



A&A COLLABORATIVE FUND (PVT) LTD.

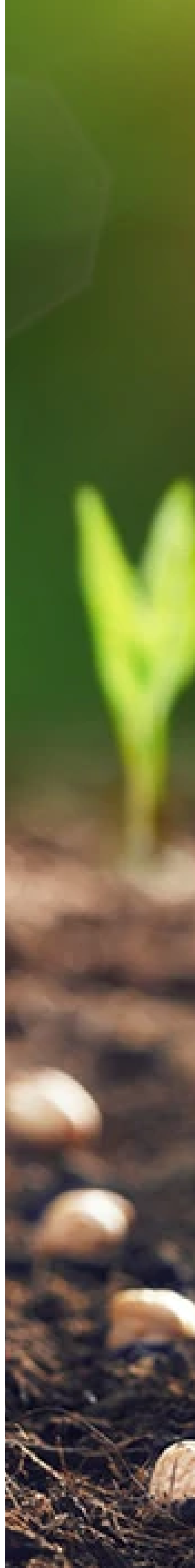
Fueling Growth

Private Placement of Secured Subordinated Redeemable
Debentures



Salient Features of the Debenture

The Issuer	A&A Collaborative Fund (Pvt) Ltd.
The Instrument	<ul style="list-style-type: none">• Secured Subordinated Redeemable One (01) year Debentures of LKR 100,000/- each, carrying a Fixed Interest Rate of 25.00% per annum on the principal sum at maturity.• Secured Subordinated Redeemable One (01) year Debentures of LKR 100,000/- each, carrying a Fixed Interest Rate of 24.00% per annum on the principal sum payable monthly.
Number of Debentures	Class A: Five Hundred (500) Debentures Class AA: Five Hundred (500) Debentures
Face Value of the Debenture	Rupees One Hundred Thousand (LKR 100,000)
Date of Opening the Issue	15th June 2022
Issue Price	Rupees One Hundred Thousand (LKR 100,000) per Debenture
Total Value of the Debenture Issue	Rupees One Hundred Million (Rs. 100,000,000)
	*
Tenure of Debenture	Class A: 01 Year (2022/2023) Class AA: 01 Year (2022/2023)
Interest Rate	Class A: Fixed Coupon Rate of 25.00% p.a. payable at maturity. Class AA: Fixed Coupon Rate of 24.00% p.a. payable monthly.



Security

The Debenture shall be secured against Twenty-Five percentum (25%) of the shares of A&A Collaborative Fund (Pvt) Ltd. amounting to One Million (1,000,000) shares in the company.

Purpose

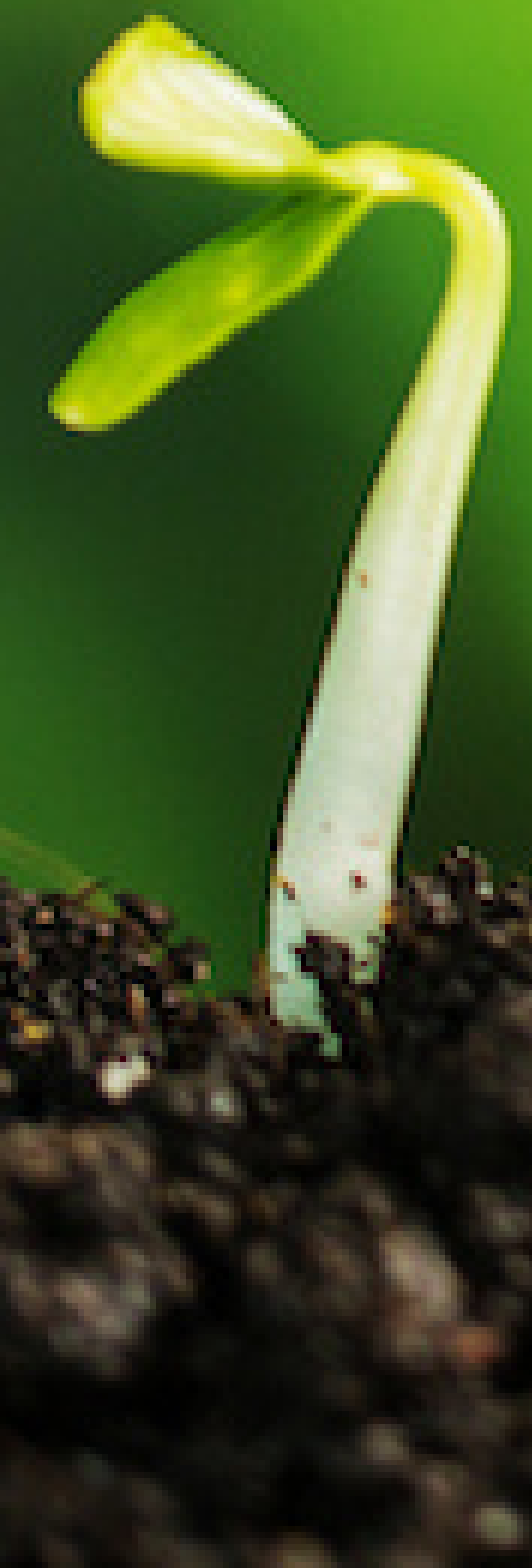
To meet the funding requirements of the envisioned five-year strategic plan of A&A Collaborative Fund (Pvt) Ltd

A&A Collaborative Fund (Pvt) Ltd.

A&A Collaborative Fund (Pvt) Ltd. is a company set up with the view of pioneering a unique, sustainable and collaborative business model, designed to uplift the grassroot communities of Sri Lanka. The company aspires to be a mutually beneficial company and seeks to uplift the lives of all its stakeholders in all its operations and business activities. A&A Collaborative Fund (Pvt) Ltd. is a private limited liability company registered under the Companies Act No. 07 of 2007, bearing registration number PV 00242962.

A young start up A&A aspires to grow in to a reputed blue-chip company in the years to come. Embodying principles of integrity, charity and excellence A&A incorporates in to its work a culture of honourability and value.

Seeking to uplift the lives of the grassroot segments of society, A&A Collaborative Fund will pioneer a new model of development which will collaborate with micro and SME entrepreneurs to improve and multiply their lines of revenue



The Proposed Venture

A&A Collaborative Fund (Pvt) Ltd. hopes to pioneer a development model which will uplift the lives of low-income segments. Dubbed a "Farm to Store" model it will provide Micro and SME entrepreneurs with the raw materials and know-how that they require to improve their production. A&A will then purchase these products at above market prices, under forward purchase agreements. Using such materials A&A will then create supply value chains, which will result in a value added end product that shall be retailed by A&A.

Backed by strong empirical research and expertise, A&A Collaborative Fund (Pvt) Ltd. is well geared to spear-head and implement this innovative new model which will ensure a return of over 1 billion profit after taxation within the first five years of operations.

The A&A Pledge

A&A pledges a minimum of three percent (03%) of the company's net profit to charity. These profits shall be set aside and earmarked for charity and/or corporate social responsibility (CSR) projects. A&A will also allocate a significant amount as interest free grants to differently abled, handicapped and female headed households.



Financial Forecast

01				
Instrument 01 - Equity				
Selling Price Per Share (Rs.)	1,000.00			
Expected No. of Share Investment	100,000.00			
Value of Equity (Rs.)	100,000,000.00			
	Debenture Type			
02 Instrument 02 - Debenture	A	AA		
Value of an Instrument (Rs.)	100,000.00	100,000.00		
Applicable Interest Rate (p.a.)	25%	24%		
Tenor of the Instruments (Yrs)	1	1		
Capital and Interest Repayment	at Maturity	Monthly		
Expected Investment from Deb. Investors (Rs.Mn)	50.00	50.00		
Expected Settlements On	July-23	July-23		
	23-Dec	24-Dec	25-Dec	26-Dec
Earnings Per Share (EPS)	128.0	253.2	283.8	289.0
Anticipated Market Price Per Share (MPS)	1,279.55	2,531.81	2,838.41	2,890.28
03 Financial Position	23-Dec	24-Dec	25-Dec	26-Dec
Net Profit (Rs. Mn)	524.6	1,038.0	1,163.7	1,185.0
Operational Sustainability YTD	262.7%	264.0%	265.5%	266.4%
Disbursed Value of Interest Free Loans (Rs. Mn)	19.8	26.4	27.7	29.7
Total Allocation for CSR YTD (Rs. Mn)	19.80	39.46	44.30	44.97

Cash Flow (Rs. Mn)	FY 2023	FY 2024	FY 2025	FY 2026
Cash Inflows				
Collections	2,511	4,876	5,833	6,081
Collections from Other Businesses	55	93	95	98
Equity Investments	100	-	-	-
Debenture Investments	200	-	-	-
Total Cash Inflows	2,866	4,969	5,928	6,179
Cash Outflows				
Disbursements	(2,303)	(3,528)	(4,011)	(4,320)
Operational Expenses	(96)	(238)	(321)	(373)
Debenture Interest	(9)	(23)	(9)	-
Other Borrowing Interest	(10)	(9)	(9)	(9)
Debenture Settlements	-	(100)	(100)	-
Fixed Asset Purchases	(6)	(9)	(3)	-
Tax Payments	(115)	(228)	(255)	(260)
Total Cash Outflows	(2,538)	(4,135)	(4,708)	(4,961)
Net Change For The Year	329	834	1,220	1,218
Beginning Cash Balance	2.00	331	1,164	2,385
Cash Balances at the Year End	331	1,164	2,385	3,603





Objective of the Issue

To meet the funding requirements to achieve the envisioned five-year strategic plan of A&A Collaborative Fund (Pvt) Ltd.

Why Invest in A&A Debentures ?

- Above market rate interest income and an opportunity to earn a regular cash flow of interest payments on a periodic basis for a period of one (01) year.
- Opportunity to diversify the investment portfolio of the Investor.
- Could be used as collateral to obtain credit facilities from banks and financial institutions, subject to the policies of those institutions.

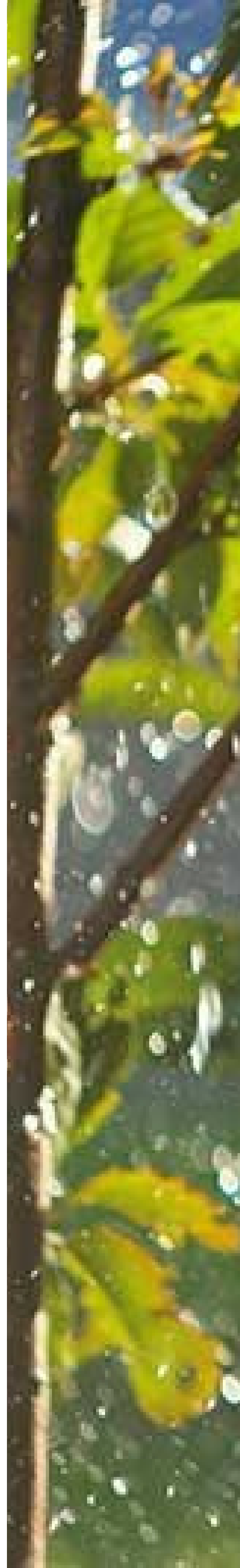
Who May Apply

- Citizens of Sri Lanka who are above 18 years of age.
- Companies, Corporations and other Corporate Bodies registered/ incorporated/ established in Sri Lanka.
- Foreign Institutional Investors and Corporate Bodies incorporated outside Sri Lanka
- Foreign Citizens and Sri Lankans resident outside Sri Lanka and above 18 years of age.

How To Apply

- Applications must be made on the Application Form issued with the Prospectus or this Brochure. Instructions on the reverse of the Application Form must be followed.
- All Applicants must state their NIC or company registration number or passport number as the case may be.
- Application Forms properly filled , together with the remittance (cheque, bank draft or bank guarantee) for the full amount payable on the Application should be enclosed in a sealed envelope marked "A&A COLLABORATIVE FUND (PVT) LTD.- DEBENTURE ISSUE" and addressed and posted or delivered by hand to the following address:-

**9/2, SOVIS MAWATHA,
KALA-ELIYA,
JA-ELA,
SRI LANKA**



A large, leafy tree stands in a field at sunset. The tree is on the left side of the image, with its trunk and branches extending towards the center. The background shows a bright orange and yellow sky transitioning into a blue sky at the top. The ground is a green field.

Mode of Payment

- Payment should be made only by way of cheque, bank draft or bank guarantee.
- An Application Form should be accompanied by no more than one cheque, bank draft or bank guarantee, for the aggregate amount payable.
- Application Forms accompanied by cash will not be accepted.
- The amount payable should be calculated by multiplying the number of Debentures applied for by the issue price of LKR 100,000 per Debenture.

