

CIRCULAR NOTICE

THIS CIRCULAR NOTICE CONSTITUTES, FOR THE PURPOSES OF THE LISTING RULES, A SUPPLEMENT TO THE LISTING PARTICULARS DATED 23 DECEMBER 2020 (“**LISTING PARTICULARS**”) IN RELATION TO THE SECURED CREDIT-LINKED NOTES OF CM DIVERSIFIED CREDIT LTD (THE “**ISSUER**”).

Unless otherwise defined, words and expressions used in this Circular Notice shall bear the same meanings as in the Listing Particulars.

This Circular Notice is issued pursuant to the Listing Particulars in relation to (i) a change in the Interest Rate, and (ii) changes in certain clauses of the Listing Particulars, as indicated in an annex to this Circular Notice (the “**Annex**”).

A summary of the revised key terms and conditions pertaining to the Notes is provided in paragraphs 1 to 3 below. Any investment decision in respect to the Notes shall be based on careful consideration of this Circular Notice (including the Annex) and the Listing Particulars as a whole.

1. The terms and conditions applicable to the Interest Rate are amended as follows:

	Current Terms	Proposed Terms
Interest Rate	Higher of 1.45% p.a. and R – 15 bps p.a. where R is the weighted (by amount allocated at each auction) average of the highest 91-day Government of Mauritius or Bank of Mauritius (as the case may be) bill yields accepted on primary auctions held during the period beginning on (and including) 29 th December 2020 (the “ Initial Date ”) and ending on (but excluding) the date on which the Circular Notice immediately following the Initial Date is issued	Higher of 1.25% p.a. and R – 15 bps p.a. where R is the weighted (by amount allocated at each auction) average of the highest 91-day Government of Mauritius or Bank of Mauritius (as the case may be) bill yields accepted on primary auctions held during the period beginning on (and including) 29 th March 2021 (the “ Initial Date ”) and ending on (but excluding) the date on which the Circular Notice immediately following the Initial Date is issued
Interest Reset Date (subject to Business Day Convention)	29 March 2021	29 June 2021
Duration of Interest Period	91 days	92 days
Maturity Date	18 December 2030	18 December 2030

2. The below table shows the current composition of the Reference Portfolio.

	Composition
Reference Portfolio	<ul style="list-style-type: none"> • RU-ENL 01: MUR 426 million (25.7%) • RU-CIEL 01: MUR170 million (10.3%) • RU-CIEL 02: MUR 170 million (10.3%) • RU-MUA 01: MUR 426 million (25.7%) • RU-OHTE 01: MUR 264 million (15.9%) • RU-ASC 01: MUR 200 million (12.1%)

3. The maturity of the RU-CIEL 01 notes was extended to 30 June 2021. CIEL has the option to repay or refinance the notes prior to the maturity date. In the event that:
 - i. CIEL prepays the notes, the repayment proceeds shall be held in Bank Deposits and/or Government of Mauritius or Bank of Mauritius bills or securities; or
 - ii. CIEL issues new notes prior to 29th June 2021, the Issuer may participate provided that: (i) the new CIEL notes are fully secured and rated CARE MAU A- or above, (ii) the Reference Portfolio remains as at 29th March 2021, and (iii) the terms are in line with prevailing market conditions.
4. In accordance with the terms of the Listing Particulars, you may exercise your Put Option by replying to this email and quoting the text specified in paragraph 5 below within three (3) Business Days of the date hereof. We remind you that, unless waived by the Issuer, a Put Option Notice sent to the Issuer shall be irrevocable.
5. In the event you wish to exercise your Put Option, please reply to the email notice and quote therein verbatim (save for the number of notes to be edited as applicable) the following text, which shall, for the purposes of the Listing Particulars, constitute the Put Option Notice:

“Further to the Circular Notice dated 8th March, 2021, I hereby unconditionally and irrevocably request you to redeem, purchase, or arrange for the purchase of, all/[insert number] Notes and to credit the Put Proceeds into the relevant bank account .”
6. The amendments specified in the Annex shall take effect on 29 March 2021.
7. The Annex shall constitute an integral part of this Circular Notice.
8. Except as amended pursuant to this Circular Notice, all the other terms and conditions set out in the Listing Particulars shall remain in full force and effect.
9. The governing law and jurisdiction clauses of the Listing Particulars shall apply to this Circular Notice.

8 March 2021

ANNEX – SUPPLEMENTAL INFORMATION ON VARIATION OF TERMS AND AMENDMENT TO LISTING PARTICULARS
A. Consequential Amendments to the Terms of the Listing Particulars

- i. The table in Section 2 of the Listing Particulars is hereby amended with the following new terms for “Interest Rate” and “Interest Reset Date”:

PRINCIPAL TERMS	
Interest Rate	<p>The Interest Rate shall be as follows:</p> <ul style="list-style-type: none"> • for the Interest Period starting 29th March 2021, the higher of 1.25% p.a. and R – 15 bps p.a.; where R is the weighted (by amount allocated at each auction) average of the highest 91-day Government of Mauritius or Bank of Mauritius (as the case may be) bill yields accepted on primary auctions held during the period beginning on (and including) 29th March 2021 (the “Initial Date”) and ending on (but excluding) the date on which the Circular Notice immediately following the Initial Date is issued; • thereafter, reset on each Interest Reset Date and will be specified in the Circular Notice
Interest Reset Date	The next Interest Reset Date shall be 29 June 2021

- ii. The definition of “Investment Universe” is hereby repealed and replaced by the following definition:

“Investment Universe

The investments allowed to the Issuer and consisting of :

- a) Debt Obligations issued by companies incorporated in Mauritius;*
- b) Sovereign Securities issued in Mauritius and in MUR;*
- c) Bank Deposits in MUR; and*
- d) such other securities or promissory note as may be determined by the Issuer and notified to Noteholders through the Circular Notice”*

- iii. The definition of “Investment Universe” is hereby repealed and replaced by the following definition:

“Debt Obligations

Loan obligations contracted, debentures, promissory notes, debt securities or any other forms of indebtedness”

- iv. The definition of the “Qualified Reference Entity” is hereby repealed;

- v. The first paragraph in Clause 4.2 of the Listing Particulars is hereby repealed and replaced by the following new provisions:

“The Board’s primary function is to direct and supervise the business and affairs of the Issuer. The Board consists for the time being of five (5) directors who are appointed by the holders of the ordinary shares.”

- vi. The table in Clause 4.2 of the Listing Particulars is hereby amended by adding the following information in relation to the appointment of an additional independent director:

Name	Biography	Address	Nationality
Robert Chowvee IP MIN WAN	Mr Robert Ip Min Wan is a Fellow of the Institute of Chartered Accountants in England & Wales. He graduated with a B.Com Hons from the University of Edinburgh in 1999. For the next eight years, he trained and worked with Deloitte (London) where he acquired, as senior manager, an extensive knowledge of financial services with a focus on banking. Since 2008, he has been managing his distribution business in Mauritius. He is also an independent director of Holiday Villages Management Services (Mauritius) Ltd and chairs the Corporate Governance committee.	10, Independence Ave, Roches Brunes, Beau Bassin	Mauritian

B. Portfolio Composition

The table below shows the current composition of the Reference Portfolio. No changes is being brought to the portfolio composition.

PART I: REFERENCE UNDERLYINGS

Reference entity	Reference underlying reference	Rating	Security	Weight in reference portfolio
CIEL Ltd	RU – CIEL 01	CARE MAU A+	A first rank share pledge (shared pari passu with all noteholders) on Alteo Ltd (ISIN: MU0368N00004) (“ Alteo Shares ”) and SUN Limited (ISIN: MU0016N00009) shares (“ SUN Shares ”). The Alteo Shares and the Sun Shares pledged carry a minimum valuation of MUR 213 million. The Issuer has agreed to waive the interest coverage ratio covenant and valuation covenant for the period 30 June 2020 to 1 st July 2021	10.30%
ENL Limited	RU – ENL 01	A	A first rank share pledge on ENL Property Ltd (“ ENLP ”). The shares pledged by ENL Ltd and shall carry a minimum valuation of MUR 554 million	25.70%
CIEL Ltd	RU – CIEL 02	CARE MAU A+	A first rank share pledge (shared pari passu with all noteholders) on Alteo Ltd (ISIN: MU0368N00004) (“ Alteo Shares ”) and SUN Limited (ISIN: MU0016N00009) shares (“ SUN Shares ”). The Alteo Shares and the Sun Shares pledged carry a minimum valuation of MUR 213 million (the “Valuation Covenant”). The Issuer has agreed to waive the interest coverage ratio covenant and valuation covenant for the period 30 June 2020 to 1 st July 2021	10.30%
MUA Ltd	RU – MUA 01	CARE MAU AA- (stable)	None	25.70%
OHTE Ltd	RU – OHTE 01	CARE MAU A- (stable)	<ul style="list-style-type: none"> A pledge of bank accounts of the Reference Entity A first rank share pledge of the Omnicane Thermal Energy Operations (La Baraque) Ltd shares held by Omnicane Ltd 	15.90%
Ascencia Ltd	RU – ASC 01	CARE MAU A+	<ul style="list-style-type: none"> A first rank pari-passu floating charge on the assets of Ascencia Ltd 	12.10%

PART II: REFERENCE ENTITIES

- **CIEL Ltd**

CIEL Ltd is a diversified Mauritian based investment company with operations across Africa, Asia, and Mauritius. CIEL Ltd, listed on the SEM, operates across 5 major clusters: Textile, Agro & Property, Hotels & Resorts, Healthcare, and Finance. As at 30 June 2020, CIEL Ltd (on a group basis) generated revenues of MUR 21.9bn and, a normalised EBITDA of MUR 3.2bn.

- **ENL Limited**

ENL Ltd is a diversified investment company listed on the SEM operating across 7 segments of land & investments, agro-industry, real estate, commerce & industry, hospitality, logistics and fintech. For the nine months period ending 31 March 2020, ENL Ltd

(on a consolidated basis) generated revenues of MUR 12.2bn, an operating profit of MUR 677m and a loss after tax of MUR 177m.

- **MUA Ltd**

MUA was incorporated in 1948. It has been listed on the Official Market of the Stock Exchange of Mauritius Ltd since 1993. MUA operates within the financial services industry specialising in Insurance, Corporate Pension Schemes, Investment and Loans for both individuals and corporates. For the nine months period ending 30 September 2020, MUA earned gross premium of MUR 3.8bn and a group profit after tax of MUR 204m.”

- **OHTE**

OHTE is a wholly owned subsidiary of Omnicane Limited and is the majority shareholder (60%) of Omnicane Limited’s main power plant, Omnicane Thermal Energy Operations (La Baraque) Ltd (“OTEOLB”). OTEOLB has signed a 20-year Power Purchase Agreement (“PPA”) with the Central Electricity Board (“CEB”), which will expire in July 2027, and which requires OTEOLB to be available to the CEB for a minimum of 8,000 hours annually. Whilst OTEOLB exports the majority of the electricity it produces on-demand to the CEB throughout the year, the power plant also supplies both electricity and low-pressure steam to Omnicane Milling Operations Limited (“OMOL”) during the harvest season.

- **Ascencia Ltd**

Ascencia is the leading mall owner and operator in Mauritius. Its prime assets include Bagatelle, the busiest mall in the country, and ‘Jumbo’ Phoenix Mall. As at 30 June 2020, Ascencia generated a total revenue of MUR 1.3bn, an operating profit of MUR 621m, and a profit after tax of MUR 407m.