performance remains critical.

The outlook may be revised to Stable if the company demonstrates a sustained improvement in earnings, supported by recovery in sales volumes, improvement in margins, and stabilisation of debt coverage indicators. Conversely, continued pressure on profitability, prolonged demand weakness, or material adverse impact from higher leverage could exert further pressure on the credit profile.

Applicable Criteria:

Rating Methodology: Sugar
Rating Methodology: Manufacturing Companies
Financial-Ratios-Non-financial-sector
Rating-Outlook-and-Rating-Watch
Liquidity-Analysis-of-Non-financial-sector-entities
CARE's Policy on Default Recognition

BACKGROUND

Omnicane Milling Operations Ltd ("OMOL") was incorporated in November 2008 to operate a sugar milling factory located in La Baraque, in the south of Mauritius. The factory, originally established in 1850 by Mon Trésor & Mon Désert Limited, has a long-standing presence in the Mauritian sugar industry.

In 2002, the factory and its associated cane-growing land were acquired by Mr. Jacques M. d'Unienville, CEO of the Omnicane Group, through BBHM Holdings (subsequently renamed Omnicane Limited). Since then, the facility has undergone significant modernization and capacity expansion, with a current annual crushing capacity of approximately 1.4 million tonnes of sugarcane. OMOL is one of the three major players in the Mauritian sugar sector, alongside Alteo and Terra.

Following the abolition of the Sugar Protocol in 2009, the Mauritian sugar industry, under the direction of the Government of Mauritius and the Mauritius Sugar Syndicate (MSS), shifted from raw sugar production to higher value-added products, including Special Sugars and White Refined Sugar (WRS), to capture improved export margins. In this context, millers were encouraged to invest in refining capacity, leading to the establishment of sugar refineries by Omnicane and Alteo, each initially with a capacity of 145,000 tonnes per annum. Omnicane subsequently expanded its refining capacity to 260,000 tonnes per annum in 2017. In 2020, a new industry framework was introduced to enhance economies of scale, designating Omnicane as the sole refiner, while Alteo and Terra focused on the production of special sugars.

Operations and capacity: OMOL's core operations comprise sugarcane milling and refining activities, producing raw and white refined sugar. The company also generates by-products such as bagasse and molasses, which are supplied to related entities, including Omnicane Thermal Energy Operations (La Baraque) Ltd (OTEOLB: rated CARE MAU A-; Stable/CARE MAU A2+) and Omnicane Ethanol Production Ltd (OEPL: rated CARE MAU A-; Stable/CARE MAU A2+).

MOL's sugarcane milling operations utilise energy-efficient diffuser technology for juice extraction and have an annual crushing capacity of approximately 1.4 million tonnes of sugarcane, including both own harvest and third-party supply. The mill operates during the harvesting season from July to December, with a daily crushing capacity of around 8,500 tonnes. Based on this capacity, OMOL has an estimated annual production of approximately 429,000 tonnes of bagasse and 52,000 tonnes of molasses.

In addition, OMOL operates a sugar refinery with a production capacity of approximately 250,000 tonnes of white refined sugar per annum. In FY25, the company crushed 745,038 tonnes of sugarcane (FY24: 725,377 tonnes) and produced 187,286 tonnes of refined sugar (FY24: 196,017 tonnes).

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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.

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

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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.