



Grant Thornton

An instinct for growth™

The Wholesale Securities Market

Listing in Malta





What is the WSM?

The Wholesale Securities Market (WSM), is an innovative market for wholesale fixed-income debt securities, offering issuers and arrangers of wholesale fixed-income debt securities access to an EU regulated market that is supported by the expertise of a dedicated listing agency service.

WSM is a joint venture between the Malta Stock Exchange and the Irish Stock Exchange, combining the best of each partner's processes and technical skills.

Founded in 2012, the platform allows for the admission of wholesale-denominated debt securities with a focus on niche product issuances such as insurance-linked securities (ILS), fund-backed securities, shipping securitisations and project bonds. WSM also offers trading membership and distribute data and announcements in relation to securities listed with it.

Listing on WSM is regulated by the Maltese Financial Markets Act (2002), which was amended in 2007 to take into account EU reforms. The Malta Financial Services Authority (MFSA) is the competent Listing Authority, with a number of functions and powers for admissibility and monitoring of continuing obligations of issuers delegated to the WSM Listing Committee.

ISE
80%
shareholder

The Irish Stock Exchange acts as the market promoter and provides primary market infrastructure and other corporate services.

MSE
20%
shareholder

The Malta Stock Exchange is the market operator. It provides secondary market services.

Why list on WSM?

The Wholesale Securities Market is aimed at arrangers and issuers of wholesale fixed income products in EU countries. The securities eligible for admission to trading on the newly established market will be debt securities which are deemed suitable for professional investors operating in wholesale markets only and will not be sold to retail customers.

The following are the key advantages:

- guaranteed review turnaround times enabling easier planning of listing
- a seamless listing process that is responsive to market participants
- an EU 'regulated market' under the Markets in Financial Instruments Directive, enabling participants to reach a broad investor base
- a proactive regulatory environment
- a 'recognised market' for the purpose of exemptions on withholding tax (withholding tax exemption applies to securities listed on an EU-recognised stock exchange, whilst quoted Eurobonds benefit from an exemption from withholding tax on interest payments).
- a competitive and straight-forward pricing structure
- possibility to take advantage of local Maltese subsidiaries
- Irish Stock Exchange's significant experience in debt capital markets listing.

Eligibility

For securities to be admitted to listing on the EWSM, the denomination per unit must be at least €100,000 (or equivalent). The following are admissible:

- asset backed securities,
- debt securities,
- derivative securities,
- convertible debt securities.

The Securities for which authorisation is sought must:

- be issued to conform with the law of the Applicant's place of incorporation
- be duly authorised according to the requirements of the Applicant's Memorandum and Articles of Association or equivalent constitutional document; and
- be duly authorised by all necessary statutory and other authorisations for the creation and issue of such securities in terms of any applicable system of law.

Niche Markets

Insurance Securitisation: regulations for Reinsurance SPVs are in force. Regulations for Reinsurance SPVs to be set up as Securitisation Cell Companies (SCCs) have also recently been published.

Debt linked to life settlement policies: policies have already been developed by the MFSA

Environmentally driven finance: debt linked to renewable and green infrastructure

Intellectual Property: IP-based structures

Finance for Transportation Projects: Shipping and aircraft finance, Malta has developed legislation for aircraft registration, maintenance etc. and has the third largest shipping register in the world

Project bonds: reflecting the move from loan financing of projects to financing of projects through the capital markets

insurance
securitisation



life settlement
policies



environmentally
driven projects



intellectual
property



transportation
projects



project bonds



Membership

WSM offers members an efficient and transparent market for trading WSM securities. Who can join?

- an investment firm authorised under the Markets in Financial Instruments Directive (MiFID) (2004/39/EC)
- an entity that meets requirements for membership under rule 3.3 (c) of the Bye-Laws of the WSM
- a credit institution authorised under the Banking Consolidation Directive (Directive 2013/36/EU and Regulation (EU) No 575/2013)

Our role as a listing agent

The WSM guidelines provide for the appointment of a Listing Agent for the admission process to ensure smooth and timely interaction between issuers and arrangers on the one hand and the MFSA and WSM on the other with respect to regulatory requirements.

The MFSA approved Agent may be a body, corporate, partnership or firm incorporated or established in the EEA and be independent of any Issuer, or related service provider, to which it provides listing agent services.

As your listing agent we would be responsible to ensure that your company achieves the right level of corporate governance and transparency. We will also assist with applying for admission to The Wholesale Securities Market and guide you throughout the whole process.

Our role is also that of carrying out the necessary due diligence processes on the applicant, as well as ensuring that proper compliance, transparency and accounting protocols are adhered to. As your listing advisor we will maintain independence, impartiality, objectivity, confidentiality and ethical standards all throughout our engagement.

At Grant Thornton we hold a sound international standing with a demonstrable and credible track record of working with some of the world's most dynamic companies. We are an advisory firm who can be more than just your listing agent, offering you a depth and breadth of advisory solutions to help deliver your company's growth aspirations. Grant Thornton can provide a full range of services connected with the WSM listing, as well as assistance with all taxation, legal and accounting requirements.

We are highly experienced in the field of raising finance, with a deep involvement and understanding of the local market. We also hold close relationships with key stakeholders, including both the Malta Financial Services Authority and the Malta Stock Exchange, as well as other financial intermediaries.

We guarantee direct and active involvement from senior team members and partners. Our team of trained accountants and lawyers adopt a hands-on approach, complemented by rigorous internal training programmes and secondments. Thanks to this, our organisation has accumulated an excellent knowledge

base and expertise in the field of raising finance, whilst staying abreast with all market trends.

Our team of marketing specialists will also assist to make the admission of your securities a success by better communicating your company's value story to the market.

We have more than 42,000 Grant Thornton people across 130 countries, working with privately owned, publicly listed and public sector clients each day. Our strong global organisation, combined with our understanding of both the local market and dynamic economies across the world means Grant Thornton can support you no matter where you choose to do business.

Grant Thornton Malta was one of the very first firms to be appointed as Listing Agent by the MFSA for WSM.

For a successful flotation on WSM, you'll need more than a company with high potential. Just as crucial will be your ability to recruit the right advisor.



A simple and transparent pricing structure

Fees for non-programme admissions

The following fee structure applies to an issuer wishing to list securities on the WSM under a standalone prospectus document.

Registration of prospectus document and admission to listing:	€1,500
For each class of security listed, the following processing fees apply:	
• first tranche of an application (e.g. Class A)	€500
• all subsequent tranches under the same application	€250/tranche
Annual fee (payable in advance)	€2,000

Fees for programme admissions

The following fee structure applies to an issuer wishing to list securities on the WSM as part of a multi-issuance programme.

Registration of prospectus document and admission to listing:	€1,500
Registration of programme updates:	€1,500
Registration of prospectus supplement:	€1,000
Registration of Series or Drawdown Prospectus and admission to listing	€1,500
Registration of prospectus document and admission to listing:	€1,500
For each class of security listed, the following processing fees apply:	
• first tranche of an application (e.g. Class A)	€500
• all subsequent tranches under the same application	€250/tranche
Annual fee (payable in advance)	€2,000

The listing process

Appoint a listing agent

You must appoint a recognised listing agent to liaise with the Listing Authority (the MFSA) and the WSM.



3 months
listing process

Prepare your prospectus

Your prospectus must comply with the EU Prospective Directive and the WSM's Guidelines.

Submit your documentation

The listing agent will submit your prospectus to the MFSA. Your listing agent will also submit your prospectus and the WSM Automatic Admission Checklist to the WSM for review.

Review by the MFSA and WSM

Your documents are reviewed by the MFSA and the WSM. Comments are returned within three business days on the first submission and two business days on any subsequent submission.

Final submission

Once comments are cleared, your listing agent will submit your final prospectus and listing documents to the MFSA and the WSM for approval.

Admission to trading

Your listing agent submits the final admission application documents to the WSM. Depending on your requirements, this can be on the same day as the MFSA approves your prospectus or a later date.

Approval

Your listing agent will receive confirmation that your prospectus is approved by the MFSA and that the securities are ready to be admitted to trading on the WSM.

Announcement of admission

The WSM announces the admission of your securities' to the market.

Publication

The approved prospectus is published by the MFSA. The securities are included in the recognised list of debt securities by the WSM.

Discover our capabilities

We're a network of independent assurance, tax and advisory firms, made up of 47,000 people in 130 countries. And we're here to help dynamic organisations unlock their potential for growth.

At Grant Thornton, we are in the business of making a difference. We have an instinct to help people achieve their ambitions. From new start-ups or small businesses to large enterprises and public institutions, our clients look to us for objective and impartial support on how their business is performing and how they can achieve their business goals.

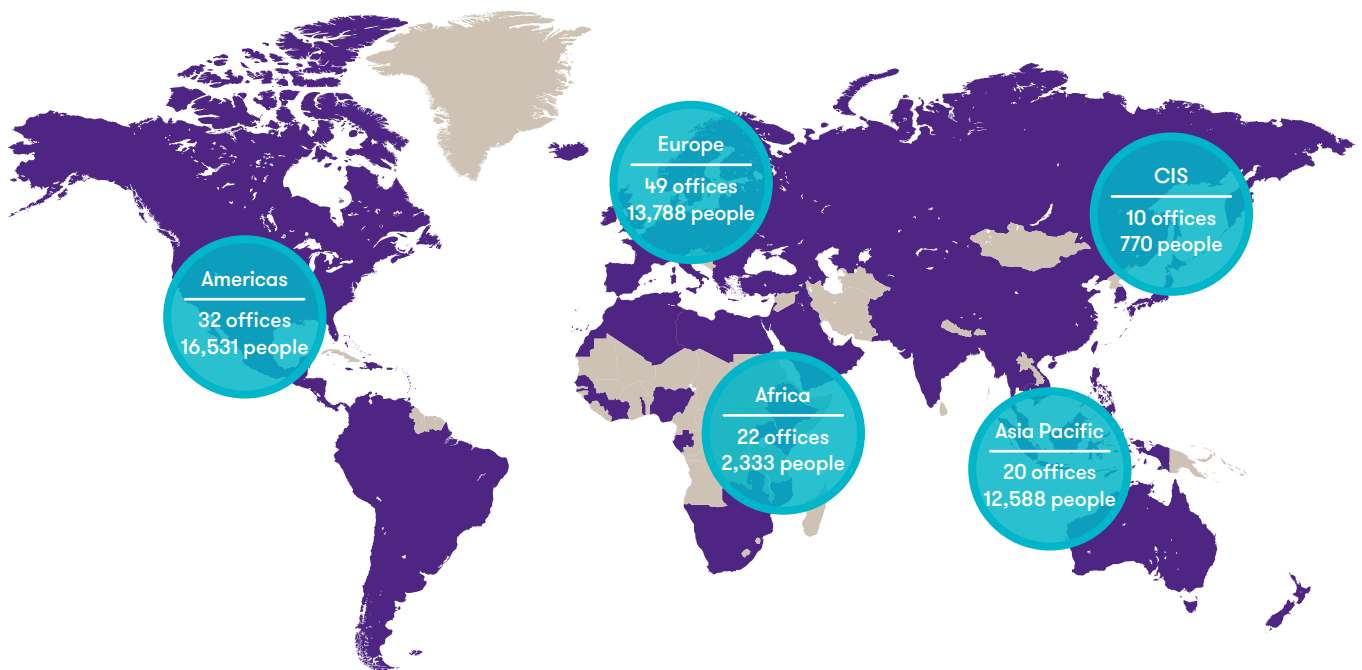
When you choose Grant Thornton as your partner and service provider, you will discover what so many companies and organisations have already discovered - the power of enthusiasm and certainty.

We are successful because of our people and because we bring to bear for our clients all that our global firm has to offer. We

are a leader in the global marketplace and among the top audit and advisory firms in Malta. Our continued rapid growth is a testament to the certainty our clients experience every day.

For more than 100 years, we have helped dynamic organisations realise their strategic ambitions. Whether you're looking to finance growth, manage risk and regulation, optimise your operations or realise stakeholder value, we can help you.

We know that by applying our professional, yet personal business philosophy we will retain the trust and loyalty of our clients, our staff and the wider community. We've got scale, combined with local market understanding. That means we're everywhere you are, as well as where you want to be.



 **Our distinctive client experience sets us apart**

 **US \$4.8bn**
(2016 revenue)

 **47,000+**
people

 **700+**
offices

 **130+**
countries

Your team



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Wayne joined Grant Thornton in 2007 and was admitted partner in 2013. He is also jointly responsible for the management of Grant Thornton's fiduciary and trustee services arm licensed by the Malta Financial Services Authority.

He was admitted to the Bar in 2001 and, until March 2007, practised with a leading Maltese law firm specialising in antitrust, civil, commercial, banking and securities law.

Leading the corporate and financial services regulatory team at Grant Thornton, Wayne conducts an active consulting practice in international tax planning, financial, corporate, commercial, transactional, trusts and fiscal law. He advises on the legal and tax implications involved in the structuring of both local and international M&A and project finance transactions, rendering advice to clients in various industry sectors.

Qualifications

Doctorate in Laws - University of Malta

Masters Financial Services - University of Malta

Bachelor of Arts in Legal and Humanistic Studies (cum laude) - University of Malta

Memberships

Council member of the Malta Institute of Management and the Malta Institute of Financial Services Practitioners

Member of the International Fiscal Association, the International Bar Association and the Maltese Chamber of Advocates



George Vella

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George has extensive experience in advisory services, and was admitted to the Partnership in 2013. He has over 25 years experience in corporate and project finance, R&D, strategic and project management.

George leads a team of professional business advisors that provide projections, feasibility studies and cost benefit analyses, assistance in the preparation of business plans, business valuations, due diligences, assistance with mergers and acquisitions, project finance and corporate finance advisory services for a range of private sector and public sector organisations. As all such assignments require complex financial models, George provides on-the-job coaching to all his staff when required, in order to meet the client's requirements. Grant Thornton Malta is an accredited corporate advisor on Prospects, a multilateral trading platform of the Malta Stock Exchange and an accredited listing agent on EWSM.

Prior to joining Grant Thornton George was a Finance Director at the Corinthia Grand Hotel Royal in Budapest, Hungary and a Corporate Finance Executive at the Corinthia Head Office – a multinational chain of Hotels. He was involved in numerous large projects, including the raising of finance by way of bonds and syndicated loan facilities, which were then used either to acquire or develop mixed use projects.

Qualifications

Bachelor of Arts (Honours) Accountancy University of Malta

Masters in Business Administration Henley

Memberships

Malta Institute of Accountants



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