



# Investment Banking



ROYAL FIDELITY





## About Us

### Royal Fidelity Merchant Bank & Trust Limited

Since inception in 1997, Royal Fidelity has been committed to helping clients create and manage wealth. We are your local private bank, connecting Bahamians and Barbadians with the best in local and international investments. Offering a wide range of investment products and services in Barbados and The Bahamas, our financial solutions are designed to help individuals and corporate clients meet and achieve their investment goals.

#### Investment Banking

Investment Management

Personal Retirement Accounts

Trust & Estate Planning

Mutual Funds

Group & Personal Pension Plans

Stock Brokerage

Educational Investment Accounts



## RF Investment Banking Services

Your strategic partner helping you execute your business goals

As a leading advisor for Investment Banking services in the region, we pride our-selves on our understanding of Bahamian capital markets and our ability to execute complex transactions across a variety of industries. We provide our clients with value-driven solutions for achieving business objectives based on over 20 years of developing and advancing capital markets in The Bahamas.

RF offers a variety of services to assist governments and private companies, including:

- Equity and Debt Financing
- Business Valuation
- Public Offerings and Private Placements
- Transaction Structuring
- Mergers and Acquisitions
- Privatizations
- Alternative Sources of Financing



## Equity and Debt Financing

Determining the right type of business financing you need is a critical step in turning expansion plans into a reality. Through RF's Investment Banking service, we provide financing alternatives across the capital structure. We are the leading issuer in The Bahamas, having advised and placed approximately 65% of all commercial deals over the last 20 years.

Our in-depth knowledge of the market is backed by our considerable experience structuring Initial Public Offerings (IPOs) and private placements, among other solutions. We understand that our clients' financing requirements are unique. That's why you can expect a tailored service, built on your specific business objectives. While we sometimes work in combination with other financial institutions to execute transactions, we pride ourselves on our ability to serve as the sole advisor for our clients' financing needs.

# Business Valuation

Business valuation is a process and a set of procedures used to estimate the economic value of an owner's interest in a business. Valuation is used by financial market participants to determine the price they are willing to pay or receive to effect the sale of a business, merger, finding investors, or deciding to take your business public. By blending internationally accepted principles and practices, we will combine this with our local knowledge to determine a realistic and optimal value for your business or your target for acquisition.

We will first get to know and understand you and your business, look at asset-based, income based, and comparable sales (if available) approaches to valuing the business. We will then apply valuation methodology to these approaches and, along with our local knowledge, arrive at a fair and marketable value of the business.





## Public Offering & Private Placement

RF is proud to be the first to raise over \$1.8 billion in the Bahamian Capital Markets. We only take on assignments into which we ourselves are prepared to invest, so the client for whom we are raising capital is assured our interests are aligned.

Our multi-channel approach to marketing deals we undertake relies on our numerous contacts within both High Net Worth and institutional channels. We also have access to numerous clients who presently own securities in The Bahamas through the share depository and use our brokerage client list and relationships with institutional investors to develop sound strategic offering and marketing plans. The process can be tedious, but we are well-versed and equipped to execute the various services required to get your organization to a properly priced Public Offering or Private Placement.

### Services:

- Due Diligence
- Assessment of optimal capital structure
- Determination of pricing of securities
- Obtaining regulatory and associated approvals
- Preparation of an Offering Memorandum and other required legal documents
- Appointment of share registrar & transfer agents
- Escrow Agent services
- Placement Agent services

### Pricing of Shares or Notes – Subjective Factors

- The current economic environment and timing
- Valuation of other public or private companies
- Historic financial results
- Future prospects for the company
- Investor expectations



## Transaction Structuring

Every transaction or restructuring scenario calls for a different solution. Traditional banking solutions are not always the best, or the only solution, and restrictions placed on debt levels, cash flow requirements, or tenors by these sources of financing sometimes require a more flexible solution. Working with the commercial bank, we are prepared to take subordinate positions for the right proposals to achieve a win-win-win scenario for the client, the commercial bank, and RF.

Keeping abreast of changing market dynamics makes it imperative for businesses to look at all the options that may be available to them in the Bahamian market. These transactions may include:

- Companies considering acquiring shares or assets of other companies;
- Groups planning to restructure in order to gain financing flexibility, or expand organically or inorganically (e.g. via acquisition), etc.;
- Management buyouts/buy-ins;
- Raising equity to create a better debt to equity mix;
- Using mezzanine debt to optimize your company's capital structure as part of a club deal, syndicate, or bilateral agreement;
- Listing on BISX.

# Mergers Aquisitions



Making decisions surrounding a merger or acquisition can be one of the most critical in any business. We are committed to providing sound advice through our team of local professionals and our network of global partners.

We provide advice on valuations, optimum capital structure, transaction structuring, and assist in raising the funds to get the deal done. Our clients include government agencies, private individuals and families, businesses, and private investors.



## Privatization

Privatization refers to taking a company that was previously government-owned or publicly traded into private hands. RF is able to assist in whichever capacity makes sense and avoids potential conflicts of interest. We will work with the current owners, be that government or individuals/management, wishing to privatize to determine the best value of the entity or department and work with you throughout the process for successful privatization.

For governments, we will work with you to determine the best solution available depending on the entity or department involved. It may be a case that a Public Private Partnership (“PPP”) structure makes more sense should full privatization not be feasible. RF is also able to source potential purchasers where this may not already have been determined. RF is ideally placed to assist in whichever scenario works best.

For publicly traded entities, RF is able to work with interested parties, be that existing owner, management, or an acquirer, to determine how best to achieve the goal of privatizing the business. RF is also ideally suited to source the capital needed to do so.



## Alternative Sourcing

As previously mentioned, we are able to provide access to various forms of financing that may or may not include some combination of traditional commercial lending. Our ability to source longer-term capital on generally much more flexible terms than otherwise available is based on the following alternatives:

- Subordinated debt or quasi-equity such as preferred stock;
- Secured or unsecured debt such as bonds;
- Convertible preferred stock or convertible bonds;
- Common stock;
- Rights offering;
- or some combination of any of the above.

# Consistent Success

In its first 20 years, RF has raised an \$1.8 Billion for our clients. Keeping abreast of the global markets allows us to continually innovate for our clients.



# What Have We Done?

Our engagements include the following:



For the full list, visit our website:  
[www.royalfidelity.com/services/investment-banking/tombstone-bahamas/](http://www.royalfidelity.com/services/investment-banking/tombstone-bahamas/)

# Straight from our clients' mouths

## NAD

"Royal Fidelity, our Escrow & Co-Placement Agent, played a critical role in the closing of the placement and strategizing tactics to secure prospective purchasers. We enjoyed working with Royal Fidelity on his complex transaction and are pleased with the outcome," - Walter Wells, NAD Board Chairman.

## Aliv

"We explored several companies before ultimately choosing Royal Fidelity, due to their experience in closing deals, superior knowledge of the local buyer universe, and the energy of the team. We are extremely happy with our decision. Royal Fidelity ensured that the process, timeline, and results were delivered as expected."

## Williams Renewable Energy

"Royal Fidelity was a valued partner and trusted advisor every step of the way. Their understanding of the market, commitment to the process, longstanding relationships and deal management in Barbados were key factors in the success of the transaction."





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## Investment Banking

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