

GEM places N2.5bn equity stake in IEI

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International Energy Insurance plc (IEI) one of the front-row players in the Nigerian insurance industry and Global Emerging Markets (GEM), a leading UK-based private investment firm, have signed an agreement for GEM to invest N2.5 billion in IEI, through a special placing arrangement.

BusinessDay learnt from sources close to the two companies that the process for all regulatory requirements had commenced.

The group managing director, IEI, Ifie Sekibo said with this agreement, IEI as a company had once more demonstrated a sound business principle by world class standards.

IEI is a public liability company with its shares quoted on the floor of the Nigerian Stock Exchange.

“Over the years IEI has constantly focused on fundamentals and has consistently delivered results. This stability allows IEI to continue to strengthen its client’s relationships and share holder trust, in the face of the current economic climate. Now more than ever IEI puts stability to work for its share holders.”

The company, he said, has grown from a general insurance firm with a niche focus in energy insurance, to a group of companies operating in Insurance, Asset Management, Mortgages and Pensions.

With shareholders funds

exceeding N11billion, IEI, is one of the most capitalised insurance companies in Nigeria.

GEM Group is a UK based US\$3.4billion private equity investment group founded in 1991, with offices in Paris, London, Hong Kong and New York.

Since its inception in 1991, GEM has structured and completed over 270 transactions in over 55 countries across the world.

In November 2005, GEM established jointly with Venture Capital Bank Bahrain, a US\$250 million shariah compliant venture capital investment fund for the GCC and MENA regions.

In February 2006, it teamed up with the Saudi Arabian General Investment Authority to establish a US\$100 million venture capital investment company to invest in venture capital opportunities and small-to-medium enterprises in the Saudi Arabia kingdom. Other GEM funds include GEM India and Kinderhook funds in USA.

The GEM Group operates in the US and internationally, across a broad spectrum of industries and transactional structures. Their investments usually involve engagement in shares. GEM Group often provides financing for an entire undertaking or acts as the leading investor.

For GEM this placement, will act as a window of opportunity to invest in one of the fastest growing insurance companies in Africa.