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You are advised to read and understand the contents of the Abridged Prospectus. Before subscribing, please consult your Stockbroker, Solicitor, Banker or an Independent Investment Adviser registered by the Securities and Exchange Commission. This Abridged Prospectus has been seen and approved by the Directors of Anchoria Asset Management Limited and they jointly and individually accept full responsibility for the accuracy of all information given and confirm that, after having made all inquiries which are reasonable in the circumstances, and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

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FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY  
PROSPECTIVE INVESTORS, PLEASE SEE RISK FACTORS ON PAGE 15-16.

**OFFER FOR SUBSCRIPTION**  
**OF**  
**500,000,000 UNITS OF ₦1.00 EACH**  
**AT PAR**  
**IN THE**  
**ANCHORIA FIXED INCOME FUND**  
**(AUTHORIZED AND REGISTERED IN NIGERIA AS A UNIT TRUST SCHEME)**

**PAYABLE IN FULL ON APPLICATION**

**FUND MANAGER**



**LEAD ISSUING HOUSE:**



**And**

**JOINT ISSUING HOUSE:**



**APPLICATION LIST OPENS: 27<sup>th</sup> May 2019**

**APPLICATION LIST CLOSES: 5<sup>th</sup> July 2019**

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This Abridged Prospectus, and the Units which it offers, has been cleared and registered by the Securities & Exchange Commission. It is a civil, wrong and criminal offence under the Investments and Securities Act No. 29 of 2007 Laws of the Federation of Nigeria to issue an Abridged Prospectus which contains false or misleading information. Registration of this Abridged Prospectus and the Units which it offers does not relieve the parties of any liability arising under the Act for false or misleading statements contained therein or for any omission of a material fact.

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**This Abridged Prospectus is dated 26th April 2019**

## ABRIDGED TIMETABLE

Date	Activity	Responsibility
27-May-19	Application List opens	Issuing Houses
05-Jul-19	Application List closes	Issuing Houses
12-Jul-19	Receiving Agents make returns	Registrar
19-Jul-19	Forward Basis of Allotment Proposal to SEC	Issuing Houses
26-Jul-19	Obtain SEC's clearance of the Basis of Allotment Proposal	Issuing Houses
27-Jul-19	Disburse Net Proceeds to the Custodian	Receiving Bank
30-Jul-19	Return Excess/Rejected Application Monies	Registrar
05-Aug-19	Publish Allotment Announcement in two national daily newspapers.	Issuing Houses/Fund Manager
12-Aug-19	Distribution of Statements of Unit-holdings.	Registrar
20-Aug-19	Forward Offer Summary Report to the SEC	Issuing Houses/Fund Manager

The dates given above are indicative only. The timetable has been prepared on the assumption that certain key activities including, but not limited, to the receipt of regulatory approvals from the SEC for the Offer will be achieved as stated, if not, then dates surrounding key events in the timetable may be subject to adjustments without prior notice.

## SUMMARY OF THE OFFER

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The following is a summary of the terms and conditions of an investment in the Anchoria Fixed Income Fund. This summary draws attention to information contained elsewhere in the Abridged Prospectus; it does not contain all the information a prospective investor in the Fund should consider in making an investment decision. This summary should be read together with the entire Abridged Prospectus. Investors are advised to seek information on the applicable fees and charges before investing in the Fund.

<b>FUND MANAGER</b>	Anchoria Asset Management Limited
<b>LEAD ISSUING HOUSE</b>	Vetiva Capital Management Limited
<b>JOINT ISSUING HOUSE</b>	Boston Advisory Limited
<b>TRUSTEE TO THE FUND</b>	United Capital Trustees Limited
<b>CUSTODIAN</b>	United Bank for Africa PLC (Global Investor Services)
<b>THE OFFER</b>	500,000,000 Units of ₦1.00 each in the Fund
<b>METHOD OF OFFER</b>	Offer for Subscription
<b>NATURE OF THE FUND</b>	The Fund is an open-ended fund constituted under a Trust Deed registered with SEC as a collective investment scheme. The Fund will seek to achieve an efficient balance between capital appreciation and income for investors with modest risk appetite. The Fund will invest in Fixed Income securities such as FGN bonds, Sub-national Bonds, Corporate Bonds, and other fixed income market securities.
<b>TARGET INVESTORS/ INVESTOR SUITABILITY</b>	The Fund is aimed at investors with low to medium risk appetite who seek investments in medium to long term fixed income securities that offer attractive yields. It is also targeted at investors who wish to benefit from wholesale investment through pooling their investments and want to enjoy the benefits of proper diversification in managing portfolio risk. The Fund welcomes participation from both resident and non-resident Nigerian individual and institutional investors.
<b>FUND SIZE</b>	₦500,000,000.00
<b>UNIT PRICE</b>	₦1.00 per unit.
<b>UNITS OF SALE</b>	5,000 Units and multiples of 1,000 units thereafter.
<b>PAYMENT TERMS</b>	In full on application.
<b>MANDATORY SUBSCRIPTION</b>	In compliance with the rules and regulations of the SEC, which states that promoters of Unit Trust Schemes in Nigeria must subscribe to a minimum of 5% of the initial issue of such schemes, the Fund Manager shall subscribe to 5% of the Offer.
<b>OPENING DATE</b>	27th May 2019
<b>CLOSING DATE</b>	5th July 2019
<b>USE OF PROCEEDS</b>	The Offer proceeds will be used in accordance with the Fund's investment objectives and policies. The Offer costs and expenses amounting to ₦10,608,750.00 (Ten Million, Six Hundred and Eight Thousand, Seven Hundred Fifty Naira only) representing 2.12% of the Offer size shall be offset from the Offer proceeds.
<b>INDICATIVE* FUND RATING</b>	Agusto & Co: <b>A+/FV4</b>
<small>*TO BE CONFIRMED SUBJECT TO THE SUCCESSFUL LAUNCH OF THE FUND</small>	Data Pro: <b>A<sup>(f)</sup></b>
<b>SUBSCRIPTION TO THE FUND</b>	<p>Investors can subscribe to Units of the Fund during this initial public offering by:</p> <ol style="list-style-type: none"><li>Filling and returning the Application Form attached to this Abridged Prospectus. Care must be taken to fill the Application Form in accordance with the instructions set out at the back of the Application Form attached hereto.</li><li>Filling out an Electronic Application Form on the Fund Manager's website (<a href="http://www.anchoriaam.com">www.anchoriaam.com</a>).</li></ol> <p>Investors can also subscribe to Units of the Fund after the initial offering period from the Fund Manager or any of its designated agents/representatives or through any medium that may be approved and provided by the Fund Manager from time to time. Payment for Units of the Fund can be made by a personal or manager's cheque or via a wire transfer made in accordance with instructions on the Form.</p>
<b>DISTRIBUTIONS/ REINVESTMENT</b>	The following Distribution options are available to Unitholders:

## SUMMARY OF THE OFFER

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- **Reinvestment Option:** Under this option, distributions are to be automatically reinvested in additional Units of the Fund at the Offer Price on the day of distribution.
- **Cash Option:** Distributions are paid only via electronic transfer to Unitholder's account.

Distribution to unit holders will be on semi-annual basis.

### MINIMUM INVESTMENT PERIOD

The minimum investment period shall be 90 days from the date of subscription or any period as may be advised by the Fund Manager from time to time. This period commences from the allotment date for subscribers under the Offer for Subscription of the Fund. For subsequent subscribers, the period commences from the date of the respective subscription.

### REDEMPTION

Unitholders shall have the right to redeem all or part of the Units held by them at the Bid Price on any Business Day, provided redemption documents are received in accordance with the instructions specified by the Fund Manager from time to time.

Minimum permissible holding after partial redemption is Five Thousand (5,000) units or such balance as advised by the Manager from time to time.

The Fund will make redemption payments within five (5) Business Days of receipt of the Redemption Notice and any other supporting document required by the Fund Manager where such receipt is on a Business Day and received between 9.00a.m. and 4.00p.m. by the Fund Manager or any of its agents or other means as may be advised by the Fund Manager from time to time.

Units redeemed before the expiration of the Minimum Investment Period will attract an administrative fee of up to 20% of the income earned on the investment.

### QUALIFICATION

The Units of the Fund qualify as securities in which PFAs may invest under the Regulation of Investment of Pension Fund Assets issued by National Pension Commission pursuant to the Pension Reform Act 2014.

The Units qualify as securities in which Trustees may invest under the Trustee Investment Act Cap T22 LFN 2004.

### STATUS

The Units being offered for subscription shall rank pari-passu in all respects with other future Units to be issued in the Fund.

### ELIGIBILITY OF SECURITIES

The Fund will invest in a broad range of Fixed Income securities (such as FGN bonds, Sub-national bonds and Corporate Bonds) and other fixed income and money market securities (such as Treasury Bills, Commercial Papers, Bankers' Acceptance, Certificate of Deposits issued by the Central Bank of Nigeria), Deposits (Fixed and Tenured).

## SUMMARY OF THE OFFER

### FORECAST OFFER STATISTICS

#### COMPREHENSIVE INCOME PROJECTIONS

	5 months 2018 ₤	12 months 2019 ₤	12 months 2020 ₤	12 months 2021 ₤
<b>Income</b>				
Money Market Securities	7,576,580	21,819,165	26,092,818	30,384,030
Bonds	23,989,211	66,045,060	79,490,183	93,864,114
<b>Gross Income</b>	<b>31,565,791</b>	<b>87,864,226</b>	<b>105,583,002</b>	<b>124,248,144</b>
<b>Operating Expenses</b>				
Issue cost	10,608,750	-	-	-
Management Fee	6,892,695	8,270,709	9,758,885	11,222,172
Incentive Fee	2,542,399	6,409,800	8,147,449	10,231,815
Other Operating Expenses	824,391	1,789,226	1,913,240	2,035,181
	20,868,236	16,469,735	19,819,574	23,489,168
<b>Profit for the year</b>	<b>10,697,555</b>	<b>71,394,491</b>	<b>85,763,428</b>	<b>100,758,976</b>

#### FORECAST NET ASSET VALUE

	5 months 2018 ₤	12 months 2019 ₤	12 months 2020 ₤	12 months 2021 ₤
Issued Proceed	500,000,000	-	-	-
Issue Cost	(10,608,750)	-	-	-
Opening Net Asset Value	489,391,250	585,088,805	760,620,271	899,003,833
Additions during the year	85,000,000	114,834,530	124,014,625	121,940,564
<b>Amount available for investment</b>	<b>574,391,250</b>	<b>699,923,336</b>	<b>884,634,896</b>	<b>1,020,944,398</b>
Add: Profit for the year	10,697,555	71,394,491	85,763,428	100,758,976
	585,088,805	771,317,826	970,398,324	1,121,703,374
Less: Distribution to Unit Holders	-	(10,697,555)	(71,394,491)	(85,763,428)
<b>NET ASSET AT YEAR END</b>	<b>585,088,805</b>	<b>760,620,271</b>	<b>899,003,833</b>	<b>1,035,939,946</b>

#### OVERSUBSCRIPTION

In the event of oversubscription, additional units will be registered with SEC and allotted to Subscribers subject to the approval of the Commission and registration of the additional units.

#### INVESTMENT RISKS

The risks associated with an investment in the Fund are set out in the section titled "Risks of investing in the Fund" on pages 15 to 16 of the Abridged Prospectus.

## SUMMARY OF THE OFFER

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### **SELLING RESTRICTIONS**

Under no circumstances shall this Abridged Prospectus constitute an offer to sell or the solicitation of an offer to buy or shall there be any sale of these Units in any jurisdiction in which such offer, solicitation or sale would be unlawful.

### **GOVERNING LAW**

The Offer Documents will be governed by and construed in accordance with the laws of the Federal Republic of Nigeria.

## **DIRECTORS OF THE FUND MANAGER AND OTHER CORPORATE INFORMATION**

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**CHAIRMAN**

**ADENIYI ADENUBI**

FORESIGHT HOUSE  
163/165 BROAD STREET  
MARINA, LAGOS  
NIGERIA

**MANAGING DIRECTOR**

**ETE OGUN**

5TH FLOOR, ELEPHANT HOUSE  
214, BROAD STREET  
LAGOS  
NIGERIA

**DIRECTOR**

**ADAOBI EKWEANYA**

5TH FLOOR, ELEPHANT HOUSE  
214, BROAD STREET  
LAGOS  
NIGERIA

**NON-EXECUTIVE DIRECTOR**

**NONSO OKPALA**

FORESIGHT HOUSE  
163/165 BROAD STREET  
MARINA, LAGOS  
NIGERIA

**NON-EXECUTIVE DIRECTOR**

**BABATUNDE DADA**

FORESIGHT HOUSE  
163/165 BROAD STREET  
MARINA, LAGOS  
NIGERIA

**NON-EXECUTIVE DIRECTOR**

**ABAYOMI AWOBOKUN**

FORESIGHT HOUSE  
163/165 BROAD STREET  
MARINA, LAGOS  
NIGERIA

**CORPORATE DIRECTORY OF THE FUND  
MANAGER**

**ANCHORIA ASSET MANAGEMENT LIMITED**

5TH FLOOR, ELEPHANT HOUSE  
214, BROAD STREET  
LAGOS  
NIGERIA

[EMAIL: MUTUALFUNDS@ANCHORIAAM.COM](mailto:MUTUALFUNDS@ANCHORIAAM.COM)

[WEBSITE: WWW.ANCHORIAAM.COM](http://WWW.ANCHORIAAM.COM)

**COMPANY SECRETARY**

**GBEMINIYI SHODA**

FORESIGHT HOUSE,  
163/165 BROAD STREET,  
MARINA, LAGOS  
NIGERIA

## DIRECTORS OF THE FUND MANAGER AND OTHER CORPORATE INFORMATION

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### PRINCIPAL OFFICERS OF THE FUND MANAGER

ETE OGUN (MANAGING DIRECTOR)  
ADAOBI EKWEANYA (PORTFOLIO MANAGER)  
ADELEYE FOLAJIMI OLUWOLE (FINANCE CONTROLLER)  
ADEWOLE ADEDEJI (RESEARCH)  
GBEMINIYI SHODA (HEAD LEGAL)  
OLUWATOSIN ADEBUKUNOLA (CHIEF COMPLIANCE OFFICER)

### MEMBERS OF THE FUND INVESTMENT COMMITTEE

ADEKUNLE ADELAJA (HEAD, RISK MANAGEMENT)  
EMMANUEL OCHOLI (INDEPENDENT MEMBER)  
NONSO OKPALA  
ADAOBI EKWEANYA  
ADEWOLE ADEDEJI  
JEMILA UMAR  
ABIMBOLA IBRAHIM (REPRESENTATIVE OF UNITED CAPITAL TRUSTEES)

### FINANCIAL STATEMENTS

The Audited Financial Statements of the Fund Manager are provided on page 25 of this document.



## PROFESSIONAL PARTIES TO THE OFFER

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### LEAD ISSUING HOUSE

**VETIVA CAPITAL MANAGEMENT LIMITED**  
PLOT 266B, KOFO ABAYOMI STREET  
VICTORIA ISLAND  
LAGOS  
NIGERIA

### JOINT ISSUING HOUSE

**BOSTON ADVISORY LIMITED**  
28B AWORI ROAD  
DOLPHIN ESTATE, IKOYI  
LAGOS  
NIGERIA

### TRUSTEE TO THE FUND

**UNITED CAPITAL TRUSTEES LIMITED**  
UNITED CAPITAL PLC  
12TH FLOOR, UBA HOUSE  
57 MARINA  
LAGOS  
NIGERIA

### CUSTODIAN TO THE FUND

**UNITED BANK FOR AFRICA PLC (GLOBAL INVESTOR SERVICES)**  
12TH FLOOR, UBA HOUSE  
57, MARINA  
LAGOS  
NIGERIA

### SOLICITORS TO THE TRUSTEE

**UDO UDOMA & BELO-OSAGIE**  
ST. NICHOLAS HOUSE (10TH & 13TH FLOORS)  
CATHOLIC MISSION STREET  
LAGOS  
NIGERIA

### REPORTING ACCOUNTANTS

**IJEWERE & Co.**  
ITOYA HOUSE  
126 LEWIS STREET  
LAGOS  
NIGERIA

### RECEIVING BANKS

**ZENITH BANK PLC**  
84, AJOSE ADEOGUN  
VICTORIA ISLAND  
LAGOS  
NIGERIA

### RATING AGENCIES

**AGUSTO & Co**  
UBA HOUSE (5TH FLOOR)  
57 MARINA, LAGOS  
NIGERIA

**AND**

**DATAPro LTD**  
GROUND FLOOR, FORESIGHT HOUSE  
163/165 BROAD STREET, MARINA  
LAGOS  
NIGERIA

### REGISTRAR

**AFRICA PRUDENTIAL REGISTRARS**  
220 IKORODU RD  
PALMGROVE BUS STOP  
LAGOS  
NIGERIA

## **PARTICULARS OF THE FUND**

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### **A BRIEF ON THE FUND**

The Anchoria Fixed Income Fund is duly authorized and registered in Nigeria as an open-ended Unit Trust Scheme under Section 160 of the Investment and Securities Act. The Fund is governed by a Trust deed with United Capital Trustees Limited as Trustees to the Fund. The Fund is offering 500,000,000 Units for subscription at a price of N1.00 per Unit. The subscription application is payable in full on application with a minimum investment of 5,000 Units. Upon successful completion of the Offer, the net proceeds and the resultant investments will constitute the Fund and will be held in trust for the beneficial interest of the Unitholders.

The Fund is structured as an open-ended fund, and thus the Units will be continuously offered to investors and the Fund Manager will be ready to redeem the Units at all times throughout the duration of the Trust constituting the Fund. The Fund will invest in high quality fixed income instruments which includes bonds (such as FGN Naira Bonds, Sub-national bonds and Corporate bonds) and other money market securities.

### **PROSPECT OF THE FUND**

The Anchoria Fixed Income Fund offers investors the opportunity to preserve their capital and earn returns from investments in high quality fixed income instruments. The Fund will leverage on the bargaining power derived from pooling funds to generate competitive returns while minimising risk. The Fund seeks to attract investors with low risk appetite who require liquid investments.

### **CONSTITUTION OF THE FUND**

The Fund shall be constituted out of the proceeds from the sale of Units in the Fund under the Offer for Subscription. The net proceeds of the Offer and assets of the Fund will be vested in the Trustee. The Trustee shall enforce the provisions of the Trust Deed as well as other regulatory provisions. The assets of the Fund shall be held by the Custodian. The Fund Manager shall make all required regulatory filings with the SEC in accordance with the SEC Rules and Regulations. The Fund will bear all expenses incurred by it.

### **INVESTMENT OBJECTIVE AND POLICY**

The Anchoria Fixed Income Fund seeks to provide safety, liquidity, diversification and competitive investment return. In addition, the Fund Manager would seek to attain a return above the prevailing rolling average inflation rate.

The Fund is expected to have significant exposure to long tenured debt instruments of the FGN, States and highly rated corporate institutions. The Fund may also invest its assets in money market securities such as Treasury Bills, Commercial Papers, Bankers Acceptances and Certificate of Deposits with rated banks in Nigeria. Consequently, the Fund will seek significant exposure to a diversified pool of investment grade Fixed Income and Money Market Securities.

To ensure sound investment selection, portfolio and risk management practices, the Fund will adopt a portfolio strategy that will largely depend on fundamental and technical analysis in order to properly assess the inherent risks within the context of the Fund profile. The Fund Manager would monitor all exposures keenly and seek preservation of the investment ahead of possibilities of high returns. Summarily, the Fund Manager would always seek to maximize risk-adjusted return of the investments.

The Investment Policy of the Fund adheres to asset selection and allocation geared towards achieving the investment objectives of the Fund. Material changes to the Fund's investment objective would only be made subject to the prior approval of Unitholders and the Commission.

### **CORPORATE GOVERNANCE**

The Fund shall have an Investment Committee ("Committee") which shall be primarily responsible for the establishment of investment and risk management policies of the Fund. The Committee will also have oversight over all investment activities of the Fund, consistent with the provisions of the Trust Deed and in accordance with the SEC Rules and Regulations. The Investment Committee shall at every point in time have a minimum of 3 (three) members knowledgeable in investment and financial matters, comprising a representative of the Trustee, a representative of the

## **PARTICULARS OF THE FUND**

Fund Manager and at least 1 (one) independent member with no affiliation to either the Fund Manager, the Trustee, or the Custodian.

The Committee shall be responsible for setting guidelines and risk limits for investment of Fund assets subject to the provisions of the Trust Deed, SEC rules, the ISA and any regulatory constraints to which the Fund is subject. In the event of differences amongst the respective provisions of the Committee's guidelines, the Trust Deed and any applicable regulatory requirements, the regulatory requirements will apply. The Committee will receive and consider periodic reports including compliance and risk reports relating to the Fund's activities.

The Committee will meet at least quarterly to set investment policies, determine overall investment strategy and to consider asset allocation and portfolio reporting. The Committee will also set and monitor investment guidelines including investment concentration and risk limits. In addition, the annual reports and accounts of the Fund will be reviewed by the Committee. The audited accounts of the Fund will be published and distributed to all Unitholders annually. Monthly and other periodic reports on the activities of the Fund will be filed with the Commission and the Trustee in accordance with the SEC Rules and Regulations. Please see pages 27 for profiles of members of the Fund Investment Committee.

### **INVESTMENT STRATEGY**

The Fund Manager's investment strategy is to ensure sound investment selection, portfolio and risk management practices. The Fund Manager will adopt a portfolio strategy that will largely depend on fundamental and technical analysis in order to properly assess the inherent risks within the context of well-articulated objectives, risk profile, investment horizon and risk appetite of the Fund. The Fund is aimed at investors who are interested in bonds and other fixed income instruments and are looking to achieve competitive returns from such investments.

The Company will seek to achieve superior returns on a consistent basis in line with the Fund's objective. Specifically, the Fund Manager will adopt the following investment strategy:

- Security selection – The Fund Manager will analyse each asset class to determine the securities that will be included in the Fund.

For bonds, the Fund will invest mostly in securities with high yields to reduce the impact of the effect of mark-to-market in the Funds overall performance, whilst for other fixed income securities, the Fund would seek out the best rate relative to risk available in the market amongst Federal Government Treasury Bills, CBN approved banks and blue-chip corporates. It is expected that the Fund Manager would be able to obtain high yields and better terms than any individual investor would be able to obtain on their own.

Also, certain factors such as credit rating of issuer, rating on instrument, competitiveness of rate and tenor of instrument would be considered by the Fund Manager in selecting the securities.

- Asset Allocation - The asset allocation strategy for the Fund has been determined by the Fund Manager to balance the risk versus reward objectives and to ensure the Fund achieves its goals within the investment horizon. In the event of extreme market conditions and market volatility, where the Fund Manager deems it necessary to revise the asset allocation bands in order to protect the value of the Fund for the benefit of Unitholders, the Fund Manager shall comply with the provisions of the Trust Deed before effecting any modification or alteration on the asset allocation provision.

The benchmark for the Fund is the 3-years FGN bonds.

### **ASSET CLASSES AND ALLOCATION**

The permissible asset classes within the Fund are as follows:

- Cash - which includes bank deposits and short-term money market deposits;
- Bonds – these include Federal Government of Nigeria bonds, bonds issued by Federal Government Agencies, bonds issued by State governments and their agencies, Corporate bonds amongst others; and

## PARTICULARS OF THE FUND

- Money Market Instrument - such as treasury bills, commercial and financial paper, banker's acceptances, negotiable certificates of deposit and short-term notes issued under note issuance facilities.

The Fund Manager shall aim to maintain the following Asset Allocation for the Fund under normal market conditions:

Proposed Asset Class	Asset Allocation Range (%)
Cash	0 – 5
Supra-national	0 - 5
FGN Bonds	35 – 60
State and Corporate Bonds	10 – 35
Money Market Securities	5 – 30

However, in certain circumstances, where the Investment Committee shall consider and declare market conditions to be abnormal and/or extreme, thus potentially prejudicial to Unitholders' interests, the Fund may deviate from the stipulated bands (but without deviating from the investment objectives of the Fund) PROVIDED THAT within 48 (forty-eight) hours of any revision to the asset allocation, the Fund Manager shall simultaneously notify both the Trustee and the Commission of such revision and state the timeframe within which they expect to re-balance the Fund in line with the asset allocation which shall not exceed 3 months from the date of such revision.

### TARGET INVESTORS

The Anchoria Fixed Income Fund is targeted toward Retail investors, High net-worth individuals and Institutions seeking capital preservation and optimization of return on investment in fixed income instruments. The competitive return of the Fund makes it an attractive investment option to institutions and high net worth individuals who are looking to achieve higher returns from low risk investments than are ordinarily obtainable.

The Fund is particularly suitable for investors who seek:

- Safety and preservation of capital;
- To reduce concentration risk by diversifying their investments;
- Require liquidity;
- To benefit from wholesale deposit return; and
- A fund in the low risk spectrum and do not want any exposure to equities.

### INVESTMENT INCENTIVES

The Fund offers an opportunity for investors to achieve competitive returns while minimizing risk from a diversified portfolio of investments which may not otherwise be available to individual investors. It provides diversification to an investor's existing investment portfolio. In addition, investment in bonds provides a more regular and predictable income stream which may not be available in other investments.

### INVESTMENT DISCRETION

The Fund Manager will exercise its discretion on investment of the Fund pursuant to the Trust Deed, policies instituted by the Investment Committee and in accordance with the Investment and Securities Act 2007 and Rules and Regulations of the SEC as prescribed from time to time. Within these bounds, the Fund Manager will be responsible for all the decisions as to the investment strategies, assets, size and timing of the investment the Fund seeks to make.

### INVESTMENT GUIDELINES AND RESTRICTIONS

The Fund shall adhere strictly to the investment objectives of the Fund and invest solely in such instruments as are permissible in accordance with the ISA and the Trust Deed constituting the Fund.

Additional restrictions as determined by the Committee and in accordance to the Trust Deed shall apply from time to time.

## PARTICULARS OF THE FUND

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### SUBSCRIPTION TO THE FUND

Investors can subscribe to Units of the Fund during this initial public offering by:

- Filling and returning the Application Form attached to this Abridged Prospectus. Care must be taken to fill the Application Form in accordance with the instructions set out at the back of the Application Form attached hereto.
- Filling out an Electronic Application Form on the Fund Manager's website ([www.anchoriam.com](http://www.anchoriam.com)).

Investors can subscribe to Units of the Funds after the initial offering period from the Fund Manager or any of its designated agents/representatives or through any medium that may be approved and provided by the Fund Manager from time to time. Payment for Units of the Fund can be made by a personal or manager's cheque or via a wire transfer made in accordance with instructions on the Form.

### INVESTMENT THRESHOLD

The initial minimum investment will be 5,000 units of the Fund and additional units will be issued in multiples of 1,000 units and payable in full upon subscription.

### MEETING OF UNITHOLDERS AND VOTING RIGHTS

The Fund Manager may hold a General Meeting of the Unitholders at least once every 5 years to consider the accounts and all matters affecting the Fund which meeting shall be in addition to any other meeting of the Unitholders. Also, the Trustee or the Fund Manager, may on their own accord, or at the request, in writing, of at least 5 (five) of the Unitholders holding not less than 25% in value of the Units Outstanding, convene a meeting of Unitholders. Any resolution put to vote shall be decided on a show of hands. Each Unitholder shall have one vote. Where a Poll is demanded, each Unitholder shall have one vote for every unit held.

### INCOME AND DISTRIBUTION

The Manager intends to distribute income (less expense) as interest income to Unitholders on a semi-annual basis.

### DISTRIBUTION OPTIONS AND PAYMENT

Unitholders may elect to receive Distributions either by bank transfer or reinvestment of such Distributions by purchasing additional Units in accordance with the provisions of the Trust Deed. Unitholders may indicate their desired Distribution option at the point of subscription to Units of the Fund on either the Application Form or subscription form as prescribed by the Fund Manager from time to time. The Distribution options available to Unitholders are described below:

- **Reinvestment Option:** Under this option, distributions are to be automatically reinvested in additional Units of the Fund at the Offer Price on the day of distribution. Where an investor reinvested in additional Units, a new statement shall be issued to reflect his/her new holding.
- **Cash Option:** A Unitholder who selects this option will be paid any Distributions applicable to the Units held by electronic transfer directly into the Unitholder's bank account as indicated by the Unitholder on the Application/subscription Form of the Fund.

Unitholders may change their Distribution option by written notice to the Fund Manager at any time and not later than 10 (ten) working days before a Distribution Payment Date.

### PAYMENT OF DISTRIBUTIONS

Subscribers are advised to ensure that bank account details stated on the Application Form are correct as these details shall be used by the Registrar for all Distribution payments.

All payments will be effected electronically by direct credit only into Unitholders' specified bank accounts. Subscribers are advised to note that failure to provide bank details could result in payment delays. The Fund Manager, the Trustee, the Custodian and the Registrar shall not have any responsibility nor will any of these specified parties undertake any liability for the same.

## **PARTICULARS OF THE FUND**

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### **TAX CONSIDERATIONS**

Income accruing to the Fund shall be subject to tax. Withholding tax deducted at source on interest income (excluding investment in tax exempt securities) shall be treated as final tax. Income from capital appreciation shall not be subject to tax in Nigeria.

Please note that taxation-related issues are subject to changes in legislation. Investors are therefore advised to seek tax advice regarding an investment in the Fund from their professional tax advisers.

This summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of Units of the Fund and does not purport to deal with the tax consequences applicable to all categories of investors. In addition, the summary is not intended to be, and should not be construed to be tax advice to any particular investor. Any prospective investor who is in any doubt as to his/her tax position or who is subject to taxation in any jurisdiction other than the Federal Republic of Nigeria should consult his/her own professional advisers without delay as to the consequences of an investment in the Fund in view of his/her peculiar circumstances. Neither the Fund Manager, the Trustee or the Custodian shall be liable to any investor in any manner for placing reliance upon the contents of this section.

Foreign investors should contact their respective tax authorities for the tax treatment of income earned in Nigeria.

### **STATEMENT OF UNITHOLDING**

A Unitholder shall be issued with the electronic Statement of Unitholding, via e-mail, evidencing its ownership of the Units of the Fund unless the Unitholder elects to receive a physical Statement of Unitholding. Joint Unitholders shall be entitled to only one electronic Statement of Unitholding for Units held jointly by them. Where a Statement of Unitholding is issued to the Joint Unitholders, it shall be issued in the names of the joint Unitholders and delivery of a Statement of Unitholding to one of the joint Unitholders shall be sufficient delivery to all such Unitholders

### **REDEMPTION OF UNITS**

Unitholders shall have the right to redeem all or part of the Units held by them. Redemption may be made within 5 (five) Business Days from the day of receipt of the Redemption notice and any other supporting document required by the Fund Manager where such receipt is on a Business Day and received between 9.00a.m. and 4.00p.m. by the Fund Manager or any of its agents or other means as may be advised by the Fund Manager from time to time. Redemption of Units within the first 90 days of initial Subscription will result in a 20% (of the income earned on the investment) charge by the Fund Manager.

### **TRANSFER AND TRANSMISSION OF UNITS**

Every Unitholder shall be entitled to transfer any or all of the Units held by him through the Fund Manager upon the execution by the transferor and the transferee and the delivery to the Fund Manager of such transfer instrument as may be prescribed by the Fund Manager from time to time. Provided, however, that no transfer of part of a holding of Units shall be registered if in consequence thereof either the transferor or the transferee would hold less than the Minimum Number of Units.

### **VALUATION OF UNITS OF THE FUND**

The NAV of the Fund shall be determined based on mark-to-market method.

The valuation of the Units shall be done at the close of each Business Day or such other period which the Fund Manager shall advise, based on a formula approved by the SEC from time to time. The Fund Manager will advise the Bid and Offer Prices of the Fund at its office and on its website after each valuation. Units of the Fund can be purchased at the Offer Price. The valuation formula to be used by the Fund Manager in accordance with the SEC Rules is as follows:

## PARTICULARS OF THE FUND

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### Offer Price:

$$\text{Offer Price per Unit} = \frac{(\text{sum of 1 to 4 below}) - (\text{sum of 5 to 7 below})}{\text{Total No. of Units (rounded off)}}$$

Where the numbers referenced above have the following values:

1. Total market value of fixed income and money market securities held on the date of valuation (at lowest Market Offer Price)
2. Uninvested cash
3. Undistributed income to date less expenses
4. Stamp Duties
5. Brokerage Fee
6. SEC Fee, NSE/CSCS Fee

### Bid Price:

$$\text{Bid Price per Unit} = \frac{1 \text{ (below)} + (\text{sum of 2 to 3 below}) - (\text{sum of 4 to 6 below})}{\text{Total No. of Units (rounding off)}}$$

Where the numbers referenced above have the following values:

1. Total market value of fixed income and money market instruments securities held on the date of valuation (at highest Market Bid Price)
2. Uninvested cash
3. Undistributed income to date less expenses
4. Stamp Duties
5. Brokerage Fee
6. SEC Fee, NSE/CSCS Fee

The Bid and Offer Prices shall be displayed daily at the Fund Manager's office and website after the valuation.

## FEES, CHARGES & EXPENSES OF THE FUND

**Offer Expenses:** All charges and fees (including VAT where relevant) for establishing the Fund, including regulatory fees payable to the SEC, professional fees to transaction parties, brokerage commission and administrative expenses amounting to and estimated at ₦10,608,750.00 (Ten Million, Six Hundred and Eight Thousand, Seven Hundred and Fifty Naira only) representing 2.12% of the Offer Size shall be borne by the Fund. These costs shall be defrayed from the offer proceeds.

**Management Fee:** The Fund will pay the Fund Manager 1.2% per annum of the Net Asset Value plus expenses quarterly in arrears, but subject to this fee being payable out of income. This fee represents the remuneration due to the Fund Manager for the management, advisory and administrative roles involved in the day to day management of the Fund. The Fund will also pay an incentive fee to the Fund Manager, equivalent to 30% of total returns in excess of 10% of the Fund's Net Asset Value per annum.

**Operating Expenses:** All operating expenses including charges and expenses incurred in connection with the management of the Fund plus annual fees payable to the Trustee, Auditors, Custodian and Rating Agency shall not exceed 5% of the NAV of the Fund.

## RISK FACTORS

Although the risk profile on the Fund is expected to be low, the Fund Manager cannot guarantee the probability of not incurring unforeseen financial losses as all investments are subject to a certain degree of risk. The Fund Manager will adopt prudent investment guidelines and will ensure that a robust risk management framework is integrated into every aspect of the Fund's investment process. A summary of the major risks that can significantly affect the Fund's performance, and should therefore be considered when investing in the Fund, are listed below:

- a. **Credit/Default Risk:** This is the risk that a borrower/issuer of fixed income securities in which the Fund Manager may invest will be unable to make payment or interest as at when due. While the Fund Manager would only invest in investment grade rated securities, there is no guarantee that the ratings of the issuer will remain the same throughout the tenor of the investment. In addition, an investment rating is not a guarantee that an issuer will always honour its maturing obligations.
- b. **Income Risk:** The market value of the Fund would vary from day to day due to changes in interest rates. A rise in interest rates would cause the market value of the Fund to decrease while a fall in interest rates would increase the market value of the Fund.
- c. **Market/Interest Rate Risk:** Although the Fund seeks to maintain the value of your investment, there is no assurance that it will be able to do so, and it is possible to lose money by investing in the Fund.
- d. **FGN Obligations Risk:** FGN obligations are subject to low but varying degrees of credit risks and are still subject to interest rate and market risk. While Treasury Bills and Debt Management Office-issued obligations are backed by the “full faith and credit” of the FGN, securities issued by the government agencies or government-sponsored entities may not be backed by the full faith and credit of the FGN. If a government-sponsored entity is unable to meet its obligations or its creditworthiness declines, the performance of the Fund that holds securities issued or guaranteed by the entity will be adversely impacted.
- e. **Reinvestment Risk:** This is the risk that future money market investments might be at a lower interest rate in comparison to the prevailing rate or that there may be no viable investment opportunity to re-invest in.
- f. **Foreign Currency Risk:** This is the risk that exchange rates may significantly fluctuate (including changes due to devaluation of Naira being the specified currency for the Fund or the revaluation of an investor’s currency) and the risk that authorities with jurisdictions over the investor’s currency may impose or modify exchange controls.
- g. **Inflation Risk:** This is the risk that an increase in price levels will undermine the purchasing power of the Fund’s value of investment and returns.

### RISK MANAGEMENT STRATEGY

Whilst it is important to note that not all investment risks can be predicted, the Fund Manager will ensure that a robust risk management framework is established and integrated into every aspect of the Fund’s investment process. The risk management framework will primarily focus on the risks discussed above. The under-listed elements of the Risk Management Framework shall be put in place by the Fund Manager:

- The Fund Manager shall from time to time stress test the portfolio using various simulation scenarios to show any potential risk that could impact the Fund. The result of the test shall be reported to the investment committee.
- The Fund Manager shall ensure that the Fund’s assets are adequately diversified among the approved issuers and money market instruments. The credit ratings of approved issuers will also be monitored on an ongoing basis.



## FINANCIAL PROJECTIONS

### LETTER FROM THE REPORTING ACCOUNTANTS

The following is a copy of the letter on the Profit Forecast by Ijewere & Co., the Reporting Accountants to the Offer:

**IJEWERE & CO.**  
CHARTERED ACCOUNTANTS



**July 25, 2018**

The Managing Director  
Anchoria Asset Management Limited  
Elephant House,  
5<sup>th</sup> Floor,  
214, Broad Street,  
Marina  
Lagos.

Vetiva Capital Management Limited – Lead Issuing House  
Plot 266B, Kofo Abayomi Street  
Victoria Island, Lagos

Boston Advisory Limited – Joint Issuing House  
28B Awori Road  
Dolphin Estate  
Ikoyi, Lagos

Gentlemen,

#### **REPORTING ACCOUNTANT REPORT ON ANCHORIA FIXED INCOME FUND**

We have reviewed the accounting bases and calculations of the financial statements forecast of Anchoria Asset Management Limited (for which the Directors are solely responsible) for the four years ending 31 December 2018, 2019, 2020 and 2021 in connection with the ₦500 million Anchoria Fixed Income Fund.

In our opinion, the financial statements forecast, so far as the accounting policies and calculations are concerned, have been properly compiled based on the assumptions made by the Directors and are presented on a basis consistent with the accounting policies normally adopted by the company. However, there will usually be differences between forecast and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Yours faithfully,  
For: **IJEWERE & CO**

**Akinjayeju Bola**

**Founder**  
E. I. Ijewere  
**Partners**  
R. O. Jegede  
K. V. Oyetoan  
E. A. Adeleke

**HEAD OFFICE**  
Itaya House  
126 Lewis Street  
P.O. Box 8713  
Tel: 0812 992 9423-8  
e-mail: info@ijewere.net  
website: www.ijewere.net

**ABUJA**  
22, Kigoma Street,  
Suite 301 - 303,  
By NAFDAC Headquarters,  
Wuse Zone 7,  
Abuja (FCT), Nigeria.  
Tel: 0812 992 9430  
e-mail: abuja@ijewere.net

**ASABA**  
Plot 116/118,  
Asaba Housing Estate  
Km 15 Asaba/ Benin Express Way,  
Asaba, Delta State, Nigeria  
Tel : 08129929437  
e-mail : asaba@ijewere.net

**KADUNA**  
BZ 223, Runka Close,  
Off Dan- Musa Road,  
Ori- Apala, Kaduna,  
Kaduna State, Nigeria  
Tel: 0812 992 9432  
e-mail: kaduna@ijewere.net

**PORT HARCOURT**  
17, Isiokpo Street,  
Off Kaduna Street,  
D/line, Port-Harcourt,  
Rivers State, Nigeria.  
Tel: 0812 992 9431  
e-mail: ph@ijewere.net

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## FINANCIAL PROJECTIONS

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### MEMORANDUM ON THE PROFIT FORECAST

The Fund Manager has projected the profit for the 5 months ending December 31, 2018 and the years ending December 31, 2019, 2020 and 2021 respectively and is of the opinion that subject to unforeseen circumstances and based on the assumptions stated below, the profits before distribution of Anchoria Fixed Income Fund for the period ending December 31, 2018 and the years ending December 31, 2019, 2020, and 2021 will be in the order of ₦10.77.7M, ₦71.04M, ₦85.83M and ₦100.28M respectively.

### UNDERLYING ASSUMPTIONS FOR THE PROFIT FORECAST

#### 1. Introduction

This memorandum has been prepared to summarize and outline the information available to the Fund Manager and their basic assumptions at the time of preparing the financial forecasts for the five months period ending 31 December 2018 and the years ending 31 December 2019, 2020 and 2021 respectively.

#### 2. Forecast

The Fund Manager is of the opinion that subject to unforeseen circumstances, the profit before distribution for the five months period ending 31 December 2018 and the years ending 31 December 2019, 2020 and 2021 will be in order of ₦10.7M, ₦71.4M, ₦85.8M and ₦100.8M respectively.

#### 3. Bases and Assumptions

The prospective financial information has been arrived at on the following bases and assumptions:

##### A. Bases

The financial forecasts for the five months period ending 31 December 2018 and the years ending 31 December 2019, 2020 and 2021 have been prepared on the assumption that the fixed income fund will continue to operate on a basis consistent with the accounting policies normally adopted by the Fund Manager and in line with International Financial Reporting Standards (IFRS) as issued by IASB and adopted by Financial Reporting Council of Nigeria (FRCN) and are presented in the reporting currency, Nigerian Naira (N) rounded to the nearest thousand.

##### B. Assumptions

The following underlying assumptions have been used for the financial forecasts:

Based on the projected level of operations, the Profit before distribution for the five months period ending 31 December 2018 and the three years ending 31 December 2019, 2020 and 2021 will be approximately of ₦10.7M, ₦71.4M, ₦85.8M and ₦100.8M respectively.

- i. The Fund is open ended.
- ii. The Fund is expected to take off in August 2018 with a size of N500 million. A management fee of 1.20% is to be charged per annum for each financial year.
- iii. The 500,000,000 units of N1 each of the Funds will be fully subscribed within the initial subscription period under the terms and conditions of the offer.
- iv. Additional units of the Fund will be issued to new/existing investors be done annually between 2018 and 2021.
- v. The additional investments are estimated at 17% of the Net Asset Value in the five months period ending 31 December 2018 and 20%, 18% and 15% for 2019, 2020 and 2021 respectively.
- vi. The proposed structure and asset allocation of the investments by the Fund is as follows;
  - o Money Market Securities: 25%
  - o FGN Bonds: 65%
  - o State & Corporate bonds: 10%

## FINANCIAL PROJECTIONS

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- vii. Income from the Fund's Investments is estimated to be as follows;
  - o Income on Money market securities is estimated at 14.07%, 14.07%, 14.26% and 14.44% per annum for the 5 months ending 31 December 2018, and years 2019, 2020 and 2021 respectively. The return is net of WHT.
  - o Income on FGN Bonds is estimated at 12.87%, 12.59%, 12.69% and 12.94% per annum for 2018, 2019, 2020 and 2021 respectively.
  - o Income on State & Corporate bonds is estimated at 16.58%, 13.99%, 15.26% and 16.26% per annum for 2018, 2019, 2020 and 2021 respectively.
- viii. Applicable tax (WHT) is deducted from income for taxable instruments.
- ix. Incentive fee is charged at 30% of excess returns above 10% of Net Asset Value (NAV) per annum.
- x. Returns on investment for Equity is projected at 1.0% for the remaining five (5) months period ending 31 December 2018 and 11% respectively for years 2019 to 2021.
- xi. Operating cost to NAV is expected to grow from 0.1% for the remaining five (5) months period ending 31 December 2018 to 0.2% for the respective years 2019 to 2021.
- xii. Distributions to unit holders are estimated at 100% of the Net Income of the Fund in any year and Interest income distributable to unit holders will be on semi-annual basis.
- xiii. Dividend are distributed on a semi-annually basis.

## STATEMENT OF ACCOUNTING POLICIES

The following is a summary of the significant accounting policies adopted in the preparation of the prospective financial information of the Fixed Income Fund and have been consistently applied throughout the forecast period:

### 1. Basis of preparation

#### a. Statement of compliance

The prospective financial information of the Fixed Income Fund for the 5 months ending 31 December 2018 and the years ending 31 December 2019, 2020 and 2021 have been prepared in accordance with International Financial Reporting Standards (IFRSs).

#### b. Basis of measurement

The prospective financial information has been prepared on certain assumptions as described in the notes.

#### c. Functional and presentation currency

This prospective financial information is presented in Naira, which is the Fund's functional currency. All financial information presented in Naira has been rounded to the nearest thousand.

#### d. Use of estimates and judgments

The preparation of the prospective financial information in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### 2. Revenue Recognition

#### Interest Income and Expense

Interest income and expense are recognised in Comprehensive Income, using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instruments (or, when appropriate, a shorter period) to the carrying amount of the financial instrument. When calculating the effective interest rate, the Fund estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses. Interest received or receivable and interest paid or payable are recognised in Comprehensive Income as interest income and interest expense respectively.

## FINANCIAL PROJECTIONS

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### 3. Net Gains on Investment Securities

Net gains on investment securities comprises gains and losses related to assets and liabilities, and includes all realised and unrealised fair value changes, interest and dividends.

### 4. Dividend Expense

Distributions to unit holders are estimated at 100% of the Net Income of the Fund in any year and Interest income distributable to unit holders will be on semi-annual basis.

### 5. Taxation

Income from discounted money market instruments are tax free and such incomes are not subjected to any form of tax.

### 6. Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, Fund's deposits with banks in Nigeria in highly liquid financial assets with original maturities of less than three months from the acquisition date, which are subject to insignificant risk of changes in their fair value and are used by the Fund in the management of its short-term commitments. Cash and cash equivalents are carried at amortised cost in the statement of financial position. These include Fund's deposits with banks in Nigeria and cash in hand at the end of each reporting date.

### 7. Government securities and other money market securities

These instruments are designated as financial instrument and are accounted for in line with the provision of IAS 39 as financial assets available for sale (AFS).

### 8. Time deposit

Time deposits with banks are classified as loans and receivables in accordance with IAS 39. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

#### Recognition

All financial assets and liabilities are initially recognized when and only when the Fund becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place are recognized on the settlement date, i.e. the date that the assets are delivered to the Fund.

#### Subsequent measurement

Loans and receivables are carried at amortized cost using the effective interest method less any allowance for impairment. Gains and losses are recognized in Comprehensive Income when the loans and receivables are derecognized or impaired, as well as through the amortization process. Interest earned on such instruments is recorded in "Interest income" in the statement of comprehensive income.

#### Initial measurement

Loans and receivables are measured initially at their fair value plus any directly attributable incremental costs of acquisition. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument, or when appropriate, a shorter period to the carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instruments but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

#### Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when: the rights to receive cash flows from the asset have expired; or the Fund has transferred its

## FINANCIAL PROJECTIONS

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rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

- a. the Fund has transferred substantially all the risks and rewards of the asset, or
- b. the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Fund has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. In that case, the Fund also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects rights and obligations that the Fund has retained. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

### **Impairment of financial assets**

The Fund assesses at each reporting date whether a financial asset or a group of financial assets classified as loans and receivables is impaired. A financial asset or group of financial assets is deemed to be impaired, if and only if there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably measured. Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, the probability that they will enter bankruptcy or other financial reorganization, default or delinquency in interest or principal payments and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

If, there is objective evidence that an impairment loss has been incurred, the amount of loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred) discounted using the assets original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in Comprehensive Income as a "Credit loss expense". Impaired debts, together with the associated allowance, are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Fund. If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a previous write-off is later recovered, the recovery is credited to the "Credit loss expense". Interest revenue on impaired financial assets is recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

### **Offsetting financial instruments**

Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## **9. Equity**

Equity is the residual interest in the assets of the Fund after deducting all its liabilities.

## **10. Liabilities**

A liability is a present obligation of the Fund arising from past events, the settlement of which is expected to result in an outflow from the Fund, of resources embodying economic benefit. The liability refers to dividend payable to unit holders

## **11. Standards issued but not yet effective**

Standards issued but not yet effective up to the date of issuance of the Fund's financial statements are listed below. The Fund intends to adopt applicable standards when they become effective.

**IFRS 7 Disclosures - Offsetting Financial Assets and Financial Liabilities — Amendments to IFRS 7** These amendments require an entity to disclose information about rights to set-off a related arrangements (e.g. collateral

## FINANCIAL PROJECTIONS

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agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32 Financial Instruments: Presentation. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with IAS 32.

### **IFRS 9 Financial Instruments: Classification and Measurement**

IFRS 9 as issued reflects the first phase of the IASB's work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The standard is effective for annual periods beginning on or after 1 January 2018. In subsequent phases, the IASB will address hedge accounting and impairment of financial asset. The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of the Fund's financial assets but will potentially have no impact on classification and measurements of financial liabilities. The Fund will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture.

### **IFRS 13 Fair Value Measurement**

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The Fund would assess the impact that this standard will have on the financial position and performance.

### **IAS 32 Offsetting Financial Assets and Financial Liabilities - Amendments to 1AS 32**

These amendments clarify the meaning of "currently has a legally enforceable right to set-off". The amendments also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous.



## FINANCIAL PROJECTIONS

### COMPREHENSIVE INCOME FORECAST FOR THE YEARS ENDING 31 DECEMBER 2018 TO 2021

	5 months 2018 ₦	12 months 2019 ₦	12 months 2020 ₦	12 months 2021 ₦
<b>Income</b>				
Money Market Securities	7,576,580	21,819,165	26,092,818	30,384,030
Bonds	23,989,211	66,045,060	79,490,183	93,864,114
<b>Gross Income</b>	<b>31,565,791</b>	<b>87,864,226</b>	<b>105,583,002</b>	<b>124,248,144</b>
<b>Operating Expenses</b>				
Issue cost	10,608,750	-	-	-
Management Fee	6,892,695	8,270,709	9,758,885	11,222,172
Incentive Fee	2,542,399	6,409,800	8,147,449	10,231,815
Other Operating Expenses	824,391	1,789,226	1,913,240	2,035,181
	20,868,236	16,469,735	19,819,574	23,489,168
<b>Profit for the year</b>	<b>10,697,555</b>	<b>71,394,491</b>	<b>85,763,428</b>	<b>100,758,976</b>

### PROJECTED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018, 2019, 2020 & 2021

	5 months 2018 ₦	12 months 2019 ₦	12 months 2020 ₦	12 months 2021 ₦
<b>ASSETS</b>				
Cash and Cash Equivalent	10,697,555	71,394,491	85,763,428	100,758,976
Money Market Securities	143,597,813	172,306,445	203,310,101	233,795,243
FGN Bonds	373,354,313	447,996,757	528,606,264	607,867,631
State and Corporate Bonds	57,439,125	68,922,578	81,324,041	93,518,097
<b>Total Asset</b>	<b>585,088,805</b>	<b>760,620,271</b>	<b>899,003,833</b>	<b>1,035,939,946</b>
<b>UNIT HOLDERS EQUITY</b>				
Fund Units	574,391,250	689,225,780	813,240,406	935,180,970
Undistributed Profit	10,697,555	71,394,491	85,763,428	100,758,976
<b>Equity</b>	<b>585,088,805</b>	<b>760,620,271</b>	<b>899,003,833</b>	<b>1,035,939,946</b>

## FINANCIAL PROJECTIONS

### PROJECTED CASH FLOW STATEMENT FOR YEARS ENDING 31 DECEMBER 2018 TO 2021

	5 months 2018 ₦	12 months 2019 ₦	12 months 2020 ₦	12 months 2021 ₦
<b>Cashflow from Operating Activities</b>				
Gross income	31,565,791	87,864,226	105,583,002	124,248,144
Management fee	(6,892,695)	(8,270,709)	(9,758,885)	(11,222,172)
Other Operating Expenses	(3,366,791)	(8,199,026)	(10,060,689)	(12,266,996)
	21,306,305	71,394,491	85,763,428	100,758,976
<b>Cashflow from Investing Activities</b>				
Purchase of investments	(574,391,250)	(114,834,530)	(124,014,625)	(121,940,564)
Unpaid dividend	10,697,555	71,394,491	85,763,428	100,758,976
<b>Net Cashflow from Investing Activities</b>	(563,693,695)	(43,440,040)	(38,251,198)	(21,181,588)
<b>Cashflow from Financing Activities</b>				
Net Proceed from initial issue	489,391,250			
Additional issue	85,000,000	114,834,530	124,014,625	121,940,564
Dividend paid	-	(10,697,555)	(71,394,491)	(85,763,428)
<b>Net Cashflow from Financing Activities</b>	574,391,250	104,136,975	52,620,135	36,177,137
<b>Net increase in cash and cash equivalents</b>	10,697,555	60,696,935	14,368,937	14,995,548
Opening Balance	-	10,697,555	71,394,491	85,763,428
<b>Closing Net increase in cash and cash equivalents</b>	<b>10,697,555</b>	<b>71,394,491</b>	<b>85,763,428</b>	<b>100,758,976</b>

### NET ASSET VALUE PROJECTION FOR THE FOUR YEARS ENDING 31 DECEMBER 2018 TO 2021

	5 months 2018 ₦	12 months 2019 ₦	12 months 2020 ₦	12 months 2021 ₦
Issued Proceed	500,000,000	-	-	-
Issue Cost	(10,608,750)	-	-	-
Opening Net Asset Value	489,391,250	585,088,805	760,620,271	899,003,833
Additions during the year	85,000,000	114,834,530	124,014,625	121,940,564
<b>Amount available for investment</b>	<b>574,391,250</b>	<b>699,923,336</b>	<b>884,634,896</b>	<b>1,020,944,398</b>
Add: Profit for the year	10,697,555	71,394,491	85,763,428	100,758,976
	585,088,805	771,317,826	970,398,324	1,121,703,374
Less: Distribution to Unit Holders	-	(10,697,555)	(71,394,491)	(85,763,428)
<b>NET ASSET AT YEAR END</b>	<b>585,088,805</b>	<b>760,620,271</b>	<b>899,003,833</b>	<b>1,035,939,946</b>



## FINANCIAL STATEMENT OF THE FUND MANAGER

### AUDITED STATEMENT OF FINANCIAL POSITION OF ANCHORIA ASSET MANAGEMENT LIMITED AS AT 31ST DECEMBER 2017

	31 December 2017	31 December 2016
	₦'000	₦'000
<b>Assets</b>		
Cash and cash equivalents	494	3,966
Financial assets	748,992	23,786
Other assets	35,168	61,041
Investment property	61,304	60,545
Office equipment	236	421
Intangible asset	1,852	-
Deferred tax assets	-	-
<b>Total Assets</b>	<b>848,046</b>	<b>149,759</b>
<b>Liabilities</b>		
Borrowings	365,230	11,018
Other liabilities	352,009	803
Income tax liabilities	-	-
<b>Total Liabilities</b>	<b>717,239</b>	<b>11,821</b>
<b>Equity</b>		
Issued share capital	150,000	150,000
Accumulated deficit	(19,256)	(12,062)
Available for sale reserve	63	-
<b>Total equity</b>	<b>130,807</b>	<b>137,938</b>
<b>Total liabilities and equity</b>	<b>848,046</b>	<b>149,759</b>

### AUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

	31 December 2017	31 December 2016
	₦'000	₦'000
Interest income	16,620	989
Interest expense	(10,088)	(645)
	6,532	344
Impairment charge for credit losses	(20)	(2,612)
	6,512	(2,268)
Fair value gain on trading securities	270	-
	6,782	(2,268)
Employee benefits expenses	(4,937)	(4,871)
Amortisation	(168)	-
Depreciation	(185)	(134)
Other operating expenses	(8,686)	(4,789)
Loss before taxation	(7,194)	(12,062)
Income tax expense	-	-
Loss after taxation	(7,194)	(12,062)
Other comprehensive income	-	-
<b>Total comprehensive loss for the year/period</b>	<b>(7,194)</b>	<b>(12,062)</b>

## PROFILE OF FUND MANAGER & TRUSTEE

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### BRIEF PROFILE OF THE FUND MANAGER

Anchoria Asset Management Limited (“AAML” or “the Company”) was incorporated on the 13<sup>th</sup> of February 2015 and has an authorized and fully paid up share capital of N500 million. AAML is a subsidiary of VFD Group Limited and is registered by the Nigerian Securities & Exchange Commission to carry out portfolio/fund management services.

AAML is a specialist provider of active investment products and services to institutional and individual investors with investment products focused on capital preservation and asset class diversification. Grown out of Anchoria Investments & Securities (established in Nigeria in 1994), Anchoria Asset Management Limited has built upon their legacy with investment capabilities that are intentionally innovative. AAML leverages on the experience and financial strength of its core investors: Anchoria Investment & Securities Limited and VFD Group Limited, market position and intelligence of Nigerian financial markets. This allows the Company focus on clients’ best interests built upon solid investment and risk management processes.

### Investment Philosophy

The Investment Philosophy of AAML is itemised below:

- a. To grow the value of the Company’s investment portfolio.
- b. To maintain an actively traded conservative portfolio.
- c. To consistently earn superior short-term returns.
- d. To maximise portfolio performance in changing market conditions.
- e. To minimise the risks from individual markets and asset through portfolio diversification.
- f. To exercise proper flexibility to actively seize investment opportunities as they may occur, while pursuing sustainable increase in return under prudent and responsible asset management policies

### DIRECTORS OF THE FUND MANAGER

**ADENIYI ADENUBI** (*Chairman*)

**ETE OGUN** (*Managing Director*)

**ADAOBI EKWEANYA** (*Director*)

**BABATUDE DADA** (*Non-Executive Director*)

**NONSO OKPALA** (*Non-Executive Director*)

**ABAYOMI AWOBOKUN** (*Non-Executive Director*)

### PRINCIPAL OFFICERS OF THE FUND MANAGER

**ADAOBI EKWEANYA** (*Portfolio Manager*)

**ADELEYE FOLAJIMI OLUWOLE** (*Finance Controller*)

**ADEWOLE ADEDEJI** (*Research*)

**GBEMINIYI SHODA** (*Head, Legal*)

**OLUWATOSIN ADEBUKUNOLA** (*Chief Compliance Officer*)

**ADEKUNLE ADELAJA** (*Head, Risk Management*)

## PROFILE OF FUND MANAGER & TRUSTEE

### BRIEF PROFILE OF THE TRUSTEE

United Capital Trustees (“UCT”) is a leading Nigerian Trustee with over 50 years of experience in Trust services.

UCT’s competitive edge includes but is not limited to the following:

- Focused solely on Trusteeship
- Trusteeship practice spanning over five (5) decades
- Unbeatable track record of Trusteeship of major transactions
- Excellent Management team with best Trust skills
- Unique custodial capability and systems to support our Trust services
- Sound risk management framework and unique Business Continuity process
- Highly skilled Trust Personnel with aggregate cumulative Trust experience of over 50 years
- Transparency and confidentiality in relation to your dealings are assured
- Excellent Track Record - UCT possesses the requisite expertise, experience and capabilities to perform the role of Trustee to various transaction types.
- Trusteeship of over 18 active Collective Investment Schemes.

Also, UCT is ably represented on the Board of the Association of Corporate trustees; a Trade Association recognized by the Securities and Exchange Commission, with our Managing Director as the current President.

### DIRECTORS OF THE TRUSTEE

**CHIKA MORDI** (*Chairman*)

**PETER ASHADE** (*Group Chief Executive Officer*)

**YORO MOHAMED DIALLO** (*Non-Executive Director*)

**ADIM JIBUNOH** (*Non-Executive Director*)

**AMBASSADOR J.K. SHINKAIYE** (*Non-Executive Director*)

**EMMANUEL N. NNOROM** (*Non-Executive Director*)

### PRINCIPAL OFFICERS OF THE TRUSTEES

**TOKUNBO AJAYI** (*Managing Director*)

**SHUAIB KASANDUBU**

**‘BUSAYO ADENIYI**

**TADENI BALOGUN,**

**CHRISTOPHER OHUONU**

**MATTHEW AYOOLA**

### FUND INVESTMENT COMMITTEE

The Investment Committee will advise and guide the Fund Manager on its investment strategies and policies in order to ensure that its activities conform with the Fund’s established investment objectives and in the overall interests of the Unitholders. In addition, the Investment Committee will pay special regard to the SEC guidelines regarding restriction on investments as prescribed from time to time. The Investment Committee will also review the portfolio periodically in order to assess liquidity positions and evaluate the risk parameters and will, from time to time, rebalance the portfolio.

The membership of the Investment Committee is as follows:

S/NO.	MEMBERS
1.	Emmanuel Ocholi (Independent Member)
2.	Nonso Okpala
3.	Adaobi Ekweanya
4.	Adewole Adedeji
5.	Jemila Umar
6.	Abimbola Ibrahim (Representative of United Capital Trustees)

## STATUTORY AND GENERAL INFORMATION

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### AUTHORISATION

The establishment of the Fund and the issuance of the Units pursuant to the Offer for Subscription are duly and properly authorised by a resolution passed on 23<sup>rd</sup> February 2018, by the Board of Directors of the Fund Manager.

The Fund is also authorised and registered in Nigeria as a Collective Investment Scheme by the SEC in accordance with Section 160 of the ISA.

### INDEBTEDNESS

As at the date of this Abridged Prospectus, the Fund Manager has no material indebtedness or obligations, except in the ordinary course of business.

### CLAIMS & LITIGATION

As at the date of this Abridged Prospectus, the company is not involved in any litigation which may be material to the offering.

### COSTS AND EXPENSES

The costs, charges and expenses of and incidental to the Offer, including fees payable to the SEC, professional parties, brokerage, printing and distribution expenses, are estimated at about ₦10,608,750.00 (Ten Million, Six Hundred and Eight Thousand, Seven Hundred Fifty Naira only) representing 2.12% of the Offer Size and are payable by the Fund and deductible from the Offer proceeds.

### MATERIAL CONTRACTS

The following agreements have been entered into and are considered material to this Offer:

1. A **Trust Deed** dated **26th April 2019**, between Anchoria Asset Management Limited and United Capital Trustees Limited under which the Fund was constituted.
2. A **Vending Agreement** dated **26th April 2019** between Anchoria Asset Management Limited, Vetiva Capital Management Limited and Boston Advisory Limited under the terms of which Vetiva Capital Management Limited and Boston Advisory Limited have agreed to offer 500,000,000 Units of ₦1.00 each in the Fund to the general public.
3. A **Custody Agreement** dated **26th April 2019** between Anchoria Asset Management Limited, United Capital Trustees Limited and United Bank for Africa Plc (Global Investor Services) pursuant to which the Fund Manager and the Trustees have appointed United Bank for Africa PLC (Global Investor Services) to act as custodian of the Fund's investments, cash and other assets and to accept responsibility for the safe custody of the Deposited Property which is delivered to and accepted by the Custodian.
4. A **Registrar Service Level Agreement** dated **26th April 2019** between Anchoria Asset Management Limited and Africa Prudential Registrars PLC.

Other than as stated above, the Fund Manager has not entered into any material contracts except in the ordinary course of business.

### CONSENTS

The following have given and not withdrawn their written consents to the issue of this Abridged Prospectus with their names and reports (where applicable) included in the form and context in which they appear:

<b>DIRECTORS OF THE FUND MANAGER</b>	Adeniyi Adenubi Ete Ogun Adaobi Ekweanya Babatunde Dada Nonso Okpala Abayomi Awobokun
<b>COMPANY SECRETARY</b>	Gbeminiyi Shoda
<b>LEAD ISSUING HOUSE</b>	Vetiva Capital Management Limited

## STATUTORY AND GENERAL INFORMATION

---

<b>JOINT ISSUING HOUSE</b>	Boston Advisory Limited
<b>TRUSTEE TO THE FUND</b>	United Capital Trustees Limited
<b>CUSTODIAN TO THE FUND</b>	United Bank for Africa PLC (Global Investor Services)
<b>SOLICITORS TO THE TRUSTEE</b>	Udo Udoma & Belo-Osagie
<b>REPORTING ACCOUNTANTS</b>	Ijewere & Co.
<b>REGISTRARS</b>	Africa Prudential Registrars PLC
<b>RECEIVING BANK</b>	Zenith Bank PLC
<b>RATING AGENCY</b>	Agusto & Co. DataPro Limited
<b>INDEPENDENT MEMBER OF THE FUND INVESTMENT COMMITTEE</b>	Emmanuel Ocholi

### RELATIONSHIP BETWEEN THE FUND MANAGER AND THE TRUSTEE

The Fund Manager and the Trustee do not have any common shareholder and neither one is a subsidiary or holding company of the other. They do not have common Directors.

### RELATIONSHIP BETWEEN THE FUND MANAGER AND THE CUSTODIAN

The Fund Manager and the Custodian do not have any common shareholder and neither one is a subsidiary or holding company of the other. They do not have common Directors.

### RELATIONSHIP BETWEEN THE TRUSTEE AND THE CUSTODIAN

The Trustee and the Custodian do not have any common shareholder and neither one is a subsidiary or holding company of the other. They do not have common Directors.

### RELATIONSHIP BETWEEN THE FUND MANAGER AND THE ISSUING HOUSE

The Fund Manager and the Issuing Houses do not have any common shareholder and neither one is a subsidiary or holding company of the other. They do not have common Directors. However, the Fund Manager is a subsidiary of VFD Group Limited, whose chairman is also the vice chairman of the Joint Issuing House.

### DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the offices of the Lead Issuing House, at its business address, at normal working hours on any Business Day during the Offer Period:

- Certificates of Incorporation of the Fund Manager and the Trustee;
- Memoranda and Articles of Association of the Fund Manager and the Trustee;
- The resolution of the Board of Directors of the Fund Manager authorising the creation of the Fund and the issuance of 500 million Units of the Fund;
- The duly executed Abridged Prospectus issued in respect of the Offer;
- The duly executed Abridged Abridged Prospectus issued in respect of the Offer;
- Fund Risk Rating report from the Rating Agency, Agusto & Co. and Data Pro Limited;
- The Report of Ijewere & Co. on the Financial Forecast of the Fund for five months period ending 31 December 2018 and the years ending 31 December 2019, 2020 and 2021;
- Solicitors' Opinion on Claims and Litigations involving the Fund Manager;
- The material contracts referred to above;
- The written consents referred to above; and
- The SEC letter authorising the Fund and registering the Units being offered.

## PROCEDURE FOR APPLICATION AND ALLOTMENT

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### 1. Application

- 1.1 The general investing public is hereby invited to apply for Units of the Fund through any of the Receiving Agents listed in this Abridged Prospectus.
- 1.2 Applications for Units must be made in accordance with the instructions set out at the back of the Application Form attached hereto. Care must be taken to follow these instructions, as applications which do not comply will be rejected.
- 1.3 The Application List for the Units now being offered will open on 27th May 2019 and close on 5th July 2019. Applications must be for a minimum of 5,000 Units and in multiples of 1,000 Units thereafter. The number of Units for which an application is made and the value of the cheque or bank draft attached should be entered in the boxes provided on the Application Form.
- 1.4 A single applicant should sign the declaration and write his/her full names, address, daytime telephone number and mobile telephone number in the appropriate space on the Application Form. Where the application is being made on behalf of a minor, the full names of the applicant and the minor as well as the date of birth of the minor should be provided. Item “2” should be used by joint applicants. A corporate applicant should affix its seal in the box provided and state its Incorporation Registration (RC) Number.
- 1.5 Applications in Naira below N10 million should be forwarded together with a bank draft for the full amount of the purchase price made payable to any of the Receiving Agent listed in this Abridged Prospectus or via NEFT or NIBBS to the issue proceeds account indicated below. The cheque or draft must be drawn on a bank in the same town or city in which the Receiving Agent is located and crossed “ANCHORIA FIXED INCOME FUND” with the name, address and daytime telephone number of the applicant written on the back. All bank commissions and transfer charges must be prepaid by the applicant. All cheques and drafts will be presented upon receipt and all applications in respect of which cheques are returned unpaid will be rejected and returned through the post at the applicant’s risk.
- 1.6 Applications in Naira above N10 million should be transferred via RTGS into the Issue Proceeds Account indicated below:

Bank Name:	Zenith Bank PLC
Account Name:	Anchoria Fixed Income Fund
Account Number:	1015969782
Applicant/Sender:	<i>Please complete as appropriate</i>

- 1.7 Foreign currency subscribers are advised to contact the Receiving Bank for the applicable exchange rate on the day the payment for the subscription is being effected. Payments can be made in US Dollars to the Receiving Bank through the correspondent bank detailed below:

Intermediary Bank Name:	Citibank N.A, 111 Wall Street, New York
Swift Code	CITIUS33
ABA No.	021000089
For Credit of:	Zenith Bank PLC.
SWIFT Code:	ZEIBNGLA
Account No.	36141884
For Final Credit of:	Anchoria Fixed Income Fund
Beneficiary’s Acc No:	5070936929
Applicant/Sender:	<i>Please complete as appropriate</i>

### 2. Allotment

The Issuing Houses and the Directors of the Fund Manager reserve the right to accept or reject any application in whole or in part for not meeting the conditions of the Offer.

### 3. Application Monies

All application monies will be retained in a separate bank account by the Receiving Bank pending allotment. If any application is not accepted or is accepted for fewer Units than the number applied for, a crossed cheque for the full amount paid or the balance of the amount paid (as the case may be) will be returned by registered post within five (5) Business Days of allotment or through a bank transfer within 48 hours of allotment.

Statements of Unitholding will be sent by registered post to the physical address provided by the subscriber on the attached Application Form and/or by electronic mail to the email address provided on the attached Application Form, not later than 15 Business Days from the date of allotment.

## RECEIVING AGENTS

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**All capital market operators with current SEC registration as at the date of this Abridged Prospectus are eligible to act as Receiving Agents to the Issue.** A brokerage commission of 0.25% will be paid on the value of allotted Units in respect of applications bearing their official stamps.

*Evidence of lodgement of funds with any Receiving Agent, in the absence of corresponding evidence of receipt by the Issuing Houses/ Receiving Bank, cannot give rise to a liability on the part of the Issuing Houses/Receiving Bank under any circumstances.*

Afrinvest Securities Ltd	GTI Securities Ltd
Anchoria Investment & Securities Limited	Investment One Financial Services Ltd
APT Securities And Funds Ltd	Investment One Funds Management Ltd
ARM Securities Ltd	Investment One Stockbrokers Int'l Ltd
Capital Bancorp Plc	Lead Securities & Investment Ltd
Cardinalstone Securities Ltd	Mainstreet Bank Securities Ltd
Cashcraft Securities Ltd	MBC Securities Ltd
Chapelhill Denham Securities Ltd	Meristem Securities Ltd
Cordros Capital Ltd	Meristem Stockbrokers Ltd
Coronation Securities Ltd	Rencap (Securities) Nigeria Ltd
Cowry Securities Ltd	Stanbic IBTC Stockbrokers Ltd
CSL Stockbrokers Ltd	TRW Stockbrokers Ltd
Dunn Loren Merrifield Securities Ltd	United Capital Securities Ltd
Elixir Securities Ltd	Valueline Securities & Investment Ltd
FBN Securities Ltd	Vetiva Securities Ltd
FSDH Securities Ltd	WSTC Financial Services Ltd
Futureview Securities Ltd	Zenith Securities Ltd
Greenwich Securities Ltd	

<b>APPLICATION FORM</b>		<b>ANCHORIA FIXED INCOME FUND</b> OFFER FOR SUBSCRIPTION OF <b>500,000,000 UNITS OF N1 EACH AT PAR</b>		Application List Closes <b>XXX</b>																
Application List Opens <b>XXX</b>	LEAD ISSUING HOUSE:	JOINT ISSUING HOUSE:	PAYABLE IN FULL ON APPLICATION	FUND MANAGER:																
Application must be in accordance with the instructions set out on the back of this application form. Care must be taken to follow these instructions as Applications that do not comply may be rejected.																				
<b>DECLARATION</b> <ul style="list-style-type: none"> <li>I am/We are 18 years of age or over.</li> <li>I/We attach the amount payable in full on application for the number of units below in ANCHORIA ASSET MANAGEMENT LIMITED at N1.00</li> <li>I/we agree to accept the same or smaller number of units in respect of which allotment may be made upon the Terms of the Anchoria Fixed Income Fund dated _____ 2018 and subject to the provisions of the Memorandum and Articles of Association of ANCHORIA ASSET MANAGEMENT LIMITED.</li> <li>I/We authorize you to send a Certificate and/or cheque for any amount overpaid, by registered post at my/our risk to the address given below and to produce registration in my/our name as holder(s) of such number of units or smaller number as aforesaid.</li> <li>I/We declare that I/We have read the Offer Prospectus dated _____ 2018, issued by Vetiva Capital Management Limited and Boston Advisory Limited on behalf of Anchoria Asset Management Limited.</li> </ul>																				
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left; padding: 5px;"><b>GUIDE TO APPLICATION</b></th> <th colspan="2" style="text-align: center; padding: 5px;">DATE (DD/MM/YYYY)</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Number of Units Applied For:</td> <td style="padding: 5px;">Amount Payable:</td> <td style="width: 40px;"></td> <td style="width: 40px;"></td> </tr> <tr> <td style="padding: 5px;">Minimum: 5000 UNITS</td> <td style="padding: 5px;">#5,000</td> <td style="width: 40px;"></td> <td style="width: 40px;"></td> </tr> <tr> <td style="padding: 5px;">Multiples of 1000 UNITS</td> <td style="padding: 5px;">#1,000</td> <td style="width: 40px;"></td> <td style="width: 40px;"></td> </tr> </tbody> </table>					<b>GUIDE TO APPLICATION</b>		DATE (DD/MM/YYYY)		Number of Units Applied For:	Amount Payable:			Minimum: 5000 UNITS	#5,000			Multiples of 1000 UNITS	#1,000		
<b>GUIDE TO APPLICATION</b>		DATE (DD/MM/YYYY)																		
Number of Units Applied For:	Amount Payable:																			
Minimum: 5000 UNITS	#5,000																			
Multiples of 1000 UNITS	#1,000																			
Number of Units Applied For		Value of Units Applied For / Amount Paid																		
<b>PLEASE COMPLETE IN BLOCK LETTERS</b>																				
<b>1. INDIVIDUAL/CORPORATE APPLICANT</b>																				
Title: <input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Miss. <input type="checkbox"/> Others.																				
Surname/Company Name:																				
Other Names (for Individual Applicant Only)																				
Full Postal Address																				
City																				
State																				
Land Phone Number																				
Mobile (GSM) Phone																				
E-mail address:																				
Next of Kin:																				
<b>2. Joint Applicant:</b>																				
Title: <input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Miss. <input type="checkbox"/> Others.																				
Surname																				
Other Names																				
<b>3. Income Distribution</b>																				
Please tick <input checked="" type="checkbox"/> in the box to indicate preferred option – CASH <input type="checkbox"/> / REINVESTMENT <input type="checkbox"/>																				
<b>4. Bank Details (For E-dividend)</b>																				
Bank Name																				
Branch Name																				
BVN																				
Account Number																				
Signature or thumbprint		Signature or thumbprint		Company Seal & Incorporation Number (Corporate Applicant) <div style="border: 1px solid black; width: 100px; height: 20px;"></div>																
Africa Prudential Registrars Plc 220B, Ikorodu Road, Palmgrove, Lagos. Tel: +234 813 984 0850 - 4		Stamp of Receiving Agent <div style="border: 1px solid black; width: 100px; height: 50px; margin: auto;"></div>																		



## **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

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1. Applications must be made only on this Application Form, or photocopy, downloaded or scanned copy of the Application Form.
2. The Application List for the Units will be open to prospective investors for the duration specified in the Abridged Prospectus.
3. Application must be for a minimum of 5,000 Units at the first instance and multiples of 1,000 Units thereafter. The number of Units for which an application is made and the applicable value should be entered in the boxes provided.
4. An application for a minor must include the full names and date of birth of the minor, as well as the full names and address of the adult (Parent or Guardian) making the application on such minor's behalf.
5. Joint applicants must all sign the Application Form.
6. An application from a corporate body must bear the corporate body's common seal and be completed under the hand of a duly authorized official.
7. An application by an illiterate should bear his right thumbprint on the Application Form and be witnessed by an official of the Receiving Agent at which the application is lodged who must have first explained the meaning and effect of the Application Form to the illiterate in his own language. Above the thumb print of the illiterate, the witness must record in writing that he has given this explanation to the illiterate in a language understandable to him and that the illiterate appeared to have understood same before affixing his thumb impression.
8. An applicant should not print his signature. If he is unable to sign in the normal manner, he should be treated for the purpose of this Offer as an illiterate and his right thumbprint should be clearly impressed on the Application Form.
9. Applications in Naira below ₦10 million should be forwarded together with a bank draft made payable to any of the Receiving Agent listed in this Abridged Prospectus or evidence of payment via NEFT or NIBBS into either of the issue proceeds account specified on Page 30 of this Abridged Prospectus, for the full amount of the purchase price. The cheque or draft must be drawn on a bank in the same town or city in which the Receiving Agent is located and crossed "ANCHORIA FIXED INCOME FUND" with the name, address and daytime telephone number of the applicant written on the back. All bank commissions and transfer charges must be prepaid by the applicant. All cheques and drafts will be presented upon receipt and all applications in respect of which cheques are returned unpaid will be rejected and returned through the post at the applicant's risk.
10. Applications in Naira above ₦10 million should be transferred via RTGS into either of the Issue Proceeds Accounts specified on Page 30 of this Abridged Prospectus.
11. All foreign currency subscriptions should be credited to any of the correspondent bank accounts specified on Page 30 of this Abridged Prospectus. The applicable Receiving Banks will issue CCIs evidencing such foreign currency subscriptions. CCIs are required to enable subsequent repatriation, in a freely convertible currency, of the dividends from or proceeds of any future sale of the Units acquired in this Offer for Subscription.

<p style="text-align: center;"><b>APPLICATION FORM</b></p> <p style="text-align: center;"><b>ANCHORIA FIXED INCOME FUND</b></p>
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