

# **CM STRUCTURED PRODUCTS (2) LTD**

(A public company limited by shares and with limited life incorporated under the laws of Mauritius  
with business registration number C18156878)

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## **LISTING PARTICULARS**

**in respect of the listing by way of private placement of up to EUR 50,000,000 secured credit-linked notes of nominal value EUR 1,000 each issued by CM Structured Products (2) Ltd on the Official Market of the Stock Exchange of Mauritius Ltd (“SEM”) with effect from the commencement of listing and trading date being 17 March 2020**

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Dated: 28 March 2020

**LEC/P/04/2020**

**Transaction Adviser: MCB Capital Markets**

## NOTICES

These listing particulars ("**Listing Particulars**") are submitted in connection with the listing of secured credit-linked notes (the "**Notes**") issued by CM Structured Products (2) Ltd (the "**Issuer**" or the "**Company**"). The Issuer is incorporated as a public company limited by shares and with limited life under the laws of Mauritius. The Total Aggregate Nominal Amount (as defined hereinafter) of all Notes that may be issued by the Issuer from time to time under these Listing Particulars will not exceed **EUR 50,000,000**.

Nothing in these Listing Particulars shall be construed as, and under no circumstances shall these Listing Particulars constitute, an offer to sell the Notes to the public. This document should be read in its entirety.

No person is authorised to give any information or make any representations not contained herein, and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer.

The circulation and distribution of these Listing Particulars in certain jurisdictions may be restricted by law. Persons who may come into possession of these Listing Particulars are required to inform themselves of and to observe any such restrictions. These Listing Particulars do not constitute an offer to sell, or a solicitation of an offer to buy, a security in any jurisdiction in which it is unlawful to make such an offer or to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.

A copy of these Listing Particulars will be filed with the Financial Services Commission ("**FSC**"). The FSC does not vouch for the financial soundness of the Company or for the correctness of any statements made or opinions expressed with regard to it.

These Listing Particulars include particulars given in compliance with the SEM rules governing the Official Market ("**Listing Rules**") for the purpose of giving information with regard to the Issuer. Neither the Listing Executive Committee of the SEM ("**LEC**"), the SEM nor the FSC assume any responsibility for the contents of this document, make any representation as to the accuracy and completeness of any of the statements made or opinions expressed therein and expressly disclaim any liability whatsoever for any loss arising from or in relation to the whole or any part of the contents of this document.

An application for the listing of the Notes by way of private placement has been made under Chapter 18 Part C of the Listing Rules. Permission has been granted by the LEC for the Notes to be admitted for listing on the Official Market of the SEM on 28 February 2020.

The Transaction Advisor and the other professional advisers have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility and liability is accepted by them as to the accuracy or completeness of the information contained in these Listing Particulars or any other information provided by the Issuer. The Transaction Advisor and the other professional advisers do not accept any liability in relation to the information contained in these Listing Particulars or any other information provided by the Issuer in connection with these Listing Particulars.

Unless otherwise mentioned herein, the statements and information contained in these Listing Particulars have been compiled as of 13 January 2020. Neither the delivery of these Listing Particulars nor any offer, allotment or issue of any Notes shall under any circumstances create an implication or constitute a representation that the information given in these Listing Particulars is correct as at any time subsequent to the date thereof.

Any information on taxation contained in these Listing Particulars is a summary of certain tax considerations but is not intended to be a complete discussion of all tax considerations. The contents of these Listing Particulars are not to be construed as investment, legal or tax advice. Moreover, investment in the Notes entails a number of risks, a non-exhaustive list of which is described in these Listing Particulars. Investors should therefore consult their own independent professional advisers on such matters before making an investment.

The Notes issued or to be issued by the Issuer shall be “credit-linked”, i.e. they carry the credit risks of the Reference Basket. The Issuer intends over time to add further Reference Underlyings to the Reference Basket with the objective of providing investors exposure to a diversified pool of credit. This is a major difference from investing in a classic corporate bond which offers exposure to a single name credit.

The Notes are specialist securities (as defined in the Listing Rules) and have been offered by way of a private placement to investors who are knowledgeable and thereby understand the risks of investing in specialist debt instruments. Investing in the Notes exposes an investor to a certain degree of risk, including the risk of losing some or a significant part of the investor’s investment. Investors should be prepared to sustain a total loss of their investment in such securities. The Notes constitute secured obligations of the Issuer and rank *pari passu* in all respects among themselves. Purchasers are reminded that the securities constitute obligations of the Issuer only and of no other person.

The Notes and these Listing Particulars have not been registered under the United States Securities Act of 1933, as amended, or the United States Investment Company Act of 1940, as amended and may not be offered, sold or delivered in the United States of America, or to or for the account of a US Person (as defined hereinafter). Any such investor should consult their professional advisers to determine whether an investment in the Notes could result in adverse consequences to the investor or its related persons and affiliates. US Persons may have United States tax consequences arising from investing in the Notes.

To the best of its knowledge and belief, the Board (as defined below) has taken all reasonable care to ensure that the information contained in these Listing Particulars is in accordance with the facts and does not omit anything likely to affect the import of such information. Unless otherwise indicated herein, the opinions expressed in this document are those of the Board.

The Directors, whose names appear in Paragraph 4.2 collectively and individually accept full responsibility for the accuracy or completeness of the information contained in these Listing Particulars and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, these Listing Particulars comply with the Listing Rules, the Securities Act 2005 and the Securities (Preferential Offer) Rules 2017, and that there are no other facts the omission of which would make any statement herein misleading.

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Director

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Director



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## 1. DEFINITIONS

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*In this definition section, the words in the first column of the following table shall bear the meaning set opposite them respectively in the second column.*

<b>Term</b>	<b>Definition</b>
<b>Act</b>	The Companies Act 2001, as may be amended from time to time
<b>Aggregate Nominal Amount</b>	The principal amount raised, at any time, by the Issuer under these Listing Particulars
<b>Applicable Procedures</b>	The rules, guidelines and operating procedures of the SEM and/or CDS, as the case may be
<b>Bank Deposits</b>	Cash held by the Issuer and representing proceeds from the issue of Notes and/or redemption and/or the sale of Reference Underlyings (other than Bank Deposits) and deposited in any currency on the bank accounts of the Issuer to be held in the books of (i) any bank duly authorised to carry out banking business in Mauritius by the Bank of Mauritius or (ii) any licensed deposit taking institution in Mauritius
<b>Business Day</b>	Any day (other than a Saturday or Sunday or public holiday) on which commercial banks are normally open for business in Mauritius
<b>Business Day Convention</b>	If any date referred to in these Listing Particulars would otherwise fall on a day that is not a Business Day, such date shall be postponed to the next day that is a Business Day
<b>Call Option</b>	The call option specified in Paragraph 6.8.2
<b>Call Proceeds</b>	Shall have the meaning ascribed to it in Paragraph 6.8.2(b)
<b>CDS</b>	The Central Depository & Settlement Co. Ltd
<b>Circular Notice</b>	A written notice to be substantially in the form set out in Schedule III of these Listing Particulars, sent by the Issuer to each Noteholder and the Noteholders' Representative in accordance with the terms and conditions of these Listing Particulars
<b>Constitution</b>	The constitution of the Issuer as may be amended or replaced from time to time
<b>Credit Enhancement Amount</b>	Means an amount in MUR which shall be at least equal to 4.5% of the outstanding Aggregate Nominal Amount, converted to MUR at a fixed EURMUR rate of MUR 40.00, and notified to the Noteholders through the Circular Notice or these Listing Particulars (as applicable). The Issuer does not intend to adjust this amount in line with appreciation/ depreciation of the EURMUR exchange rate
<b>Credit Event</b>	Shall be deemed to occur upon the Issuer either (i) being notified (by the Reference Entity or the noteholders' representative of the Defaulting Reference Underlying (or its agents, if any)) or (ii) otherwise

taking cognizance of an event of default in respect of any of the Reference Entities (such event of default being as described in the relevant Reference Underlying Documentation)

<b>Credit Event Notice</b>	Shall have the meaning ascribed to it in Paragraph 6.8.3
<b>Credit Event Transfer</b>	The transfer by the Issuer, to the Credit Event Transferee, of the Defaulting Reference Underlying
<b>Credit Event Transferee</b>	A special purpose vehicle which may be set up, on the occurrence of a Credit Event, for the orderly discharge of the Issuer's obligations and/or liabilities in relation solely to the Defaulting Reference Underlying
<b>Cross Default</b>	<p>Any of the following (other than the Financial Indebtedness contemplated under these Listing Particulars) shall be deemed to be a cross-default:</p> <ul style="list-style-type: none"><li>a) any Financial Indebtedness of the Issuer is not paid when due nor within any originally applicable grace period;</li><li>b) any Financial Indebtedness of the Issuer is declared to be or otherwise becomes due and payable before its specified maturity as a result of an event of default (however described);</li><li>c) any commitment for any Financial Indebtedness of the Issuer is cancelled or suspended by a creditor of the Issuer as a result of an event of default (however described); or</li><li>d) any creditor of the Issuer becomes entitled to declare any Financial Indebtedness of the Issuer due and payable before its specified maturity as a result of an event of default (however described)</li></ul>
<b>Day Count Fraction</b>	The day count fraction is the actual number of days in the relevant Interest Period divided by 360
<b>Debt Obligations</b>	Loans, promissory notes, debt securities, or other forms of borrowings of Qualified Reference Entities in whatever form and under any documentation, subject to the applicable laws, issued in EUR
<b>Defaulting Reference Underlying(s)</b>	One or more Reference Underlyings that are, or have been, the subject of a Credit Event
<b>Defaulting Reference Underlying(s) Nominal Amount</b>	The aggregate of the nominal amount of each Defaulting Reference Underlying
<b>Directors</b>	The directors of the Issuer, as may be changed from time to time in accordance with the Constitution

<b>Disruption Event</b>	Any event falling outside of the control of the Issuer which, in the opinion of the Issuer, directly or indirectly: <ul style="list-style-type: none"> <li>(a) disrupts (in whatever manner) the loan market or credit markets in Mauritius; or</li> <li>(b) has or may have a material impact on the integrity or value of the Reference Basket as a whole or one, or more, of the constituents of the Reference Basket</li> </ul>
<b>Eligible Investor</b>	The investors targeted by the Issuer and to which these Listing Particulars are addressed being investors having made an investment of a minimum of EUR 30,000 for their own account
<b>EUR</b>	Means Euro, the lawful currency of the European Union
<b>Event of Default</b>	Has the meaning ascribed to it in Paragraph 6.15
<b>Financial Indebtedness</b>	In relation to the Issuer, any indebtedness, for or in respect of: <ul style="list-style-type: none"> <li>a) moneys borrowed;</li> <li>b) any amount raised by acceptance under any credit facility;</li> <li>c) any amount raised (other than under these Listing Particulars) pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;</li> <li>d) the amount of any liability as lessee in respect of any lease or hire purchase contract which would, in accordance with International Financial Reporting Standards (IFRS), be treated as a finance or capital lease;</li> <li>e) any advance payment or other trade credit received more than 60 days before the scheduled delivery date for the consignment of goods to which it relates;</li> <li>f) receivables sold or discounted (other than any receivables sold on a non-recourse basis);</li> <li>g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;</li> <li>h) any amount raised pursuant to an arrangement whereby an asset sold or otherwise disposed of by the relevant person may be leased or re-acquired by that person or an affiliate of that person (whether following the exercise of an option or otherwise);</li> <li>i) any counter-indemnity or reimbursement obligation in respect of any guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;</li> <li>j) any shares which are expressed to be redeemable at the option of their holder; and</li> </ul>

	k) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in Paragraphs (a) to (j) above
<b>FSC</b>	The Financial Services Commission of Mauritius
<b>Insolvency Proceedings</b>	Any of the insolvency proceedings referred to in the Insolvency Act 2009 (as amended from time to time)
<b>Interest Amount</b>	The amount of interest payable in respect of the Notes, as determined in accordance with Paragraph 6.7
<b>Interest Payment Date</b>	Shall have the meaning ascribed to that term in Paragraph 6.7.3
<b>Interest Period</b>	The first Interest Period in respect of any issue of Notes shall start on (and include) the Issue Date of such Notes and end on (but exclude) the Interest Payment Date immediately following such Issue Date and thereafter, the next Interest Period shall begin on (and include) an Interest Payment Date and ending on (but exclude) the next Interest Payment Date
<b>Interest Rate</b>	The rate of interest as set out in Paragraph 6.7
<b>Investment Universe</b>	The investment universe of the Issuer shall consist of: <ul style="list-style-type: none"> <li>a) Debt Obligations issued by Qualified Reference Entities;</li> <li>b) Preference Shares issued by Qualified Reference Entities;</li> <li>c) Sovereign securities with a credit rating at least equivalent to that of Mauritius at the time of investment;</li> <li>d) Bank Deposits; and</li> <li>e) such other securities or promissory note as may be determined by the Issuer and notified to Noteholders through the Circular Notice</li> </ul>
<b>Issue Date</b>	The date on which Notes are issued by the Issuer, with the first Issue Date being the 13 January 2020. Subsequent Issue Dates shall be specified in the Circular Notice prior to each further issue
<b>Issuer</b>	CM Structured Products (2) Ltd, a public company limited by shares and with limited life incorporated under the laws of Mauritius
<b>Limited Recourse</b>	Shall have the meaning ascribed to it in Paragraph 6.12
<b>MARC</b>	Mauritius Chamber of Commerce and Industry Arbitration and Mediation Center
<b>Maturity Date</b>	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. The current Maturity Date is 14 January 2030
<b>Mauritius</b>	The Republic of Mauritius

<b>Maximum Aggregate Nominal Amount</b>	With respect to any issue of Notes, means the maximum amount to be raised by the Issuer through such issue.
<b>Minimum Aggregate Nominal Amount</b>	With respect to any issue of Notes, means the minimum amount to be raised by the Issuer through such issue.
<b>MUR</b>	The lawful currency of Mauritius
<b>New CLN</b>	Shall have the meaning ascribed to it in Paragraph 6.8.3 (b)(ii)
<b>Nominal Amount</b>	In relation to any Note, the total amount, excluding interest and any adjustments on account of any formula, owed by the Issuer under that Note
<b>Nominal Amount per Note</b>	EUR 1,000
<b>Noteholders</b>	The holders of Notes as recorded in the Register
<b>Noteholders' Representative</b>	A person appointed by the Issuer in the capacity of debenture holder representative pursuant to the Act, such person being initially MUA Life Ltd
<b>Noteholders' Representative Agency Agreement</b>	The agreement executed between the Issuer and the Noteholders' Representative on or before the Issue Date
<b>Notes</b>	Secured credit-linked notes issued or to be issued from time to time by the Issuer under these Listing Particulars
<b>Payment Date</b>	The date on which the subscription monies for an investment in Notes shall be paid in the Issuer's bank account. The Payment Date in respect of any issue of Notes shall be the Issue Date applicable for that issue.
<b>Performing CLN</b>	Shall have the meaning ascribed to it in Paragraph 6.8.3(e)
<b>Performing CLN Nominal Amount per Note</b>	The nominal amount per note in respect of each Performing CLN determined as follows:  <b><math>X - (X * Z)</math></b>  where <b>X</b> = Nominal Amount per Note (i.e. EUR 1,000)  where <b>Z</b> = The ratio of the Defaulting Reference Underlying Amount to that of the Reference Underlying Nominal Amount
<b>Performing Reference Underlying(s)</b>	The Reference Underlying(s) other than the Defaulting Reference Underlying
<b>Pledge</b>	Has the meaning ascribed to it in Paragraph 6.6
<b>Preference Shares</b>	Any equity instrument which is:  a) Redeemable at the option of its holder; and b) Denominated in EUR.
<b>Private Placement</b>	The placement of the Notes with investors
<b>Put Option</b>	The put option right specified in Paragraph 6.8.1 (a)

<b>Put Notice</b>	Has the meaning ascribed to it in Paragraph 6.8.1(b)
<b>Put Proceeds</b>	Has the meaning ascribed to it in Paragraph 6.8.1(d)
<b>Qualified Reference Entity</b>	A corporation that the Issuer deems to be credit worthy and that: <ul style="list-style-type: none"> <li>a) has a minimum net asset value or market capitalisation of MUR 1,000,000,000 (or an equivalent amount in any other currency) at the time of investment by the Issuer; and</li> <li>b) has not defaulted on any of its obligations (howsoever described in the relevant loan or offering documentation) for the last 3 years prior to the date of each issue under these Listing Particulars</li> </ul>
<b>Recovery Fee</b>	In relation to the administration services to be provided by the Credit Event Transferee relating to the Defaulting Reference Underlying(s), a fee equal to 5% of any amount recovered by the Credit Event Transferee
<b>Reference Basket</b>	A portfolio regrouping one or more Reference Underlying(s) specified in Schedule II and which may be amended from time to time through a Reference Basket Rebalancing as specified in the Circular Notice
<b>Reference Basket Rebalancing</b>	Has the meaning ascribed to it in Paragraph 3.2
<b>Reference Entity(ies)</b>	The entity(ies) which has/have obligations to make payments to the Issuer by virtue of investments made by the latter in the relevant Reference Underlying
<b>Reference Underlying</b>	Sovereign securities with a credit rating at least equivalent to that of Mauritius at the time of investment, Debt Obligations, Preference Shares, Bank Deposits and/or such other similar instruments as may be determined by the Issuer or specified in the Investment Universe
<b>Reference Underlying Documentation</b>	Collectively, the offering document, security document and such other document, documenting the terms and conditions of an investment in the Reference Underlying
<b>Reference Underlying Nominal Amount</b>	The aggregate of the nominal value of each of the Reference Underlyings
<b>Registrar</b>	M.C.B. Registry and Securities Ltd, a public company limited by shares with business registration number C07009196 and having its registered office at Sir William Newton Street, Port Louis, Mauritius
<b>Registrar Agreement</b>	The agreement entered into by the Issuer and the Registrar for the purposes of appointing the latter as registrar, calculation, transfer and paying agent with respect to the Notes
<b>Review Date</b>	A 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 first Review Date falling, subject to the Business Day Convention, no later than 13 January 2021. Any amendment to a Review Date shall be specified in the Circular Notice issued prior to such Review Date.

<b>Right of First Refusal</b>	Has the meaning ascribed to it in Paragraph 3.4
<b>Security Interest</b>	Any mortgage, charge, encumbrance, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement (whether conditional or otherwise) having or intended to have a similar effect
<b>SEM</b>	The Stock Exchange of Mauritius Ltd
<b>Total Aggregate Nominal Amount</b>	The maximum aggregate Nominal Amount of all Notes that may be issued by the Issuer from time to time under these Listing Particulars, such amount being EUR 50,000,000 for the time being
<b>Trading Costs</b>	In relation to a Noteholder having exercised its Put Option, means the applicable trading costs borne by such Noteholder in accordance with the Applicable Procedures
<b>Transaction Documents</b>	Collectively the following documents: <ul style="list-style-type: none"><li>a) the Noteholders' Representative Agency Agreement;</li><li>b) the Registrar Agreement;</li><li>c) these Listing Particulars (as amended and supplemented by the Circular Notices from time to time); and</li><li>d) the document creating the Pledge</li></ul>
<b>Underwriter</b>	M.C.B Stockbrokers Limited, an investment dealer licensed by the FSC as an investment dealer (full service dealer including underwriting)
<b>USD</b>	Means the lawful currency of the United States of America
<b>US Person</b>	<ul style="list-style-type: none"><li>a) any natural person resident in the United States, including any U.S. resident who is temporarily outside the United States;</li><li>b) any corporation, partnership, limited liability company or other entity organised or incorporated under the laws of the United States;</li><li>c) any estate of which any executor or administrator is a U.S. Person;</li><li>d) any trust of which any trustee is a U.S. Person;</li><li>e) any agency or branch of a foreign entity located in the United States;</li></ul>

- f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;
- g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident, in the United States; and
- h) any corporation, partnership, limited liability company or other entity if (1) organised or incorporated under the laws of any non-U.S. jurisdiction and (2) formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) promulgated under the U.S. Securities Act) which are not natural persons, estates or trusts

Notwithstanding the foregoing, the following persons do not constitute "U.S. Persons" for purposes of these Listing Particulars:

- a) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident, in the United States;
- b) any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person if (i) an executor or administrator of the estate which is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate and (ii) the estate is governed by non-U.S. law;
- c) any trust of which any professional fiduciary acting as trustee is a U.S. Person shall not be deemed a U.S. Person if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. Person;
- d) an employee benefit plan established and administered in accordance with the laws of a country other than the United States and customary practices and documentation of such country;
- e) any agency or branch of a U.S. Person located outside the United States if (i) the agency or branch operates for valid business reasons and (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and



- f) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans

## **2. PRINCIPAL TERMS PERTAINING TO THE NOTES**

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The general terms pertaining to the Notes are as specified in Part A of Schedule IV and the specific terms pertaining to the first issue of Notes are specified in Part B of Schedule IV. Upon further issue of Notes, Part B of Schedule IV will be amended and supplemented by way of a Circular Notice.

These terms are a summary of the main features and/ or the terms and conditions applicable to the Notes, which may be amended by way of Circular Notice in accordance with the provisions of these Listing Particulars. Any decision to invest in the Notes should be based on consideration of these Listing Particulars as a whole, including the Circular Notice(s).

### 3. THE OFFERING

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#### 3.1 **A Diversified Credit Investment Opportunity**

The Notes issued or to be issued by the Issuer shall be “credit-linked”, i.e. they reflect the credit risks associated with the Reference Basket. The Issuer intends, over time, to add further Reference Underlyings to the Reference Basket with the objective of providing investors exposure to a diversified pool of credit. This is a major difference from investing in a classic corporate bond which offers exposure to a single name credit.

Although the Notes issued shall be long-dated debt obligations of the Issuer, investors in the Notes will have the flexibility to exit their investment by exercising the Put Option under the terms and conditions laid out in these Listing Particulars. Investors shall be aware that the Issuer may, at its sole discretion, redeem all or part of the Notes through the Call Option.

#### 3.2 **The Reference Basket Rebalancing**

Under the terms and conditions laid out in these Listing Particulars and subject to paragraph 3.3, investors in the Notes shall be aware that under a Circular Notice, the Issuer may, at its sole discretion and on any Review Date, add and/or remove one or more Reference Underlying(s) or cause for any variation to the existing Reference Underlying(s) constituting the Reference Basket (“**Reference Basket Rebalancing**”).

Such Reference Basket Rebalancing shall:

- a) be fully disclosed in the relevant Circular Notice in the form of detailed constituents of the Reference Basket; and
- b) not be effective until such time as Noteholders have had the option of rejecting the Reference Basket Rebalancing by exercising a Put Option.

The Notes only reference, or are only linked to, the financial instruments included in the Investment Universe. In the event this strategy is changed (by way of Circular Notice), namely through the inclusion of equities, then the Issuer will provide a statement regarding the treatment of potential corporate actions in the underlying assets.

#### 3.3 **Cash Management**

Subject to the terms and conditions of the issue of the Reference Underlying Documentation, the Reference Entities may redeem the Reference Underlying prior to their respective maturity dates or an Interest Payment Date. For the avoidance of doubt, such events shall not be treated as a Reference Basket Rebalancing under paragraph 3.2 above and any proceeds received from the Reference Entity shall be used by the Issuer to (i) invest in Bank Deposits , and/or (ii) invest in sovereign securities with a credit rating at least equivalent to that of Mauritius at the time of the investment, and/or (iii) pay the Call Proceeds following the exercise of its Call Option on the corresponding amount of Notes.

#### 3.4 **Further Issues**

Subject to a Circular Notice being served and to applicable laws, the Issuer may, at its sole discretion, issue further Notes up to the Total Aggregate Nominal Amount. All new Notes issued shall, unless otherwise provided in the Circular Notice, have same rights as, rank *pari*

*passu* with, and be assimilated to, the existing Notes. The Issuer may, from time to time, elect to offer existing Noteholders a right of first refusal (the “**Right of First Refusal**”) in subscribing to the further Notes. Upon the receipt of the Circular Notice and the optional Right of First Refusal, investors may by exercising the option Right of First Refusal (under the terms and conditions laid out in the Circular Notice) increase their subscription to the Notes. A Circular Notice served in accordance with this Paragraph 3.3 shall be deemed to be a pricing supplement for the purposes of the Listing Rules.

### 3.5 **Determination of Interest Rate**

Subject to a Circular Notice being served, the Issuer shall have the option of revising the Interest Rate. In setting out the Interest Rate at each Review Date, the Issuer shall take into account various market conditions, including but not restricted to (i) the prevailing short-term bank deposit rates, (ii) the prevailing EUR treasury bill rates, (iii) the prevailing rates offered by other short-term credit investment products (if applicable), and (iv) the rating of the Notes (if applicable).

### 3.6 **Effects of Circular Notices**

By serving a Circular Notice, the Issuer shall have the right to: (i) change the Interest Rate, (ii) effect the Reference basket Rebalancing, and (iii) make amendments to the terms and conditions of these Listing Particulars. Noteholders will have the option of rejecting any changes proposed by the Issuer through the Circular Notice by exercising their Put Option.

### 3.7 **Underwriting Arrangement**

In the event of the exercise of a Put Option by a holder of the Notes in accordance with the terms of these Listing Particulars, the Issuer may elect to redeem, purchase or arrange for the purchase of the Notes. Where the Issuer elects to arrange for the purchase of the Notes in respect of which a Put Option has been exercised, the Underwriter shall purchase, and/or cause for the purchase of, all such Notes.

### 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. 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).

## 4. THE ISSUER

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### 4.1 Overview of the Issuer

CM Structured Products (2) Ltd is a public company limited by shares incorporated under the laws of Mauritius on the 13 June 2018 with business registration number C18156878, with registered office at Sir William Newton Street, Port Louis, Mauritius.

The Issuer is wholly owned by MCB Capital Markets Ltd, 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.

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

### 4.2 Board of Directors of the Issuer

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.

The names of the Directors in office as at date of these Listing Particulars, their categories, their profiles and the list of directorships in other listed companies are provided as follows:

#### **Gilbert GNANY**

*Port Chambly, Terre Rouge, Mauritius  
Mauritian*

Gilbert previously worked as Senior Advisor 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 Advisor 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 and MCB Consulting Ltd

amongst others. On the institutional side, he is an external IMF expert in statistics, in particular on data dissemination standards and strategy and is also a member of the Financial Services Consultative Council. Furthermore, he is the Chairperson of the Economic Commission of Business Mauritius which serves, inter alia, as a platform for public-private sector dialogue.

**Directorships in other 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, MCB India Sovereign Bond ETF, African Domestic Bond Fund

**Ronald LAM YAN FOON**

*La Preneuse, Mauritius*

*Mauritian*

Mr Rony Lam is the Chief Executive Officer of MCB Capital Markets Ltd, the Corporate Finance Advisory, Private Equity and Investment Management arm of MCB Group Ltd, 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.

**Directorships of listed companies:**

MCB India Sovereign Bond ETF  
African Domestic Bond Fund

**Vimal ORI**

*Dupuis Lane, Floréal, Mauritius*

*Mauritian*

Mr Vimal Ori is the Chief Operating Officer of MCB Capital Markets Ltd. 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 is a Fellow Member of the Association of Chartered and Certified Accountant (FCCA) and has over 25 years of work experience in various sectors including private practice, insurance and IT services.

**Directorships of listed companies:** None

**Divya Basanta Lala**

*Flat B2, 12 Queen Mary Avenue, Floreal  
Mauritian*

Mrs. Basanta Lala is a member of the Institute of Chartered Accountants in England and Wales (“ICAEW”) and holds a law degree from London School of Economics. She served as director on the board of International Financial Services Limited (now known as “Sanne Mauritius”) and was its Finance Director. Before moving to the finance department, she was heading a team with a diversified portfolio of about 100 entities, including, investment holding companies, collective investment schemes, closed-end funds and trusts. She was also co-heading, a specialised unit looking after accounting and administration of open-ended funds. She also sat on the board of a number of global business companies.

Prior to joining IFS in 2012, she spent 3 years with Deloitte London, in the Banking and Capital Markets Group and one year with Ernst & Young Singapore.

**Directorships of listed companies:** None

**Akesh Umanee**

*7 Avenue Toucan, Sodnac, Quatre Bornes  
Mauritian*

Akesh is the Chief Financial Officer of MCB Capital Markets Group. He previously worked for over five years with a Chartered Accountancy practice in the UK and is a Fellow Member of the Institute of Chartered Accountants in England & Wales (FCA). He is also a Fellow Member of the Association of Chartered and Certified Accountant (FCCA) and has over 15 years of work experience in various sectors including private practice and financial services.

**Directorships of listed companies:** None

**4.3 Directors’ interest**

As at the date hereof, 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.

**4.4 Loans and guarantees to Directors**

As at date of these Listing Particulars, the Issuer has not granted any loans and/or guarantees to its Directors.

**4.5 Service contracts**

There are no service contracts in existence between the Issuer and any of its Directors in their personal capacity, nor are any such contracts proposed. There is currently no contract or

arrangement to which the Issuer is a party in which a director of the Issuer is materially interested.

4.6 **Emolument and benefits**

No remuneration is payable and no loans or benefits in kind will be granted by the Issuer to the Directors for their office.

4.7 **Shareholding Structure**

- 4.7.1 The stated capital of the Issuer is currently MUR 10,000 divided into 1,000 Class A shares. Class B Shares, at a price of MUR 1,000 each, will be issued to MCB Capital Markets Ltd on or about each Issue Date. As at the date of these Listing Particulars, 15,000 Class B Shares are in issue. The Issuer shall use its best endeavours to remain capitalised at an amount commensurate with the credit rating of the Reference Underlyings. As at the date of these Listing Particulars, the Issuer's sole shareholder is MCB Capital Markets Ltd. The Class A Shares have all the voting rights of the Issuer, are non-redeemable and do not have any distribution rights. The Class B Shares will be non-voting shares, redeemable and are entitled to distribution rights as per the terms of the Constitution.

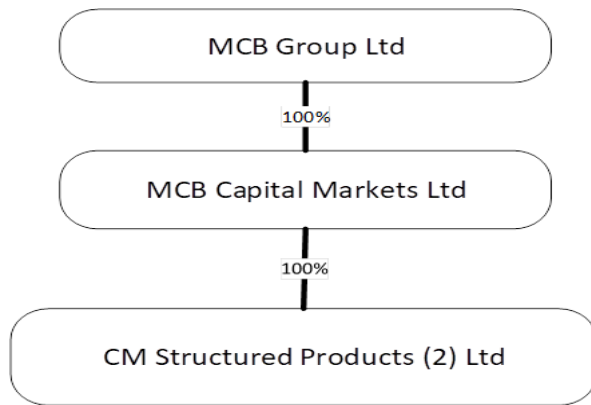
Save for the issue of the Class B Shares, there have been no issue or sale of any capital of the Issuer within the 2 years immediately preceding the issue of these Listing Particulars. There have been no commissions, discount or brokerages granted with respect to the capital of the Issuer.

The capital of the Issuer has not been altered within two years immediately preceding the issue of these Listing Particulars. Furthermore, the capital of the Issuer is neither under option nor agreed conditionally or unconditionally to be put under option.

4.7.2 Structure Chart

The structure chart of the Issuer is as follows:





4.8 **Credit Enhancement**

The Issuer's shareholder, MCB Capital Markets Ltd, shall credit-enhance the notes up to the Credit Enhancement Amount. The Credit Enhancement Amount shall:

- 4.8.1 Subject to Clause 6.8.3, be used as a first-loss cash collateralized guarantee;
- 4.8.2 Be made available to the Issuer in the form of subscription to Class-B shares; and
- 4.8.3 Be either held in an account at any bank duly authorised to carry out banking business in Mauritius by the Bank of Mauritius or any licensed deposit taking institution in Mauritius or be invested in sovereign securities with a credit rating at least equivalent to that of Mauritius at the time of the investment.

4.9 **The Issuer's Business Model**

The business of the Issuer is to issue Notes that provide investors with credit exposure to the constituents of the Reference Basket as may be determined by the Issuer from time to time.

4.10 **Rationale for Notes issue**

The Notes being issued by the Issuer are credit-linked notes and the proceeds from the Notes issue will be invested in the constituents of the Reference Basket so as to offer holders of the Notes, through the Reference Basket, an exposure to the Reference Entities.

## 5. FINANCIAL TRENDS AND ANALYSIS

### 5.1 Financial Highlights

The Issuer has been a dormant company from its incorporation up to the date of the issue of the Notes and has been set up specifically and solely for the purposes of carrying the business activity specified in Paragraph 4.9.

The Issuer's pro-forma income statement, balance sheet and cash flow statements are shown in figure 1 to figure 3 below. These financial highlights are based on the following assumptions:

- Over the next three years, the Reference Basket to comprise 5 Reference Underlyings. Under this assumption, the Aggregate Nominal Amount of Notes to be around EUR 25M;
- The said Reference Basket to provide the Issuer with a weighted average annual interest income of 3.25% p.a.;
- Subject to the market conditions, the Issuer intends to offer a weighted average annual interest of 2.25% p.a.;
- The Issuer to continuously issue Notes whose Interest Rate can be reset as per the applicable Circular Notice;
- The Issuer shall have no employee. It shall rely on affiliates of the Issuer to provide it with management and underwriting services; and
- The Issuer's share capital to be gradually increased to the equivalent of EUR1,875,000 based on a share capital of 7.5% of the outstanding Aggregate Nominal Amount.

#### **Proforma Income Statement**

<b>EUR 000</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
Interest Income			
Reference Underlyings	215.6	487.5	812.5
Other income	19.7	39.4	65.6
Total Interest Income	235.3	526.9	878.1
<b>Expenses</b>			
Interest expense	(168.8)	(337.5)	(562.5)
Rating fees	(4.5)	(6.8)	(10.5)
Listing fees	(2.7)	(2.8)	(3.0)
Professional fees	(57.0)	(82.8)	(123.5)
Total expenses	(232.9)	(429.8)	(699.5)
Profit before tax	2.4	97.1	178.6
Income Tax & CSR	(0.4)	(17.0)	(31.3)
Profit after tax	2.0	80.1	147.4

Figure 1: Proforma Income Statement

### Proforma Balance Sheet

EUR 000	Year 1	Year 2	Year 3
Investment in securities	7,500	15,000	25,000
Non-current assets	7,500	15,000	25,000
Cash	563	1,133	1,890
Total assets	8,063	16,133	26,890
EQUITY			
Share Capital	563	1,125	1,875
Retained earnings	0	8	15
Total equity	563	1,133	1,890
LIABILITIES			
Notes outstanding	7,500	15,000	25,000
Total liabilities	7,500	15,000	25,000
Total equity and liabilities	8,063	16,133	26,890

Figure 2: Proforma Balance Sheet

### Proforma Statement of Cash Flows

EUR 000	Year 1	Year 2	Year 3
Profit before tax	2.4	97.1	178.6
Income Tax & CSR	(0.4)	(17.0)	(31.3)
Net cash flow from operating activities	2.0	80.1	147.4
Purchase of investment			
	7,500.0	15,000.0	25,000.0
Sale of investment			
	(7,500.0)	(15,000.0)	(25,000.0)
Net cash flow from investing activities	-	-	-
Increase in capital			
	562.8	562.5	750.0
Dividend			
	(1.8)	(72.1)	(132.6)
Net cash flow from financing activities	561.0	490.4	617.4
Opening cash balance			
	-	562.9	1,133.5
Net increase in cash	562.9	570.5	764.7
Closing cash	562.9	1,133.5	1,898.2

Figure 3: Proforma Statement of Cash Flows

#### 5.2 Material adverse change

There has been no material adverse change in the financial or trading position of the Issuer since its incorporation.

#### 5.3 Working Capital

Given the business model of the Issuer, working capital requirements are negligible. The Directors are of opinion that the working capital available to the Issuer is sufficient for the Issuer's requirements for at least the next twelve months from the date of issue of these

Listing Particulars, and any need in working capital that may arise will be made available by the shareholder.

5.4 **Dividend Policy**

The Issuer 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.

5.5 **Legal and arbitration proceedings**

The Issuer is not in the presence of any legal or arbitration proceedings which may have or have had a significant effect on the Issuer's financial position since its incorporation and there are no pending legal or arbitration proceedings which may have a significant effect on the Issuer's financial position.

Except for the Pledge, the assets of the Issuer are not encumbered by mortgages or charges. In addition, the Issuer does not have any contingent liabilities or guarantees.

5.6 **Further Information**

As at the date of these Listing Particulars, the Issuer has not contracted any borrowings or indebtedness in the nature of borrowings (including bank overdrafts and liabilities under acceptance (other than normal trade bills, if any) or acceptance credits or hire purchase commitments.

## 6. THE TERMS AND CONDITIONS OF THE NOTES

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*The following are the terms and conditions of the Notes issued by the Issuer under these Listing Particulars and will be incorporated by reference into each Note.*

### 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.

### 6.2 **Use of proceeds**

The Issuer is raising the Total Aggregate Nominal Amount from the issue of the Notes for the purpose of investing in the constituents of the Reference Basket.

### 6.3 **Further Issues**

The Issuer has the right, in its absolute discretion, from time to time without the consent of the Noteholders or the Noteholders' Representative, to create and issue further notes (or any similar or assimilated instruments) that have same rights, rank *pari passu* with, and be assimilated to, or junior to the existing Notes.

### 6.4 **Amendments to these Listing Particulars by Circular Notice**

The terms and conditions contained in these Listing Particulars set out all the rights and obligations relating to the Notes and certain terms of these Listing Particulars may, as a condition to the subscription to the Notes, be amended unilaterally by the Issuer through the Circular Notice except in relation to the Put Option. However, except on the occurrence of a Credit Event, the Noteholders shall have the right to exit their investment in the Notes through the exercise of the Put Option. Each Circular Notice executed by the Issuer shall have the effect of amending and supplementing these Listing Particulars and, taken together with these Listing Particulars, shall constitute the complete Listing Particulars as amended by those Circular Notices.

### 6.5 **Form of the Notes**

The Notes were issued in inscribed form and accordingly no certificates were issued. Legal ownership of the Notes will be reflected in book entries recorded by the Registrar on the Register which shall constitute the definitive evidence of the title of the Noteholder to the

number of Notes shown against its name. Noteholders will be issued with an allotment letter to confirm allotment of the Notes subscribed for.

Upon admission to listing on the SEM, the relevant Notes will be credited to the CDS accounts of Noteholders. Thereafter, legal ownership will be reflected in book entries recorded by the CDS and such records shall constitute the definitive evidence of the title of the Noteholder to the number of Notes shown in his CDS account.

## 6.6 **Status of the Notes and Security Package**

The Notes shall constitute secured obligations of the Issuer and shall, unless otherwise specified in the Circular Notice, rank *pari passu* among themselves. The Notes shall be secured by a pledge over all the constituents of the Reference Basket (including on new constituents after a Reference Basket Rebalancing) in favour of the Noteholders' Representative ("**Pledge**").

The Noteholders' Representative shall have the power, under the Noteholders' Representative Agency Agreement, to take all decisions to request additional Pledge(s), or to provide release of existing Pledge(s), as and when the Reference Basket is being subject to a Reference Basket Rebalancing.

There is no third-party guarantee which is provided by any entity within the Issuer's group in connection with the Notes.

## 6.7 **Interest**

### 6.7.1 Principle

The Notes shall bear interest, until repaid or redeemed, from the relevant Payment Date. However, on the occurrence of a Credit Event, notwithstanding anything to the contrary herein, the Noteholders shall cease to have the right to receive interest payments under the Notes as from the Interest Payment Date falling just before the applicable Credit Event Notice.

### 6.7.2 Interest rate

The Notes will bear interest at the following rate of interest (the "**Interest Rate**"):

- (a) in relation to the Notes of the first issue, the Interest Rate shall be 2.25% p.a.;
- (b) in relation to any further issue of Notes, the Interest Rate shall be the rate applicable for the Interest Period during which such issue were made; and
- (c) in relation to any Interest Period, the Interest rate shall be as specified in the relevant Circular Notice.

The Interest Rate may be reset on each Review Date and will be notified to the Noteholders through the Circular Notice.

#### 6.7.3 Interest Payment Date

Subject to the provisions of Paragraph 6.8.3 (*Credit Event Acceleration*), interest on the Notes shall, subject to the Business Day Convention, be paid every three (3) months as from the first Payment Date (each an “**Interest Payment Date**”).

Interest will be payable in arrears based on the respective outstanding Aggregate Nominal Amount.

Interest will be paid on each Interest Payment Date to Noteholders on the Register on the date of the relevant Interest Payment Date in respect of the Interest Period ending one day prior to that Interest Payment Date.

Upon listing of the Notes, interest payments shall be credited as per prevailing instructions on the CDS account of the Noteholder.

#### 6.7.4 Calculation of Interest Amount

For each Interest Period, the interest amount payable (the “**Interest Amount**”) will be calculated by multiplying the applicable Interest Rate by the then applicable outstanding Aggregate Nominal Amount, then multiplying the product by the applicable Day Count Fraction and rounding the resultant figure to the nearest cent.

### 6.8 **Liquidity Events**

#### 6.8.1 Put Option

(a) Except in the case of a Credit Event or an Event of Default and subject to the exercise of the Call Option, each Noteholder shall have the right, upon receipt of the Circular Notice, to request and compel the Issuer to redeem, purchase or arrange for the purchase of, the whole or part of its Notes (“**Put Option**”).

(b) The Put Option shall be exercised by way of a notice in writing (“**Put Notice**”) served on the Issuer in accordance with Paragraph 6.23 within three Business Days of the date of the Circular Notice. Once sent, the Put Notice shall be irrevocable, except if waived by the Issuer.

(c) Unless redeemed by the Issuer, the transfer of the Notes in respect of which the Put Option have been exercised shall, subject to the conditions the SEM may impose, be by way of transfer between the Noteholder exercising its Put Option on the one hand, and

the Issuer, the Underwriter or such other person as the Underwriter may determine (as the case may be) on the other hand.

- (d) The proceeds payable to the relevant Noteholder will be calculated at a price per Note equal to the Nominal Amount per Note and net of any Trading Costs (“**Put Proceeds**”).
- (e) The Put Proceeds shall be payable on the Interest Payment Date immediately following the date on which the Put Notice is sent to the Issuer (“**Put Settlement Date**”).
- (f) In the case of a Disruption Event, the Issuer may, at its discretion, suspend wholly or partially the Put Option for such time as it deems appropriate in light of the relevant Disruption Event. The Issuer shall notify the Noteholders of the start and end of the Disruption Event.

#### 6.8.2 Call Option

- (a) The Issuer may, at its sole discretion and at any time, upon giving to the Noteholders and the Noteholders’ Representative at least five Business Days written notice (“**Call Notice**”) (or such other delay as may be prescribed by the Applicable Procedures), redeem the whole or part of the Notes (“**Call Option**”).
- (b) The redemption proceeds payable by the Issuer (or any person on its behalf) in relation to the exercise of a Call Option will be calculated at a price per Note equal to the Nominal Amount per Note and will be paid together with accrued interest from the last Interest Payment Date until the date of actual payment (“**Call Proceeds**”).
- (c) The Call Proceeds shall, subject to any other delay as may be prescribed by the Applicable Procedures, be payable on a date falling on the fifth Business Day following the date of the Call Notice.
- (d) The Call Option shall always have prevalence on any Put Option that has been exercised before the Call Option. Accordingly, the exercise of the Put Option shall be processed only for the number of Notes that exceeds the number of Notes contemplated in the Call Notice.
- (e) The Notes which are the subject of a Call Option shall be redeemed and such redemption shall, to the extent that the Notes are listed, be effected as an off-market transaction under the Applicable Procedures.

#### 6.8.3 Credit Event Acceleration

- (a) On the occurrence of a Credit Event:



- (i) the Issuer shall give notice thereof (“**Credit Event Notice**”) within five Business Days of being notified or taking cognizance of the occurrence thereof to the Noteholders’ Representative and the Noteholders, and the Issuer shall redeem the whole or part of the Notes;
  - (ii) the Noteholders shall cease to have the right to receive interest payments under the Notes as from the Interest Payment Date immediately preceding the occurrence of the Credit Event;
  - (iii) the right of Noteholders to redemption proceeds calculated at the Nominal Amount per Note shall be superseded by the redemption proceeds specified in Paragraph 6.8.3(b) below; and
  - (iv) the Put Option shall be suspended.
- (b) The redemption proceeds will, at the absolute discretion of the Issuer, be paid, to the Noteholders on a *pro rata* basis in any of the following manner or any combination thereof:
- (i) *in specie* by the transfer to the Noteholders, of some or all of the Reference Underlying(s) as soon as practicable after the Credit Event; and/or
  - (ii) *in specie*, after the Credit Event Transfer, by the issue by the Credit Event Transferee, of Notes having as underlying, the Defaulting Reference Underlyings (“**New CLN**”). The New CLN will be issued as soon as practicable after the Credit Event Notice; and/or
  - (iii) in cash up to the amount so received and/or recovered net of recovery costs, where:
    - cash has been received by redemption or sale of one or more of the Defaulting Reference Underlying(s) such cash being paid as soon as practicable after the Credit Event; and/ or
    - cash has been recovered in respect of the Defaulting Reference Underlying(s), such cash being paid as soon as practicable after the receipt of such funds.
- (c) Notwithstanding anything to the contrary in these Listing Particulars, the receipt of the redemption proceeds as specified in Paragraph 6.8.3(b) (if any) by the Noteholders shall be conclusive evidence of the full discharge of the Issuer’s obligations towards the Noteholders and the latter shall have no further rights whatsoever against the Issuer in respect of the Notes held by them.
- (d) The New CLN shall have as sole Reference Underlying, the Defaulting Reference Underlyings and holders of the New CLN shall have no right whatsoever to interest payments and redemption proceeds calculated at the Nominal Amount per Note. The

holders of the New CLN shall solely be entitled to cash recovered or to be recovered (as the case may be) in respect of the Defaulting Reference Underlyings to which the New CLN relates, net of (i) recovery costs and (ii) the Recovery Fee. Any amounts recovered will be paid to the holders of the New CLN as soon as practicable.

(e) Where the Issuer has elected for a Credit Event Transfer, the Issuer will, on the date of the Credit Event Transfer, adjust the Nominal Amount per Note to bring the latter to the Performing CLN Nominal Amount per Note (the “**Adjustment Date**”). For the purposes of these Listing Particulars, the Notes shall accordingly be construed as “Performing CLN” (“**Performing CLN**”) and the holders of the Performing CLN shall, as from the Adjustment Date, be entitled to:

- interest payments calculated based on the Performing CLN Nominal Amount per Note, at the Interest Rate set out (as the case may be) in these Listing Particulars or the Circular Notice immediately preceding the occurrence of the Credit Event and on the Interest Payment Date immediately following the Adjustment Date; and
- redemption proceeds calculated at the Performing CLN Nominal Amount per Note; and
- all rights under these Listing Particulars suspended or cancelled in reason of the occurrence of the Credit Event.

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 the Adjustment Date.

#### 6.8.4 Redemption at Maturity

Unless redeemed early as specified in these Listing Particulars, the Notes shall automatically be redeemed on the applicable Maturity Date and the redemption proceeds payable to the Noteholders shall be an amount calculated as at a price per Note equal to (i) the Nominal Amount per Note or (ii) the Performing CLN Nominal Amount per Note (as the case may be). The redemption proceeds shall be paid to the Noteholders on or about the applicable Maturity Date.

#### 6.8.5 Re-issue of redeemed Notes

Unless otherwise specified in these Listing Particulars, any Notes redeemed pursuant to this Paragraph 6.8.5 may not be cancelled and the Issuer shall have the power to reissue those same Notes or other Notes in their place in accordance with section 125 of the Act.

#### 6.8.6 The Issuer is responsible for effecting the payments prescribed in these Listing Particulars.

6.9 **Exposure to credit risk of the Reference Entity(ies)**

Investors in the Notes shall bear the credit risk of the Reference Entity(ies) both in respect of the payment of the Interest Amounts and the repayment of the Nominal Amount of the Notes.

The Issuer makes no representation, express or implied, as to any Reference Entity or the credit quality thereof, or any information contained in any documents provided by any Reference Entity or filed by a Reference Entity with any exchange (if applicable).

6.10 **Synthetic Exposure to the Reference Entity(ies)**

Unless in the case of an Event of Default and the enforcement of the Pledge, the Notes do not represent a claim against the Reference Entity or on the Reference Underlyings and, in the event of any loss, Noteholders will have no recourse against the Reference Entity in respect of the Reference Underlyings. Amounts payable under the Notes are limited by or associated with, or linked or calculated by reference to the Reference Underlyings.

6.11 **No Interest or Voting Rights in the Reference Underlyings**

In the absence of an Event of Default:

- (a) the holders of the Notes shall not have any direct interest in, or direct right, to the Reference Underlyings; and
- (b) the holders of the Notes shall not have any voting rights under the terms of the Reference Underlyings or on any matter in connection with the Reference Entity. The Issuer has no obligation to deliver to holders of the Notes any information, communication, notices it may receive regarding the Reference Underlyings.

6.12 **Limited Recourse**

- (a) The Notes are direct and limited recourse obligations of the Issuer ("**Limited Recourse**"). The Issuer's ability to satisfy its payment obligations under the Notes will be wholly dependent upon receipt, in full, of payments under the Reference Underlying. Other than the foregoing, the Issuer will have no other funds available to meet its obligations under the Notes.
- (b) Recourse to the Issuer shall be limited to the Reference Basket or other assets subject to Security Interest and the proceeds of such assets, as applied in accordance with these Listing Particulars. If such assets and proceeds prove ultimately to be insufficient (after payment of all claims ranking in priority to amounts due under the Notes) to pay in full all principal and interests on the Notes, then, the Noteholders shall have no further recourse against the Issuer or any other person for any shortfall arising or any loss sustained.
- (c) Such assets and proceeds shall be deemed to be "*ultimately insufficient*" at such time when the Issuer certifies to the Noteholders and the Noteholders' Representative that (i)

no further assets are available and no further proceeds can be realised therefrom to satisfy any outstanding claims of the Noteholders, and that (ii) neither assets nor proceeds will reasonably likely be so available thereafter.

(d) The Noteholders shall, once such assets and proceeds are deemed to be ultimately insufficient, have thereafter neither further claims against the Issuer nor have recourse to the Issuer's directors, shareholders, employees, service providers or agents and their claims shall be extinguished.

(e) For avoidance of any doubt, the Issuer's directors, shareholders, employees, service providers or agents shall not be liable for any shortfall arising or losses sustained by Noteholders and the Noteholders shall have no rights whatsoever against the Issuer's directors, shareholders, employees, service providers or agents.

### 6.13 **Method of Payments**

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. 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.

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 of its relevant payment obligations under the Notes.

If the Issuer 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.

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

### 6.14 **Covenants**

The covenants in this Paragraph 6.14 shall remain in force during the whole tenor of the Notes.

#### 6.14.1 No Leverage

The Issuer covenants that it will not take any Financial Indebtedness other than in the ordinary course of business to cover generally its running costs and working capital.

#### 6.14.2 Negative Pledge

The Issuer shall not, without the prior written consent of the Noteholders' Representative (which consent shall not be unreasonably withheld or delayed), create or permit to subsist any Security Interests (other than those granted hereunder) over any of its assets other than in the normal course of its business.

#### 6.14.3 Restriction on Dividends

The Issuer covenants that no dividend or other distributions shall be declared or paid:

- (a) if any interest payment on the Notes is due and unpaid;
- (b) if a Credit Event has occurred and not yet cured in accordance with the terms of these Listing Particulars ; or
- (c) an Event of Default has occurred and is continuing or would occur as a result of such payment.

#### 6.14.4 Corporate Restructuring

The Issuer shall not enter into any amalgamation, demerger, merger or corporate reconstruction, public offering of shares (other than those that relate to transaction(s) between entities of its group) without the prior written consent of the Noteholders' Representative (such consent not to be unreasonably withheld or delayed).

#### 6.14.5 Change of Business

The Issuer shall procure that no material change is made to the general nature or scope of its business from that carried on at the date of these Listing Particulars.

#### 6.14.6 Insurance

The Issuer shall not take any action or omit to take any action if such action or omission would render any insurance void or incapable of being effected, maintained or renewed or permit any insurer to cancel such insurance.

### 6.15 **Event of Default**

6.15.1 In relation to the Issuer, subject to Paragraph 6.15.2 below, an Event of Default shall arise if any one or more of the following events shall have occurred and be continuing:

- (a) the failure by the Issuer to pay within seven (7) Business Days from the due date any amount due in respect of any of the Notes; or
- (b) any breach of any covenants or other obligations as set forth in these Listing Particulars and in the document creating the Pledge; or
- (c) a Cross Default where it relates to an amount exceeding EUR100,000; or
- (d) any amendment under Paragraph 6.4 that cancels or restricts the right of Noteholders to exit their investment by the exercise of the Put Option;
- (e) unless the Call Option has been exercised for the entire outstanding Aggregate Nominal Amount, the failure by the Issuer to send the Circular Notice in accordance with the terms set out in these Listing Particulars; or
- (f) the granting of an order by any competent court or authority for the liquidation, winding-up, conservatorship, receivership, dissolution or administration of the Issuer; whether provisionally (and not dismissed or withdrawn within thirty (30) days thereof) or finally, or the placing of the Issuer under voluntary liquidation and the facing of other Insolvency Proceedings, provided that no such proceedings shall constitute an Issuer Event of Default if any of such proceedings is for the purpose of effecting an amalgamation, merger, demerger, consolidation, reorganization or other similar arrangement.

6.15.2 For the avoidance of doubt a Credit Event shall not constitute an Event of Default and no Event of Default may be declared against the Issuer when a Credit Event has occurred.

6.15.3 An Event of Default is continuing if it has not been remedied within thirty (30) days (or such other extended period as approved by the Noteholders' Representative in writing) of occurrence of such Event of Default.

6.15.4 If the Issuer becomes aware of the occurrence of any Event of Default, it shall forthwith notify the Noteholders' Representative in writing.

6.15.5 Upon the occurrence of an Event of Default which is continuing, subject to the Noteholders' Representative Agency Agreement, the Noteholders' Representative may do any of the following:

- (a) bring proceedings to recover any amount then due and payable but unpaid pursuant to the Notes;
- (b) initiate any Insolvency Proceedings and, subject to the ranking of the Notes, prove the claim in any of the Insolvency Proceedings; or

(c) by written notice to the Issuer, declare all amounts payable under the Notes to be forthwith due and payable. Upon receipt of such notice, such Notes shall become forthwith due and payable, together with accrued interest (if any) to the date of payment.

**6.16 Rating**

The Notes have been assigned a rating of CARE MAU A- (stable) by Care Ratings Africa (Mauritius) Ltd.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Such information shall be communicated to investors through the Circular Notice.

**6.17 Transfer of Notes**

The Notes shall be freely transferrable. Transfer of Notes will be effected through the market infrastructure of the SEM in accordance with the Applicable Procedures.

**6.18 Register**

6.18.1 The Register of Noteholders shall:

- (a) be kept at the registered office of the Registrar or such other person as may be appointed for the time being by the Issuer to maintain the Register;
- (b) reflect the number of Notes issued and outstanding;
- (c) contain the name, address, and bank account details of the Noteholders;
- (d) set out the Nominal Amount of the Notes issued to such Noteholders and shall show the date of such issue;
- (e) if applicable, show the serial number of Certificates issued in respect of Notes; and
- (f) be open for inspection during the normal business hours of the Issuer to any Noteholder or any person authorised in writing by any Noteholder.

6.18.2 The Registrar shall:

- (a) not be obliged to record any transfer while the Register is closed; and
- (b) alter the Register in respect of any change of name, address or bank account number of any of the Noteholders of which it is notified in accordance with these Listing Particulars.

6.18.3 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.

6.18.4 Except as provided for in these Listing Particulars or as required by law, the Issuer and the Registrar shall not be bound to enter any trust in the Register or to take notice of or to accede to the execution of any trust (express, implied or constructive) to which any Certificate may be subject.

6.19 **Liquidity**

Once listed, holders thereof shall be able to trade the Notes on the Official Market of the SEM on a daily basis during trading hours.

6.20 **Certificates to be final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained by the Issuer and/ or the Registrar shall, in the absence of wilful deceit, bad faith, manifest error or dispute, be binding on the Issuer, the Registrar, and all Noteholders, and no liability shall attach to the Issuer and/ or Registrar in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6.21 **Data Collection and Protection**

The Issuer shall, for the performance of its obligations, collect and, where necessary or required, process, information hereby voluntarily communicated by any prospective investor (the “**Personal Data**”). The consent may at any time be withdrawn, but, notwithstanding the foregoing, any Personal Data processed by the Issuer (or such other Person to whom the Personal Data has been disclosed in compliance with this Paragraph) prior to the consent being withdrawn shall at all times be authorised and be lawful. The Issuer undertakes to treat the Personal Data confidentially and securely in line with the provisions of the Data Protection Act 2017, as amended from time to time.

Any Noteholder has the right of access to, the possibility of correction of and destruction of, the Personal Data which is in the custody or control of the Issuer. The Personal Data will be stored for a minimum period of seven years, unless destroyed earlier by the Issuer at the request of the Noteholder in accordance with the Data Protection Act 2017. Save as otherwise herein provided, the Issuer warrants not to reveal or otherwise disclose the Personal Data to any external body, unless (i) the Issuer has obtained the express consent of any prospective investor, or (ii) it is under either a legal obligation or any other duty to do so, or (iii) where the Personal Data is disclosed to any agent, third party service provider, professional adviser or any other person under a duty of confidentiality to the Issuer’s group (its affiliates, parent company and ultimate holding company), as well as to certain service providers within the Issuer’s group. It is drawn to the attention of prospective investors that the foregoing



disclosures may require that the Personal Data be transferred to parties located in countries which do not offer the same level of data protection as the Republic of Mauritius.

Where personal information relating to the officers, employees and directors of any prospective investor is, or is required to be, collected by the Issuer, the prospective investor expressly shall procure to do all such things that may be required by the Issuer to ensure that its officers, employees and directors are made aware of the data protection provisions herein and that such officers, employees and directors give their consent with regards to the collection, processing and transfer of such personal information by the Issuer.

Any Noteholder has the right to lodge a complaint with the Data Protection Commissioner for breach of the Data Protection Act 2017 by the Issuer.

#### 6.22 **Rights of Noteholders**

The Noteholders will have, inter alia, the following powers which shall be exercised by special resolution:

- (a) to bind the Noteholders to any compromise or arrangement to be made between the Issuer and the Noteholders or any of them;
- (b) to provide specific instructions to Noteholders' Representative and whereupon the Noteholders' Representative will (if properly indemnified by the Noteholders) be bound to act or refrain from acting as specified by the resolution; and
- (c) to agree to any variation or modification of any of the rights of the Noteholders, in each case subject to the consent or concurrence of the Issuer.

#### 6.23 **Notices**

All notices to Noteholders shall be sent by email as provided in the application form. Any notice given shall be deemed to have been given on the day it is emailed. Save for a Put Option notice, all notices (including all communication documents) by a Noteholder to the Issuer shall be sent by registered post to its registered address or email, as specified in these Listing Particulars. A Put Option notice shall:

- only be sent by email as per the instructions set out in the Circular Notice; and
- be deemed to have been given on the day it has been emailed.

Save as otherwise specified herein, any notice shall be deemed to have been given on the seventh day after the day on which it is posted or on the same day it has been emailed.

#### 6.24 **Noteholders' Representative and meetings of Noteholders**

The Noteholders are deemed to have notice of, are entitled to the benefit of, and are subject to, all the provisions of the Noteholders' Representative Agency Agreement.

The Noteholders' Representative Agency Agreement contains the rights and powers of the Noteholders, the duties and powers of the Noteholders' Representative and provisions for convening meetings of the Noteholders to consider any matter affecting their interests. Such meetings may be convened by the Issuer or Noteholders holding not less than 10% of the total Notes in issue. The quorum for the meeting shall be any such number of Noteholders holding at least 50% of the total Notes in issue.

The Noteholders' representative shall cease to hold office if:

- (a) it resigns, further to its having given at least sixty (60) Business Days' notice to the Issuer in the manner prescribed in the Noteholders' Representative Agency Agreement. Such resignation shall be effective without any leave of any court or any other person. At the expiration of such period of notice the Noteholders' Representative shall be discharged from its obligations under the Noteholders' Representative Agency Agreement and shall not be responsible for any loss or costs occasioned by its resignation; or
- (b) it becomes disqualified in law to hold the office of Noteholders' Representative; or
- (c) it is removed from office by a special resolution of the Noteholders; or
- (d) it is provisionally or finally wound up or liquidated.

6.25 **Prescription**

Where after six (6) months from the date of redemption of the Notes any payment of redemption proceeds has not been claimed, such redemption proceeds will revert to the Issuer and the relevant Noteholders shall have no right whatsoever thereto.

6.26 **Governing Law**

These Listing Particulars (and any dispute, controversy, proceedings or claim of whatever nature arising out of or in any way relating to these Listing Particulars or its formation) shall be governed by and construed in accordance with the laws of Mauritius.

6.27 **Dispute Resolution**

In the event of a dispute arising out of or relating to these Listing Particulars, including any question regarding its existence, validity or termination, the parties shall first seek settlement of that dispute by mediation in accordance with the MARC Mediation Rules, which rules are deemed to be incorporated by reference into this paragraph.

If the dispute is not settled by mediation within thirty (30) days of the appointment of the mediator, or such further period as the parties shall agree in writing, the dispute shall be referred to and finally resolved by arbitration under the MARC Arbitration Rules, which rules are deemed to be incorporated by reference into this paragraph.

The language to be used in the mediation and in the arbitration shall be English.

In any arbitration commenced pursuant to this paragraph:

- (a) the number of arbitrators shall be one;
- (b) the seat, or legal place, of the arbitration shall in the Republic of Mauritius;
- (c) the award of the arbitrator shall be final, binding and shall not be subject to appeal.

## 7. SPECIFIC PROVISIONS PERTAINING TO LISTING

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### 7.1 Estimated Expenses

The breakdown of the fees relating to the issue and listing is as follows:

<b>Cost description</b>	<b>Amount (MUR)</b>
Issue fees	500,000
SEM application fees	150,000
Legal Fees	150,000

The whole amount of the Issue and Listing Fees will be borne by the Issuer.

### 7.2 Summary of Rights Attached to the Notes

<b>Rights &amp; other terms</b>	<b>Description</b>
Voting	No
Interest Payments	Yes – in accordance with paragraph 6.7
Distribution of surplus assets of the Issuer	No – please refer to paragraph 6.12
Early Redemption	No

## 8. RISK FACTORS

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The Issuer has no operating history with which to evaluate its comparative performance. Prior to making an investment decision, Investors in the Notes should carefully consider, along with the information contained in these Listing Particulars, the following risk factors associated with an investment in the Republic of Mauritius, the Issuer and the Notes. The risks and uncertainties below are not the only ones the Issuer and the Noteholders face or may face. Additional risks and uncertainties not presently known to the Issuer, or that the Issuer currently believes are immaterial, could also impair the Issuer's business, financial condition or results of operations and, as a result, its ability to service its payment obligations under the Notes. Investors should pay particular attention to the fact that the Issuer is subject to the legal and regulatory environment of the Republic of Mauritius, which, in some respects, may differ from that prevailing in other countries.

The Issuer believes that the factors outlined below may affect its ability to fulfil its obligations under the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant by the Issuer based on information currently available to it, or which it may not currently be able to anticipate. Accordingly, the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive.

Investors should also read the detailed information set out in these Listing Particulars to reach their own views prior to making any investment decision. The information given below is as at the date of these Listing Particulars.

An investment in the Notes involves some degree of risk and should be made only after consulting an independent professional (investment, legal, tax, accounting or other) advice.

### 8.1 **Risks attached to the very nature of the Notes being credit-linked notes**

The Notes which are "credit-linked" to the performance of one or more Reference Entities and the obligations of such Reference Entity(ies). Investors should note that the Notes differ from standard corporate notes in that the amount of principal and interest (if any) payable by the Issuer is dependent on payments received from the Reference Entities in respect of the Reference Underlyings. A Credit Event may occur even when the relevant Reference Entity has not defaulted on any payment it owes. If a Credit Event occurs, the Notes will cease to bear interest and the value paid to investors on redemption may be less than their original investment and may in certain circumstances be zero. The redemption proceeds may also consist in the transfer of the whole or part of the Reference Underlyings to the Noteholders.

The Notes are linked to the creditworthiness of the relevant Reference Entity(ies). The likelihood of a Credit Event occurring in respect of a Reference Entity will generally fluctuate

with, among other things, the financial condition and other characteristics of the relevant Reference Entity, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. An investor's investment is at risk if a Credit Event occurs in respect of a Reference Entity. Prospective investors should review each Reference Entity and conduct their own investigation and analysis with respect to the creditworthiness of each Reference Entity and the likelihood of the occurrence of a Credit Event with respect to such Reference Entity.

The market value of the Notes will be affected by a wide variety of factors including the financial condition and actual or perceived creditworthiness of the Issuer and each Reference Entity.

#### **8.2 Issuer fails to exercise any claim to the Reference Entity(ies)**

Under the terms and conditions of these Listing Particulars, the Issuer, as noteholder, shall have a direct claim against the Reference Entity(ies) under the terms and conditions laid out in the Reference Underlyings Documentation. An investment in the Notes is not equivalent to an investment in the obligations of a Reference Entity.

The Issuer's ability to exercise such a claim may be constrained by a variety of factors including other creditors of the Reference Entity(ies) and the Issuer or the noteholders' representative appointed in respect of the Reference Underlyings being negligent in the enforcement of such claim.

#### **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 and for which there may be no active trading market. If the Notes are traded 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 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 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.

#### **8.4 Illiquidity upon occurrence of Credit Event**

On the occurrence of a Credit Event, the Issuer shall have discretion on the type of redemption proceeds payable to Noteholders. Investors in the Notes shall be aware that they may receive

redemption proceeds other than cash by the receipt, *in specie*, of one or more Reference Underlyings or of other credit-linked notes like the Performing CLN and the New CLN to be issued by an affiliate of the Issuer.

#### **8.5 Unilateral amendment to these Listing Particulars**

The terms and conditions set out in these Listing Particulars may, as a condition to the subscription to the Notes, be amended unilaterally by the Issuer through the Circular Notice. However, Noteholders shall have the right to exit their investment in the Notes through the exercise of their Put Option if no Credit Event has occurred.

#### **8.6 Meeting of Noteholders and modification**

These Listing Particulars contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. In addition, the Issuer may, in accordance with these Listing Particulars, make any modification to the Notes and to its Terms and Conditions.

#### **8.7 Amendment or review to prevailing laws**

There are currently no restriction affecting the remittance of profits or repatriation of funds payable in respect of the Notes in Mauritius from outside Mauritius. Legal and regulatory changes could occur that may adversely affect, in quantum, value or otherwise, any pay out or such other income that may be or become payable in respect of the Notes.

These Listing Particulars and the Notes issued thereunder are governed by, and will be construed in accordance with, the laws of Mauritius. No assurance can be given as to the impact of any possible judicial decision or amendment and, or review of the laws of Mauritius or administrative practice in Mauritius after the issue of the Notes.

#### **8.8 Changes in taxation legislation**

Any change in the tax status of the Issuer, or in taxation legislation in Mauritius may affect, in quantum, value or otherwise, any pay out or such other income that may be or become payable in respect of the Notes. Investors are recommended to consult their own tax advisers with respect to their particular tax situations and the tax effects of an investment in the Notes.

#### **8.9 Forward Looking Statements**

These Listing Particulars may contain certain forward-looking statements and descriptions of returns to be achieved. Although these forward-looking statements and objectives are based upon assumptions and researches that the Issuer believes are reasonable, actual results of operations and achievements may differ materially from the statements and objectives set forth in these Listing Particulars.

## 9. TAXATION OF THE NOTES

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Information on taxation given below is a summary of certain tax considerations under the laws of the Republic of Mauritius as at the date of these Listing Particulars. It is not intended to be a complete discussion of all tax considerations and Investors should consult their own lawyer, accountant, or investment advisor as to legal, tax, and related matters concerning their investment.

- Income Tax

Interest paid by the Issuer to a Noteholder which is a resident company will be subject to income tax at the current rate of 15% p.a. Interest paid by the Issuer to a Noteholder who is an individual, société, succession or non-resident company, will be exempted from income tax.

Where interest is paid on listed Notes to a Noteholder other than an individual, société, succession or a company, 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).

- Stamp and registration duty

No stamp or registration duty is payable on the issue and redemption of Notes. No registration duty is payable on the transfer of Notes.

- Capital gains tax

Gains derived by a Noteholder from the sale of Notes are treated as capital gains and are not subject to tax.



## **10. NO TAX OR PROFESSIONAL ADVICE**

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The Issuer makes no representation and gives no advice concerning the appropriate accounting treatment or possible tax consequences of subscribing to the Notes. Prior to any subscription to the Notes, the investor should discuss with his professional advisers as to how such subscription would or could affect him. Investors with any questions regarding the impact of an investment in the Notes on their tax or accounting position should consult their tax or other professional advisers.

## **11. DOCUMENTS AVAILABLE FOR INSPECTION**

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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. The statutory records of the Company, including the annual report and interim reports (as may be required by law), will, upon availability, be kept at the Company's registered office.

## 12. ISSUER'S THIRD PARTY INFORMATION

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<b>Registered Office</b>	Sir William Newton Street, Port Louis Mauritius
<b>Company Secretary</b>	MCB Group Corporate Services Ltd 6 <sup>th</sup> Floor, MCB Centre, 9-15 Sir William Newton Street, Port Louis Mauritius
<b>Banker</b>	The Mauritius Commercial Bank Limited Sir William Newton Street Port Louis, Mauritius
<b>Auditors</b>	BDO Mauritius 10 Frère Felix De Valois St Port Louis
<b>Transaction Advisor</b>	MCB Financial Advisers <i>(trading name MCB Capital Markets)</i> Sir William Newton Street, Port Louis Mauritius
<b>Legal Advisor</b>	BLC Robert & Associates 2 <sup>nd</sup> Floor, The AXIS 26, Bank Street, Cybercity Ebene 72201, Mauritius
<b>Investment Dealer and Underwriter</b>	M.C.B Stockbrokers Limited Sir William Newton Street, Port Louis Mauritius
<b>Registrar, calculation, transfer and paying agent</b>	M.C.B. Registry and Securities Ltd Sir William Newton Street, Port Louis Mauritius
<b>Noteholders' Representative</b>	MUA Life Ltd 2 <sup>nd</sup> floor, Barkly Wharf, Caudan Waterfront, Port Louis Mauritius

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**SCHEDULE I – SIGNED CIRCULAR NOTICES**

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None

## SCHEDULE II - THE REFERENCE BASKET

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### PART I : REFERENCE UNDERLYINGS

- **RU- La Pirogue 01**
  - Reference Entity: City and Beach Hotels (Mauritius) Limited
  - Amount: EUR5,000,000
  - Rating: CARE MAU A (stable)
  - Security interest pertaining to Reference Underlying: A fixed and floating charge granted by the Reference Entity
  - The noteholders' representative, acting for and on behalf of the noteholders of the Reference Entity, has been added as an additional insured person under the insurance cover pertaining to the Reference Entity
  - Weight in Reference Basket: 100%

### 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.

**CM STRUCTURED PRODUCTS (2) LTD**  
**CIRCULAR NOTICE**

Dear [•],

**RE: CIRCULAR NOTICE**

1. We refer to your investment in the notes issued on [•] by CM Structured Products (2) Ltd (the “**Issuer**”). Words and expressions defined in these Listing Particulars shall bear the same meanings in this Circular Notice.
2. Pursuant to the terms of these Listing Particulars, we hereby give you notice of the following information for your consideration:

	Current Terms	Proposed Amended Terms
<b>Issuer</b>	CM Structured Products (2) Ltd	
<b>Aggregate Nominal Amount of Notes in issue</b>		
<b>Total Aggregate Nominal Amount</b>		
<b>Reference Basket</b>		
<b>Credit Enhancement Amount</b>		
<b>Interest Rate</b>		
<b>Review Date</b>		
<b>Maturity Date</b>		
<b>Rating</b>		

3. In accordance with the terms of these 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 these Listing Particulars, constitute the Put Option Notice:

*“Further to the Circular Notice dated [•], 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 CDS account on the [•].*

5. The amendments to these Listing Particulars contained in this Circular Notice shall take effect on [•].
6. All provisions of these 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 these Listing Particulars shall remain in full force and effect.
8. The provisions on governing law and jurisdiction of these Listing Particulars shall apply to this Circular Notice.

Yours faithfully,

## SCHEDULE IV – PRINCIPAL TERMS OF THE NOTES

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### PART A – GENERAL TERMS OF THE NOTES

<b>1. Issuer</b>	CM Structured Products (2) Ltd
<b>2. Notes</b>	Secured Credit-Linked Notes
<b>3. Investment Dealer</b>	M.C.B Stockbrokers Limited
<b>4. Method of placing</b>	Private placement with Eligible Investors
<b>5. Total Aggregate Nominal Amount</b>	EUR 50,000,000
<b>6. Use of proceeds</b>	To invest in the constituents of the Reference Basket
<b>7. Currency</b>	EUR
<b>8. Nominal Amount Per Note</b>	EUR 1,000
<b>9. Issue Price per Note</b>	100% of the Nominal Amount per Note
<b>10. First Day of Listing and Trading</b>	17 March 2020
<b>11. Interest Rate</b>	<ul style="list-style-type: none"><li>• In relation to the Notes of the first issue, the Interest Rate shall be 2.25% p.a.</li><li>• In relation to any further issue of Notes, the Interest Rate shall be the rate applicable for the Interest Period during which such issue were made.</li><li>• In relation to any Interest Period, the Interest rate shall be as specified in the relevant Circular Notice.</li></ul> <p>The Interest Rate may be reset on each Review Date and will be notified to the Noteholders through the Circular Notice</p>
<b>12. Interest Period</b>	The first Interest Period in respect of any issue of Notes shall start on (and include) the Issue Date of such Notes and end on (but exclude) the Interest Payment Date immediately following such Issue Date and thereafter, the next Interest Period shall begin on

	(and include) an Interest Payment Date and ending on (but exclude) the next Interest Payment Date
<b>13. Review Date</b>	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 become effective. A Review Date shall always fall on an Interest Payment Date with the first Review Date falling no later than 13 January 2021. Any amendment to a Review Date shall be specified in the Circular Notice issued prior to such Review Date
<b>14. Interest Payment Date</b>	Subject to the provisions of Paragraph 6.8.3 (Credit Event Acceleration), interest on the Notes shall, subject to the Business Day Convention, be paid every three (3) months as from the first Payment Date
<b>15. Automatic Redemption at Maturity</b>	Unless redeemed early, the Notes shall automatically be redeemed on the applicable Maturity Date and the redemption proceeds payable to the Noteholders shall be an amount calculated at a price per Note equal to the Nominal Amount per Note
<b>16. Put Option</b>	Except in the case of a Credit Event or an Event of Default, each Noteholder shall have the right, upon receipt of the Circular Notice, to request the Issuer to redeem, purchase or arrange for the purchase of, the whole or part of its Notes at a price per Note equal to the Nominal Amount per Note on the terms specified in Paragraph 6.8.1
<b>17. Call Option</b>	The Issuer may, at its sole discretion, at any time upon giving to the Noteholders at least five Business Days written notice (or such other delay as may be prescribed by the Applicable Procedures), redeem the whole or part of the Notes on terms specified in Paragraph 6.8.2



<p><b>18. Credit Event Acceleration</b></p>	<p>Upon being notified, or upon taking cognizance of the occurrence of a Credit Event, the Issuer shall give notice thereof to the Noteholders' Representative and to the Noteholders and the Issuer shall redeem the Notes on terms specified in Paragraph 6.8.3</p>
<p><b>19. Limited Recourse</b></p>	<p>Recourse of the Noteholders shall be limited to:</p> <ul style="list-style-type: none"> <li>(i) the Issuer; and</li> <li>(ii) subject to the terms of these Listing Particulars: <ul style="list-style-type: none"> <li>(a) the Reference Basket, and</li> <li>(b) the available assets of the Issuer only.</li> </ul> </li> </ul> <p>No recourse shall extend to the Issuer's directors, shareholders, employees, service providers or agents who shall not be liable for any shortfall arising or losses sustained by Noteholders. The Noteholders shall have no rights whatsoever against the Issuer's directors, shareholders, employees, service providers or agents</p>
<p><b>20. Circular Notice</b></p>	<p>A written notice sent by the Issuer to each Noteholder and the Noteholders' Representative by email at least twelve (12) Business Days before each Review Date. Each Circular Notice executed by the Issuer shall be appended to these Listing Particulars as a schedule and shall have the effect of amending and supplementing these Listing Particulars and, taken together with these Listing Particulars, shall constitute the complete Listing Particulars as amended by those Circular Notices</p>
<p><b>21. Registrar, Transfer, Calculation &amp; Paying Agent</b></p>	<p>M.C.B. Registry and Securities Ltd</p>
<p><b>22. Noteholders' Representative</b></p>	<p>MUA Life Ltd</p>
<p><b>23. Form of the Notes</b></p>	<p>The Notes were issued in inscribed form. No certificates were issued. Legal ownership of the Notes will be reflected in book entries recorded by the Registrar on the Register, which shall</p>

	<p>constitute the definitive evidence of the title of the Noteholder to the number of Notes shown against his name.</p> <p>Upon listing of the Notes, legal ownership will be reflected in book entries recorded by the CDS and such records shall constitute the definitive evidence of the title of the Noteholder to the number of Notes shown in his CDS account</p>
<b>24. Status of the Notes &amp; Security Interest</b>	The Notes shall constitute secured obligations of the Issuer and shall rank <i>pari passu</i> among themselves. The Notes shall be secured by a pledge of all the constituents of the Reference Basket in favour of the Noteholders Representative for the benefit of the Noteholders. There is no third party guarantee which is provided by any entity within the Issuer's group in connection with the Notes
<b>25. Governing law</b>	Mauritian Law
<b>26. Jurisdiction</b>	By mediation and arbitration under the rules of the Arbitration and Mediation Center of the Mauritius Chamber of Commerce and Industry (MARC)

**PART B – SPECIFIC TERMS IN RELATION TO THE NOTES ISSUED ON 13 JANUARY 2020**

<b>1. Aggregate Nominal Amount</b>	EUR 5,000,000
<b>2. Reference Basket</b>	<ul style="list-style-type: none"> <li>o <b>RU-La Pirogue 01</b></li> <li>o Reference Entity: City and Beach Hotels (Mauritius) Limited</li> <li>o Investment amount: EUR5,000,000</li> <li>o Rating of Reference Underlying: CARE MAU A (stable)</li> <li>o Security interest pertaining to Reference Underlying: A fixed and floating charge granted by the Reference Entity</li> <li>o The noteholders' representative, acting for and on behalf of the noteholders of the Reference Entity, has been</li> </ul>

	<p>added as an additional insured person under the insurance cover pertaining to the Reference Entity</p> <ul style="list-style-type: none"> <li>o Initial weight in Reference Basket: 100%</li> </ul>
<b>3. Time Table</b>	In relation to this issue of Notes, the following will apply:
<b>a) Offer start date</b>	2 December 2019
<b>b) Offer end date</b>	10 January 2020
<b>c) Payment Date</b>	13 January 2020
<b>d) Issue Date</b>	13 January 2020
<b>e) Current Maturity Date</b>	14 January 2030
<b>f) Next Review Date</b>	At latest 13 January 2021
<b>g) Next Interest Payment Date</b>	On or about 13 April 2020
<b>4. Interest Rate</b>	In relation to this issue of Notes, the Interest Rate shall be 2.25% p.a.
<b>5. Rating</b>	<p>The Notes have been assigned a rating of CARE MAU A- (stable) by Care Ratings Africa (Mauritius) Ltd. During the lifetime of the Notes, the Rating may be upgraded, downgraded or remain stable. The latest Rating can be obtained from CARE Ratings Africa (Mauritius) Ltd's website at:</p> <p><a href="http://www.careratingsafrica.com/corporate-rating.php">http://www.careratingsafrica.com/corporate-rating.php</a></p>

## Schedule V: KEY EXTRACTS OF THE CONSTITUTION

Date of Constitution	26 November 2019
<b>Vote on Interested Transactions</b>	<p>A Director who, within the meaning of Section 147 of the Act, is interested in a transaction entered into, or to be entered into, by the Company, shall: (i) not vote on any matter relating to the transaction, and if he does vote, his vote shall not be counted; (ii) not attend a meeting of Directors at which a matter relating to the transaction arises; (iii) not sign a document relating to the transaction on behalf of the Company; (iv) not be entitled to receive or take cognizance of any board papers or other documents relating to the transaction; and (v) not do any other thing in his capacity as a director in relation to the transaction.</p>
<b>Vote on Remuneration of Directors</b>	<p>The Shareholders by Ordinary Resolution, or the Board may if it is satisfied that to do so is fair to the Company, approve the payment of remuneration (or the provision of other benefits) by the Company to a Director for his services as a Director, or the payment of compensation for loss of office.</p>
<b>Power to Borrow</b>	<p>The Board shall have all the powers of the Company as expressed in Section 27 of the Act and Article 8 of the Constitution, including, but not limited to, the power to purchase and sell property, to borrow money and to mortgage, pledge or create charges on its assets and to issue debentures and other securities, whether outright or as security for any debt, liability, or obligation of the Company or of any third party.</p>
<b>Retirement or non-retirement of directors under an age limit</b>	<p>A person will be disqualified from holding the office of director if he becomes disqualified from being a Director pursuant to section 133 of the Act.</p>
<b>Shareholding Qualification</b>	<p>A Director shall not be required to hold Shares.</p>
<b>Changes in Capital</b>	<p>Subject to the Act, this Constitution and the terms of issue of any existing Shares, the Board may issue Shares (and rights or options to acquire Shares) of any class at any time, to any person and in such numbers as the Board thinks fit.</p>
<b>Distribution and Dividend</b>	<p>Subject to Article 18.2, the Board may, if it is satisfied on reasonable ground that the Company will satisfy the Solvency Test immediately after the distribution, authorise a distribution by the Company to Shareholders of any amount and to any Shareholders as it thinks fit, without further approval of Shareholders.</p>
<b>Transfer of Shares</b>	<p>Save and except when the Share is purchased by the Company, no Share in the capital of the Company shall be sold or transferred by any Shareholder unless and until the rights of pre-emption hereinafter conferred have been exhausted.</p>