Omnicane Thermal Energy Operations (La Baraque) Limited
03 September 2026

Ratings

Facilities/Instruments	Amount (MUR Million)	Rating[1]	Rating Action
Bank Facilities – Short-term	**1,385**	**CARE MAU A2+**	Reaffirmed
Bank Facility – Term loan	**57 (reduced from 91)**	**CARE MAU A-; Stable**	Reaffirmed

Rating Rationale

The ratings assigned to the bank facilities of Omnicane Thermal Energy Operations (La Baraque) Limited (OTEOLB) continue to factor in the temporary impact of the alternator breakdown that disrupted plant operations between March 2025 and December 2025. Consequently, the plant operated for only 5,327 hours in FY25 compared with 7,933 hours in FY24, resulting in electricity generation declining to 414 GWh from 648 GWh and revenue from the sale of electricity decreasing by approximately 40% to MUR 1,601 million from MUR 2,659 million. However, the issue has since been resolved, with repair works completed and the plant resuming normal operations in December 2025. During 6MFY26, the plant operated at full capacity with no major operational disruptions. CRAF expects plant availability and electricity generation to remain at normal levels during the second half of FY26, adjusted for the planned annual maintenance shutdown scheduled from mid-June to mid-July 2026.

The financial impact of the outage was mitigated by insurance proceeds of MUR 453 million recognised in FY25 and a further MUR 113 million recognised in 6MFY26. These proceeds helped compensate for lost revenue and repair expenditure incurred during the outage period, thereby supporting the company's profitability, cash generation and liquidity profile.

The ratings further derive strength from OTEOLB's established operating track record of over two decades as a contracted power producer, supported by its 90 MW coal and bagasse-based power plant and long-term Power Purchase Agreement (PPA) with the Central Electricity Board (CEB). The contracted nature of the business, together with the PPA's tariff mechanism allowing recovery of eligible operating, fuel and other major costs, results in a relatively low business risk profile and provides protection against fluctuations in key input costs, although timing differences may lead to temporary working capital requirements.

The ratings also benefit from OTEOLB's association with the well-established Omnicane Group, which has a long operating track record in Mauritius, and the strong technical and operational support provided by Albioma, an experienced power producer and shareholder. Additional comfort is derived from CEB's position as the sole transmission and distribution utility in Mauritius, its strategic importance to the country's electricity supply system, OTEOLB's comprehensive insurance coverage against operational risks, adequate liquidity profile and moderate leverage levels.

The ratings are, however, constrained by the impending expiry of the existing PPA in July 2027, exposing OTEOLB to renewal risk and uncertainty regarding the terms of any future contractual arrangement, particularly in the context of Mauritius' transition towards a higher share of renewable energy. The ratings are also tempered by the company's dependence on maintaining high plant availability, given the direct linkage between availability and capacity-charge recovery under the PPA. Further constraints include continued dependence on coal as the primary fuel source, exposing the company to potential coal procurement and supply disruptions. Notwithstanding the successful restoration of operations, the FY25 breakdown highlighted the sensitivity of OTEOLB's operating performance and cash flow generation to prolonged equipment-related outages.

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

3.1 Rating sensitivities: Factors likely to lead to rating actions

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

- Sustained improvement in plant availability and generation, with the ability to consistently achieve the contractual threshold of 8,000 operating hours.
- Ability to manage working capital requirements.
- Sustained improvement in underlying operating profitability and cash accruals, supported by normalisation of plant operations.

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

- Further increase in exposure to group companies or parent in the form of loans and advances leading to stress liquidity profile.
- Any significant delay in receipt of amount due from CEB.
- Adverse developments relating to the renewal of the PPA or material changes to the tariff structure and cost pass-through mechanism.
- Sustained deterioration in plant availability or prolonged operational disruptions resulting in lower generation, capacity-charge recovery and weakening of underlying operating cash flows.

Analytical approach

OTEOLB is analysed on a standalone basis while factoring in its linkages with the ultimate holding company, Omnicane Limited.

Outlook: Stable

The Stable outlook reflects CRAF's expectation that OTEOLB will continue to benefit from stable cash flow generation under its PPA with the CEB, supported by the restoration of normal plant operations and adequate debt coverage metrics.

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

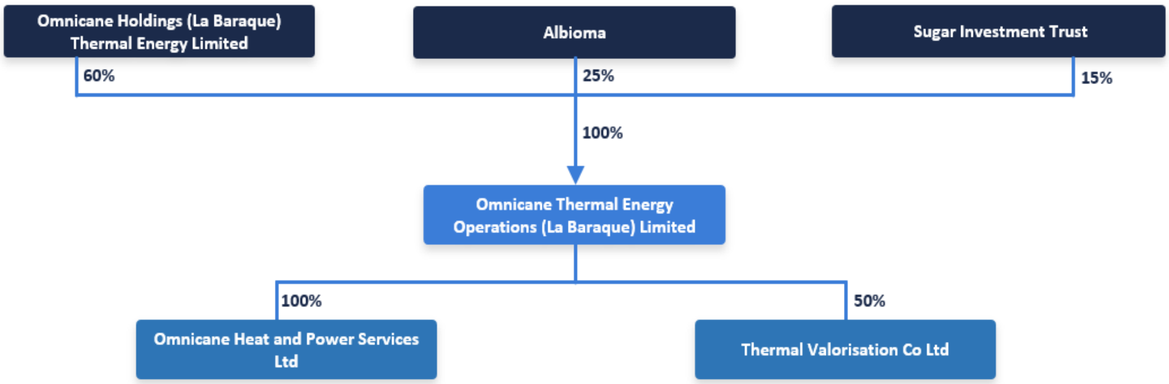
BACKGROUND

Incorporated in 2005, by Omnicane Group (Omnicane Limited and subsidiaries; "Omnicane Group"), Omnicane Thermal Energy Operations (La Baraque) Limited ("OTEOLB") owns and operates 90 MW (45 MW*2) coal and bagasse based powerplant located in the Southern part of Mauritius (La Baraque, L'Escalier). The power plant is operational since August 1, 2007.

Power Purchase Agreement with CEB: OTEOLB entered into a 20-year Power Purchase Agreement (PPA) with the Central Electricity Board (CEB), effective from the Final Commercial Operation Date of August 1, 2007. The 90 MW cogeneration power plant was constructed by Albioma, one of OTEOLB's shareholders. The PPA provides for the recovery of financing costs and commenced commercial operations in accordance with the agreed contractual terms.

The plant has a dual-fuel configuration, using bagasse and coal for power generation. Bagasse is primarily used during the sugarcane harvest season from June to December, while coal is used as the principal fuel during the remaining months. This fuel flexibility enables the plant to maintain electricity generation throughout the year.

Shareholding structure: Omnicane Holdings (La Baraque) Thermal Energy Limited ("OHLB") holds 60% stake in OTEOLB. The other shareholders are Albioma (25%) and Sugar Investment Trust (15%). **The shareholding structure is as follows:**



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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.