

**CONFIDENTIAL**

**Private Placement Memorandum**

**REGENCY ASSETS MANAGEMENT LTD**

Private Placement

of

**1,500,000,000**

Ordinary Shares of N1.00 each

At N1.20k per share

This Private Placement Memorandum contains confidential information about Regency Assets Management Limited and is intended mainly for the purpose of giving information to the select list of potential investors to whom it is addressed.

The Memorandum is not a prospectus and does not constitute an offer or an invitation to the general public to subscribe for the shares on offer. Prospective investors to whom invitation letters have been addressed in accordance with the terms of the invitation letter only may make applications.

The Directors of REGENCY individually and collectively accept full responsibility for the accuracy of the information contained herein and confirm having made all reasonable enquires that to the best of their knowledge and belief, there are no other facts or opinions, the omission of which would make any statement in this memorandum misleading. The Directors are available to answer any question concerning the information provided therein.

The Memorandum and the securities offered by it are not approved, disapproved or registered by the Securities and Exchange Commission ("SEC"). No application has been made to the Council of the Nigerian Stock Exchange for admission of the ordinary shares to the Official list and there is no intention to submit one at the moment.

The information contained herein is private and confidential and is designed to enable prospective investors evaluate the viability and suitability of the investment in the shares on offer. The information may not be reproduced, or used in whole or in part for any other purpose except for the purpose of investing in the offer.

## Summary of the offer.

The following should be read in conjunction with the full text of this document, from which it was derived.

<b>Authorised*:</b>	<b>1,000,000,000 Ordinary Shares of N1.00 each.</b>
<b>Issued and fully paid:</b>	<b>N170, 034,999 comprising 170,034,999 ordinary Shares of =N1.00 each.</b>
<b>Securities being offered:</b>	829,965,001 Ordinary Shares of =N=1.00 each
<b>Purpose:</b>	The private placement is being undertaken to enable Regency Assets Management Limited.

**\* To increase its shareholders' funds to ensure compliance with the N1.0 billion minimum capital requirement for all Stockbroking firms as directed by the Securities & Exchange Commission.**

- To re-engineer and grow its business by expanding its existing branch network within Nigeria.
- To finance its strategic business development in preparation for the opportunities arising from the consolidation activities in the financial sector of the economy.
- To meet working capital requirement that will provide the company with additional funds for the enhancement of the company's information and communication technology and to support its enlarged operations and strengthen its competitive positioning in the industry.

Use of Proceeds: The proceeds of N1.2 billions net of issue expenses of N20 million (representing 1.67% of gross proceeds) will be utilized as detailed below:

	N'Million	%
Expansion of Branch Network	23.6	2
Enhancement of Information Technology	17.7	1.5
Working Capital	1,138.7	96.5
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	1,180	100
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<b>Unit of Sale:</b>	A minimum of 2,000,000 ordinary shares and multiples of 100,000 thereafter.
<b>Offer price:</b>	=N=1.25k per share.
<b>Application Period</b>	<b>The</b> Application list for shares will be opened to each prospective investor for four weeks from the date of receipt of this Memorandum.
<b>Payment:</b>	In full on acceptance/application.
<b>Supplementary Allotment:</b>	In the event of an over-subscription, additional shares in an amount not exceeding the Company's un-issued share capital may be allotted, subject to the approval of the Company's Board of Directors. The supplementary proceeds will be utilised for the same purpose stated in this Memorandum.

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\* The Company's authorised share capital was increased from N200,000,000.00 to N1,000,000,000 by a resolution passed by the Company's Board of Directors at the board meeting held on 16th April 2007. The resolution passed at that meeting will be filed with the Corporate Affairs Commission along with the returns on allotment of this private Placement.

8. **FINANCIAL SUMMARY:**

Year Ended March 31

Details	2007 ₦	18 months 2006 ₦
Gross Earnings	113,661,584	85,085,686
Profit before taxation	72,068,092	47,883,841
Profit after taxation	52,871,999	37,061,404
Net Assets	189,658,715	118,421,404
Adjusted earnings per share (kobo)	0.47k	0.35k
Adjusted net assets per share (kobo)	1.69k	1.11k

9. **UNAUDITED FIRST QUARTER RESULT ENDED 30<sup>TH</sup> JUNE 2007.**

Details	2007 (N)	2006 (N)
Gross Earnings	71,830,301.91	16,416,044
Operating Expenses	10,296,063.99	7,601,387
<b>Profit before taxation</b>	<b>61,534,238.52</b>	<b>8,814,657</b>

9. **PROFIT FORECAST**

Year Ending 31st March

	2008 ₦	2009 ₦	2010 ₦
Gross Earnings	236,301,785	567,124,285	765,622,785
Operating Admin. Cost	(63,304,950)	(89,686,956)	(104,037,765)
Profit before taxation	172,996,835	477,437,329	661,585,020
Taxation	(39,789,272)	(109,810,586)	(152,164,555)
Profit after taxation	133,207,563	367,626,743	509,420,465
Proposed Dividend	(99,905,672)	(275,720,057)	(433,077,395)
Retained Profit	33,301,891	91,906,686	76,343,070

## SUMMARY OF THE OFFER (CONTD)

Quotation: The Firm does not intend to seek a stock exchange listing upon Completion of this Private Placement.

Underwriting: The offer is not underwritten at the instance of the Firm.

Status: The new ordinary shares to be issued shall rank pari passu in all respects with the issued ordinary shares of the Firm.

### Supplementary

Allotment: In the event of over subscription, the excess monies would not be refunded but will be utilized for the purpose of allotting ordinary shares that will be available by the increase in the firm's authorized share capital.

Indebtedness: As at its last audited accounts, the Firm had no outstanding debenture, loan capital, mortgages, charges, or other contingent liabilities other than those arising in the ordinary course of business.

## FORECAST OFFER STATISTICS:

Year ending March 31

	2008	2009	2010
	=N=	=N=	=N=
Forecast earnings per share	0.2	0.31	0.44
Forecast earnings yield at offer price (%)	16.7%	25.8%	36.7%
Forecast dividend per share	0.15	0.24	0.37
Forecast dividend yield at offer price (%)	12.5%	20.0%	30.8%
Forecast price/earnings ratio at offer price	6	3.87	2

## **DIRECTORS AND OTHER PARTIES TO THE OFFER**

### **DIRECTORS:**

Chief Adekunle Abdul (Chairman)  
332, Ikorodu Road,  
Idiroko, Maryland,  
Lagos.

Mr. Gabriel Olusegun Omowaye (Managing Director/CEO)  
Investment House (1st Floor)  
21/25 Broad Street  
Lagos.

Mr. Adewale Adeoye Gbolahan  
9F, Princess Court,  
Ahmed Onibudo,  
Off Adeola Hopewell,  
Victoria Island,  
Lagos.

Engr. Adeniyi Yaya Jimoh  
Investment House,  
21/25, Broad Street,  
Lagos.

Mr. J. Ndubuisi Okoroafor  
NICON HOUSE,  
5, Customs street,  
Lagos.

Mr. Ijogun Olusiji Ayodele  
Investment House,  
21/25, Broad Street,  
Lagos.

### **COMPANY SECRETARY:**

Adedapo Adepegba & Co.  
360 Herbert Macaulay Road,  
Yaba – Lagos.

### **REGISTERED ADDRESS:**

Investment House (1st Floor)  
21/25 Broad Street  
Lagos.

**AUDITORS:**

Olusegun Oyebola & Co.  
(Chartered Accountants)  
John West House (2nd Floor)  
Acme Road, Ogba,  
Ikeja – Lagos.

**REPORTING ACCOUNTANT:**

Adedoyin Adeyemi & Co.  
(Chartered Accountants)  
Block 172, Flat 1,  
Iponri Housing Estate,  
Surulere,  
Lagos.

**RECEIVING BANKER**

Intercontinental Bank Plc  
107/113, Kingsway Building,  
Broad Street,  
Lagos.

## **CORPORATE PROFILE**

Regency Assets Management Limited (“RAML”) was incorporated as a private limited liability company on the 5<sup>th</sup> of March 2004 but commenced operations on 7<sup>th</sup> October 2004 as a full-service Assets Management firm dedicated to the deepening of the Nigerian Financial System through the provision of a broad range of sophisticated products and high caliber investment guidance.

The company is duly licensed by the regulatory authorities of the Nigerian Capital Market, that is Securities and Exchange Commission (SEC) and the Nigerian Stock Exchange (NSE), thus making the company an active player in the Capital Market segment of the Nigerian financial system. Our present authorized and paid up capital is N200 million.

“RAML” is a product of the enterprise, vision and fusion of minds of a team of Nigerian Entrepreneurs, financial technocrats, young, versatile and highly exposed professionals who are driven by the urge to contribute towards the development of the Nigerian Financial system to a standard that is comparable to what is obtainable anywhere in the world.

We are committed to the overall development of the Nigerian financial system currently experiencing growth, to seize emerging opportunities to build market positions and to be poised for the imminent market explosion as a launch pad for accessing the global financial market place.

To achieve these, we are committed to a long-term conservative growth, controlled risk, investor confidence, and confidentiality of transactions, prudence and overall cost control.

Without a doubt, we are in the top list of Stockbroking and Funds management firms in Nigeria in terms of competence, professionalism, presence and ability to get things done. Our operations are modern, fully computerized and we have appropriate communication tools, which makes dealings with us simple, rewarding and worthwhile.

## *CORPORATE CORE VALUES AND GUIDING PRINCIPLES*

Regency operations are conducted based on the following core values and guiding principles, which seek:

1. To promote enduring partnership with our stakeholders (i.e. regulators, customers, employees, society and shareholders).
2. To ensure strict compliance with all laws and regulations governing the financial services industry.
3. To ensure the safety of Clients' fund in recognition of our fiduciary responsibilities to them.
4. To ensure transparent and timely financial reporting and full disclosure of all relevant information to all stakeholders.
5. To conduct our business with highest ethical standards.
6. To ensure full compliance with all internal operational policies and procedure.
7. To facilitate the advancement of our employees through continuous training and development.
8. To promote interest of all stakeholders at all times and maintain a balanced relationship amongst them.
9. To offer a legendary style of service.
10. To be a socially responsible corporate citizen.

## **OUR STRENGTH:**

Our unique strength to deliver lies in the following corporate qualities.

- a. Regency Assets Management operates a fully computerized system and is complemented with top-grade professionals who have acquired requisite expertise for management of investment portfolio profitably.
- b. Regency thrives on a tradition of reliability, efficiency, and security to its customers. This is demonstrated in terms of prompt service delivery and easy access to the best available investment opportunities in the capital market.
- c. Regency combines in-depth operational knowledge in both money and capital markets of the financial system; it therefore possess the unique advantage and expertise to maintain a balanced investments that will meet the needs and aspirations of our customers.

## **CORPORATE STRUCTURE:**

Regency Assets Management Limited operates a corporate structure with two profit centers (PC) and a cost center (CC) namely

- (a) Capital Markets Group
- (b) Financial Services Group
- (c) Financial Control and Corporate Services Group.

## **CAPITAL MARKET GROUP**

We seek to promote awareness of the benefit of investing in the capital market and arrange convenient ways for your organization to invest and achieve exceptional results by providing professional asset management services and diligent research information. Our Capital Market Group is structured into two main departments namely the Corporate Finance and Stock broking Departments.

### **Corporate Finance Department.**

- \* **Merger and Acquisition** - Advisory Services in the areas of mergers, acquisitions, management buyouts, divestitures and leverage buyouts.
- \* **Public and Private Equity Issues**- Managing private and public securities issues, initial public offerings or company floatation and Capital re-structuring arrangements.
- \* **Project Financing** – Restructured projects ideas and feasibility studies into bankable projects that can attract funds from banks and other funding agencies /institutions.

### **Stock broking Department.**

- \* **Securities Trading.** – Trading and making markets in quoted securities in the Nigerian Stock Market. Trading operations will equally expand to the trading of unquoted securities as soon as the Over the Counter Market (“OTC”) begins.
- \* **Mandate Execution** -we execute clients mandate efficiently and effectively. You decide what we should buy and at what price. We also carry out your sale instructions speedily and in your best interest. Your interest could be in private sector shares or bonds. It could also be in listed government debt instruments.

\* **Market Information** -Through our website, we make available to you an up to date market information to enable you follow the market in terms of price changes, interim and final results, dividends, bonus and other fundamental information.

\* **PORTFOLIO MANAGEMENT:** The Company offers advice to high net-worth individuals and Corporate Bodies on a suitable mix of investment instrument that will offer optimal yield while minimizing associated risks.

- ❖ Discretionary or Non-Discretionary
- ❖ With guarantee for a fee – Regency Assets could guarantee up to 25% return depending on the amount invested and the duration.
- ❖ Without guarantee – the client in this case decides which stock to buy and when to sell. He takes all the decisions, assume all the risk and earn all the return.

Decisions will be taken on your behalf based on our expertise, research, experience and emergent information and expectations.

**NB: Total assets under our portfolio management is estimated to be about N2billion.**

\* **Company Quotation on The Nigerian Stock Exchange** – We are able to provide technical inputs for companies seeking quotation or approval for its securities to be listed on the Nigerian Stock Exchange. For companies already listed, we are able to monitor and boost performance of securities through careful information management.

\* **Share Valuation-** The Company undertakes valuation of quoted and unquoted securities.

\* **Verification and Realization of Shares-** The Company handles the verification of signatures for prospective bank borrowers as well as the realization of shares in case of loan default.

\* **Security Endorsement-** Security Endorsement and Transmission of Estate Accounts and also facilitates liquidity by making immediate payments for stock that investor may wish to dispose, before selling off eventually on the floors of the Stock Exchange

## **FINANCIAL SERVICES GROUP**

### **Funds Management Department**

\* **Special Products Marketing-** The Financial Service Group manages three special investment vehicles that have been developed for the corporate concerns and high net-worth individuals. These investment vehicles are: **The Regency Consolidated Funds**, which has both flexibly managed and fixed rate portfolios; and the **Regency Assets Management**

**Services** which offers integrated financial services by linking together the securities and insured savings Accounts; and **Regency Account Management Services**.

The features of these investment outlets for the various portfolios are clearly set out in the product brochures and the outlets seek to satisfy the objectives of investors in Regency investment Products.

\* **Liquidity Enhancement & Stock Re-financing**

We provide up to 50% matching funds for your organizations buy orders and temporary funding pending the execution of your sale order while our Stock re-financing option enables you to obtain up to 50% of the value of your existing portfolio for the purpose of fresh stock purchases.

Competitive interest rates, dependent upon the prevailing money market rates are charged on outstanding balances. All advances will be liquidated within agreed time frame.

\* **Investment Margin Facility**

This product is designed to enable you finance, in whole or in part, your proposed acquisition of acceptable quoted shares through Regency Assets Management Limited.

Features

- \* Minimum facility amount is =N=5m
- \* Initial deposit of acceptable quoted shares valued in the amount equivalent to the facility amount.
- \* Shares financed under this scheme shall be available for trading. However, no withdrawal of cash from the account during the facility period.
- \* Shares bought with the facility amount will also serve as additional security. Clearing System (CSCS) account maintained by RAML.
- \* Only stocks acceptable to RAML shall be financed under this scheme.

Benefits:

- \* Shares already pledged as security can be switched with other acceptable shares during the facility tenor.
- \* Flexibility on both the stocks financed by RAML and those pledged as collateral such that they can still be traded upon on your instruction.
- \* Competitive brokerage fees which are about the lowest in the industry.

## DUTIES

As your investment manager, our investment strategy is anchored on the optimal allocation of assets based on your risk profile; diversification of your investments; keeping ahead of inflation and a commitment to continuous review of your goal. As your fund manager our duties to you include but not limited to the following:

- \* Providing investment advice and active guidance to your company on the management of investible funds.
- \* Advising you on eligible securities for possible investment.
- \* Arranging for investments of funds, in any of the securities to be contained in a schedule of eligible securities, to be approved from time to time by your company.
- \* Reviewing the Portfolio and its assets structure periodically by recommending suitable strategies geared towards achieving superior returns on invested funds.
- \* Originating investment ideas for consideration by your company and advising on specific investment opportunities.
- \* Providing you with quarterly pertinent financial information including economic analysis and development in the financial markets and securities industry.
- \* Updating you with changes to the regulatory framework that may affect your portfolio.
- \* Assisting your company in arranging periodic actuarial valuation of the funds, if required.
- \* Providing you with periodic reports on performance of your portfolio.

### **MAJOR CLIENTS:**

Regency Assets Management has good business relationships with several Companies and High- net- worth individuals who rely on us for one or more of our services.

### **RESEARCH:**

The Company undertakes vast and in-depth analysis on activities of the capital market. This is aimed at complementing our assets management and securities trading operations with intent to internationalize our market standard.

Through our website, we make available to you an up to date market information to enable you monitor the market in terms of price changes, interim and final results, dividends, bonus and other very important information.

You can download information and tips from our **website**,  
[Http. //www.regencyng.com](http://www.regencyng.com)

## **FINANCIAL CONTROL AND CORPORATE SERVICES GROUP.**

The financial Control and Corporate Services Group (“FCS”) is the cost center that supports all the profit centers as well as monitor all transactions in line with set projections and control measures. The Group is structured into the Financial Control and Strategic Planning Department, Human Resources/Administrative unit, Internal Control and Company Secretary/Legal Adviser (a legal firm is retained to perform this function)

### **Financial Control and Strategic Planning:**

This is responsible for maintaining an Accounting System for all RAML internal and external operations. It is also responsible for drawing up budgets in conjunction with the Capital Market and Financial Services Group activities, monitoring actual results, investigating and assessing their impact on the short and medium-term achievement of set objectives.

The strategic Planning unit is vested with the responsibility for positioning the organization vis-à-vis the other firms in the market place and the macroeconomic environment as it affects RAML on a monthly/quarterly basis.

### **Human Resources/Administration**

This Department is responsible for formulating, review and implementing personnel policies of the organization. Similarly, it is responsible for restructuring, training and development of our highly qualified and dedicated crop of professionals, and advising management on personnel matters.

### **Internal Control.**

This entails the structuring of control measures for the processing of transactions in the Capital Markets and Financial Services Groups. This unit carries out a review of all transactions on a regular basis to ensure that they conform with laid down procedures before they are consummated.

### **Company Secretary/Legal Adviser (Externally retained)**

The legal firm co-ordinate all Board meetings and manages in conjunction with the Chief Executive Officer, all correspondence with the Regulatory authorities. All transactions requiring legal consultation and services are also routed through the Legal Adviser.

## **OUR PEOPLE**

We are a company of multitalented and dedicated people grounded in the basic principle of customer focus, teamwork, integrity, responsible citizenry and respect for individuals. Our focus is on cultivating and managing relationships while our core values are expertise, innovations and ability to adapt and listen to clients.

We are distinguished by our professionalism, strong team work ethic and commitment to building relationship based on trust, integrity and transparency.

We are uniquely positioned to support our clients by composing innovative solutions for financial protection and Asset Management and to consistently out perform our nearest competitors.

## **OUR DIRECTORS**

### **ALHAJI ADEKUNLE ADBUL:**

Chief Abdul is an industrialist and a well-known business magnate. He is one of the major distributors of educational materials and stationeries and a member of DIST PRESS World Publishers and Distributors – an international body of publishers and distributors of educational and research materials.

As an industrialist and manufacturer of paper products, he has a franchise and represents major producers from Brazil, Norway, Germany, Poland, Sweden and Finland.

Chief Abdul, being a great philanthropist has contributed immensely to various community development programmes across the country. He is an investor with remarkable activities in the capital market both locally and internationally.

### **MR. IJOGUN OLUSIJI AYODELE**

Mr. Ijogun is a high profile Chartered Accountant who has successfully worked and distinguished himself in the highly competitive and organized private sector. He started his career as the Senior Group Audit manager at Lever Brothers Plc, now Unilever in 1992. He moved to Unilever Egypt in 1993 as Financial Controller and was subsequently promoted Commercial Director/Company Secretary Unilever Egypt 1996. He was appointed Group Financial Controller, UAC Nig. Plc in 1997 and seconded to UAC Foods in 1998 as Divisional Managing Director. He also directed the affairs of BPP (a subsidiary of UACN) in the capacity of Divisional Managing Director and voluntarily retired as a Group Finance Director in the year 2002.

### **ENGINEER ADENIYI YAYA JIMOH**

Engineer Adeniyi graduated from University of Lagos with B.sc Honours in Electrical Engineering in 1988 and also had a Post Graduate Diploma in Electrical/Communication Engineering in 2000. He has meritoriously worked in Nigerian Telecommunication Limited (NITEL) for 21years and is currently the Personal Assistant to the Deputy General Manager, Operations in Lagos Zone

### **MR. ADEWALE ADEOYE GBOLAHAN.**

Mr. Adewale A.G. is a Banker and a Fellow of the Institute of Chartered Accountant of Nigeria (ICAN). He started his career as a Banker with Union Bank of Nigeria Plc in 1983. He left the services of Union Bank in 1989 to join Nigerian Intercontinental Merchant Bank Limited (now Intercontinental Bank Plc) as the first Chief Inspector of the bank. Between 1991 and 1996, he served the Bank in various capacities at Management Level.

Due to his professional achievements and integrity, he was seconded to Equity Bank of Nigeria Limited in 1996 as the Head of Banking Service. He was promoted Deputy General Manager (1998) and General Manager (2000).

Mr. Adewale, being an intelligent and a brilliant banker, was promoted an Executive Director of the Bank in charge of Corporate Banking in January 2001, the position he occupied till his retirement from the Bank in February 2003. He is presently the Vice Chairman/Chief Executive Officer of Adelaide Resources Nigeria Limited.

### **MR. JOSEPH NDUBUISI OKOROAFOR.**

Mr. Okoroafor J.N. is a graduate of University of Nigeria, Nsukka with a B.sc Marketing and MBA in 1984 and 1987 respectively. He started his banking career with First Bank of Nigeria Plc in 1987. He worked in various branches and corporate development division at the head office before leaving for Credite Bank to start up Idumota Branch as the head of operations in 1991. He left Credite Bank in 1993 to join Zenith Bank Plc as a Branch Manager and was subsequently promoted Deputy Group Head Indigenous Conglomerate, the position he occupied till his voluntary retirement from the Bank in 1995.

He is currently the Managing Director of J.P.Solutions & investment Limited, a foremost investment and pension consultants

### **MR. GABRIEL OLUSEGUN OMOWAYE - MANAGING DIRECTOR**

Mr. Gabriel Olusegun Omowaye – Managing Director/CEO. Mr. Omowaye holds a Bachelors Degree in Economics (1988) from Obafemi Awolowo University Ile-Ife and a Master's degree in Business Administration (MBA) from University of Ado. He has acquired over seventeen years experience in capital market operations. His Stock Broking career started at FIS Securities Limited in 1990 where he worked as an Investment Analyst. He rose to the rank of Manager, Head of Corporate Finance in 1995 and later moved to General Securities and Finance Company Ltd as a Senior Manager in charge of corporate finance. He is an authorized dealing clerk of the Nigerian Stock Exchange and a Fellow of the Chartered Institute of Stockbrokers. Before joining the company he was the Managing Director/CEO of Forte Asset Management Limited.

At various times during his career, he attended comprehensive training courses/seminars amongst which are on Investment Banking; Merger and Acquisition; Capital Issues, Assets Securitization; Proper pricing of Stocks in the secondary market; Superior Selling Skills Training Programme; Effective Marketing of Financial Services etc.

## **PROFILE OF THE EXECUTIVE MANAGEMENT**

The management team is made of a crop of highly talented and sufficiently exposed professionals who are committed to creatively and aggressively developing financial/investments products and services aimed at satisfying the various finance requirements of both the domestic and global target markets

### **MR. GABRIEL OLUSEGUN OMOWAYE - MANAGING DIRECTOR**

Mr. Gabriel Olusegun Omowaye – Managing Director/CEO. Mr. Omowaye holds a Bachelors Degree in Economics (1988) from Obafemi Awolowo University Ile-Ife and a Master's degree in Business Administration (MBA) from University of Ado. He has acquired over seventeen years experience in capital market operations. His Stock Broking career started at FIS Securities Limited in 1990 where he worked as an Investment Analyst. He rose to the rank of Manager, Head of Corporate Finance in 1995 and later moved to General Securities and Finance Company Ltd as a Senior Manager in charge of corporate finance. He is an authorized dealing clerk of the Nigerian Stock Exchange and a Fellow of the Chartered Institute of Stockbrokers. Before joining the company he was the Managing Director/CEO of Forte Asset Management Limited.

At various times during his career, he attended comprehensive training courses/seminars amongst which are on Investment Banking, Merger and Acquisition; Capital Issues; Assets Securitization; Proper pricing of Stocks in the secondary market; Superior Selling Skills Training Programme; Effective Marketing of Financial Services etc.

### **MR. MONDAY USIADE – DEPUTY GENERAL MANAGER**

Mr. Usiade holds a Bachelor and Master Degree in Economics from Obafemi Awolowo University, Ile-Ife (1998) and University of Benin (1991) respectively. He is an Authorized Clerk of the Nigerian Stock Exchange and an Associate member of the Chartered Institute of Stockbrokers. He has been duly certified to trade on the Automated Trading system.

He joined Regency Assets Management Limited as a Deputy Manager from Enork Venture in May 2004. He is the head of marketing department.

### **MR. ADESUYI OLUWAYOMI BAMIDELE – FINANCE MANAGER**

Mr. Adesuyi Oluwayomi Bamidele attended Olabisi Onabanjo University where he obtained BSc. in Banking & Finance. He is an Associate Member of Institute of Chartered Accountants of Nigerian (ICAN), member of Chartered Institute of Taxation (ACIT) and also an Associate member of Institute of Management. Mr. Adesuyi started his career in 1998 as an Accountant with Bolanle Specialist Hospital from where he joined Gbenga Adejo & Co, a firm of Chartered Accountants as an Audit Trainee in 2000. He attained the position of Audit Manager before leaving for Regency Assets Management Limited as the Company, Finance Manager in 2004.

At various times during his career, he attended comprehensive training courses on various aspect of Finance

## **MR. ADENLE ADEDAPO AYORINDE**

He is the head of stock broking department of the company. He holds Bachelor of Science degree in Economics from the University of Ado-Ekiti in 1993. He is presently pursuing his MBA (Finance) at the Lagos State University.

Before joining Regency Assets management Limited, he worked with Clearview Investment Company Limited as a Broker and later Lighthouse Assets Management Limited as a business development manager responsible for prospecting for customers and gathering market intelligent report.

Mr. Adenle is an authorized dealing clerk of the Chartered Institute of Stockbrokers (CSI) 1997. He has attended several courses, amongst which is Public Offering of Securities organized by Securities and Exchange Commission (SEC) Seminar on Pension Fund Management and seminar on Customer Services per Excellence to enhance his professionalism.

He is married with children.

## **MR. ADEMUYIWA J. ABUBAKAR: HEAD, INVESTMENT SERVICES**

Mr. Abubakar holds a B.Sc. (Hons) degree in Geography and an MBA degree in Business in 1986 and 1990 respectively both from the University of Ilorin. He is an Associate Member of the Nigerian Institute of Management (MNIM) He commenced his working career in 1990 with Metropolitan Industries Limited as a Banking/Public Relations Officer. Before joining Regency Assets Management Limited, he worked variously with Nucleus Securities & Finance Limited, Dominion Trust Limited and later Intercontinental Securities Limited between 2001 and 2005 where he held several positions amongst which were Head of Trade Finance Unit (Credit & Marketing), Manager, Abuja Branch Office and Manager/Head of Business Development, Port Harcourt Branch Office.

He has over 15 years experience in the non-banking sub-sector of the Nigerian Financial Industry covering stock broking, Credit & Marketing and Business Development. He has also attended several developmental courses in Marketing of Financial Services, Advance Credit Management, and Regulation of Pension Funds in Nigeria: Issues and Benefits amongst others.

He is married with children

## **FINANCIAL PROFILE & PERFORMANCE**

The Firm is currently experiencing steady growth in both balance sheet footings and earnings, which can be attributed to the effective implementation of the firm's financial policy and market strategy.

### **Gross Earnings**

The firm's earnings have witnessed growth within its short period in business. As at financial year ended 31st March 2007, the gross earnings grew to ~~N~~113.66 million representing an increase of approximately 34% over the 18 months ended 31st March 2006 of ~~N~~85.09 million, a positive trend that is projected to continue as indicated by the firm's financial projection which estimates of ~~N~~236.30 million, ~~N~~567.12 million and ~~N~~765.62 million for the years ending 31st March, 2008, 2009 and 2010 respectively.

### **Profit Before Taxation ("PBT")**

The Firm's PBT for the year ended 31st March 2007 was ~~N~~72.07 million representing an increase of 51% over the previous period's PBT of ~~N~~47.9 million. The firm's PBT is projected at ~~N~~173 million, ~~N~~477.4 million and ~~N~~661.6 million for the years ending 31st March, 2008, 2009 and 2010 respectively.

### **Net Assets**

The firm's net assets base continues to witness a steady and consistent growth. The net assets increased by 60% from ~~N~~118.4 million in 2006 to ~~N~~189.7 million in 2007.

## **PURPOSE OF THE OFFER**

The purpose of this offer is to accelerate the strategic business development of Regency Assets Management Limited, encompassing consolidation and branch network expansion in the capital market. The offer will also provide the firm with the necessary funding required to effect upgrades of its information technology infrastructure and working capital to support the firm's anticipated level of business.

## **FUTURE PLANS**

The Company's strategic business objective is to maintain sustainable rapid growth in its market share and profitability through continuous product innovation and first class service quality. The company will ensure business continuity through and after the ongoing consolidation process.

## **CORPORATE RECAPITALIZATION PLAN**

It will be recalled that the Securities & Exchange Commission (SEC) recently issued a directive to all capital market operators in Nigeria to shore up their shareholder's fund to N1billion by December 2008. By implication, the policy statement by the apex regulatory authority encourages merger and outright acquisition/takeover. In view of the foregoing, it has become imperative for Regency Assets to position itself with a view to satisfying the above requirements and to ensuring business continuity in 2008 and beyond.

As a first step, the shareholders of Regency Assets Management Limited have passed the necessary resolutions authorising the Board of the company to carry out all the appropriate steps towards increasing the Company's shareholder's funds. The Board, on its part, has considered various options at its disposal and has chosen to source for additional equity by way of a Private Placement. This exercise is expected to generate N850, 000,000 or more.

Secondly, the Company has also decided to go the extra mile to ensure its survival by entering into merger negotiations with other stock broking firms with similar organisational attributes.

The third strategic initiative is based on Regency's intention to remain as a stand-alone company and the cornerstones are represented by this private placement exercise.

The above strategies are well thought-out and will, no doubt, place Regency Assets in a position to play dominant roles in the post-consolidation era of the Nigerian capital market. In order to realise all its far-sighted objectives for the post-consolidation era, the Company has proactively developed an ambitious five year corporate plan, the implementation of which will lead to continuous increase in profitability, dividend payouts, shareholder and human resource values.

## **SHAREHOLDING STRUCTURE**

As at the date of this Memorandum, the 170,034,999 ordinary shares of ₦1.00 each in the issued ordinary share capital of the firm were beneficially held by individuals.

## **DIRECTORS' BENEFICIAL INTERESTS**

The interests of the Directors of RAML in the issued share capital of the firm as recorded in the Register of Members as at the date of the Memorandum are as follows:

Directors shareholding	Direct shareholding	Indirect
Chief Adekunle Abdul	12,499,999	NIL
Mr. Gabriel O. Omowaye	50,124,999	NIL
Mr. Adewale A. Gbolahan	16,249,999	NIL
Engr. Adeniyi Y. Jimoh	12,499,999	NIL
Mr. J. Ndubuisi Okoroafor	12,499,999	NIL
Mr. Ijogun O. Ayodele	3,750,000	NIL

## **INDEBTEDNESS**

As at its last audited accounts, the firm had no outstanding debentures, loan capital, mortgages, charges or other contingent liabilities other than those arising in the ordinary course of business.

## **SUBSIDIARIES AND ASSOCIATED COMPANIES**

The Firm had no subsidiaries or associated companies as at the date of the latest audited accounts.

## **CLAIMS & LITIGATION**

The firm had no claims or litigation as at the date of this Memorandum.

## **DECLARATION**

Except as otherwise disclosed in this Memorandum:

- (a) No share of RAML is under option or agreed conditionally or unconditionally to be put under option;
- (b) No commissions, discounts, brokerages or other special terms have been granted by RAML to any person in connection with the offer or sale of any share of the Firm;
- (c) Save as disclosed herein, the Directors of RAML have not been informed of any holding representing 5% or more of the issued share capital of the Firm;
- (d) There are no founders, management or deferred shares or any options outstanding in RAML;
- (e) There are no material service agreements between RAML and any of its Directors and employees except pension agreements.

## **DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available at the Registrar office during normal business hours on any week day (except public holidays), during the placement period:

- (a) The Certificate of Incorporation of the Firm;
- (b) The Memorandum and Articles of Association of the Firm, duly certified by the Corporate Affairs Commission;
- (c) The resolution recommending the Private Placement, passed at the meeting of the Firm's Board of Directors held on 16<sup>th</sup> April 2007.
- (d) The certified true copy of the shareholders' resolution increasing the share capital of the Firm and authorizing the Private Placement, which was passed at the Extra-ordinary General Meeting held on 29<sup>th</sup> June 2007
- (e) The Audited Accounts of the Firm for each of the years ended 31st March, 2006 and 2007.
- (f) The Financial Projections of the Firm for the three years ending 31st March, 2010.

# REGENCY ASSETS MANAGEMENT LIMITED

RC: 506026

**Private Placement**

**829,965,001**

**Ordinary shares of ₦1.00 each at  
₦1.25k**

**Payable in full on application**

Care must be taken to follow these instructions as applications that do not comply may be rejected

**To: Regency Assets Management Ltd**

**Declaration**

- I/We are 18years of age or over
- I/We attach the amount payable in full on application for the above number of shares in Regency Assets Management Limited at ₦1.25 per share. I/We agree to accept the same or smaller number of shares in respect of which allotment may be made upon the term of the placement memorandum and subject to the Memorandum and Articles of Association of Regency Assets Management Limited.
- I/We authorize you to send a share certificate and / or a cheque for any amount over paid, by registered post at my/our risk to the address first given below and to procure registration in my/our name as the holder(s) of such number or smaller number as aforesaid.
- I/We declare that I/We have read a copy of the Placement Memorandum for the offer.

Number of shares 5,000,000 (minimum) Multiples of 500,000 shares thereafter. Number of units applied for..... Value of units applied for ₦..... Value of cheque/bank draft ₦..... Name of Bank/branch..... Cheque Number.....
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**PLEASE COMPLETE IN BLOCK LETTERS**

**INDIVIDUALS/JOINT APPLICANTS**

Usual Signature.....  
Surname.....  
Other Names (In full).....  
Full Postal Address.....  
Daytime telephone number.....Next of Kin.....

**CORPORATE APPLICANTS**

Authorized Signatories.....  
Company Name.....  
Registered Address.....  
Full Postal Address.....  
Daytime Telephone Number.....

Incorporation Number and Seal of Corporation
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