

CIRCULAR NOTICE

THIS CIRCULAR NOTICE CONSTITUTES, FOR THE PURPOSES OF THE LISTING RULES, A SUPPLEMENT TO THE LISTING PARTICULARS DATED 14 JUNE 2019 (AS AMENDED) (“**LISTING PARTICULARS**”) IN RELATION TO THE SECURED CREDIT-LINKED NOTES OF CM DIVERSIFIED CREDIT LTD (THE “**ISSUER**”).

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

This Circular Notice is issued pursuant to the Listing Particulars in relation to (i) the Interest Rate, (ii) change in the rating of one Reference Underlying, (iii) a Portfolio Review whereby an additional Reference Underlying is proposed to be added to the Reference Portfolio, (iv) the proposed issue of additional Notes by the Issuer, (v) the constituents of the Reference Portfolio, and (vi) the Maturity Date.

A description of the Portfolio Review, including information pertaining to the new Reference Entity and the Reference Underlyings, and the clauses of the Listing Particulars which will be amended by way of this Circular Notice, is provided in the annex to this Circular Notice (the “**Annex**”).

Summarized information regarding the revised key terms and conditions pertaining to the Notes are provided in paragraphs 1 to 4 below. Any investment decision in respect to the Notes shall be based on careful consideration of this Circular Notice (including the Annex) and the Listing Particulars as a whole.

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

	Current Terms	Proposed Terms
Interest Rate	Higher of 1.60% p.a. and R – 15 bps p.a. where R is the weighted (by amount allocated at each auction) average of the highest 91-day Government of Mauritius or Bank of Mauritius (as the case may be) bill yields accepted on primary auctions held during the period beginning on (and including) 29th September 2020 (the “ Initial Date ”) and ending on (but excluding) the date on which the Circular Notice immediately following the Initial Date is issued	Higher of 1.45% p.a. and R – 15 bps p.a. where R is the weighted (by amount allocated at each auction) average of the highest 91-day Government of Mauritius or Bank of Mauritius (as the case may be) bill yields accepted on primary auctions held during the period beginning on (and including) 29th December 2020 (the “ Initial Date ”) and ending on (but excluding) the date on which the Circular Notice immediately following the Initial Date is issued
Interest Reset Date (subject to Business Day Convention)	29 December 2020	29 March 2021
Duration of Interest Period	91 days	90 days
Maturity Date	4 April 2029	18 December 2030

- Due to the considerable turmoil created by the COVID pandemic, various businesses have been profoundly impacted. In this context, the rating of CIEL Ltd (“**CIEL**”) has been downgraded from CARE MAU AA to CARE MAU A+. Despite this downgrade, CIEL retains a solid investment grade rating which does not affect its eligibility as a Reference Entity for the Issuer. Furthermore, this rating downgrade has no impact on the rating of the Issuer’s Notes.

3. The below table shows the proposed amendments to the Reference Portfolio and the weightage of the Reference Underlyings:

Amendment to	Current Reference Underlyings and weightage	Proposed Reference Underlyings and weightage
Reference Portfolio	<ul style="list-style-type: none"> • RU-ENL 01: MUR 426 million (28.6%) • RU-CIEL 01: MUR 170 million (11.4%)* • RU-CIEL 02: MUR 170 million (11.4%) • RU-MUA 01: MUR 426 million (28.6%) • RU-OHTE 01: MUR 264 million (20.0%) 	<ul style="list-style-type: none"> • RU-ENL 01: MUR 426 million (25.7%) • RU-CIEL 01: MUR170 million (10.3%) • RU-CIEL 02: MUR 170 million (10.3%) • RU-MUA 01: MUR 426 million (25.7%) • RU-OHTE 01: MUR 264 million (15.9%) • RU-ASC 01: MUR 200 million (12.1%)

4. The RU-CIEL 01 notes for an aggregate amount of MUR170m will mature on the 4 February 2021. The Issuer is in discussions with CIEL to extend the maturity of the notes. If no agreement is reached on such an extension, the proceeds received from the maturing notes shall be held in Bank Deposits or invested in short term sovereign securities (as permitted under the Investment Universe).
5. The proposed addition to the Reference Portfolio is subject to: (i) the issuance of notes by Ascencia Ltd in furtherance to its communiqué dated 12th November 2020; and (ii) the approval of the Stock Exchange of Mauritius Ltd for the issuance and listing of new Notes by the Issuer.
6. In accordance with the terms of the Listing Particulars, you may exercise your Put Option by replying to this email and quoting the text specified in paragraph 7 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.
7. In the event you wish to exercise your Put Option, please reply to the email notice and quote therein verbatim (save for the number of notes to be edited as applicable) the following text, which shall, for the purposes of the Listing Particulars, constitute the Put Option Notice:
- “Further to the Circular Notice dated 8th December, 2020, I hereby unconditionally and irrevocably request you to redeem, purchase, or arrange for the purchase of, all/[insert number] Notes and to credit the Put Proceeds into the relevant bank account.”*
8. The amendments specified in the Annex shall take effect on 29 December 2020.
9. The Annex shall constitute an integral part of this Circular Notice.
10. A new listing particulars, which will integrate all the applicable terms still in force in all previous Circular Notices, including this Circular Notice, will supersede the Listing Particulars as from the 29th December 2020.
11. Except as amended pursuant to this Circular Notice, all the other terms and conditions set out in the Listing Particulars shall remain in full force and effect.
12. The governing law and jurisdiction clauses of the Listing Particulars shall apply to this Circular Notice.

8 December 2020

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

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

PRINCIPAL TERMS

Interest Rate	<p><i>The Interest Rate shall be as follows:</i></p> <ul style="list-style-type: none"> • <i>for the Interest Period starting 29th December 2020, the higher of 1.45% p.a. and R – 15 bps p.a.; where R is the weighted (by amount allocated at each auction) average of the highest 91-day Government of Mauritius or Bank of Mauritius (as the case may be) bill yields accepted on primary auctions held during the period beginning on (and including) 29th December 2020 (the “Initial Date”) and ending on (but excluding) the date on which the Circular Notice immediately following the Initial Date is issued;</i> • <i>thereafter, reset on each Interest Reset Date and will be specified in the Circular Notice</i>
Interest Reset Date	<i>The next Interest Reset Date shall be 29 March 2021</i>

B. Further Issues and Portfolio Review

Pursuant to Clause 3.3 and Clause 6.3 of the Listing Particulars, the Issuer will issue further Notes by way of private placement to targeted investors for an aggregate amount of up to MUR 200,000,000 (“**Notes Proceeds**”). Such issue will be subject to: (i) the issuance of notes by Ascencia Ltd in furtherance to its communiqué dated 12th November 2020; and (ii) the approval of the Stock Exchange of Mauritius Ltd for the issuance and listing of new Notes by the Issuer.

The outstanding aggregate nominal amount of Notes outstanding after this issue shall therefore be MUR 1,657,000,000. The Notes to be issued shall have the same rights, shall rank pari passu with and shall be assimilated to the existing Notes. Eligible investors wishing to apply for the Notes will be required to complete the relevant application form made available to them.

The Notes Proceeds will be invested in the secured notes of Ascencia Ltd for an amount equal to MUR 200 million. The price per note to be issued by Ascencia Ltd will be the nominal value of such note.

Upon the issuance of the notes by Ascencia Ltd and the admission of the new Notes being approved by the SEM, the provisions of Schedule II (The Reference Portfolio) of the Listing Particulars should be repealed and replaced by the below new provisions. Otherwise, the current provisions shall remain applicable, save that the credit rating of RU–CIEL 01 and RU–CIEL 02 shall be amended to CARE MAU A+.

PART I: REFERENCE UNDERLYINGS

Reference entity	Reference underlying reference	Rating	Security	Weight in reference portfolio
CIEL Ltd	RU – CIEL 01	CARE MAU A+	A first rank share pledge (shared pari passu with all noteholders) on Alteo Ltd (ISIN: MU0368N00004) (“ Alteo Shares ”) and SUN Limited (ISIN: MU0016N00009) shares (“ SUN Shares ”). The Alteo Shares and the Sun Shares pledged carry a minimum valuation of MUR 250 million. A waiver has been acceded over CIEL notes for the period 30 Jun 2020 to 1 July 2021 over the ICR covenant, Minimum Valuation covenant, Monitoring clause and Top up Clause following comfort over Supplemental Pledges over SUN and Alteo.	10.30%
ENL Limited	RU – ENL 01	None	A first rank share pledge on ENL Property Ltd (“ ENLP ”). The shares pledged by ENL Ltd and shall carry a minimum valuation of MUR 650 million	25.70%
CIEL Ltd	RU – CIEL 02	CARE MAU A+	A first rank share pledge (shared pari passu with all noteholders) on Alteo Ltd (ISIN: MU0368N00004) (“ Alteo Shares ”) and SUN Limited (ISIN: MU0016N00009) shares (“ SUN Shares ”). The Alteo Shares and the Sun Shares pledged carry a minimum valuation of MUR 250 million (the “Valuation Covenant”). The Issuer has agreed to waive the interest coverage ratio covenant and valuation covenant for the period 30 June 2020 to 1 st July 2021	10.30%
MUA Ltd	RU – MUA 01	CARE MAU AA- (stable)	None	25.70%
OHTE Ltd	RU – OHTE 01	CARE MAU A- (stable)	<ul style="list-style-type: none"> A pledge of bank accounts of the Reference Entity A first rank share pledge of the Omnicane Thermal Energy Operations (La Baraque) Ltd shares held by Omnicane Ltd 	15.9%
Ascencia Ltd	RU – ASC 01	CARE MAU A+	<ul style="list-style-type: none"> A first rank pari-passu floating charge on the assets of Ascencia Ltd 	12.1%

PART II: REFERENCE ENTITIES

- CIEL Ltd**

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

- ENL Limited**

ENL Ltd is a diversified investment company listed on the SEM operating across 7 segments of land & investments, agro-industry, real estate, commerce & industry, hospitality, logistics and fintech. As at 30 June 2019, ENL Ltd (on a consolidated basis) generated revenues of MUR 16.1bn, an operating profit of MUR 1.3bn and a profit after tax of MUR 1.4bn.

- **MUA Ltd**

MUA was incorporated in 1948. It has been listed on the Official Market of the Stock Exchange of Mauritius Ltd since 1993. MUA operates within the financial services industry specialising in Insurance, Corporate Pension Schemes, Investment and Loans for both individuals and corporates. As at 30 June 2019, MUA earned gross premium of MUR 2.2bn (50% of which came from its general insurance activities)."

- **OHTE**

OHTE is a wholly owned subsidiary of Omnicane Limited and is the majority shareholder (60%) of Omnicane Limited's main power plant, Omnicane Thermal Energy Operations (La Baraque) Ltd ("OTEOLB"). OTEOLB has signed a 20-year Power Purchase Agreement ("PPA") with the Central Electricity Board ("CEB"), which will expire in July 2027, and which requires OTEOLB to be available to the CEB for a minimum of 8,000 hours annually. Whilst OTEOLB exports the majority of the electricity it produces on-demand to the CEB throughout the year, the power plant also supplies both electricity and low-pressure steam to Omnicane Milling Operations Limited ("OMOL") during the harvest season. In 2018, OTEOLB accounted for 15.7% of the total electricity produced in Mauritius.

- **Ascencia Ltd**

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