



PRIVATE PLACEMENT PROSPECTUS TEMPLATE

Capital Market Development Authority



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#	DETAILS
1	Important Notices
1.1	Offer Invitation and Registration of Prospectus
✓	A statement inviting investors for the offer
✓	This prospectus has been filed and registered with Capital Market Development Authority on (date) in accordance with the Maldives Securities Act (2/2006) and the Companies Act (10/96) or where the entity is a partnership the Partnership Act (13/2011).
1.2	Liability Statement
✓	The Capital Market Development Authority will not hold any liability whatsoever, with respect to any losses suffered due to the information contained within this prospectus or any attached document. Further to this, all liabilities towards the information contained within the prospectus shall be borne by the issuer of securities, or where a document specifies a specific party, said party.
1.3	Forward Looking Statement
✓	Where securities are not being issued publicly, declaration of said fact and statement declaring that securities being offered privately are comparatively risky, and that investment in such securities shall be undertaken by parties with the capacity to determine the risks involved in the securities by assessing the financial statements of the issuer, information about the issuer, the business of the issuer, and make investment decisions based on assessment as described priorly, and be capable of bearing any financial losses suffered due to such risks.
1.4	Investment Advice
✓	The risk of investment
✓	It is recommended that advice and counsel is sought from a party licensed under the Act, or a party with experience in investing in stock or with respect to securities, where any clarification is required with respect to the information contained within this document.

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DETAILS

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Overview of the Issue

2.1 Offer Details

- ✓ Type of securities and class
- ✓ Date of publication of prospectus
- ✓ Name and address of proposed seller of securities (where the seller is different from the issuer of securities)
- ✓ Proposed quantity of securities and price (or mechanism for establishing price)
- ✓ The permit received for the issuance of securities / how the permit was obtained
- ✓ Copy of credit rating (if available)
- ✓ Collateral and Insurance on security (if any)
- ✓ Approval details where a special approval has been granted by the Authority in accordance with permitted Shariah principles (For Sukuk)

2.2 Eligible Applicants

2.3 Subscription Procedure

- ✓ The procedure and duration for making payments towards the securities
- ✓ Procedure and duration for delivering the securities
- ✓ Procedures concerning subscription payments prior to delivery of securities
- ✓ Procedures concerning rejected applications (refund process and timeline)
- ✓ Duration for application to purchase securities or duration for issuance

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DETAILS

2 Overview of the Issue

2.4 Summary of the offer

Offer Details

- ✓ Issuer
- ✓ Issuer registration no
- ✓ Method of listing
- ✓ Type of securities
- ✓ Interest / Profit / Rental rate
- ✓ Book closure date / record date
- ✓ Tenure
- ✓ Issue type
- ✓ No. of securities offered
- ✓ Face value
- ✓ Amount of funds to be raised
- ✓ Minimum subscription required
- ✓ Lot size
- ✓ Collateral
- ✓ Rating
- ✓ Insurance
- ✓ Guarantee
- ✓ Seniority
- ✓ Permit for issuance
- ✓ Purpose of the offer

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DETAILS

2 Overview of the Issue

2.4 Summary of the offer

Financial disclosures

- ✓ Debt ceiling
- ✓ Details of tax clearance
- ✓ Asset cover ratio
- ✓ Debt service ratio
- ✓ Debt to equity ratio
- ✓ Fixed charge coverage ratio

Offer timeline

- ✓ Prospectus publication date
- ✓ Subscription period (opening date / closing date)
- ✓ Allotment date
- ✓ Refund date
- ✓ Deposit of securities to MSD
- ✓ Date of listing

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DETAILS

3 Parties to the Offer

3.1 Parties responsible for Prospectus, Promoter, Lead Arranger, Underwriter or Third-Party Details

- ✓ Parties responsible for prospectus, their names, addresses, designations, and responsibilities
- ✓ Names and addresses of underwriters, payment receiving agents, and agents delivering or registering securities
- ✓ Name and contact number of person responsible for overseeing the issuance of sukuk (for Sukuk)
- ✓ Trustee
- ✓ Legal Counsel
- ✓ Custodian

3.2 Auditors of the Company

- ✓ Name and address of Auditor

4 Corporate Profile of the Issuer

4.1 Overview of the Company/Group

- ✓ Name registration number, TIN Number, Address, Email, Phone number
- ✓ Paid up capital
- ✓ Where the entity is a group, details
- ✓ Where the entity is controlled by another entity details of the controlling entity
- ✓ Core businesses and the occurrence of any events which may have affected said businesses
- ✓ Events and circumstances which have occurred since the end of the most recent full financial year, which has a bearing on the business

4 Corporate Profile of the Issuer

4.2 Profile of Board of Directors and Management

- ✓ Introduction of board of directors and management
- ✓ Remuneration policy for directors and senior management
- ✓ Total compensation and benefits awarded to each individual director in the preceding financial year
- ✓ Total compensation and benefits projected to be awarded to each individual director and proposed directors in the ongoing financial year
- ✓ Details of employment contracts or service contracts between directors of the issuer of securities and the issuer of securities or a subsidiary of the issuer, or proposed employment or service contracts which will expire within 1 (one) year (apart from contracts which can be terminated without compensation); inclusive of the following:
 - a) Director's name
 - b) Details of contract (individually for each director; or the absence of such a contract were applicable)
- ✓ Details of existing business, investment, and risks

4.3 Information Key Investment, Key Customers and Industry

- ✓ Information about key customers, suppliers, patents, other intellectual property rights, licenses, or contracts which are important to the business of the issuer of securities or where the business is dependent on such an aspect
- ✓ Information on key investments being undertaken or decided upon
 - Key changes to the business and current status

4.4 Projections on Business Opportunities and Financials

- ✓ Projections on business development opportunities and financial opportunities of the issuer of securities for the ongoing financial year.

4.5 Internal Audit Function and Risk Management Functions

- ✓ Information on internal audit function
- ✓ Risk management functions and extent

#	DETAILS
4	Corporate Profile of the Issuer
4.6	Organizational Structure and Responsibilities
4.7	Debt Ceiling
	✓ Where the issuer is subject to a debt ceiling
5	Terms and Conditions of the Offer
5.1	Interpretation
	✓ Definitions
5.2	Forms, Denomination, Title and Seniority
	<i>For debentures, bonds or comparable instruments</i>
	✓ Right towards interests (or equivalent), right to principal repayment
	✓ Date of accrual or ownership of interest (or equivalent)
	✓ Seniority of the instruments being issued
	<i>For Sukuk</i>
	✓ Name of Sukuk, type of contract being utilized, and size and duration of sukuk
	✓ Diagram depicting Sukuk diagram
5.3	Insurance, Collateral, Guarantee, Rating to the Security
	✓ Where any form of insurance has been taken in relation to the securities, details of said insurance
	✓ Valuation and details of security or collateral (if any)
	✓ Details of the rating of the security (if any)

5 Terms and Conditions of the Offer

5.4 Covenants

- ✓ Covenants, prerequisites for transaction, representations, warranties

5.5 Periodic and Coupon Distributions

For debentures, bonds or comparable instruments

- ✓ Periodic amounts and distribution dates
- ✓ Payment details in respect to the security
- ✓ Date of accrual or ownership of interest (or equivalent)

For Sukuk

- ✓ Profit/coupon/rent/rate and frequency
- ✓ Primary and additional methods of repayment

5.6 Events of Delay, Default and Cross Default

For debentures, bonds or comparable instruments

- ✓ Events of default
- ✓ Events of cross default
- ✓ Procedures to be followed when deemed to be in default

For Sukuk

- ✓ Events of default
- ✓ Event for enforcement

#	DETAILS
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5 Terms and Conditions of the Offer

5.7 Purchase and Redemption

For debentures, bonds or comparable instruments

✓ [Redemption procedure of the security](#)

For Sukuk

✓ [Early redemption of Sukuk units](#)

✓ [Repurchase arrangement of Sukuk units](#)

5.8 Transfer of Securities

✓ [Procedure for transferal for rights associated with the securities](#)

✓ [Where the securities can be sold or transferred from party to another or whether there are any restrictions or barriers to doing so](#)

5.9 Meeting of Investors, Modification and Authorization

✓ [Details on the process of meeting of investor and procedure to bring any modification to the Security conditions](#)

5.10 Board of Trustees

✓ [Where a trustee has been appointed details of the party](#)

✓ [Trust deed](#)

5.11 Dispute Resolution

✓ [Dispute resolution provisions](#)

#	DETAILS
6	Use of Proceeds
6.1	Objectives of the Offer
	✓ Objective for raising finance
6.2	Proposed expenditure of the offer
	✓ Proposed expenditure of the finance being raised, inclusive of the following
	a) Capital expenditure
	b) Repayment of debt
	c) Takeover of another company or business
	d) Other investments (with details)
	e) Working capital
	f) Miscellaneous (with details)
7	Fees and Other Costs
	✓ The following additional information on utilizing the raised finance (where the securities are being issued directly by the company)
	a) The amount required if for acquiring a specific asset, the amount of finance raised from issuance of securities to be allocated for said transaction, other amounts to be utilized for said transaction, and the payee.
	b) Amount of commission to be paid for subscription or agreement to facilitate subscriptions, other expenses associate with issuing securities, the amount of funds raised from issuing securities to be allocated for such expenses separately, other funds to be utilized, and the payees.
8	Financial Information
8.1	✓ Audited Statement of Income Statement
8.2	✓ Audited Statement of Financial Position

#	DETAILS
8	Financial Information
8.3	✓ Audited Statement of Cash Flow
8.4	✓ Audited Statement of Changes in Equity
8.5	✓ Management Account
9	Schedules
9.1	Declaration by Directors
	✓ I declare that the company or the current directors of the company fulfil the following requirements, apart from the exemptions provided for in the declaration.
	i) The person has not been convicted of charged with in a court of law of the criminal offences of robbery, fraud or embezzlement in the 10 years preceding the date of the declaration.
	ii) The person has not had any action taken against them by a stock exchange for violation of the stock exchange's listing rules.
9.2	Declaration of Responsibility
9.3	Declaration of Interest of Directors
	✓ "We, in our capacity as directors of (name of entity), confirm that the directors have no further interest in the capital of the company beyond that specified in (section number)."
	✓ I, in my capacity as a director of (name of entity), confirm that no contract or arrangement with respect to the material interest of a director in the company exists, beyond that specified in (section number).

#	DETAILS
9	Schedules
9.4	Confirmation on Financial Statements
	<p>I. I declare that the latest statement of financial positions shall be dated (at maximum within 14 days preceding the publication of the prospectus) and, for the duration in between, the following are as stated.</p> <p>II. The business of the company and subsidiaries have been reasonably maintained;</p> <p>III. In my opinion no event or circumstance has arisen, which might contribute to the depreciation of the value of the companies' business or assets, after the date of the latest financial statements;</p> <p>IV. The value of the company and subsidiaries' assets, stated in the financial statements are reflective of the true value at which the asset can be sold in a business-as-usual scenario;</p> <p>V. No liability will arise from any guarantee provided by the company or a subsidiary;</p> <p>VI. The reserves stated in the audited financial statements of the company or subsidiaries have not changed, or that an out of the ordinary event or circumstance has not occurred which might reduce the profitability of the company;</p> <p>VII. Where additional details are to be provided with respect to the information stated in Numbers (1) to (5), the details are stated in Schedule (number) of the prospectus.</p> <p>VIII. That the company is a going concern / no reason to believe that the company may face insolvency in the near term</p>
9.5	Corporate Governance and Compliance Checklist
	✓ Schedule 5 of Regulation on Issuance of Securities
9.6	Declaration of Shariah Advisor
	<p>✓ I, (name), in my capacity as a Shariah advisor, declare that the (name of Islamic securities / sukuk) as set forth in this prospectus, under a Shariah transaction and in accordance with Shariah principles, is a Shariah compliant proposal, and the Islamic securities / sukuk being presented under this offer, and their structure and mechanism is Shariah compliant. This declaration was made based on the information that I have received and upon my beliefs.</p>
9.7	Profit and Redemption Schedule
9.8	Declaration of Actual or Threatened Litigation
9.9	Accountants Letter

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9	Schedules
9.10	Extraction of Articles of Association
9.11	Board Resolution on Issuance of Security
9.12	CMDA Approval
9.13	MSE Approval
9.14	Transaction Documents
	✓ Trust deed
	✓ Sukuk agreements
	✓ Any other agreement/document relevant to the issuance of security
9.15	MIRA tax clearance report



CMDA

Capital Market Development Authority

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