



Faída Securities Ltd

MEMBER OF NAIROBI STOCK EXCHANGE



Company Profile – June 2007

Corporate Information

Incorporated:	11 th November 1994
Nature of business:	Buying and selling shares of publicly quoted companies as well as Government and corporate debt instruments on behalf of clients at the Nairobi Stock Exchange, Corporate Finance Advisory and transaction services.
Registered office:	Windsor House, 1 st Floor, University Way/Muindi Mbingu Street P.O. Box 45236, 00100 Nairobi Tel: (254-2) 243811/2/3 E-mail: info@faidastocks.com
Branch office:	Vickers House, 1 st Floor P.O. Box 611, Nakuru
Directors:	Bob J. Karina Dennis K. Waweru David M. Mataen
Auditors:	Mbaya & Associates Certified Public Accountants
Bankers:	Barclays Bank of Kenya Ltd Chase Bank Ltd National Bank of Kenya Ltd Stanbic Bank Kenya Ltd

About us

Faida Securities is a market leader in the Kenyan securities and capital markets, achieving consistent, unassailable top performance in secondary trading at the Nairobi Stock Exchange to emerge fifth in three of the last five years in a market of 23 players, and grow business transacted 24 times in the same period.

We have achieved these milestones by consciously observing standards of prudence, efficiency and friendliness to investors. Our reputation is best reflected in the quality of our customer base, institutions and individuals who demand and get the highest value proposition.

Faida subscribes to delivery of professional services under a business model built around these core strengths:

1. Qualified professional staff, which we nurture and develop
2. Personalised service for our clients - we aim to provide you a transaction channel to suit your needs
3. A culture of impeccable ethical standards
4. Flexibility - we do our best to accommodate individual specific needs.
 - Licensed in 1995, we have an extensive network in the region with representation in both Uganda and Tanzania.

We are in the final stages of converting into an Investment Bank, and the process will be completed before the end of this year.

Our Mission

To be the pre-eminent provider of brokerage services through superior service and intimate markets knowledge. To maximise investor opportunities through leadership in research, and to provide a dynamic work environment that fosters growth.

Faida Securities Ltd has consistently been one of the top market performers in Kenya in the last five years as evidenced by our equity turnover as shown below:

Year	Equity Turnover (KShs)	Position
2002	657 Million	3 rd
2003	3 Billion	5 th
2004	3.7 Billion	5 th
2005	5.8 Billion	6 th
2006	16.3 Billion	5 th

Our client list includes accomplished investment service providers, fund managers, reputable institutional investors as well as high net worth clients.

The following are some of our major clients:

Fund Managers: Co-op Trust Investments, Genesis Kenya, Old Mutual Asset Managers, AIG Investments.

Institutionals: Apollo Insurance, APA Insurance, Kenya Re-Insurance, UAP Provincial Insurance, ICDCI, Blue Shield Insurance, and ABC Banking Corporation.

Services Offered

1. BROKERAGE SERVICES

These include buying and selling of Shares of publicly quoted Companies on behalf of the investing public, at the Nairobi Stock Exchange, of which we are members. Besides Shares, we buy and sell fixed income securities on behalf of clients. Such securities include Treasury and Corporate Bonds, Preference Shares and Debenture Stocks.

2. PORTFOLIO CREATION AND MANAGEMENT

We create portfolios in line with the risks they are willing to take and their investment goals and constraints. We continually monitor the investors' needs and capital market conditions and when necessary, modify the investment strategy accordingly. This service is available mainly for investors residing outside of the country and for those who desire such arrangements.

3. CORPORATE FINANCE ADVISORY

We offer transaction advisory in all equity and debt capital market transactions as financial advisors or lead sponsoring stockbrokers; private equity placements; balance sheet restructuring; financing arrangements and issues distribution. In all we do, we follow through from idea generation to deal completion, whether it is giving strategic advice, leveraging business insights to drive creative solutions or delivering superior executions.

We have actively been involved in the following Capital Markets transactions:

Diamond Trust Kenya Ltd Rights Issue - Nov - Dec 2006

Diamond Trust Bank wanted to finance automation and branch expansion by offering KShs 15.5 million rights to shareholders at a discounted price of KShs 50. The company expected to raise KShs 776 million on full subscription but surpassed this margin by 197%. Faida Securities Ltd was appointed a co-sponsoring stock broker and placed KShs 7.6 m worth of shares, representing 10% of the issue.

Kenya Electricity Generating Company (KenGen) - Nov 2005 - Jun 2006

Government of Kenya was selling 30% equity in the Company to the public through an IPO. Faida Securities was appointed as a co-sponsoring stockbroker for the KenGen IPO in September 2005. The issue was so far the largest in the history of Kenyan IPOs, targeting to raise between KShs 7.4 billion (US\$111 to US\$139 Million) but ended up attracting KShs 26 billion. Faida put in the highest number of applications: 21,465.

Uchumi Rights Issue - Aug - Oct 2005

The company needed to raise KShs 1.2bn to finance reorganisation and retire debilitation debt. Faida acted as participating stockbroker placing over KShs 150M worth of shares emerging second among the stockbrokers in Kenya.

Kenya Commercial Bank Ltd Rights Issue- Jun - Aug 2004

Kenya Commercial Bank needed to raise KShs 2 billions in additional equity capital to boost its borrowing and lending capacity. The Government of Kenya, the largest shareholder, reduced its shareholding from 35% to 26% by not participating in the Issue. Faida acted as a participating stockbroker placing more than 5M shares, representing 12.5 % of the issue.

Kenya Airways Ltd IPO - Jun - Oct 1996

As part of the national privatisation programme, the Government of Kenya was selling shares in Kenya Airways to the public through an IPO in which Faida, was one of the appointed co-sponsoring brokers.

TPS Serena Ltd - IPO and Share swap

The Aga Khan group, majority owner of TPS Serena wanted to realise capital gains by partially divesting in the business through an IPO. Faida was a participating stockbroker in the offer. The group later in 2006 wanted to incorporate its other East African hotels businesses in the listed entity. It therefore created TPS Serena EA and substituted its shares with those of the former TPS Serena Limited which only constituted Kenyan operations. Faida participated in the resulting share swap.

National Bank of Kenya - Secondary offer

The Government of Kenya, as a part of its ongoing privatisation and objective of full and complete divestment from commercial enterprises, sought to sell a further 40 million shares in National Bank of Kenya to reduce its shareholding to 22.5%. Faida acted as a participating stockbroker in the issue.

Athi River Mining - IPO

Paunrana family, majority shareholders in Athi-River Mining, a cement and construction materials business wanted to finance expansion by selling shares to the public through an offer for subscription. Faida acted as a participating stockbroker.

Mumias Sugar Company IPO - Nov, 2001

The government of Kenya, in keeping with its avowed objective of privatising public institutions engaging in commercial concerns, wanted to sell to the public 300 million shares in Mumias Sugar through an IPO. Faida acted as a participating broker. The total proceeds of the sale amounted to KShs 1.12billion.

ICDC Investment Company Offer for subscription Issue

ICDCI had spotted compelling investment opportunities for which it was capacity-constrained to exploit. It therefore sought to raise KShs 500 million in an offer for subscription. Faida securities acted in this offer as a participating stockbroker.

ScanGroup Limited IPO - Aug 2006

Bharat Thakar, founder and CEO of Scan Group, a marketing and advertising services company, wanted to realise capital gains from his investments, as well as finance expansion and consolidation within the region. He therefore sought to sell 43.4% shareholding in the business for a total KShs 680 million. Faida acted as a participating stockbroker in which role it distributed KShs 428.4 million worth of shares.

Access Kenya Limited IPO - May 2007

Access Kenya, a corporate Internet service provider wanted to raise KShs 800 million to finance growth and at the same time acquire the option to use its own shares as instruments for acquisitions. It therefore sold 40% equity to achieve this. Faida acted as a participating stockbroker selling KShs 14.7 million worth of equity.

4. *MARKETS AND INSTITUTIONAL RESEARCH*

We prepare and release research reports with investments recommendations based on rigorous analysis and intimate industry knowledge. Our Research Department conducts fundamental research on quoted Companies and uses relative financial ratios calculated from audited Company accounts as well as established fundamental techniques to value and forecast future performance of such Companies. We on request, avail our analysis findings to our clients. The research department also provides market information, investment perspective and guidance.

Current Directors

1. *BOB KARINA - MANAGING DIRECTOR*

Mr. Bob Karina is the executive authority in the day to day running of the Company. He is an accomplished stockbroker, an information technology professional and a successful businessman. He is a director at the Nairobi Stock Exchange, the Chairman of the Association of Stockbrokers in Kenya (ASK Nominees Ltd), a member of the Institute of directors, Centre for Corporate Governance, as well as the chairman of the finance committee of Kenya National Chamber of Commerce. He has broad experience in advising institutional and corporate investors, corporate finance consulting and research analysis.

2. *DENNIS WAWERU - MARKETING DIRECTOR / CHIEF DEALER*

Dennis is the Company's Chief dealer. He holds a Bachelor of Commerce Degree and is currently pursuing his MBA in Strategic Management from Moi University. He has over nine years experience as a dealer. He is also in-charge of sales and marketing responsible for building and maintaining institutional client relationships and for the procurement of equity business from institutional clients and ensures that client's orders are executed with speed and exactitude.

3. *DAVID MATAEN - CORPORATE FINANCE & RESEARCH DIRECTOR*

Mr. Mataen is a corporate finance specialist with experience spanning capital markets, financial consultancy, institutional research and financial analysis. He holds an MBA in finance and a Bachelors degree in Economics and is a candidate member of the Canadian Institute of Chartered Business Valuators. David has previously worked in PricewaterhouseCoopers as a Corporate Finance and Strategy consultant, and before that at the Bank of Montreal in Toronto Canada as a direct sales Manager, as well as Shah Munge & Partners as Corporate Finance Manager. He is in charge of our transaction and financial advisory and research functions. David discusses topical business issues weekly in the Money & Markets pages of "Business Daily", a publication of the Nation Media Group Ltd.

Key Personnel

Anthony Munyiri, Head of Business Development

Anthony was formerly the assistant Head of Sales at Equity Stockbrokers Ltd (Now CFC Financial Services). He has 12 years experience in the industry. He previously worked for Ameriprise Financial Services in the U.S. within their retirement department. He holds an MBA in Marketing from St. Mary's University in Minneapolis, U.S. and an M.A. in Management from Hamline University in St. Paul, Minnesota. Anthony heads our bond trading department and handles the company's business development initiatives.

James Matu, Operations Manager

James joined Faida Securities in 1996 and holds an Honours Degree from Egerton University. He is responsible for the delivery and settlement functions and also assists in fixed income and equity trading. He ensures smooth co-ordination between the back office and the trading desk.

Rina Karina, Financial Analyst and head of Portfolio Management

Rina joined Faida Securities in 2002. She is currently a CFA ® Level II candidate and holds a Bachelor of Business degree, majoring in Finance and Marketing from Edith Cowan University, Perth, Australia. Rina is widely travelled, having visited the major global financial markets and institutions such as the New York Stock Exchange, the Reserve Bank of Australia, London Stock Exchange, Bank of England, Chicago Board of Trade, Mercantile Exchange and other markets in the USA, which has been useful to her work. She is responsible for stocks analysis and equity research as well as client information flow and discretionary portfolio management. Rina also conducts presentations and educational seminars to companies and groups of individuals on the investment opportunities available at the Nairobi Stock Exchange. In January 2007 she was appointed as an Advisory Board Member of the Youth Enterprise Development Fund by the Ministry of Youth Affairs. She is also a columnist with the Finance Magazine.

Phyllis Gathuni, Dealer and Operations Assistant

Phyllis holds a degree in Anthropology from University of Nairobi. She assists with operations and attends to our high net worth clients, who are key to the organization and ensures that back office operations run smoothly.

Sylvia Warugongo - Dealer and portfolio manager

Sylvia holds an MBA-Finance from United States International University and a BCom degree from African Nazarene University. She is a dealer as well as handles portfolio management.

Yeunnah Wanjiru, Legal Counsel

Yeunnah is an advocate of the high court and holds a diploma in Public relations from Kenya Institute of management. She handles all our legal services including, but not limited to the following: analyzing and reporting on legal and regulatory perspectives of transactions, participating in risk management, preparing and reviewing capital markets transaction and agency agreements, share immobilization, transmission cases and affidavits.

Contacting us

Please visit our website www.faidastocks.com to find out more about ourselves, new services and latest market reports and updates.

For inquiries on brokerage services contact Mr. Dennis Waweru at dennis@faidastocks.com or call him at 254-20-234811, cell-phone 254-722-522769

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For market research and corporate finance inquiries contact David Mataen at mataen@faidastocks.com or call him at 254-20-234811, cell phone 254-722-344497