

CM Structured Products (2) Ltd
Circular Notice dated 28 December 2022

THIS CIRCULAR NOTICE CONSTITUTES, FOR THE PURPOSES OF THE LISTING RULES, A SUPPLEMENT TO THE LISTING PARTICULARS DATED 28 MARCH 2020 AS AMENDED (“**LISTING PARTICULARS**”) IN RELATION TO THE SECURED CREDIT-LINKED NOTES OF CM STRUCTURED PRODUCTS (2) LTD.

We refer to your investment in the secured credit-linked notes issued on 13 January 2020 (the “**Notes**”) by CM Structured Products (2) Ltd (the “**Issuer**”). Unless otherwise defined, words and expressions used in this Circular Notice shall have the meaning ascribed to them in the Listing Particulars.

This Circular Notice is issued pursuant to the Listing Particulars in relation to (i) the Interest Rate, (ii) the Review Date, (iii) the Reference Basket Rebalancing, (iv) proposed changes to the Credit Enhancement Amount, and (v) certain other changes to the Listing Particulars, which are summarized in an annex (the “**Annex**”) to this notice.

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.

Pursuant to the terms of the Listing Particulars, we hereby give you notice of the following information:

	Current Terms	Proposed Amended Terms
Aggregate Nominal Amount of Notes in issue	EUR 5,000,000	EUR 7,700,000
Reference Basket	The following notes: RU- La Pirogue 01 <ul style="list-style-type: none"> • Reference Entity: City and Beach Hotels (Mauritius) Limited • Amount: EUR 5,000,000 • Rating: CARE MAU A- (stable) • Weight in Reference Basket: 100% 	The following notes: RU- La Pirogue 01 <ul style="list-style-type: none"> • Reference Entity: City and Beach Hotels (Mauritius) Limited • Amount: EUR 5,000,000 • Rating: CARE MAU A- (stable) • Weight in Reference Basket: 65% RU- COVIFRA 01: <ul style="list-style-type: none"> • Reference Entity: Compagnie des Villages de Vacances de L’isle de France Limitée (“COVIFRA”) • Amount: EUR 2,700,000 • Rating: CARE MAU A (stable) • Weight in Reference Basket: 35%

	Current Terms	Proposed Amended Terms
Interest Rate	The aggregate of the Reference Rate and the Spread, which at the date of this Circular Notice is 2.87% p.a.	2.75% p.a.
Review Date	The date, at the discretion of the Issuer but always subject to a Circular Notice being served on Noteholders under the terms and conditions of these Listing Particulars, on which any amendment to the Interest Rate, Reference Basket and other terms and conditions of these Listing Particulars becomes effective. A Review Date shall always fall on an Interest Payment Date with the next Review Date falling no later than 13 January 2023. Any amendment to a Review Date shall be specified in the Circular Notice issued prior to such Review Date.	The date, at the discretion of the Issuer but always subject to a Circular Notice being served on Noteholders under the terms and conditions of these Listing Particulars, on which any amendment to the Interest Rate, Reference Basket and other terms and conditions of these Listing Particulars becomes effective. A Review Date shall always fall on an Interest Payment Date with the next Review Date falling no later than 13 April 2023. Any amendment to a Review Date shall be specified in the Circular Notice issued prior to such Review Date.
Rating	CARE MAU BBB+ (SO)	CARE MAU A- (SO)
Credit Enhancement Amount	EUR 375,000	EUR 578,000
Next Review Date	At latest 13 January 2023	At latest 13 April 2023

- The Notes have been upgraded by CARE Ratings (Africa) Private Limited from CARE MAU BBB+ (SO) to CARE MAU A- (SO) to reflect the improved credit quality of the Reference Portfolio. The rating rationale is available to the general public at <http://www.careratingsafrica.com/rating-symbols-definitions.php>.
- Further Issue of Notes and Reference Basket Rebalancing

The Issuer shall make a private placement of 2,700 new Notes at a nominal amount of EUR 1,000 each to certain eligible investors pursuant to the terms of an offer memorandum (the “**New Notes**”). Subject to the approval of the Stock Exchange of Mauritius Ltd (“**SEM**”) being obtained:

- the New Notes will be issued and listed on the 13th January 2023; and
- the proceeds raised from the issue of the New Notes shall be used to acquire notes issued by the Compagnie des Villages de Vacances de L’isle de France Limitée. The addition of the New Notes shall constitute a Reference Basket Rebalancing pursuant to Clause 3.2 of the Listing Particulars

Following the issue of new Notes by the Issuer, the Aggregate Nominal Amount of Notes outstanding shall increase from EUR 5,000,000 to EUR 7,700,000. Paragraph B of the Annex contains additional information in relation to the Reference Basket Rebalancing.

3. 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 4 below within three (3) Business Days of the date hereof. We kindly remind you that, unless waived by the Issuer, a Put Option Notice sent to the Issuer shall be irrevocable.
4. In the event you wish to exercise your Put Option, please reply to this email 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 28th December 2022, 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 bank account specified in the Application Form.”

5. The amendments to the Listing Particulars contained in this Circular Notice shall take effect on 13 January 2023.
6. All provisions of the Listing Particulars other than those amended hereunder shall apply to this Circular Notice as if the same were set out in full herein.
7. Except as amended pursuant to this Circular Notice, all other the terms and conditions set out in the Listing Particulars shall remain in full force and effect.
8. The provisions on governing law and jurisdiction of the Listing Particulars shall apply to this Circular Notice.

28th December 2022

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

- i. The definitions of the following terms in Paragraph 1 (*Definitions*) shall be amended and replaced as follows:

Term	Definition
Credit Enhancement Amount	Means an amount in EUR which shall be at least equal to 4.5% of the outstanding Aggregate Nominal Amount, and notified to the Noteholders through the Circular Notice or these Listing Particulars (as applicable)
EURIBOR	The relevant EURO Interbank Offered Rate on which the Reference Rate is benchmarked
Interest Payment Date	Shall have the meaning ascribed to that term in Paragraph Error! Reference source not found.
Issue Date	The date on which the Notes are issued by the Issuer
Maturity Date	A Maturity Date shall be the date falling at least one (1) Business Day after the maturity date of the Reference Underlying having the longest tenor, being 14 January 2030
Reference Rate	The Reference Rate shall be determined by averaging the 6-month EURIBOR (floored at 0%) over a period of three (3) months ending ten (10) Business Days before the date of the Circular Notice.
Registrar Agreement	The agreement entered into by the Issuer and the Registrar for the purposes of appointing the latter (i) as registrar, calculation, transfer and paying agent with respect to the Notes and (ii) for the purposes of the Guidelines, as issuing and paying agent

- ii. The following definitions shall be added to Paragraph 1 (*Definitions*):

Term	Definition
EURIBOR	Means an amount in EUR which shall be at least equal to 4.5% of the outstanding Aggregate Nominal Amount, and notified to the Noteholders through the Circular Notice or these Listing Particulars (as applicable)
First Issue Notes	The 5,000 Notes issued by the Issuer on 13 January 2020
Guidelines	The Guidelines for the Issue of Corporate and Green Bonds in Mauritius dated 23 December 2021 issued by the FSC, as may be amended from time to time

- Interest Commencement Date** Means, in relation to each issue of Notes, the Issue Date thereof or if the payment of the subscription monies is not effected on that Issue Date, 'Interest Commencement Date' shall be the date such payment is made by that Noteholder to the Issuer's bank account
- Second Issue Notes** Means the 2,700 Notes issued, in addition to the First Issue Notes, on 13 January 2023 ***[Note: the date of issue of the Second Issue Notes, shall be subject to the approval of the Stock Exchange of Mauritius, and is, on this basis, susceptible to change]***
- iii. The term "**Registrar**" in Paragraph 1 (*Definitions*) and, as appropriate in the Listing Particulars, shall be amended to and replaced by "**Registrar, Transfer, Calculating & Paying Agent or Issuing and Paying Agent (for the purposes of the Guidelines)**".
- iv. The Paragraphs below or provisions thereof shall be amended as follows, and except as otherwise indicated, deletions made are, for reference, crossed out and insertions are italicised and underlined below:
- (a) The opening line of Paragraph 2 (*Principal Terms Pertaining to the Notes*):
- "The general terms pertaining to the Notes are as specified in Part A of Schedule IV, and the specific terms pertaining to the first *and second* issue of Notes are specified *respectively* in Part B(I) *and Part B(II)* of Schedule IV."
- (b) The opening line of Paragraph 3.5 (*Determination of Interest Rate*):
- "Subject to a Circular Notice being served, the Issuer shall have the option of revising the Interest Rate *and the Interest Period*."
- (c) Paragraph 3.8 (*Issuer's Disclosure*):
- "In considering an investment in the Notes, investors shall be aware that several affiliates of the Issuer have been, or are, involved in the structuring, underwriting and distribution of the Notes contemplated herein. Furthermore, the Reference Entities may have been assisted by an affiliate of the Issuer (licensed for such activity) in furtherance of the structuring, issue and placing of the Reference Underlyings. *Any connection that any Reference Entity may have with the Issuer as a related party will further be brought to the investors' attention at Schedule IV, Part B.* Investors are also informed that the directors of the Issuer are employed by and/or are directors of entities within the Issuer's group (its affiliates, parent company and ultimate holding company)."
- (d) Paragraph 4.1 (*Overview of the Issuer*):

“The Issuer is wholly owned by MCB Capital Markets Ltd (“**MCBCM**”), which is itself a wholly-owned entity of the MCB Group Limited, a company listed on the Official Market of the SEM. The Company shall be a limited life company. The duration of the Company shall not exceed fifty (50) years from the date of its incorporation. ~~The Company has been a dormant company from its incorporation up to the date of the issue of the Notes~~*The Company’s objects are to offer, structure and engineer any type of structured products and to do all such other things as are necessary, ancillary or incidental to, or as the Company may think conducive for, the conduct, promotion or attainment of its business. The Company has no employees. Its day-to-day operations are outsourced to subsidiaries of MCBCM. There is no change in the nature of the business of the Issuer that is being contemplated in the foreseeable future.*”

~~No change in the nature of the business of the Issuer is being contemplated in the foreseeable future.~~

- (e) The names and profiles of the Directors in office set out in Paragraph 4.2 (*Board of Directors of the Issuer*) are deleted and replaced by the information at paragraph E below of this Circular Notice.
- (f) A new Paragraph 4.3 (*Board Committees*) shall be added as follows:

“ 4.3. Board Committees

The Board does not have a formal committee structure. The size and operations of the Issuer and the Board are such as to allow the Board as a whole to oversee all the activities of and matters relating to the Issuer, and falling within the scope of the Directors’ duties and obligations.”

- (g) Paragraph 4.4. (*Directors’ Interests*):

“As at the date hereof, *other than the following Directors*, the Directors do not have any direct interest in the equity or debt securities of the Issuer: ~~Some of the Directors have an indirect interest in the equity or debt securities of the Issuer.:~~

Name	Type of Equity/Debt Securities	Percentage Interest
Mr. Vimal Ori (joint ownership)	Credit linked notes	1.4%

- (h) Paragraph 4.7 (*Emolument and benefits*):

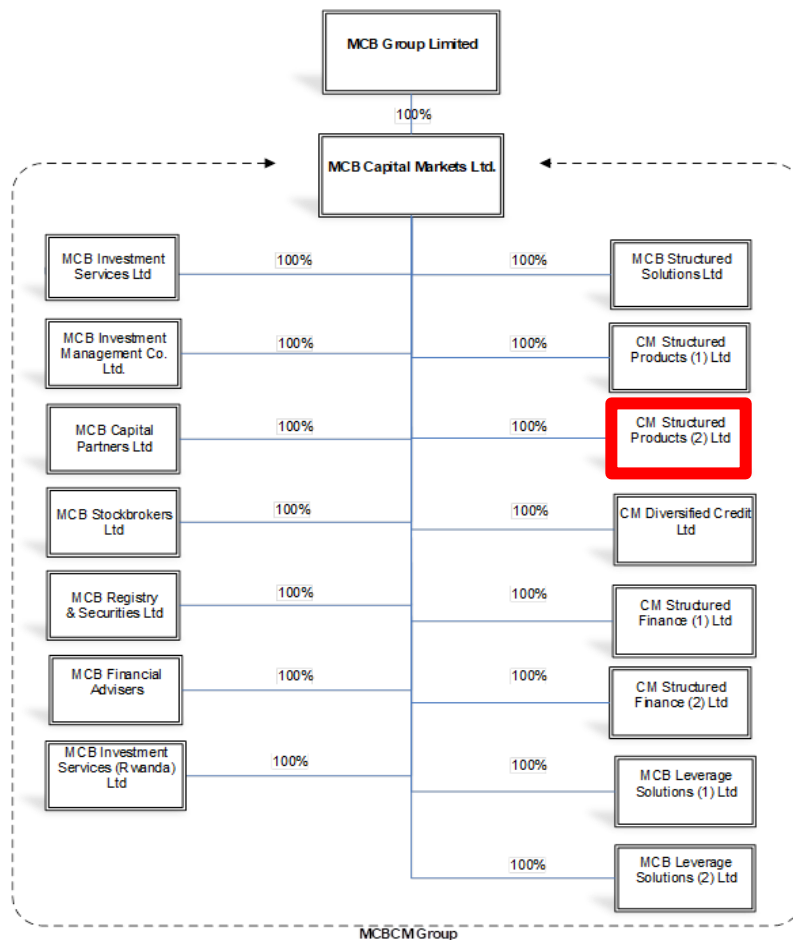
~~“No Other than the Issuer’s independent Directors, no remuneration is payable and no loans or benefits in kind will be granted by the Issuer~~paid to the other Directors for their office. None of the Directors have contracted any loans with, or enjoy or derive any benefit in kind from the Issuer. An independent Director is remunerated at MUR 15,000 per annum.”

(i) The first sentence of the second sub-paragraph of Paragraph 4.8.1 (*Shareholding Structure*):

~~“Save for the issue of the Class B Shares, there have been no issue or sale of any capital of the Issuer within the 2 years immediately preceding the issue of these Listing Particulars.”~~

(j) Paragraph 4.8.2 (*Structure Chart*):

The structure chart of the Issuer is deleted and replaced with the diagram below:



(k) Paragraph 5.1 (Financial Highlights) is deleted in its entirety and replaced with the information set out at paragraph F below of this Circular Notice.

(l) Paragraph 5.4 (*Dividend Policy*):

~~“The Issuer does not have a fixed dividend policy and it has not paid any dividends since its incorporation and subject to applicable laws and the terms of these Listing Particulars, may pay dividends over the next year.”~~

(m) Paragraph 6.1 (*Notes in Issue*):

~~“6.1 Initial Private Placement~~

~~As approved by the Board on 28 November 2019, the Issuer placed the Notes with Eligible Investors by way of private placement. The private placement of the Notes has, in accordance with the Securities (Preferential Offer) Rules 2017, been approved by the sole shareholder of the Issuer.~~

~~The first Notes were issued for an Aggregate Nominal Amount of EUR 5,000,000 on 13 January 2020.~~

6.1 Notes in Issue

As at the date of these Listing Particulars, there are 5,000 Notes in issue which are listed on the Official Market of the SEM.

Further to the renewal on [DATE] of the LEC’s original approval granted on 22 February 2020, the Issuer has been authorised to issue and list Notes Additional Notes up to the Maximum Aggregate Nominal Amount under these Listing Particulars (inclusive of the Additional Notes) as from the Effective Date.”

(n) The first sentence of Paragraph 6.5 (*Form of the Notes*):

“The Notes were/will be issued in inscribed form and accordingly no certificates were/will be issued.”

(o) The first sub-paragraph of Paragraph 6.7.2 (*Interest Rate*) shall be deleted in its entirety and replaced with the following:

“The initial Interest Rate on the Second Issue Notes shall be 2.75% p.a. Thereafter, the Interest Rate may be reset on each Review Date and will be notified to the Noteholders through the Circular Notice.”

(p) The last sub-paragraph of Paragraph 6.8.3(e) (*Credit Event Acceleration*):

“After an Adjustment Date, a reference to “Notes” in these Listing Particulars shall be a reference to the “Performing CLN”. The first Review Date of the Performing CLN after the Adjustment Date shall be the date falling one (1) year after as determined in the Adjustment Date Circular Notice.”

(q) The second sentence of Paragraph 6.12(a) (*Limited Recourse*):

“Other than the foregoing and the Credit Enhancement Amount, the Issuer will have no other funds available to meet its obligations under the Notes.”

(r) The first sentence of Paragraph 6.12(b) (*Limited Recourse*):

“Recourse to the Issuer shall be limited to the Reference Basket, the Credit Enhancement Amount or other assets subject to Security Interest and the proceeds of such assets, as applied in accordance with these Listing Particulars.”

(s) Paragraph 6.13 (*Methods of Payment*):

“Payments of interest and principal will be made in EUR by electronic funds transfer to the account designated for that purpose by the Noteholder in the CDS account- or Application Form. Accordingly, the Noteholder shall forthwith make the necessary arrangements to provide a valid bank account to the Registrar, if it is different to that bank account specified in the CDS account or Application Form.

In the case of joint Noteholders, payment by electronic funds transfer will be made to the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the ~~Issuer~~Registrar of its relevant payment obligations under the Notes. If the ~~Issuer~~Registrar is prevented or restricted directly or indirectly from making any payment by electronic funds transfer in accordance with this Paragraph (whether by reason of strike, lockout, fire, explosion, floods, riot, war, accident, act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, unrest or disturbances, cessation of labour, government interference or control or any other cause or contingency beyond the control of the ~~Issuer~~), ~~the Noteholder will be promptly notified that his share of any payment in relation to his Notes is being held by the Registrar until the latter is in a position to credit the bank account of the Noteholder. No interest will be payable on such amount held with the Registrar~~, the Registrar shall make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice) of any such amounts. Such payments by cheque shall be sent by post to the address of the Noteholder as set forth in the Register or, in the case of joint Noteholders, to the address set forth in the Register of that one of them who is first named in the Register in respect of that Note.

Each such cheque shall be made payable to the relevant Noteholder crossed "A/C Payee". Cheques shall be sent by post, provided that the Registrar shall not be responsible for any loss in transmission and the postal authorities shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this Paragraph 6.13.

Payments will be subject in all cases to any fiscal or other laws, directives and regulations applicable thereto in the place of payment."

- (t) Paragraph 6.16 (*Rating*) shall be deleted in its entirety and replaced with the following:

"As at 19 December 2022, the Notes are rated CARE MAU A (SO) Stable by the Rating Agency. The Issuer expects that the Rating Agency will review this rating concurrently with the Second Issue of Notes. The Issuer shall notify its Noteholders of any rating action taken by the Rating Agency following the Second Issue of Notes. The latest information on the Notes rating is available on the website of the Rating Agency at <http://www.careratingsafrica.com/rating-symbols-definitions.php>

The rating of the Second Issue Notes should not be construed as being a recommendation to buy, sell or hold securities. The rating of the Second Issue Notes may be subject to revision, suspension or withdrawal at any time by the Rating Agency, and should be read in conjunction with the rating rationale and such other documents as may be published by the Rating Agency.

The rating of the Second Issue Notes shall be monitored by the Rating Agency during the lifetime of the Notes. Such monitoring may result in changes to the rating outlook, the rating being upgraded or downgraded. Any change in the rating of the Second Issue Notes shall be communicated forthwith by the Issuer to the Noteholders and the Noteholders' Representative."

- (u) Paragraph 6.18.3 (*Register*):

“Except as provided for in these Listing Particulars or as required by law, in respect of Notes, the Issuer will only recognise a Noteholder as the owner of the Notes registered in that Noteholder’s name as per the ~~Register~~book entries recorded by the CDS.”

- (v) The first sentence of Paragraph 6.23 (Notices):

“All notices to Noteholders shall be sent by email as provided in the ~~application form~~Application Form or for the purposes of the CDS account.”

- (w) Paragraph 7.1 (Estimated Expenses):

“The breakdown of the fees relating to ~~the issue and~~ listing of the Second Issue Notes is as follows:

Cost description	Amount (MUR)
Issue fees	500,000
SEM application fees	150,000

The whole amount of ~~the Issue and Listing Fees~~these fees will be borne by the Issuer.”

- (x) The following first of Paragraph 8 (Risk Factors) is deleted:

“The Issuer has no operating history with which to evaluate its comparative performance.”

- (y) Paragraph 8.3 (No active trading market for the Notes):

“The Notes issued under these Listing Particulars ~~will be new securities which may not be widely held~~distributed and for which there may be ~~no active~~subject to limited trading market. ~~If the opportunities.~~ The Notes ~~are traded~~may trade after their initial issuance, ~~they may~~ trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Reference Underlyings and/or of the Issuer. It will also not be possible to redeem the Notes prior to their Maturity Date except in the limited circumstances as specified in these Listing Particulars. Consequently, an investor in the Notes must be prepared to hold the Notes until either the date of exercise of the Put Option or the Maturity Date. ~~The Issuer will seek a listing of the Notes are/will be listed~~ on the SEM subject to approval of the listing division of the SEM. There will be no market-making arrangement in place and no assurance is given on the liquidity of those Notes.”

- (z) A new Paragraph 8.6 is added as follows:

“Payments to Noteholders

All payments to the Noteholders will be made only if the Issuer has made the funds available to the Issuing and Paying Agent.”

- (aa) The following text is added before the opening sub-paragraph of the Income Tax sub-heading under Paragraph 9 (Taxation):

- Tax treatment of Interest prior to listing of the Notes

Interest paid by the Issuer to any Noteholder will be subject to income tax at the current rate of 15% p.a. Where interest is paid to a Noteholder other than a company resident in Mauritius, the Issuer (acting through the Agent) will be required by the Income Tax Act to withhold income tax at the current rate of 15% p.a. (subject to any double taxation agreement in force between Mauritius and the foreign country where the Noteholder is resident).

- *Tax treatment of Interest post listing of the applicable Tranche of Notes”*

(bb) The first sentence of Paragraph 11 (*Documents available for Inspection*):

“The Transaction Documents (as defined in the definition section) and the Constitution of the Issuer are available for inspection during normal business hours at the registered office of the Company Secretary for a minimum of 14 days from the date hereof.Effective Date.”

(cc) The following sections of Paragraph 12:

Transaction Adviser/Adviser or Corporate Finance Adviser (for the purposes of the Guidelines)	MCB Financial Advisers (trading name MCB Capital Markets) 9-15 Sir William Newton Street, Port Louis Mauritius
Legal Adviser	BLC Robert & Associates 2 nd Floor, The AXIS 26, Bank Street, Cybercity Ebene 72201, Mauritius
Registrar, calculation, transfer and paying agent or Issuing and Paying Agent (for the purposes of the Guidelines)	M.C.B MCB Registry & Securities Ltd 9-15 Sir William Newton Street, Port Louis Mauritius

B. SCHEDULE II - THE REFERENCE BASKET

- (i) The constituents of the Reference Basket are amended as follows and Part I of Schedule II (*The Reference Underlying*) is amended accordingly.

PART I: REFERENCE UNDERLYINGS

Reference Entity	Reference underlying reference	Amount	Rating	Security	Weight in reference portfolio
City and Beach Hotels (Mauritius) Limited	<i>RU – La Pirogue 01</i>	<i>EUR 5,000,000</i>	<i>CARE MAU A- (stable)</i>	<i>A fixed and floating charge on all assets of the Reference Entity</i>	<i>65%</i>

Reference Entity	Reference underlying reference	Amount	Rating	Security	Weight in reference portfolio
COVIFRA	<i>RU – COVIFRA 01</i>	<i>EUR 2,700,000</i>	<i>CARE MAU A (stable)</i>	<i>A pari passu first rank fixed and floating charge on all asset of the Reference Entity</i>	<i>35%</i>

- (ii) The corresponding Reference Entity of the new Reference Underlying (RU-COVIFRA 01) is added so that Part II of Schedule II reads as follows:

PART II : REFERENCE ENTITIES

- **RU- La Pirogue 01**

City and Beach Hotels (Mauritius) Limited is the holding Company of La Pirogue, a 4-Star Superior resort located in the west coast of Mauritius. La Pirogue is one of the first resorts that opened in Mauritius in 1976 and comprises 248 rooms. The resort was last refurbished in 2017 and is located on a 43 arpents site with a long stretch of beach frontage and an excellent lagoon.

- **RU- COVIFRA 01**

Compagnie des Villages de Vacances de L'Isle de France Limitée is a public company listed on the Development and Enterprise Market of the Stock Exchange of Mauritius Ltd. The company rents out its investment property, and plant and equipment to Holiday Villages Management Services (Mauritius) Limited, which operates the Club Med Hotel at La Pointe aux Canonnières, Mauritius

D. SCHEDULE IV – PRINCIPAL TERMS OF THE NOTES

- (i) The following dates in Section 3 (*Timetable*) of Part B (I) (*SPECIFIC TERMS IN RELATION TO THE NOTES ISSUED ON 13 JANUARY 2020 (THE FIRST ISSUE NOTES)*) are amended as follows:

f) Next Review Date	At latest 13 January 2023
g) Next Interest Payment Date	On or about 13 April 2023

- (ii) In line with paragraph A(iv) above of the Annex to this Circular Notice, Part II (*SPECIFIC TERMS IN RELATION TO THE NOTES ISSUED ON 13 JANUARY 2023 (THE SECOND ISSUE NOTES)*) is added to Schedule IV (B) as follows:

1. Aggregate Nominal Amount	EUR 2,700,000
2. Reference Basket	<ul style="list-style-type: none"> • RU- COVIFRA 01 <ul style="list-style-type: none"> ○ Reference Entity: Compagnie des Villages de Vacances de L'isle de France Limitée (« COVIFRA ») ○ Amount: EUR 2,700,000 ○ Rating: CARE MAU A (stable) ○ Security interest pertaining to Reference Underlying: Entity"). First ranked (shared pari passu) fixed and floating charge on the Reference Entity's assets. ○ Financial covenants: interest coverage ratio above 1.75, loan-to-value less than 60%. ○ Weight in Reference Basket: 35% <p>Disclosure : Investors shall be aware that MCBCM, the sole shareholder of the Issuer, and MCB Real Assets Ltd, the majority shareholder of COVIFRA (holding 93.39% of the its shares), are both ultimately held by MCB Group Limited</p>

3. Time Table	In relation to this issue of Notes, the following will apply:
a) Offer start date	[●] January 2023
b) Offer end date	12 January 2023
c) Payment Date	13 January 2023
d) Issue Date	13 January 2023
e) Current Maturity Date	14 January 2030
f) Next Review Date	13 April 2023
g) Next Interest Payment Date	13 April 2023
4. Interest Rate	The initial Interest Rate on the Second Issue Notes shall be 2.75% p.a. Thereafter, the Interest Rate may be reset on each Review Date and will be notified to the Noteholders through the Circular Notice.
5. Rating	<p>As at 19 December 2022, the Notes are rated CARE MAU A (SO) Stable by the Rating Agency. The Issuer expects that the Rating Agency will review this rating concurrently with the Second Issue of Notes. The Issuer shall notify its Noteholders of any rating action taken by the Rating Agency following the Second Issue of Notes. The latest information on the Notes rating is available on the website of the Rating Agency at:</p> <p>http://www.careratingsafrica.com/rating-symbols-definitions.php</p> <p>The rating of the Second Issue Notes should not be construed as being a recommendation to buy, sell or hold securities. The rating of the Second Issue Notes may be subject to revision, suspension or withdrawal at any time by the Rating Agency, and should be read in conjunction with the rating rationale and such other documents as may be published by the Rating Agency.</p> <p>The rating of the Second Issue Notes shall be monitored by the Rating Agency during the lifetime of the Notes. Such monitoring may result in changes to the rating outlook, the rating being upgraded or downgraded. Any change in the rating of the Second Issue Notes shall be communicated forthwith by the Issuer to the Noteholders and the Noteholders' Representative.</p>

E. THE BOARD OF DIRECTORS OF THE ISSUER

Name	Profile	Address	Nationality
Gilbert GNANY (Born in 1962), Chairman and Non-Executive Director]	<p>Gilbert previously worked as Senior Adviser on the World Bank Group's Executive Board where he was responsible for issues relating mainly to the International Finance Corporation and to the private and financial sectors. Prior to joining the World Bank, he was the MCB Group Chief Economist and Group Head of Strategy, Research & Development after having been the Economic Adviser to the Minister of Finance in Mauritius. During his career, he has been involved in various high-profile boards/committees. Amongst others, he chaired the Stock Exchange of Mauritius Ltd, the Statistics Advisory Council and the Statistics Board as well as having been a member of the Board of Governors of the Mauritius Offshore Business Activities Authority, a director of the Board of Investment and of the Mauritius Sugar Authority. He was also a member of the IMF Advisory Group for sub-Saharan Africa, a member of the Senate of the University of Mauritius and a director of the Financial Services Institute. He is currently a Board member of several companies within the Group namely MCB Capital Markets Ltd, MCB Seychelles, MCB Maldives, MCB Madagascar, MCB Microfinance Ltd, MCB Consulting Services Ltd and MCB Institute of Finance amongst others. On the institutional side, he is an external IMF expert in statistics, in particular on data dissemination standards and strategy. Moreover, he is a member of the Financial Services Consultative Council and of the Managing Committee of the COVID-19 Solidarity Fund. He also acts as Chairperson on the Statistics Board of Mauritius, the COVID-19 Committee on Economic Recovery and the Economic Commission of Business Mauritius which serves, <i>inter alia</i>, as a platform for public-private sector dialogue</p> <p>Directorships in listed companies: MCB Group Limited, Promotion and Development Ltd, Caudan Development Ltd, Compagnie Des Villages De Vacances De L'Isle De France Limitée, Médine Ltd</p> <p>Directorships in listed funds: MCB India Sovereign Bond ETF, African Domestic Bond Fund</p>	Port Chambly, Terre Rouge, Mauritius	Mauritian
Ronald LAM YAN FOON	Rony Lam is the Chief Executive Officer of MCB Capital Markets Ltd, the Corporate Finance Advisory, Private Equity and Investment Management arm of	La Preneuse, Mauritius	Mauritian

Name	Profile	Address	Nationality
(Born in 1971), Non-Executive Director	<p>MCB Group Limited, the largest banking group in Mauritius. He started his career with KPMG in Beijing and London, where he qualified as a Chartered Accountant. Since 2000, he has pursued a career in investment banking at HSBC Investment Bank and Barclays in London and Asia. From 2007 to 2012, he was a Partner at Fenchurch Advisory Partners, a leading UK investment banking firm focused exclusively on advising financial institutions and private equity firms on mergers and acquisitions and capital market transactions.</p> <p>Directorships of listed companies: None</p>		
<p>Vimal ORI (Born in 1973), Non-Executive Director</p>	<p>Mr Vimal Ori is the Chief Operating Officer of MCB Capital Markets Ltd. He holds a number of directorships in subsidiaries of MCB Group Limited and is also a director of the Central Depository and Settlement Co Ltd. Vimal was designated a member of the Financial Services Consultative Council established under the Financial Services Act in August 2020. He was previously Projects Manager within the Investors & Securities Services SBU of The Mauritius Commercial Bank Ltd. and Finance & Compliance Manager at MCB Investment Management Co. Ltd. for eight years prior to that. He holds a certificate in Applied Data Science and is a Fellow Member of the Association of Chartered and Certified Accountant (FCCA). Vimal has over 25 years of work experience in various sectors including audit, insurance and IT services.</p> <p>Directorships of listed companies: None</p>	Dupuis Lane, Floréal, Mauritius	Mauritian
<p>Robert Chowvee IP MIN WAN (Born in 1977), Independent Director</p>	<p>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.</p>	10, Independence Ave, Roches Brunes, Beau Bassin	Mauritian

Name	Profile	Address	Nationality
	Directorships of listed companies: Compagnie des Villages de Vacances de L'Isle De France Limitee ("COVIFRA")		
Feriel AUMEERALLY (Born in 1970), Independent Director	<p>Feriel Aumeerally trained with EY, London before joining PwC, Corporate Finance. She specialised in Project and Structured Finance working as a senior project consultant on Major Infrastructure Projects in Victoria, Australia and later as a senior research analyst on the buy side in the infrastructure sector. Feriel headed the Project Finance team at SBM before taking on the role of Group Head of Strategy and Projects at the Harel Mallac Group. Feriel is a member of the Audit Practice Review Panel of the Financial Reporting Council. She is an Independent and Non-Executive Board Director of Apex Fund Services (Mauritius) Ltd and is the Chair of the Audit and Risk Committee. Feriel was previously a Board member of Absa Bank (Mauritius) Ltd and chaired the Risk Committee.</p> <p>Feriel is a Fellow Chartered Accountant from the ICAEW, UK. She holds a BSc (Hons) Econ from the LSE, UK, a Masters in International Business from the University of Melbourne and a graduate diploma in Applied Finance from Macquarie University in Sydney, Australia.</p> <p>Directorships of listed companies: None</p>	Villa 3, Ravin 3, Bagatelle, Moka, Mauritius	Mauritian

F. FINANCIAL HIGHLIGHTS

The Issuer has been a dormant company from its incorporation up to the date of the issue of the First Issue Notes and has been set up specifically and solely for the purposes of carrying the business activity specified in Paragraph **Error! Reference source not found.**

The Issuer's statement of profit and loss, statement of financial position, and cash flow statements are shown in figure 1 to figure 3 below.

The Issuer's profits for the financial year 2022 after tax rose from EUR 5,290 to reach EUR 11,737. This increase in profits was attributable mostly to an increase in interest income.

EUR	FY21	FY22
Interest Income	177,767	186,817
Interest Expense	(107,917)	(108,333)
Operating Expenses	(29,964)	(29,521)
Administrative Expenses	(40,305)	(36,870)
Foreign Exchange (Losses) / Gains	5,709	(356)
Profit before Tax	5,290	11,737
Income Tax Credit/ (Expense)	-	-
Profit after Tax	5,290	11,737
Other Comprehensive Income	-	-
Total Comprehensive Income for the period	5,290	11,737
Earnings per share	0.33	0.73
Number of Shares in Issue	16,000	16,000

Figure 1: Statement of Profit & Loss

EUR	FY21	FY22
ASSETS		
Financial Assets at amortised cost	5,081,667	5,086,333
Non Current Assets	5,081,667	5,086,333
Prepayments	693	-
Cash and Cash Equivalents	365,538	367,756
Total Assets	5,447,898	5,454,089
EQUITY AND LIABILITIES		
Share Capital	375,252	375,252
Retained Earnings	(34,963)	(23,226)
Total Equity	340,289	352,026
Current Liabilities		
Other payables	86,255	78,820
Non Current Liabilities		
Other Financial Liabilities	5,021,354	5,023,243
Total Liabilities	5,107,609	5,102,063
Total Equity and Liabilities	5,447,898	5,454,089

Figure 2: Statement of Financial Position

EUR	FY21	FY22
Cashflow from Operating Activities		
Cash used in Operations	(74,733)	(73,133)
Interest Received	178,253	182,151
Interest Paid	(110,938)	(106,444)
Net Cash (used in)/generated from Operating Activities	<u>(7,418)</u>	<u>2,574</u>
Net increase/(decrease) in Cash and Cash Equivalents	(7,418)	2,574
Movement in Cash and Cash Equivalents		
At the beginning of reporting period	367,247	365,538
Increase/(Decrease)	(7,418)	2,574
Effect of Foreign Exchange Rate Changes	5,709	(356)
At the end of reporting period	<u>365,538</u>	<u>367,756</u>

Figure 3: Statement of Cash Flows