

CM Structured Finance (1) Ltd (CMSFL1)

April 29, 2022

Ratings

Facilities/Instruments	Amount (Mur Million)	Rating ¹	Rating Action
Credit Linked Notes (CLN)	-	-	Withdrawn
Total	-		

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE Ratings Africa Private Limited has withdrawn the outstanding rating of 'CARE MAU D' assigned to the Credit Linked Notes of CMSFL1 with immediate effect consequent to restructuring of the debt instrument leading to substantial change in the characteristics of the instrument.

Analytical approach: Not Applicable

About the Company

CM Structured Finance (I) Ltd, a public limited company, was incorporated as a Special Purpose Vehicle (SPV) under the laws of Mauritius on April 10, 2019. It is wholly-owned by MCB Capital Markets Ltd, which is a wholly-owned subsidiary of MCB Group Limited. In 2019, CMSFL issued Secured Credit Linked Floating Rate Notes (collateralized loan obligation) of USD 20 million (Mur 880 million) to investors, for the purpose of providing debt financing to NMC Healthcare LLC (Reference Entity) by participating in a syndicated loan alongside other lenders, in accordance with the terms of the Loan Agreement.

Reference Entity - NMC Health PLC and NMC Healthcare LLC

NMC Health PLC (holding 100% stake in NMC Healthcare LLC) was incorporated in England. NMC Health PLC is domiciled in England but the day-to-day operations are executed through NMC Healthcare LLC (NMC) domiciled in the UAE. NMC's senior management teams and headquarters are located in Abu Dhabi.

NMC Healthcare LLC has not paid any interest to any of its creditors including CM Structured Finance (1) Ltd (CMSFI) during last 2 years. Accordingly and pursuant to the offer documents, CMSFI has not paid any interest to its Noteholders also. No principal repayment was due to CMSFI or from CMSFI to noteholders during this period.

Restructuring of NMC's Loans

As a recent development, the core operations of the NMC Group have exited the administration process in the UAE on the 25th of March 2022 through a 'deed of company arrangement' under the auspices of Abu Dhabi Global Market. In accordance with the DOCA, the Company's claim against NMC under the Loan Agreement, as defined in the listing particulars dated 6 August 2019 has been settled for a portion of a new debt facility issued by the new NMC Group.

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¹Complete definitions of the ratings assigned are available at www.careratingsafrica.com.

CARE Ratings (Africa) Private Limited

(Subsidiary of CARE Ratings Ltd.)

Registered Office: 5th Floor, MTML Square, 63, Cyber City, Ebene, Mauritius

Phone: +230 59553060/58626551 • www.careratingsafrica.com

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