

CIRCULAR NOTICE

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

We refer to your investment in the notes issued on 13 January 2020 by CM Structured Products (2) Ltd (the “**Issuer**”). Unless otherwise defined, words and expressions defined in the Listing Particulars shall bear the same meanings in this Circular Notice.

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

	Current Terms	Proposed Amended Terms
Interest Rate	2.25% p.a.	2.00% p.a.
Review Date	The date, at the discretion of the Issuer but always subject to a Circular Notice being served on Noteholders under the terms and conditions of these Listing Particulars, on which any amendment to the Interest Rate, Reference Basket and other terms and conditions of these Listing Particulars becomes effective. A Review Date shall always fall on an Interest Payment Date with the 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	The date, at the discretion of the Issuer but always subject to a Circular Notice being served on Noteholders under the terms and conditions of these Listing Particulars, on which any amendment to the Interest Rate, Reference Basket and other terms and conditions of these Listing Particulars becomes effective. A Review Date shall always fall on an Interest Payment Date with the next Review Date falling no later than 13 April 2021. Any amendment to a Review Date shall be specified in the Circular Notice issued prior to such Review Date
Next Review Date	At latest 13 January 2021	At latest 13 April 2021

1. The Issuer’s sole Reference Underlying to date comprises a floating rate note issued by City & Beach Hotels (Mauritius) Ltd (the “**Reference Entity**”), the holding company of the ‘La Pirogue’ hotel (the “**Hotel**”). The notes are secured by a fixed and floating charge on the assets of the Reference Entity.
2. With the closure of the Mauritian borders, the Hotel temporarily ceased its activities in March 2020 and partially reopened in October 2020 to residents on weekends and for certain events. Due to the continued closure of the Mauritian borders with heavy restrictions on incoming passengers having to go through a 14 day quarantine, business will be mostly from residents. The full reopening date of the hotel remains unknown as this will depend on the

reopening of the country borders. However, with the approval of vaccines against COVID-19, a recovery in the global travel and tourism industry may be anticipated as from the second half of 2021.

3. Due to the above trading conditions, the Reference Entity's rating was downgraded in September 2020 to CARE MAU A-. The rating is under credit watch with negative implications. As a result of this rating downgrade, Schedule II Part I of the Listing Particulars is being repealed and replaced by Annex 1 of this Circular Notice.
4. Since the lockdown, the Hotel has kept operating costs to a minimum with approximately 25 staff on site to maintain essential services and reduced services agreed with service providers. The main item of cost – payroll - is being subsidised by around 50% by the government through the Wage Assistance Scheme. Since April 2020, supervisory staff and above have been on either voluntary reduced pay or reduced hours as permitted by law. In order to cut fixed costs, a voluntary retirement scheme and a voluntary departure scheme have been implemented, which have enabled the Hotel to cut down its workforce by 25%.
5. The Reference Entity operates under a centralized treasury function within its parent company, SUN Ltd. The latter, through two of its subsidiaries, has secured MUR 3.1bn of investment from the Mauritius Investment Corporation. This investment, which is expected to be disbursed shortly, shall provide the Reference Entity with sufficient funding to meet all its commitments for the next six months.
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 this email and quote therein *verbatim* (save for the number of notes to be edited as applicable) the following text, which shall, for the purposes of the Listing Particulars, constitute the Put Option Notice:

“Further to the Circular Notice dated [•], I hereby unconditionally and irrevocably request you to redeem, purchase, or arrange for the purchase of, all/[insert number] Notes and to credit the Put Proceeds, into the bank account specified in the Application Form.
8. The amendments to the Listing Particulars contained in this Circular Notice shall take effect on 13 January 2021.
9. All provisions of the Listing Particulars other than those amended hereunder shall apply to this Circular Notice as if the same were set out in full herein.
10. Except as amended pursuant to this Circular Notice, all other the terms and conditions set out in the Listing Particulars shall remain in full force and effect.
11. The provisions on governing law and jurisdiction of the Listing Particulars shall apply to this Circular Notice.

23 December 2020

Annex 1
Amendments to Schedule II Part 1 (Reference Underlyings) of the Listing Particulars

Current Terms	Amended Terms
<ul style="list-style-type: none"> • RU- La Pirogue 01 <ul style="list-style-type: none"> ○ Reference Entity: City and Beach Hotels (Mauritius) Limited ○ Amount: EUR 5,000,000 ○ Rating: CARE MAU A (stable) ○ Security interest pertaining to Reference Underlying: A 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% 	<ul style="list-style-type: none"> • RU- La Pirogue 01 <ul style="list-style-type: none"> ○ Reference Entity: City and Beach Hotels (Mauritius) Limited ○ Amount: EUR 5,000,000 ○ Rating: CARE MAU A-, credit watch with negative implications ○ Security interest pertaining to Reference Underlying: A 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%