

NDBIB becomes Lanka's First Investment Bank to Manage an Offshore IPO

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Abstract: NDB Investment Bank ('NDBIB') successfully raised USD 28 mn (Rs 4.2 bn) via the Initial Public Offering ("IPO") of Ooredoo Maldives PLC. NDBIB was awarded the mandate to act as the Lead Financial Advisor and Manager to the IPO via an international bidding process which involved the participation of many regional investment banks.

NDB Investment Bank ('NDBIB') successfully raised USD 28 mn (Rs 4.2 bn) via the Initial Public Offering ("IPO") of Ooredoo Maldives PLC, a subsidiary of Qatar based international telecommunications giant Ooredoo Group.

The Group is present in over 10 countries with a total subscriber base of over 138 million. NDBIB was awarded the mandate to act as the Lead Financial Advisor and Manager to the IPO via an international bidding process which involved the participation of many regional investment banks. This is the first time an investment bank in Sri Lanka acted as the financial advisor and manager to an IPO on foreign soil.

The IPO attracted over 10,000 applications and was structured as an Offer for Sale raising funds amounting to an approximate 10% stake in Ooredoo Maldives with NDBIB valuing the company at USD 287 mn. The IPO has resulted in Ooredoo Maldives being one of the largest listed companies in the Maldives, and the entity with the largest free float adjusted market capitalisation on the MSE.

The transaction assumed greater significance for being the first IPO with a fully online and integrated electronic application process. Prospective shareholders were allowed to apply for shares in Ooredoo Maldives via a special online portal where depository account opening and shareholder applications were submitted online together with soft copies of all supporting documentation.

The online portal also offered multiple payment options such as credit and debit card payments and mobile money payments.

NDBIB along with the company worked in close collaboration with the Capital Market Development Authority of Maldives and the MSE to secure expeditious approval for the IPO whilst maximising the retail investor participation via awareness campaigns.

NDBIB together with Ooredoo Maldives devised an all-encompassing distribution strategy aimed at managing the logistical challenges in the Maldives given the fact that the archipelago's population of over 400,000 is scattered across 1,200 islands. The distribution strategy included

one-on-one meetings with key high net worth individuals and institutional investors, local roadshows in main population centers accessed through domestic planes and speed boats and town hall meetings addressing professionals, students and other potential retail investors, staff storming the streets once a week across islands and a wide network of collection points including post offices, bank branches and Ooredoo distribution partners. This strategy reaped successful results by attracting one of the largest ever shareholder bases in listed Maldivian entities exceeding 8,000 applicants where c. 5000 applicants were first time investors.

Darshan Perera, CEO of NDBIB, said, "The exemplary competence and the diverse experience portrayed by our team over the years enabled NDBIB to secure the transaction and successfully execute the same within the stipulated timelines."

"We deployed a relatively large transaction team to work on different aspects of the IPO and I am delightful to have completed this landmark transaction successfully exceeding the expectations of the client."

"The presence of sound companies in the Maldives and NDBIB's involvement in landmark transactions of this nature, enhances the visibility and enables Sri Lanka to emerge as a regional hub for capital market fund raisings facilitating the proposed dual listing framework of the Colombo Stock Exchange ("CSE") promoted jointly by the CSE and MSE."



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