



June 17, 2016

The Director General
Nigerian Stock Exchange
2/4 Customs Street
Lagos.

Dear Sir,

**PROPOSED DIVESTMENT OF INTERNATIONAL ENERGY INSURANCE (IEI)
PLC's 81% EQUITY SHAREHOLDING IN IEI-ANCHOR PENSION MANAGERS
LIMITED**

We refer to Section 1.10 (b) (v) of the National Insurance Commission (NAICOM) Operational Guidelines (Insurers & Reinsurers) prohibiting Insurance companies in Nigeria from investing more than 25% of the proceeds of public offers and private placements of shares in non-insurance related companies or ventures.

In compliance with the Guidelines and the urgent need to recapitalize the company, the members of IEI PLC at its 39th Annual General Meeting held on the 26th day of November 2010 resolved that IEI PLC shall divest its interest in non-insurance subsidiaries including IEI-Anchor Pension Managers Limited. Efforts were subsequently made by the previous board and Management to sell off the company's shares in IEI Anchor Pension Ltd. However, this could not be concluded owing, *inter alia*, to lack of approval from National Pension Commission for sale to the preferred bidder whose Group also has a custodian.

On assumption of duties, and after an assessment of the state of the company, which was dire, the Interim Board took steps to effectively and transparently divest the Company's interest in IEI Anchor in three stages as follows:

1. The Valuation stage – The valuation stage was competitively carried out and Meristem Securities limited selected to carry out the valuation exercise after approval was obtained from NAICOM.
2. The Expression of Interest stage – which has seen seventeen (17) companies express their interest for the acquisition of IEI's interest in IEI Anchor (***a schedule listing the EOI's is herewith attached as Appendix 1***). The services of a Financial Adviser would be required to evaluate all the EOI's and conduct a transparent bidding process in order to recommend a preferred bidder to the Board. The following reputable professional firms were invited to submit proposals and were selected on the basis of their relevant experience and knowledge of the Pension Sector

Board of Directors:

Mr. Muhammad K. Ahmad - Chairman; Peter Irene - MD/CEO;
Ms. Daisy Ekinah; Ms. Ibiyemi B. Adeyinka



1. Meristem Securities Limited
2. Kauthar Resources Nigeria Limited
3. Zenith Capital Limited

Upon recommendation by Executive Management, the Board selected Kauthar Resources Nigeria Limited to provide transaction advisory services on the bidding process.

3. The Final disposal stage – this stage will follow on conclusion of the selection process subject to notification and approval of relevant Regulators.

To this end, while we have sought the approval of NAICOM to proceed with the disposal and have notified the Securities & Exchange Commission to enable us receive approval for the disposal of IEI Plc's 81% equity shareholding in IEI-Anchor Pension Managers Limited.

Thank you for your continued support.

Yours faithfully,

FOR: INTERNATIONAL ENERGY INSURANCE PLC

A handwritten signature in dark ink, appearing to read 'Peter Irene', is written over a horizontal line.

PETER IRENE

Interim Managing Director/CEO