

## CM Diversified Credit Ltd

### Circular Notice dated 2<sup>nd</sup> December 2024

*THIS CIRCULAR NOTICE CONSTITUTES, FOR THE PURPOSES OF THE LISTING RULES, A SUPPLEMENT TO THE LISTING PARTICULARS DATED 28 MARCH 2024, AS AMENDED FROM TIME TO TIME (“LISTING PARTICULARS”) IN RELATION TO THE SECURED CREDIT-LINKED NOTES OF CM DIVERSIFIED CREDIT LTD (THE “ISSUER”).*

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

This Circular Notice is issued pursuant to the Listing Particulars in relation to (i) a Portfolio Review whereby 2 additional Reference Underlyings are proposed to be added to the Reference Portfolio, as described below and in an annex to this Circular Notice (the “Annex”), (ii) the proposed issue of additional Notes by the Issuer, (iii) the proposed change in the stated capital of the Issue, (iv) a revised Interest Rate, (v) a revised Interest Reset Date, and (vi) such other changes to the Listing Particulars which will be amended by way of this Circular Notice. Any investment decision in respect to the Notes shall be based on careful consideration of this Circular Notice (including the Annex) and the Listing Particulars as a whole.

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

Amendment to	Current Terms	Proposed Amended Terms
<b>Interest Rate</b>	Higher of 3.60% p.a. and R – 15 bps p.a.	Higher of 3.70% p.a. and R – 15 bps p.a.
	where R is the weighted (by amount allocated at each auction) average of the highest 91-day Government of Mauritius or Bank of Mauritius (as the case may be) bill yields accepted on primary auctions held during the period beginning on (and including) 29 <sup>th</sup> September 2024 (the “Initial Date”) and ending on (but excluding) the date on which the Circular Notice immediately following the Initial Date is issued	where R is the weighted (by amount allocated at each auction) average of the highest 91-day Government of Mauritius or Bank of Mauritius (as the case may be) bill yields accepted on primary auctions held during the period beginning on (and including) 29 <sup>th</sup> December 2024 (the “Initial Date”) and ending on (but excluding) the date on which the Circular Notice immediately following the Initial Date is issued (subject to Business Day Convention)
<b>Interest Reset Date</b>		
<b>(subject to Business Day Convention)</b>	29 December 2024	29 March 2025

2. The duration of Interest Period is 90 days and the Maturity Date remains 18<sup>th</sup> December 2038.

3. In accordance with the approval received from The Stock Exchange of Mauritius Ltd (the “SEM”), the Issuer will issue and list up to 330,584 New Notes on the SEM on 29<sup>th</sup> December 2024. These New Notes will be issued through a preferential offer, at a nominal amount of MUR 1,000 each, to certain eligible investors (as per the relevant offer memorandum). Following such issue, the Aggregate Nominal Amount shall increase from MUR 2,833,072,000 to MUR 3,163,656,000.

4. The amount received from the part repayment from OHTE referenced in the Proposed Amended Terms below, together with the proceeds raised from the New Notes (described above) shall be used to acquire (i) unsecured floating rate notes issued by SBI (Mauritius) Ltd (the “**SBI Notes**”) and (ii) secured floating rate notes issued by Evolis Properties Ltd (the “**Evolis Notes**”).
5. Pursuant to the terms of the Listing Particulars, the Issuer’s board of directors has approved an increase in its stated capital from MUR 181,000,000 to MUR 193,000,000 through a rights issue of 12,000 new ordinary shares at a price of MUR 1,000 each. Upon this Circular Notice becoming effective, the Credit Enhancement Amount shall amount to MUR 193,000,000.
6. On 29<sup>th</sup> December 2024, the Reference Portfolio, following the addition of up to (i) MUR 300,000,000 SBI Notes and (ii) MUR 50,000,000 Evolis Notes, shall be as follows:

Amendment to	Current Terms <sup>1,2</sup>	Proposed Amended Terms <sup>1</sup>
Reference Portfolio	<ul style="list-style-type: none"> <li>• MUA: MUR 511 million (18.0%)</li> <li>• ENL: MUR 785 million (27.7%)</li> <li>• CIEL: MUR 365 million (12.9%)</li> <li>• OHTE: MUR 162 million (5.7%)</li> <li>• ASCENCIA: MUR 200 million (7.1%)</li> <li>• CIPF: MUR 150 million (5.3%)</li> <li>• CFL: MUR 160 million (5.6%)</li> <li>• OFICEA: MUR 500 million (17.6%)</li> </ul>	<ul style="list-style-type: none"> <li>• MUA: MUR 511 million (16.2%)</li> <li>• ENL: MUR 785 million (24.8%)</li> <li>• CIEL: MUR 365 million (11.6%)</li> <li>• OHTE: MUR 142 million (4.5%)<sup>3</sup></li> <li>• ASCENCIA: MUR 200 million (6.3%)</li> <li>• CIPF: MUR 150 million (4.7%)</li> <li>• CFL: MUR 160 million (4.8%)</li> <li>• OFICEA: MUR 500 million (15.8%)</li> <li>• SBI: MUR 300 million (9.5%)</li> <li>• EVOLIS<sup>4</sup>: MUR 50 million (1.6%)</li> </ul>

<sup>1</sup>Rounded to nearest integer

<sup>2</sup>The current Reference Portfolio also includes cash balance of MUR 600

<sup>3</sup>Aside from the cash balance in the current Reference Portfolio, OHTE repaid MUR 19.4m in the last quarter which is held in such instruments described in the Listing Particulars

<sup>4</sup>In the event that the Issuer does not invest in the Evolis Notes, the corresponding amount will be invested in such instruments described in the Listing Particulars

6. As per the circular notice dated 10<sup>th</sup> September 2024, the Issuer shall pay an interest rate of 3.60% p.a. to its Noteholders on 29<sup>th</sup> December 2024 (subject to the Business Day Convention as described in the Listing Particulars).
7. The Annex to this Circular Notice contains additional important information in relation to the Reference Portfolio.
8. 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 9 below within three (3) Business Days of the date hereof. We remind you that, unless waived by the Issuer, a Put Option Notice sent to the Issuer shall be irrevocable.
9. 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 2<sup>nd</sup> December 2024, 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.”*

10. The amendments specified in this Circular Notice and the Annex shall take effect on 29<sup>th</sup> December 2024 (subject to Business Day Convention).

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.

**2<sup>nd</sup> December 2024**

**ANNEX – SUPPLEMENTAL INFORMATION ON THE REFERENCE PORTFOLIO**
**PART I: REFERENCE UNDERLYINGS**

Reference Entity	Reference underlying reference	Rating	Security	Weight in reference portfolio
<b>ENL Limited</b>	RU-ENL 01	CARE MAU A+ (stable)	<ul style="list-style-type: none"> <li>A first rank share pledge on ENL Property Ltd (“ENLP”). The shares pledged by ENL Limited and shall carry a minimum valuation of 1.3x of the ENL Limited’s exposure.</li> </ul>	14.6%
	RU-ENL 02	CARE MAU A+ (stable)	<ul style="list-style-type: none"> <li>A first rank fixed charge on certain lands of ENL Limited. The minimum valuation of the said lands shall be 1.2x the aggregate nominal amount of the ENL Limited’s notes.</li> </ul>	9.5%
	RU-ENL 03	CARE MAU A+ (stable)	<ul style="list-style-type: none"> <li>A pledge of shares in Rogers and Company Limited at a minimum valuation of 1.3x the aggregate nominal amount of the ENL Limited’s notes.</li> <li>Thereafter, on 30 June 2024, the pledge will be substituted with a first rank mortgage over certain plots of land for at least 1.2x the aggregate nominal amount of the ENL Limited’s notes.</li> </ul>	0.8%
<b>CIEL Ltd</b>	RU-CIEL 02	CARE MAU AA (stable)	<ul style="list-style-type: none"> <li>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 1.25x of the CIEL’s exposure</li> </ul>	6.2%
	RU-CIEL 03	CARE MAU AA (stable)	<ul style="list-style-type: none"> <li>A first rank share pledge on CIEL Textile Limited Shares (“CTL Shares”). The CTL Shares pledged shall carry a minimum valuation of 1.5x of the CIEL’s exposure</li> </ul>	5.4%
<b>MUA Ltd</b>	RU-MUA 01	CARE MAU AA- (stable)	<ul style="list-style-type: none"> <li>None</li> </ul>	14.6%
	RU-MUA 02	CARE MAU AA- (Stable)	<ul style="list-style-type: none"> <li>None</li> </ul>	1.6%
<b>OHTE Ltd</b>	RU-OHTE 01	CARE MAU A- (stable)	<ul style="list-style-type: none"> <li>A pledge of bank accounts of the Reference Entity</li> <li>A first rank share pledge of the Omnicane Thermal Energy Operations (La Baraque) Ltd shares held by Omnicane Ltd</li> </ul>	4.5%
<b>Ascencia Ltd</b>	RU-ASC 01	CARE MAU AA- (stable)	<ul style="list-style-type: none"> <li>A first rank pari-passu floating charge on the assets of Ascencia Ltd</li> </ul>	6.3%
<b>Commercial Investment Property Fund Limited</b>	RU-CIPF 01	CARE MAU A- (stable)	<ul style="list-style-type: none"> <li>A first rank fixed on certain assets of CIPF and a floating charge on all the assets of CIPF</li> </ul>	1.6%
	RU-CIPF 02		<ul style="list-style-type: none"> <li>An assignment of rental proceeds</li> </ul>	2.4%
	RU-CIPF 03		<ul style="list-style-type: none"> <li>A debt service reserve guarantee (3 months of interest payments)</li> </ul>	0.8%

Reference Entity	Reference underlying reference	Rating	Security	Weight in reference portfolio
<b>CIEL Finance Limited</b>	RU-CFL 01	CARE MAU A (stable)	<ul style="list-style-type: none"> <li>A first rank floating charge on all the assets, present and future, of the CFL</li> </ul>	1.4%
	RU-CFL 02			1.7%
	RU-CFL 03			0.3%
	RU-CFL 04			1.6%
<b>Oficea Company Limited</b>	RU-OFI 01	CARE MAU A (stable)	<ul style="list-style-type: none"> <li>A fixed charge on certain assets of Oficea and a floating charge on all assets of Oficea</li> <li>Another fixed charge on new immovable properties of Oficea</li> <li>A pledge on the general bank account of the Oficea</li> <li>Debt service reserve account pledge (covering at least the interest amount over each forthcoming interest period)</li> </ul>	1.6%
	RU-OFI 02			1.6%
	RU-OFI 03			4.7%
	RU-OFI 04			4.7%
	RU-OFI 05			3.2%
<b>SBI (Mauritius) Ltd</b>	RU-SBI 01	CARE MAU AAA (stable)	<ul style="list-style-type: none"> <li>None</li> </ul>	9.5%
<b>Evolis Properties Ltd</b>	RU-EVO 01	CARE MAU A- (stable)	<ul style="list-style-type: none"> <li>A fixed charge over certain properties granted by Evolis Properties Ltd and its subsidiary, which will be shared on a pari-passu basis with the existing notes of Evolis Properties Ltd</li> <li>A first rank floating charge over all assets, which will be shared on a pari-passu basis with the existing notes of Evolis Properties Ltd</li> <li>A share pledge on the shares held by Evolis Properties Ltd in its subsidiary, which will be shared on a pari-passu basis with the existing notes of Evolis Properties Ltd</li> </ul>	1.6%

## 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. For FY 2024, CIEL Ltd (on a group basis) generated revenues of MUR 35.2bn and, a normalised EBITDA of MUR 7.5bn and a group profit after tax of MUR 5.0bn.

- **ENL Limited**

ENL Limited is a diversified investment company listed on the SEM operating across 7 segments of land & investments, agro-industry, real estate, commerce & industry, hospitality, logistics and fintech. For FY 2024, ENL Limited (on a consolidated basis) generated revenues of MUR 24.7bn, an operating profit of MUR 3.7bn and a group profit after tax of MUR 3.8bn.

- **MUA Ltd**

MUA was incorporated in 1948. It has been listed on the Official Market of the Stock Exchange of Mauritius Ltd since 1993. MUA operates within the financial services industry specialising in Insurance, Corporate Pension Schemes, Investment and Loans for both individuals and corporates. For the nine months ended 30 September 2023, MUA earned gross premium of MUR 5.7bn and a group profit after tax of MUR 129m.

- **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 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 during the harvest season.

- **Ascencia Ltd**

Ascencia is the leading mall owner and operator in Mauritius. Its prime assets include Bagatelle, the busiest mall in the country, and 'Jumbo' Phoenix Mall. For FY 2024, Ascencia generated a total revenue of MUR 1.9bn, an operating profit of MUR 1.7bn, and a profit after tax of MUR 1.2bn.

- **Commercial Investment Property Fund Limited**

Commercial Investment Property Fund ("CIPF") is a property fund owning commercial and industrial assets in Mauritius leased to companies forming part of the ENL Group. In January 2017, CIPF has entered into 20 years lease agreement with all the tenants. The tenants have established track record of operations of over 15 years having business interest in diverse industries including automobile dealership, eyewear manufacturing and construction. As at 30 June 2024, CIPF generated an annual rental revenue of MUR 200.0m from an asset base valued at MUR 2.0bn.

- **CIEL Finance Limited**

Ciel Finance Limited (CFL) is the financial services cluster of CIEL Ltd. CFL is actively involved in 4 sectors of the financial services industry: banking, fiduciary services and companies, asset management and private equity. Through its subsidiaries and affiliates, CFL operates in more than half a dozen countries and employs more than 1,400 employees. The majority of CFL's revenues stems from dividend income which it receives from Bank One Limited and BNI Madagascar amongst others. For FY 2024, CFL on a consolidated basis reported revenues of MUR 5.7bn, an EBITDA of MUR 2.1bn with an all-time high PAT of 1.6bn.

- **Oficea Company Limited**

*Oficea Company Limited (“Oficea”) is a subsidiary of ENL Property Ltd. Oficea is specialised in the development and rental of unique portfolio of Grade A office spaces in various locations of Moka Smart City including Vivea, Bagatelle and Telfair. For year ended 30 June 2024, Oficea (on a group basis) generated revenues of MUR 311.0m, an operating profit of MUR 179.2m and a profit after tax of MUR 38.6m.*

- **SBI (Mauritius) Limited**

*SBI (Mauritius) Ltd (“SBIML”) is a subsidiary of the State Bank of India (“SBI (India)”), a Fortune 500 Company and top-50 global bank. SBIML is a profitable and conservatively managed banking institution licensed by the Bank of Mauritius. It has 13 retail branches covering major areas, 20 ATMs across the island, and over 65,000 clients in Mauritius and abroad. As of FY24, SBIML has USD 1.3bn of total assets and USD 27m PAT with 22% capital adequacy ratio*

- **Evolis Properties Ltd**

*Evolis Properties Ltd (“Evolis”) is a mixed-use investment holding company which directly and indirectly owns c. MUR 2.0bn of investment properties in Mauritius. It was created to consolidate non-core industrial properties of the Ciel Group as well as the Ciel head office building. Evolis is a subsidiary of the Ciel Group owned through Ciel Properties Ltd (21.3%) and Ciel Textile Ltd (78.7%). As of FY24, Evolis reported total rental income of 106.0m and PAT of 11.8m*