CareEdge RATINGS AFRICA
A subsidiary of CARE Ratings Limited, India

Omnicane Thermal Energy Operations (Saint Aubin) Limited
14 September 2026

Rating

Facilities/Instruments	Amount (MUR Million)	Rating[1]	Rating Action
Bank Facility – Loan (Long Term)	**133.8 (136)**	**CARE MAU A+; Stable**	Reaffirmed
Bank Facility – Loan (Short Term)	**300**	**CARE MAU A1+**	Reaffirmed

Rating rationale

The rating assigned to the bank facilities of Omnicane Thermal Energy Operations (St Aubin) Limited (OTEOSA) derives strength from the company's over two-decade-long operating track record in electricity generation, its strategic importance as an independent power producer (IPP) that supplies baseload power to the Central Electricity Board (CEB), and the established support from its promoter, the Omnicane Group, and technical partner Albioma. The rating is supported by the relatively low business risk under the power purchase agreement (PPA), which incorporates cost pass-through and tariff adjustment mechanisms for major operating costs, thereby providing reasonable cash flow visibility. OTEOSA has maintained satisfactory operating performance, supported by Albioma's technical expertise, while its financial profile strengthened in FY25. CEB's strategic importance as the sole transmission and distribution utility and principal offtaker, its established payment track record and government support provide comfort to the counterparty risk under the PPA.

The rating continues to factor in limited contractual visibility beyond December 2030, notwithstanding the execution of the five-year PPA extension. While the agreed extension provides near-term revenue visibility, uncertainty remains regarding the terms of an arrangement beyond 2030, particularly in view of Mauritius' ongoing transition towards renewable energy. The rating also factors in OTEOSA's dependence on maintaining high plant availability to maximise the recovery of capacity charges, recurring equipment-related maintenance issues, and concentration of operations in a single power generation facility. In addition, the plant is highly dependent on coal availability, exposing it to fuel supply and logistics risks, although direct exposure to coal price and foreign exchange movements is substantially mitigated through the PPA's pass-through mechanism.

Rating sensitivities: Factors likely to lead to rating actions

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

- Sustained plant availability, materially above the minimum contractual requirement, together with stable generation and substantially full recovery of capacity charges, including after completion of the boiler retrofit.
- Sustained improvement in operating cash flow and debt protection, with total debt/EBITDA remaining below 1.5x and annual DSCR remaining above 2.0x, while maintaining adequate liquidity.
- Improved contractual visibility beyond December 2030, or a demonstrable extension of the company's economic life through a commercially viable biomass-conversion or replacement power arrangement, without material additional financial risk.
- Material reduction in related-party receivables and maintenance of a conservative financial policy, including limited shareholder distributions and no material increase in exposure to group entities.

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

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

- Sustained deterioration in plant availability below the contractual requirement, resulting in material loss of capacity charges, weaker generation, or operating cash flow.
- Material delay, cost overrun or underperformance associated with the boiler retrofit, leading to prolonged outages or weakening of debt-servicing capacity.
- Annual DSCR falling below 1.30x, or interest coverage falling below 2.5x on a sustained basis.
- A sustained increase in total debt/EBITDA above 3.0x or overall gearing above 1.0x, particularly if accompanied by deterioration in liquidity or working capital utilisation.
- Significant and sustained delays in payments from the CEB, adversely affecting liquidity and debt servicing.
- Material increase in loans, advances or other financial exposure to group entities, or sizeable shareholder distributions, weakening the company's standalone liquidity profile.

Analytical approach: Standalone

CRAF has adopted a standalone approach for OTEOSA, while taking cognizance of its ownership by Omnicane Thermal Energy Holdings (Saint Aubin) Limited (OHSA), a wholly owned subsidiary of Omnicane Limited, and the technical and operational support provided by Albioma, which holds a 25% stake in the company and oversees the operation and maintenance (O&M) of the power plant.

Outlook: Stable

The stable outlook reflects CRAF's expectation that OTEOSA will continue to generate stable operating cash flows through its ongoing power supply arrangements with the CEB, maintain satisfactory operational performance and adequate debt protection metrics, while benefiting from the support of the Omnicane Group and its experienced technical operator, thereby supporting the timely servicing of its debt obligations over the rating horizon.

Applicable criteria

Rating Methodology: Power Generations Projects
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

About the company

Incorporated in 2003, OTEOSA owns and operates a 32.5 MW coal-based cogeneration power plant located at Saint Aubin in the south of Mauritius. The company is principally engaged in the generation and sale of electricity to CEB. OTEOSA holds a 15% stake in Thermal Valorisation Co Ltd, a company that specialises in thermal valorisation technologies and utilises fly ash and bed ash as fuel to generate steam, thereby contributing to energy efficiency and environmental sustainability.

PPA: OTEOSA entered into a 20-year PPA with CEB, which became effective in August 2005, coinciding with the commencement of commercial operations of the power plant. The PPA expired in September 2025. Following negotiations with the CEB, the parties have agreed to extend the PPA for a further five years through December 31, 2030. However, as of the date of this report, the amendment agreement formalising the extension has not yet been executed. Accordingly, while the five-year extension has been agreed, it is not yet formally documented through an executed amendment, creating some uncertainty around OTEOSA's revenue visibility beyond the expiry of the original PPA.

Shareholding structure: OHSA holds 60% stake in OTEOSA. The two other shareholders are Albioma (25%) and the Sugar Investment Trust (SIT; 15%).

OHSA is a wholly owned subsidiary of Omnicane Limited, a public company listed on the Stock Exchange of Mauritius. Omnicane is an integrated agro-industrial group with operations spanning sugarcane cultivation, refined sugar production, bioethanol, thermal energy, and other value-added activities.

Albioma, a French company listed in the NYSE Euronext regulated market in Paris, is an experienced independent renewable energy producer with more than three decades of expertise in biomass and thermal power generation. The company has extensive experience in designing, operating and maintaining bagasse/coal cogeneration plants across Mauritius, Réunion Island, Brazil, France and other overseas territories, with an installed generation capacity exceeding 1 GW. As part of its strategy to strengthen its biomass supply chain and secure fuel for its power plants, Albioma recently invested in a wood pellet production facility in Georgia, the US. This upstream investment supports the company's long-term objective of ensuring a reliable and sustainable biomass fuel supply for its generating assets, including those in the Indian Ocean region.

The **Sugar Investment Trust** (SIT) is a statutory body established in 1994 by an Act of Parliament to facilitate equity participation by sugarcane planters and employees of the sugar industry in the Mauritian sugar sector. GoM owns 6.53% and National Pension Fund owns 10.58% stake in SIT.

O&M of the plant: The construction of the power plant was undertaken by Albioma, which also provides O&M services under a long-term technical services agreement aligned with the provisions of the PPA. The PPA provides for the recovery of O&M costs through the capacity charge component. Reference amounts for these costs are specified in the agreement and are adjusted annually using predefined indexation formulas, thereby providing a transparent mechanism for the recovery of normal operating and maintenance expenses.

Management: OTEOSA is professionally managed and overseen by a seven-member Board of Directors, comprising two executive and five non-executive directors, including a representative from Albioma. The Board is chaired by Mr. Jacques M. d'Unienville, Chief Executive Officer of Omnicane Limited. The company is supported by an experienced management team and a skilled workforce with extensive expertise in power plant operations. The Plant Manager, Mr. Frédéric Robert, is seconded from Albioma, while the heads of operations, maintenance and finance have been associated with OTEOSA since the commissioning of the power plant. O&M and finance functions are supported by a workforce of approximately 50 employees, recruited jointly by OTEOSA and Albioma.

Disclaimer

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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.

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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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.