

Build Net

In 2024, Build Net Uganda, a real estate development company, began inviting members of the public to acquire shares in its Water Front Hotel Apartments project in Munyonyo, with a promise of guaranteed returns of 8.5%. However, this public offer of securities had not been approved by the Capital Markets Authority (CMA). As a result, on 30th October 2024, the CMA issued a public warning advising the public against participating in the unapproved investment offer.

The Authority also issued directives requiring Build Net Uganda to attend a meeting with the CMA to receive guidance on compliance with the regulatory requirements under the Capital Markets legal framework. Furthermore, the company was directed to immediately withdraw all misleading advertisements related to the project to prevent continued breach of the law.

Subsequently, on 12th November 2024, Build Net Uganda, through its legal representatives, submitted revised marketing materials and sought a no-objection from the CMA. The revised materials were reviewed and approved on 29th November 2024. The matter was considered closed following the company's compliance, as the updated marketing materials no longer contravened the CMA's regulatory framework.