

Vivacity Ltd
28 July 2026

Ratings

Facilities/Instruments	Amount (MUR Million)	Rating ¹	Rating Action
Term Loan I	900	CARE MAU A-; Stable	Assigned
Proposed Term Loan II	400	CARE MAU A-; Stable	
Total	1,300		

Rationale and key rating drivers

The rating assigned to the bank facilities of Vivacity Ltd (Vivacity) derives significant strength from the consolidated credit profile of its parent company, United Docks Ltd (UDL), and reflects the strong financial, operational and strategic linkages between the two entities. The rating is based on a consolidated analytical approach at the UDL level, given Vivacity's status as a wholly owned subsidiary and project-specific special purpose vehicle (SPV), coupled with a high degree of interdependence between the entities.

UDL has demonstrated a strong commitment towards the successful execution and commercialisation of the Vivacity Smart City project through substantial financial support such as equity infusions, proposed shareholder funding of ~MUR 1,400 million sourced from its planned bond issuance, and a MUR 900 million letter of comfort in favour of the lending institution. Conversely, UDL's medium-term cash flow generation and debt servicing capability are expected to benefit materially from dividend flows and cash generation from Vivacity upon project completion, resulting in significant cash flow fungibility and mutual dependence between the entities.

The rating further benefits from UDL's established track record in the Mauritian real estate sector, sizeable asset base, diversified income streams, conservative consolidated gearing, and demonstrated execution capabilities in developing and operating large-scale real estate assets. Additional support is derived from the satisfactory construction progress achieved at Vivacity, encouraging presales and leasing traction, strategic location of the project within the Côte d'Or–Ebène corridor, and the diversified mixed-use nature of the development. Liquidity comfort is bolstered by the maintenance of a debt service reserve account (DSRA) equivalent to at least two quarters of interest obligations.

However, the rating is constrained by the project development risks associated with the successful completion and commercialisation of Vivacity, its limited standalone operating track record, and the absence of operating cash flows at present. The rating also factors in execution risks during the remaining construction phase, dependence on residential sales for deleveraging, commercial leasing risks for the office and lifestyle components, exposure to interest rate movements, and the potential impact of adverse conditions in the Mauritian real estate market. Nevertheless, these risks are partially mitigated by the strong financial and strategic support from UDL and the consolidated assessment framework adopted by CRAF.

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

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 BRN: C14127054 • FSC License No.: CR14000001

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

- Timely completion and successful commercialisation of the Vivacity project, leading to stronger-than-expected cash generation and deleveraging at the consolidated UDL level.
- Improvement in consolidated debt protection metrics, with cash coverage ratio remaining above 1.5x on a sustained basis.
- Strengthening of recurring income streams and liquidity profile while maintaining overall gearing below 0.50x.

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

- Delay in project completion, cost overruns, or lower-than-expected sales/lease-up, resulting in weaker cash flows and debt servicing capacity.
- Cash coverage ratio declining below 1.0x on a sustained basis at the consolidated level.
- Overall gearing exceeding 1.0x on a sustained basis at the consolidated level.
- Any weakening in parent support or reduction in the financial and operational linkages between UDL and Vivacity.

Analytical approach: Consolidation at the level of its parent

Vivacity's rating is based on a consolidated analytical approach at the level of its parent, UDL, given the strong financial, operational and strategic linkages between the two entities, despite Vivacity being the rated entity.

UDL holds 100% ownership in Vivacity and has demonstrated significant financial support through equity infusion (~MUR 700 million), proposed investments (~MUR 1,400 million from bond proceeds), and a letter of comfort (MUR 900 million). Being a project-specific SPV, Vivacity is substantially dependent on UDL for funding. In turn, UDL debt servicing capability will rely on dividend inflows from Vivacity upon project commercialisation.

Given the high degree of financial interdependence and cash flow fungibility, the credit risk is evaluated on a group basis, factoring in consolidated leverage, funding structure, and project risks. The approach reflects mutual dependence, wherein Vivacity's project execution and cash flow generation are critical to its own obligations as well as UDL's bond servicing.

Accordingly, while Vivacity's standalone project risks are considered, the rating derives significant support from UDL's credit profile and commitment, warranting a consolidated approach

Outlook: Stable

The stable outlook reflects CRAF's expectation that Vivacity will successfully complete and commercialise its Smart City development, supported by ongoing construction progress, presales achieved to date, and UDL's strong financial and operational support. The outlook also assumes that the company will generate sufficient cash flows from residential sales and recurring income streams to meet its debt obligations.

Applicable criteria

[Rating Methodology – Real Estate Sector](#)

[Rating Outlook and Credit Watch](#)

[Criteria for default recognition](#)

[Criteria for assigning rating outlook and credit watch](#)

[Rating credit enhanced debt](#)

[Financial ratios – Non-Financial sector](#)

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About the company

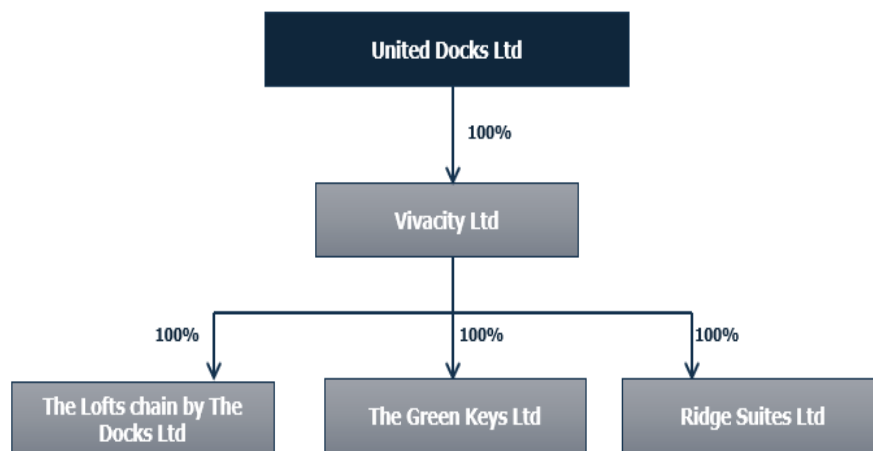
Incorporated on 9 June, 2022, **Vivacity Ltd** is a private company engaged in real estate development with owned or leased properties. The company is expected to generate revenue through the sale of residential units and the leasing of office, commercial, and lifestyle-oriented assets. Vivacity is a wholly owned subsidiary of **UDL**--one of the leading real estate developers with a strong track record of over 168 years of entrepreneurship, innovation, and sustained growth.

Vivacity Ltd is a smart city project consisting of the development of commercial, residential, wellness, conferencing, and serviced apartment facilities. Located in the dynamic Côte d'Or/Ebène precinct, within close proximity to Tribeca Mall and Ebène Cybercity, Vivacity's development offers a modern and integrated urban lifestyle. Strategically positioned in one of Mauritius' fastest-growing business hubs, the project is designed to blend residential, commercial, and lifestyle components in a vibrant and accessible environment.

Vivacity received its Smart City certificate on 5 February 2024 from the Economic Development Board of Mauritius for a mixed-use project spanning 58,432 m². The development consists of five residential blocks, four office blocks including conferencing facilities and a wellness centre, which is being executed in two phases. Phase 1, comprising a residential block, was successfully completed in February 2025. Overall project completion for Phase 2 was at an advanced stage by April 2026, with the remaining works expected to be completed by end of 2026. The whole project is being financed through a mix of equity and debt.



The group structure is as follows:



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Disclaimer

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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.

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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.

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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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