



INITIAL PUBLIC OFFERING  
**PROSPECTUS**



MTN





### **SCANCOM PLC (MTN GHANA)**

*(Incorporated in Ghana on 14 April 1994 with registration number C-54,827 as a private company limited by shares)*

*(Converted to a public company limited by shares on 18 October 2016 with registration number PL000322016)*

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### **AN INITIAL PUBLIC OFFER OF UP TO 4,637,394,533 SHARES OF MTN GHANA AT AN OFFER PRICE OF GHS 0.75 PER SHARE AND A LISTING ON THE GHANA STOCK EXCHANGE**

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#### **Financial Adviser and Sponsoring Broker**



#### **Legal Adviser**



#### **Reporting Accountant**



#### **Registrar and Depository**



**This Document is dated 05 April 2018**

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

Scancom Plc ("MTN Ghana" or the "Company") is a public limited liability company incorporated under the Companies Act (as defined below). MTN Ghana is licensed by the NCA (as defined below) to operate as a mobile telecommunications service provider in Ghana under the EC Laws (as defined below).

MTN Ghana is the leading provider of mobile telecommunications services in Ghana. The Company has over 17.83 million subscribers with a market share of approximately 55.09%<sup>1</sup> as at December 2017. MTN Ghana, in line with its vision and mission, continues to lead the delivery of a bold new Digital World to customers and to make their lives a whole lot brighter.

MTN Ghana intends to undertake the following:

- (a) a public offer of up to 4,637,394,533 ordinary shares of MTN Ghana (the "**Offer Shares**"), representing up to 35% of the issued shares of MTN Ghana after the offer, to Qualifying Applicants (as defined below) (the "**Offer**"). The Offer Shares will be acquired through an issuance of up to 2,489,698,667 new ordinary shares of MTN Ghana ("**Subscription Shares**") and a sale by the Selling Shareholder (as defined below) of up to 2,147,695,867 issued shares in MTN Ghana (the "**Sale Shares**"); and
- (b) a listing of all the Offer Shares and the already issued 10,760,000,000 ordinary shares of MTN Ghana (the "**Existing Shares**") (the Offer Shares and the Existing Shares, together, the "**MTN Ghana Shares**") on the GSE (as defined below) (the "**Listing**"),  
(the Offer and the Listing, together, the "**Transaction**").

The Offer Shares will carry the right to vote and to participate in any future dividends which may be declared and paid on the ordinary shares of MTN Ghana. The Offer Shares will rank pari passu with all the issued ordinary shares of MTN Ghana. The Offer Shares will be freely transferable and are not subject to any pre-emptive rights on transfer.

This prospectus (the "**Prospectus**") provides the details of the Transaction as well as a description of MTN Ghana and its business activities.

An application has been made to the GSE for the Listing of the MTN Ghana Shares on the GSE. Provisional approval has been obtained from the GSE for permission to deal in, and for quotation of, all the MTN Ghana Shares.

**This Prospectus has been reviewed and approved by the SEC (as defined below) in accordance with section 3 of the Securities Industry Act (as defined below) and the SEC Regulations (as defined below). In its review, the SEC examined the contents of the Prospectus to ensure that adequate disclosures have been made.**

**Neither the GSE nor the SEC assumes any responsibility for the correctness of any statements made, opinions expressed or reports contained in this Prospectus. Neither GSE nor the SEC has verified (or will verify) the accuracy and truth of the contents of this Prospectus or any other documents submitted to it, and the GSE and/or the SEC will not be liable for any claim of any kind whatsoever. Approval of the Prospectus by the SEC and the Listing by the GSE should not be considered as an indication of the merits of the Transaction.**

**A copy of this Prospectus has been delivered to the RGD (as defined below), Ghana, for filing. The RGD has not checked and will not check the accuracy of any statements made and accepts no responsibility therefore or for the financial soundness of the company or the value of the securities concerned.**

The contents of this Prospectus do not constitute, and are not to be construed as, legal, business or tax advice. Each investor should consult his/her/its own legal adviser, financial adviser or tax adviser for legal, financial and tax advice in relation to the purchase of the Offer Shares. **To ascertain the financial soundness or value of this Transaction, the investing public is advised to consult a dealer, investment adviser or other professionals duly authorised under the Securities Industry Act for appropriate advice.**

Prospective purchasers should have regard, among other things, to the factors described under Part 8 (Risk Factors) in this Prospectus.

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<sup>1</sup> MTN Ghana filings



## A. GENERAL INFORMATION

MTN Ghana accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of MTN Ghana (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts as at the date hereof and does not omit anything likely to affect the import of such information.

To the best of the knowledge and belief of the Financial Adviser (as defined below), the Reporting Accountant (as defined below), the Legal Adviser (as defined below) (or any of their respective directors, Affiliates, advisers or agents), the Prospectus constitutes full and fair disclosure of all material facts about the Transaction and MTN Ghana and, where appropriate, the profit forecast and guidance has been stated by the Directors (as defined below) after due and careful enquiry.

The Financial Adviser, the Reporting Accountant and the Legal Adviser have not independently verified the information contained herein. Accordingly, no representation or warranty, expressed or implied, is made by the Financial Adviser, the Reporting Accountant or the Legal Adviser (or any of their respective directors, Affiliates, adviser or agents) with respect to the accuracy or completeness of such information, at any time, of this Prospectus. Nothing contained in this Prospectus, is to be construed as, or shall be relied upon as, a promise, warranty or representation, whether to the past or the future, by the Financial Adviser, the Reporting Accountant or the Legal Adviser (or any of their respective directors, Affiliates, adviser or agents) in any respect.

**The distribution of this Prospectus in certain jurisdictions may be restricted by law. Neither MTN Ghana nor the Financial Adviser represents that this Prospectus may be lawfully distributed, or that the Offer Shares may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by MTN Ghana which is intended to permit an offering of the Offer Shares or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Offer Shares may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published, in any jurisdiction, except in circumstances that will result in compliance with any Applicable Law (as defined below). Persons into whose possession this Prospectus comes are advised to seek information about, and observe, any such restrictions.**

This Prospectus does not constitute an offer and may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer or solicitation is not authorised or is unlawful. MTN Ghana and the Financial Adviser accept no responsibility for any violation by any person of any such restrictions.

Before deciding to apply for the Offer Shares, investors should consider whether the Offer Shares are a suitable investment. The value of the investment is dependent on various factors, as detailed in this Prospectus and can therefore fluctuate. Past performance is not necessarily indicative of future performance. If investors need advice, investors should consult a suitable professional adviser. Investors should rely exclusively on the information contained in this Prospectus when making a decision regarding the purchase of the Offer Shares. No person is authorised to give any information or make any representation not contained in this Prospectus in connection with the Transaction, and, if given or made, such information or representation must not be assumed to be authorised by MTN Ghana or the Financial Adviser.

The information contained in this Prospectus is accurate only as of the date of the Prospectus, regardless of the time of delivery of this Prospectus or any offering or sale of the Offer Shares.

## B. PRESENTATION OF FINANCIAL INFORMATION

Unless otherwise indicated, the financial information regarding MTN Ghana set forth in this Prospectus has been derived from:

- (a) MTN Ghana's audited income statements, statements of financial position, statements of cash flow and statements of changes in equity for the years ended December 31, 2013, December 31, 2014, December 31, 2015, December 31, 2016 and December 31, 2017 and set out under Part 6 (Reporting Accountant's Report on Historical Financial Statements)

of this Prospectus. MTN Ghana's financial statements, which were audited by Messrs. PricewaterhouseCoopers Ghana, have been prepared in accordance with IFRS (as defined below) and presented in GHS (as defined below), the reporting currency of MTN Ghana; and

- (b) the financial reports and forecasts set out under Part 7 (MTN Ghana Financial Statements Forecast and Guidance) of this Prospectus, which have been prepared by MTN Ghana and reviewed by KPMG Ghana ("**KPMG**"), which is acting as the Reporting Accountant in respect of the Offer. The financial reports and forecasts are on the basis of KPMG's review of MTN Ghana's historical financial statements for the years ended December 31, 2013, December 31, 2014, December 31, 2015, December 31, 2016 and December 31, 2017.

## C. TRANSACTION ADVISERS

IC Securities (Ghana) Limited ("**IC Securities**") is acting as Lead Manager (as defined below), Financial Adviser (as defined below) and Sponsoring Broker (as defined below) to MTN Ghana in respect of the Transaction. IC Securities consents to act in the specified capacities and to its name being stated in this Prospectus and confirms that it has not withdrawn its consent to any statement or report prepared by it being included in this Prospectus (in the form and context in which it is included). Neither IC Securities nor any of its employees or principals has any material direct or indirect economic or financial interest in MTN Ghana.

KPMG is acting as the Reporting Accountant (as defined below) to MTN Ghana in respect of the Transaction. KPMG consents to act in the specified capacity and to its name being stated in this Prospectus and confirms that it has not withdrawn its consent to any statement or report prepared by it being included in this Prospectus (in the form and context in which it is included). As indicated above, KPMG has examined the forecast financial statements of MTN Ghana, which comprise the statements of financial position, comprehensive income and cash flows for the period 2018 to 2020 and the forecast guidance for the period 2021 to 2022. The forecast guidance provides information on the range of management best estimate of the company's performance and position indicators for the relevant periods. These forecast financial statements and forecast guidance have been prepared for inclusion in the Prospectus of MTN Ghana for the purpose of a public offering of ordinary shares to meet the requirements for the award of one spectrum lot in the 800MHz band from the NCA to deploy 4G LTE services.

These forecast financial statements have been prepared in accordance with the Company's accounting policies which are based on IFRS.

Bentsi-Enchill, Letsa & Ankomah ("**BELA**") is acting as Legal Adviser (as defined below) to MTN Ghana in respect of the Transaction. BELA consents to act in the specified capacity and to its name being stated in this Prospectus and confirms that it has not withdrawn its consent to any statement or report prepared by it being included in this Prospectus (in the form and context in which it is included). BELA has prepared the Legal Compliance Letter (as defined below) set out under Part 5 (Legal Compliance Letter) of this Prospectus. Neither BELA nor any of its employees or partners has any material direct or indirect economic or financial interest in MTN Ghana.

## D. FORWARD-LOOKING STATEMENTS

This Prospectus includes "forward-looking statements" that reflect MTN Ghana's intentions, beliefs or current expectations and projections about its future results, operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans, opportunities, trends and the market in which it operates.

These forward-looking statements are based on numerous assumptions regarding MTN Ghana's present and future business and the environment in which it expects to operate in the future. Forward-looking statements are subject to known and unknown risks, uncertainties, assumptions and other factors that could cause MTN Ghana's actual results, operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans or opportunities, as well as those of the markets it serves or intends to serve, to differ materially from those expressed in, or suggested by, forward-looking statements contained in this Prospectus.

The forward-looking statements speak only as of the date of this Prospectus. MTN Ghana

expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Prospective purchasers of the Offer Shares should not place undue reliance on any forward-looking statements, and are cautioned that any forward-looking statements are not guarantees of future results, performance or achievements of MTN Ghana.

#### **E. DIRECTORS' RESPONSIBILITY STATEMENT**

The Company and the MTN Ghana Board (as defined below) accept responsibility for the information contained in this Prospectus.

This Prospectus has been reviewed and approved by the MTN Ghana Board, who collectively and individually, accept full responsibility for the accuracy of the information given and, after making all reasonable inquiries and to the best of their knowledge and belief, confirm that there are no facts the omission of which would make any statement in this Prospectus referred to above misleading. The profit forecasts of MTN Ghana contained in this Prospectus have been reviewed and approved by the MTN Ghana Board after making all reasonable inquiries.

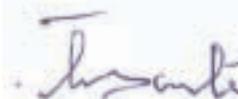
No Director has been involved in any of the following events: (a) a petition under bankruptcy laws in any jurisdiction filed against such person or any partnership in which he or she was a partner or any corporation of which he or she was a director or chief executive officer (b) conviction of such person for fraud, misappropriation or breach of trust or any other similar offence and (c) such person being the subject of any order, judgement or ruling of any court of competent jurisdiction or administrative body preventing him from acting as an investment adviser, dealer's representative, investment representative, a director of a financial institution or engaging in any type of business or professional activity.

Directors may take part in the Offer. The MTN Ghana Board warrants that no takeover offer has been made in respect of the shares of MTN Ghana over the past or current financial year.

**Signed on behalf of Scancor Plc (MTN Ghana)**



**Ishmael Yamson  
Chairman of the Board**



**Ebenezer Twum Asante  
Director**

**KEY MILESTONES AND TIMETABLE**

<b>Activity</b>	<b>Date</b>	<b>Time</b>
Offer Commencement Date	29 May 2018	12:30pm
Offer Closure Date	31 July 2018	5:00pm
Application Review and Allotment Begins	01 August 2018	9:00am
Refund Commencement Date	08 August 2018	9:00am
End of Allotment	15 August 2018	5:00pm
SEC Approval of Offer Results	27 August 2018	5:00pm
Crediting of Offer Shares to Successful Qualifying Applicants	28 August 2018 – 04 September 2018	5:00pm
Commencement of Trading	05 September 2018	10:00am
Listing Date	05 September 2018	10:00am
Refund Final Date	06 September 2018	10:00am

All dates provided are subject to change by IC Securities in consultation with the MTN Ghana Board (subject to obtaining the necessary regulatory approvals). All times provided are in Greenwich Mean Time (GMT), the time zone of the Republic of Ghana. Any amendment will be published in a national daily newspaper not later than 72 hours after receipt of regulatory approval.

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## **MTN GHANA - CORPORATE INFORMATION**

**Directors:**

Ishmael Yamson – Chairman  
Ebenezer Twum Asante – Chief Executive Officer  
Modupe Agbolade Kadri – Executive Director  
Kwasi Abeasi – Non-Executive Director  
Sugentharen Perumal – Non-Executive Director  
Ralph Mupita – Non-Executive Director  
Fatima Jakoet – Non-Executive Director  
Albert Fernandez Pomes – Non-Executive Director

**Registered Office:**

**Scancom Plc**  
MTN House  
Independence Avenue  
West Ridge, Accra  
**Tel:** +233 (0) 24 4300000 / +233 (0) 24 10062279  
**Email:** [customercare@mtn.com.gh](mailto:customercare@mtn.com.gh)

**Company Secretary:**

**Pala Asiedu Ofori**  
MTN House  
Independence Avenue  
West Ridge, Accra

**Auditor:**

**PricewaterhouseCoopers Ghana**  
No.12 Airport City  
Una Home, 3rd Floor  
PMB CT 42, Cantonments  
Accra

**Bankers:**

Access Bank (Ghana) Limited  
ADB Bank Limited  
Barclays Bank of Ghana Limited  
Ecobank Ghana Limited  
Fidelity Bank Limited  
Stanbic Bank Ghana Limited  
Standard Chartered Bank (Ghana) Limited  
Zenith Bank (Ghana) Limited

**Legal Representatives:**

**Law Trust Company**  
No. 27 Castle Road  
Adabraka, Accra

**Kunyehia & Nutsukpui**  
Legal Practitioners & Notaries  
No. 35 Labone Crescent  
Labone – Accra

**Totoe Legal Services**  
Practitioners & Notaries  
Plot 4 Block 2 Asokwa – Kumasi

## **ADVISERS TO THE OFFER**

### **Lead Manager, Financial Adviser and Sponsoring Broker**

**IC Securities (Ghana) Limited**  
No. 2, 2nd Ridge Link, North Ridge  
PMB GP104, Accra  
Tel: +233 (0) 302 252621  
**Contact:** Kwabena Osei-Boateng;  
Mildred Dan-Braimah  
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### **Legal Adviser:**

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### **Reporting Accountant:**

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[dadoteye@kpmg.com](mailto:dadoteye@kpmg.com)

### **Registrar:**

**Central Securities Depository (Gh) Limited**  
4th Floor Cedi House  
Accra Ghana  
**Contact:** Kwame Boa-Amponsem  
**Email:** [kwame.boa-amponsem@csd.com.gh](mailto:kwame.boa-amponsem@csd.com.gh)

## **DEFINITIONS**

The following definitions apply in this document, unless the context requires otherwise:

**“4G LTE”**

Fourth Generation Long-Term Evolution, which is a wireless communications standard developed by the 3rd Generation Partnership Project (3GPP) that is designed to provide up to 10 times the speeds of 3G networks for mobile devices such as smartphones, tablets, netbooks, notebooks and wireless hotspots. 4G technologies are designed to provide IP-based voice, data and multimedia streaming at speeds of at least 100 Mb per second and up to as fast as 1 GB per second

**“Applicable Law”**

Laws or regulations (including any foreign exchange rules or regulations) of any governmental or other regulatory authority which govern the Prospectus, MTN Ghana Shares or any relevant subject matter (in accordance with which the same are to be construed) and/or MTN Ghana

**“Affiliate”**

In relation to a person, a subsidiary, a holding company, or any other subsidiary of the holding company

**“Application Form”**

An application form for the Offer which must be completed and submitted by a Qualifying Applicant applying for the Offer Shares and in accordance with the Prospectus and any other instructions in the form

**“Application Funds”**

Capital raised from Qualifying Applicants' subscriptions for the Offer Shares

**“BELA”**

Bentsi-Enchill, Letsa & Ankomah, which is acting as Legal Adviser to MTN Ghana in respect of the Transaction

**“BoG or Bank of Ghana”**

The Bank of Ghana, the central bank of Ghana, which is the regulatory, supervisory and enforcement authority of the banking industry and the non-banking financial institutions in Ghana

**“Business Day”**

A day (other than a Saturday, Sunday or official public holiday) on which commercial banks and foreign exchange markets settle payments and are open for general business in Ghana

**“Companies Act”**

Companies Act of Ghana, 1963 (Act 179) (as amended) or any statutory re-modification or enactment thereof

**“CSD”**

Central Securities Depository (Ghana) Limited, a company incorporated in Ghana and operating as a central securities depository

**“CSD Account”**

An electronic account held with the CSD where a successful Qualifying Applicant's Offer Shares will be uploaded and **“CSD Accounts”** shall be construed accordingly

**“EBITDA”**

MTN Ghana's earnings before interest, tax, depreciation and amortisation for the applicable period as indicated in the Prospectus

**“EC Act”**

Electronic Communications Act of Ghana, 2008 (Act 775) (as amended) or any statutory modification or re-enactment thereof

<b>"EC Laws"</b>	The EC Act and the EC Regulations
<b>"EC Regulations"</b>	Electronic Communications Regulations of Ghana, 2011 (L.I. 1991) or any statutory modification or re-enactment thereof
<b>"Eligible Employee"</b>	A Qualifying Applicant who is a permanent employee of MTN Ghana as at the date of the Prospectus and the date on which payment in respect of Offer Shares is required to be made and the term " <b>Eligible Employees</b> " shall be construed accordingly
<b>"Escrow Accounts"</b>	Temporary accounts set up with the Receiving Bank where all Application Funds collected will be deposited until paid to MTN Ghana and/or the Selling Shareholder
<b>"Escrow Account Agreement"</b>	A written agreement between MTN Ghana, IC Securities (Ghana) Limited and the Escrow Bank regarding the movement of Application Funds into the Escrow Account during the Offer Period and out of the Escrow Account at the close of the Offer
<b>"Escrow Bank"</b>	Stanbic Bank (Ghana) Limited appointed by MTN Ghana to act as the Escrow Bank in respect of the Offer, where the Receiving Bank(s) and Receiving Agent(s) will deposit payments received from Qualifying Applicants under the Offer
<b>"Enterprise Value"</b>	Current equity market capitalisation plus total debt less cash and <b>or</b> <b>"EV"</b> cash equivalent
<b>"EV/EBITDA"</b>	Enterprise Value divided by EBITDA
<b>"Existing Shares"</b>	All the issued shares of MTN Ghana as at the date of the Prospectus, being 10,760,000,000 ordinary shares
<b>"Existing Shareholders"</b>	Investcom Consortium, MTN Dubai Limited (who both form part of the MTN Group) and Zent International and the term " <b>Existing Shareholder</b> " shall be construed accordingly
<b>"Financial Adviser"</b>	IC Securities, which is providing financial advice to MTN Ghana in relation to the Offer
<b>"GDP"</b>	Gross Domestic Product
<b>"GHS"</b>	Ghanaian Cedi, which is the official currency of Ghana
<b>"Ghana"</b>	The Republic of Ghana
<b>"Ghanaian Investor"</b>	<p>Either of:</p> <p>(a) a Qualifying Applicant who is a natural person and is a citizen of Ghana (whether resident in Ghana or any other jurisdiction and whether applying on his/her own behalf or on behalf of a minor); or</p> <p>(b) a Qualifying Applicant which is a body corporate incorporated, set up or established under the laws of Ghana and "<b>Ghanaian Investors</b>" shall be construed accordingly.</p>
<b>"GRA"</b>	The Ghana Revenue Authority

<b>"GSE" or the "Exchange"</b>	The Ghana Stock Exchange, which is the exchange for the Listing and the secondary market for the trading of MTN Ghana Shares
<b>"IC Securities"</b>	IC Securities (Ghana) Limited, which is acting as Lead Manager, Financial Adviser and Sponsoring Broker to MTN Ghana in relation to the Transaction
<b>"IFRS"</b>	International Financial Reporting Standards
<b>"IMF"</b>	The International Monetary Fund
<b>"Income Tax Act"</b>	Income Tax Act of Ghana, 2015 (Act 896) (as amended) or any statutory modification or re-enactment thereof
<b>"Investcom Consortium"</b>	Investcom Consortium Holding S.A., which is an Existing Shareholder holding 10,496,380,000 of the Existing Shares
<b>"Know Your Client" or "KYC"</b>	A process that entails identifying and verifying the identity and address/contact details of the Qualifying Applicants for Offer Shares in accordance with Applicable Law, including by asking standard questions and/or obtaining the required documentary evidence
<b>"KPMG"</b>	KPMG Ghana, which is acting as reporting accountant to MTN Ghana
<b>"Lead Manager"</b>	IC Securities, which is acting as the arranger for the Transaction
<b>"Legal Adviser"</b>	BELA, which is acting as the legal adviser in relation to the Transaction
<b>"Legal Compliance Letter"</b>	The legal compliance letter prepared and issued by BELA in relation to compliance of the Offer and the Prospectus with Ghanaian law requirements, and which is set out under Part 5 ( <i>Legal Compliance Letter</i> )
<b>"Licence"</b>	The provisional authorisation granted by the NCA to MTN Ghana in February 2016 to establish, maintain and operate mobile broadband services in Ghana using lot 2 of the 800MHz band
<b>"Licensed Dealing Member"</b>	A corporate body licensed by the GSE to deal in all securities
<b>"Listing"</b>	The primary listing of the MTN Ghana Shares on the GSE
<b>"Listing Date"</b>	The date all Offer Shares have been successfully credited to the CSD Accounts and can be traded on the GSE
<b>"Minimum Amount"</b>	The minimum amount to be raised for the Offer to be declared successful and implemented, being GHS 347,804,590 which is equivalent to 10% of the total expected proceeds from the Offer
<b>"MTN Ghana Board" or "Board of Directors" or the "Directors"</b>	The board of directors of MTN Ghana

<b>"MTN Ghana"</b> or <b>"Company"</b> or the <b>"Issuer"</b>	Scancor Plc, a public limited liability company incorporated in Ghana under the Companies Act with registration number PL000322016 and licensed by the NCA as a mobile telecommunications services operator
<b>"MTN Ghana Shares"</b>	All ordinary shares of MTN Ghana, comprising the Existing Shares, the Offer Shares and any ordinary shares of MTN Ghana to be issued in the future
<b>"MTN Group"</b>	MTN Group Limited, a company incorporated in the Republic of South Africa, and listed on the Johannesburg Stock Exchange, and the ultimate beneficial entity owning 97.65% of MTN Ghana through its 100% ownership of Investcom Consortium (which holds a 97.55% stake in MTN Ghana) and MTN Dubai Limited (which holds a 0.10% stake in MTN Ghana). MTN Dubai Limited is also the intermediate holding company of MTN Ghana
<b>"MTN Mobile Money"</b>	MTN Ghana's mobile financial services offering
<b>"NCA"</b>	National Communications Authority of Ghana, which is the statutory body set up under the National Communications Authority Act of Ghana, 2008 (Act 769) and responsible for the administration and enforcement of the EC Laws
<b>"Net Debt"</b>	MTN Ghana's total debt minus cash and cash equivalents
<b>"Net Debt" to "EBITDA ratio"</b>	Net Debt divided by EBITDA
<b>"Offer"</b>	The public offer of the Offer Shares at the Offer Price per Offer Share
<b>"Offer Commencement Date"</b>	The opening date of the Offer, being 29 May 2018
<b>"Offer Closure Date"</b>	The closing date of the Offer, being 31 July 2018 or the next Business Day in the event of the set Offer Closure Date not being a Business Day, subject to approval by the SEC
<b>"Offer Period"</b>	From the Offer Commencement Date 29 May 2018 to the Offer Closure Date 31 July 2018
<b>"Offer Price"</b>	GHS <b>0.75</b> per Offer Share
<b>"Offer Shares"</b>	The aggregate of the Subscription Shares and the Sale Shares
<b>"Offer Website"</b>	The official website for the Offer which shall provide information to Qualifying Applicants, being <b><u>mtnghanashares.com</u></b>
<b>"PIN"</b>	Personal Identification Number
<b>"Prevailing Exchange Rate"</b>	The average daily interbank forex rate published by Bank of Ghana for the purchase of USD in exchange for GHS
<b>"Prospectus"</b>	This prospectus dated 05 April 2018

<b>"Qualifying Applicant(s)"</b>	A person who completes and submits an Application Form in accordance with the terms hereunder and provided such person is: (a) a natural person who is 18 years or older (applying on his/her own behalf or on behalf of a minor) and is resident in Ghana or any other jurisdiction; or (b) is a corporation, partnership or other unincorporated association which is incorporated, set up, established or resident in Ghana or any other jurisdiction, provided that such Qualifying Applicant (by applying for the Offer Shares) is not in contravention of any Applicable Law
<b>"Receiving Agent(s)"</b>	IC Securities or any other company appointed by MTN Ghana (or by IC Securities on behalf of MTN Ghana), who will be receiving applications and payments from Qualifying Applicants under the Offer. Full contact details of the Receiving Agents can be found in Appendix G ( <i>Receiving Banks and Receiving Agents</i> ) of this Prospectus
<b>"Receiving Bank(s)"</b>	Any bank or banks appointed by MTN Ghana to receive applications and payments from Qualifying Applicants under the Offer. Full contact details of the receiving banks can be found in Appendix G ( <i>Receiving Banks and Receiving Agents</i> ) of this Prospectus
<b>"Refund Commencement Date"</b>	08 August 2018
<b>"Refund Final Date"</b>	Ten (10) days after the date of approval of allotment results by the SEC, being the date by which any refund of Application Funds shall have been made
<b>"Registrar"</b>	The CSD
<b>"Regulations"</b>	The regulations of MTN Ghana adopted by a special resolution of the Existing Shareholders on 08 September 2016
<b>"Reporting Accountant"</b>	KPMG, which is acting as the reporting accountant for the Offer
<b>"RGD"</b>	The Registrar General's Department, which is the public registry in Ghana responsible for the incorporation of companies and the registration of, among others things, public offer documents in accordance with the provisions of the Companies Act
<b>"Sale Shares"</b>	Up to 2,147,695,867 issued ordinary shares in MTN Ghana to be transferred from the Selling Shareholder to the successful Qualifying Applicants as part of the Offer
<b>"SEC"</b>	Securities and Exchange Commission of Ghana, the statutory body responsible for the administration and enforcement of the Securities Industry Act and the SEC Regulations
<b>"Securities Industry Act"</b>	Securities Industry Act of Ghana, 2016 (Act 929) or any statutory modification or re-enactment thereof
<b>"SEC Regulations"</b>	Securities and Exchange Commission Regulations of Ghana, 2003 (L.I. 1728) or any statutory modification or re-enactment thereof

<b>“Selling Shareholder”</b>	Investcom Consortium which is the Existing Shareholder and is selling the Sale Shares as a portion of the Offer Shares
<b>“Sponsoring Broker”</b>	IC Securities which is acting as sponsoring broker to MTN Ghana in respect of the Transaction
<b>“SIM”</b>	Subscriber Identity Module
<b>“Subscription Shares”</b>	Up to 2,489,698,667 new ordinary shares of MTN Ghana to be issued by MTN Ghana to the successful Qualifying Applicants under the Offer
<b>“Trading Date”</b>	The date of commencement of trading in the Offer Shares
<b>“Transaction”</b>	The Offer and the Listing
<b>“Unique Reference Code”</b>	A unique reference payment code generated for Qualifying Applicants or third parties who wish to make payment for online applications through any of the appointed Receiving Banks or the Receiving Agents
<b>“USD”</b>	United States Dollar, which is the official currency of the United States of America
<b>“ZAR”</b>	South African Rand
<b>“Zenf International”</b>	Zent International Limited, which is the minority shareholder holding 252,860,000 of the Existing Shares





## PART 1 - THE TRANSACTION

### 1.1 Legal Basis and Reasons for the Transaction

#### 1.1.1 Legal Basis

The Offer and Listing was approved by the MTN Ghana Board at its meeting on 31 October 2017. The Existing Shareholders also approved the Offer by a written resolution dated 01 March 2018.

#### 1.1.2 Reasons for the Offer

In November 2015, MTN Ghana successfully bid for the Licence from the NCA, which took effect from 21 June 2016 and is valid for a renewable period of 15 years.

The Licence was awarded on condition that MTN Ghana achieve 35% Ghanaian ownership by 30 June 2018 provided that the Listing of the MTN Ghana Shares on the GSE would satisfy this condition.

Pursuant to this and consistent with the MTN Ghana philosophy of making provision for substantial local stakeholder participation, MTN Ghana is making a public offering of up to 35% of its equity through the Offer and the Listing. This is in line with the vision of enabling Ghanaians to own part of and share in the success of the Company and is also pursuant to the condition of the Licence.

The Licence, which allows MTN Ghana to offer 4G LTE mobile internet services to its customers, holds extensive benefits to its customers and is expected to improve the Company's ability to offer its customers a high-speed data network and advance its competitive position in the market.

### 1.2 Use of the Proceeds

The Offer is expected to raise a total of up to GHS 3,478,045,900 through the issue and sale of the Offer Shares. The proceeds shall be utilised as follows:

Expected Use of Funds	Amount in GHS
Payment to the Selling Shareholder for the Sale Shares	1,563,968,324
Payment of dividends to the Existing Shareholders	1,826,899,697
Transaction Costs	87,177,879
- Cost to be borne by selling shareholder	46,803,576
- Cost to be borne by MTN Ghana	40,374,303
<b>Total Consideration</b>	<b>3,478,045,900</b>

### **1.3 Key Investment Highlights**

MTN Ghana is the leading telecommunications operator in Ghana in a very competitive sector. Through its extensive investment in advanced communication infrastructure, innovation offerings and an experienced management team it has grown rapidly to offer voice, data and digital services to its customers. This has positioned the Company well for future growth. In December 2017, MTN Ghana grew its revenue by 23% year on year to GHS 3.4 billion (USD 777.2 million).

The Offer presents a unique opportunity for Qualifying Applicants, including customers of the Company, and especially Ghanaian Investors, to share in the Company's growth prospects.

The key investment highlights include:

#### **(i) The leading telecoms operator in Ghana**

- Market leader in both voice and data with market shares of 55.09%<sup>1</sup> and 56.29%<sup>2</sup> respectively, as at December 2017 and September 2017 respectively
- Revenue of GHS 3.4 billion year to date December 2017
- Part of the MTN Group, the leading telecoms operator in Africa and the Middle East with over 217 million subscribers
- MTN Group, through its subsidiaries and joint ventures, has telecoms licences in 17 African countries: Ghana, Ivory Coast, Nigeria, Benin, Liberia, Cameroon, Guinea Conakry, Guinea Bissau, Congo Brazzaville, South Africa, Uganda, Botswana, Rwanda, Swaziland, Zambia, Sudan and South Sudan
- Being part of the MTN Group provides MTN Ghana with access to leading technical and operational expertise including over 20 years experience operating in Ghana and across Africa

#### **(ii) Strong growth in digital and data revenue**

- Year on Year increase of 49.0% in data revenue and 37.4% in digital revenue as at December 2017
- Over 7.1 million 30 day active subscribers on the Mobile Money platform, 89,748 active agents and 17 partner banks as at December 2017
- High growth in non-voice revenues driven by growth in the number of registered MTN Mobile Money subscribers from 0.4 million in December 2013 to 11.6 million as at December 2017

#### **(iii) Strong free cash flow generation**

- EBITDA margin of 39% and Free cash flow of GHS 589 million year to date to December 2017

#### **(iv) Leading network delivering superior customer proposition**

- Number 1 Network Net Promoter Score (NPS) score of 14% in the country as per Q2 2017 NPS report with the widest network coverage and presence in all 10 regions of the country
- As at December 2017, MTN Ghana's 2G technology covered 85% of the population, 3G technology covered 50% of the population and 4G LTE covered 33% of the population
- Biggest 3G Network with 2,097 sites included in a total of 2,837 sites and the only 4G LTE mobile operator with the highest number of 4G LTE cellular sites (673 Sites across 10 regions)

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1 Market share voice – MTN Ghana (Note: All market share and subscriber statistic references in Part 3, 'Overview of Telecommunication Industry', were sourced from the NCA at nca.org.gh). The difference is as result of the varied methods of computation

2 Market share data from the NCA at nca.org.gh

**(v) Rare opportunity to invest in the leading Ghanaian mobile operator**

- In-market consolidation may improve market dynamics
- The only Ghanaian mobile operator that would, through this offering, have a broad public equity participation in its shareholding
- In 2017 alone, MTN Ghana received the following awards from the following organisations/awardees:
  - **Ghana Entrepreneurship and Corporate Executive Award** – Telecommunications Service Executive of the Year
  - **Institute of Africa Media Monitoring Intelligence and Advocacy (IAMMIA-Africa)** – Ghanaian Telecommunication Sector Media Visibility Index in the first quarter of 2017
  - **Accra Metropolitan Assembly** – Clean Environment (MTN House)
  - **MTN Group Award** – Revenue Awareness OpCo Award
  - **Ghana Information Technology and Telecoms Awards (GITTA)**
    - Customer Experience Award of the Year
    - 4G LTE Provider of the Year
    - Mobile Money Service of the Year
    - Cloud Service Provider of the Year
    - CSR Company of the Year
    - Mobile Operator of the Year
    - IT Team of the Year
    - Customer Service Team of the Year
    - CEO of the Year (Mr. Ebenezer Twum Asante)
    - CTO of the Year (Mr. Mohammed Lawal Rufai)
  - **Chartered Institute of Marketing Ghana (CIMG)**
    - Marketing Man of the Year (Mr. Ebenezer Twum Asante)
    - Telecom Company of the Year
    - Marketing-Oriented Company of the Year
  - **HR Focus Magazine - Overall Best Organization in HR Practice**
    - Best HR Management in Telecommunications and IT
    - Best Practice in Human Resource Information Systems (HRIS)
    - Best Organization in Organizational Culture
    - Employer of Choice
    - HR Practitioner of the Year (Amma Benneh-Amponsah)
  - **Ghana CSR Excellence Awards**
    - Safety and Wellness
    - CSR Practitioner of the Year (Mr. Robert Kuzoe)

**(vi) Leader in Innovation and Product Diversification**

- Wide offering of mobile and data services including:
  - First Ghanaian mobile operator to launch 4G LTE services
  - First telecommunications operator authorised to operate the Global System for Mobile Communications ("**GSM**") in Ghana
  - First telecommunications operator to provide mobile services in Ghana and current leader by total number of wallets in the mobile money market

- Successful implementation of cardless mobile wallet ATM withdrawal, covering 20% of the ATM outlets in Ghana
- Recent partnership with an insurance company to distribute micro-insurance products
- Potential growth evident in digital services footprint, messaging, cloud services and other innovative products such as "Call Me Back", "MTN Me2U", "Mobile Advertising", "Voice SMS", and the unique "MTN Zone"

**(vii) Attractive Growth Prospects in Ghana's Telecommunication Industry**

- The number of data users in Ghana is expected to grow by 10% per annum on average from 2017 to 2020

**(viii) Compelling Financial Performance**

- Attractive compound annual revenue growth of 18.4% from December 2013 to December 2017
- Growth in data revenue by 56% over the same period, contributing 26.1% to total revenue (Smartphones users increased to 7.0 million as at December 2017)
- Robust balance sheet with a neutral Net Debt to EBITDA of 11% as at December 2017
- Strong and sustainable profitability with EBITDA (excluding management fee) margin of 40.8% and 40.9% in December 2015 and 2016 respectively, and 39% in December 2017
- Strong dividend payment profile with an average dividend payout of 56.2% over the last 5 years from 2013 to 2017

**(ix) Experienced and Proven Management Team with Outstanding Track Record of Operational Efficiencies**

- MTN Ghana Chief Executive, Ebenezer Twum Asante, was named the CEO of the Year in Africa's telecom industry at the AfricaCom Awards 2016
- Strong management team with extensive industry knowledge combined with numerous years of telecommunications experience

## **1.4. Key Terms of the Offer**

### **1.4.1 Number of Offer Shares**

The Offer comprises 4,637,394,533 Offer Shares, representing 35% of MTN Ghana's issued shares after the Offer. Up to 2,489,698,667 of the Offer Shares will be new MTN Ghana Shares to be issued by MTN Ghana to the successful Qualifying Applicants. Up to 2,147,695,867 of the Offer Shares will be Existing Shares to be transferred from the Selling Shareholder to the successful Qualifying Applicants.

Each Offer Share shall carry the right to vote and to participate in any future dividends to be declared and paid on the MTN Ghana Shares. Each Offer Share shall rank pari passu with the Existing Shares, is freely transferable and is not subject to any restrictions on marketability or any pre-emptive rights on transfer.

<b>Details of Pre-Offer &amp; Post-Offer Shareholding if Fully Subscribed</b>		
<b>Pre-Offer Shareholding</b>		
	<b>Number of Shares</b>	<b>Percentage of Shares</b>
Investcom Consortium	10,496,380,000	97.55%
MTN Dubai Limited	10,760,000	0.10%
Zent International Limited	252,860,000	2.35%
<b>Existing Shares (Pre-Offer)</b>	<b>10,760,000,000</b>	<b>100%</b>
<b>Offer Details</b>		
	<b>Number of Shares</b>	<b>Percentage of Shares</b>
Offer Shares (Total)	4,637,394,533	35.00%
Subscription Shares (Offer Shares by subscription)	2,489,698,667	18.79%
Sale Shares (Offer Shares by transfer from Selling Shareholder)	2,147,695,867	16.21%
Price per Share	GHS 0.75	
Expected Proceeds from the Offer	GHS 3,478,045,900	
<b>Post-Offer Shareholding</b>		
	<b>Number of Shares</b>	<b>Percentage of Shares</b>
Investcom Consortium	8,348,684,133	63.01%
MTN Dubai Limited	10,760,000	0.08%
Zent International Limited	252,860,000	1.91%
Aggregate holders of Offer Shares	4,637,394,533	35.00%
<b>Total Issued Shares (Post-Offer)</b>	<b>13,249,698,667</b>	<b>100.00%</b>

#### **1.4.2 Offer Price**

The Offer Shares will be issued at an offer price of GHS 0.75 per Offer Share.

Eligible Employees participating in the Offer will be entitled to an employee discount of 10% on the aggregate amount payable for the Offer Shares allocated to such Eligible Employee. For the avoidance of doubt, the aggregate amount of the employee discount available to each Eligible Employee shall not exceed the equivalent of 3 months' gross salary of that Eligible Employee as at the date of the Prospectus. Eligible Employees should note that there are likely tax implications for each Eligible Employee who benefits from all or part of the employee discount described in this section. As such, Eligible Employees who wish to take advantage of the employee discount should seek financial and tax advice prior to completing the relevant portion of the Application Form relating to their employee status. Eligible Employees should also note that MTN Ghana may (subject to Applicable Law) impose a lock-up period restriction and/or other conditions (to be determined by the MTN Ghana Board) on the sale or transfer of any Offer Shares which are the subject of the employee discount. Any restriction or conditions determined by the MTN Ghana Board may be imposed before or after the Offer Closure Date and shall be communicated to the participating Eligible Employees.

Applicants who are Eligible Employees and wish to take advantage of the employee discount should complete the relevant portion of the Application Form relating to their employee status.

#### **1.4.3 Offer Price Estimation**

The Financial Adviser undertook a valuation exercise to determine a fair value of MTN Ghana for the purpose of determining the Offer Price. The valuation of MTN Ghana was determined using the following valuation techniques:

- discounted cash flow valuation;
- trading comparables valuation;
- precedent transaction multiples; and
- broker-based sum of the parts valuation for MTN Group and valuation for MTN Ghana

Based on the values obtained from these valuation techniques, the MTN Ghana Board approved the Offer Value of GHS 3.48 billion for 35% equity in MTN Ghana (USD 789.1 million based on an exchange rate of 4.4078 as at 30 April 2018 (Source: Bank of Ghana).

The multiples for the trading comparables used in the valuation are of listed companies in the same industry across comparable emerging markets. The Offer Price results in a post-management fee EV/EBITDA 2018E of 7.1 times, which is a slight premium to its peer group's mean of 6.9 times EV/EBITDA 2018E.

**Note:** The indicative MTN Ghana EV/EBITDA and P/E multiples assume EBITDA and earnings for FY 2018, and Net Debt as at December 2017. The estimated FY2018 EBITDA (post-management fee) is GHS 1,422 million<sup>3</sup> and the estimated FY 2018 Net income is GHS 729 million.

Company Name	Country	Market Capitalisation (USDmn)	EV (USDmn)	EV/EBITDA	
				CY18	CY18
MTN Group	SA	18,614	22,923	6.0x	18.9x
Bharti Airtel	India	26,119	41,025	8.1x	NM
Etihad Etisalat	Saudi Arabia	2,946	6,670	6.3x	NM
Etisalat Telecom Group	UAE	40,489	43,369	6.0x	15.4x
Turkcell İletişim	Turkey	8,582	10,643	5.8x	11.5x
Safaricom	Kenya	11,574	11,354	9.4x	19.5x
Itissalat Al-Maghrib	Morocco	14,372	16,354	8.4x	21.7x
Sonatel	Senegal	4,036	4,343	4.7x	11.5x
Vodacom Group	SA	22,615	21,031	7.4x	16.1x
<b>Max<sup>5</sup></b>				<b>9.4x</b>	<b>21.7x</b>
<b>Mean<sup>5</sup></b>				<b>6.9x</b>	<b>16.4x</b>
<b>Median<sup>5</sup></b>				<b>6.3x</b>	<b>16.1x</b>
<b>Min<sup>4</sup></b>				<b>4.7x</b>	<b>11.5x</b>
<b>MTN Ghana<sup>5</sup></b>	<b>Ghana</b>	<b>2,200</b>	<b>2,233</b>	<b>7.1x</b>	<b>13.7x</b>

#### 1.4.4 Caution on the Offer Price Estimation

For the avoidance of doubt, this valuation is based on information provided by MTN Ghana and on market-based data, and makes several assumptions about key variables that may affect the overall valuation. It should be noted that the valuation may be impacted by material new information related to the Company

#### 1.4.5 Minimum Number of Offer Shares

The minimum subscription of each Qualifying Applicant under the Offer must be for a minimum of 10 Offer Shares amounting to GHS 7.50 and, thereafter, any additional Offer Shares subscribed for must be in multiples of 10 amounting to GHS 7.50, with no maximum on subscriptions.

#### 1.4.6 Minimum Amount to be raised under the Offer

The minimum aggregate amount to be raised for the Offer to be declared successful and implemented is GHS 347,804,590 (the “**Minimum Amount**”). If MTN Ghana only raises the Minimum Amount under the Offer, then MTN Ghana shall utilise the amount raised as follows:

Expected Use of Funds	Amount in GHS
Payment of dividends to the Existing Shareholders	293,912,559
Transaction cost	53,892,031
<b>Total Consideration</b>	<b>347,804,590</b>

3 Note: (1) MTN Ghana 2018 post-management fee EBITDA

4 Capital IQ as of 02 March 2018, Multiples calculated using reporting currency

5 Multiples, CAGR and key ratios for MTN Ghana calculated on GHS MTN Ghana Enterprise Value of \$2.23bn (GHS 10.1bn), and multiples calculated using GHS numbers  
**Note:** Net debt post transaction and special dividend of GHS149.8m/\$33.0m

In the event that the Minimum Amount is not obtained, then MTN Ghana shall in its sole and absolute discretion be entitled to regard the Offer as being null and void, in which event the transactions contemplated by this Prospectus will not be implemented and all monies paid for the Offer Shares and deposited into the Escrow Account will be returned (without interest) to the Receiving Banks and Receiving Agents immediately after the Offer Closure Date for onward distribution to the Qualifying Applicants. An application will be deemed successfully refunded at the point where the funds have been returned or transferred to Qualifying Applicants' corresponding Receiving Banks and Receiving Agents for onward distribution to Qualifying Applicants. MTN Ghana will publish details of such refunds in a national daily newspaper and announcements on local radio stations or other recognised information channels with wide circulation in Ghana within one (1) week of the Offer Closure Date. The announcement will specify how and where Qualifying Applicants may claim their refunds.

If any refund is not repaid to the Receiving Banks and Receiving Agents within eight (8) days after the Refund Commencement Date, the Directors shall be jointly and severally liable to repay the refunds with interest at the rate of 5% per annum each day of default until the refund is made to the Receiving Bank or Receiving Agent unless the Directors can prove that the default in the repayment was not due to any misconduct or negligence on their part.

#### **1.4.7 Oversubscription**

Should MTN Ghana receive applications for Offer Shares in excess of 4,637,394,533 ordinary shares or 35% of the issued shares of MTN Ghana, the Directors shall not issue additional ordinary shares of MTN Ghana to satisfy the extra demand. Any monies received in respect of applications, and for which Offer Shares are not allotted, will be returned to the Qualifying Applicants within ten (10) days of the allotments. Refunds after this period will attract interest at the BoG policy rate until the refund is made unless the Company can prove that the default in the repayment was not due to any misconduct or negligence on its part. Further details on refunds can be found in Section 1.4.14 (Refund of Excess Application Funds).

In the event of an oversubscription, the allotment of Offer Shares will be conducted at the discretion of the MTN Ghana Board and in the following order of priority:

- (a) first, satisfy all duly completed applications from Ghanaian Investors; and
- (b) second, satisfy all duly completed applications from other Qualified Applicants who are not Ghanaian Investors.

#### **1.4.8 Opening and Closing of the Offer**

The Offer opens at 12:30 pm (GMT) on the Offer Commencement Date and closes at 5:00 pm (GMT) on the Offer Closure Date. Any changes to these dates will be communicated accordingly in accordance with Applicable Law.

Applications which are received after the Offer Closure Date will not be processed or considered. Applicants can get confirmation of the number of Offer Shares allocated to them pursuant to the Offer by checking their MTN Mobile Money account or visiting the Offer Website [mtnghanashares.com](http://mtnghanashares.com).

#### **1.4.9 Availability of Prospectus**

With effect from 12:30 pm (GMT) on the Offer Commencement Date until 5:00 pm (GMT) on the Offer Closure Date, any prospective Qualifying Applicant may obtain (free of charge):

- (a) a copy of the printed Prospectus from the regional offices of MTN Ghana, as well as the offices of IC Securities and any of the Receiving Banks or Receiving Agents appointed by MTN Ghana in respect of the Offer.
- (b) an electronic version of the Prospectus from the Offer Website at [mtnghanashares.com](http://mtnghanashares.com) or MTN Ghana's website at [www.mtn.com.gh](http://www.mtn.com.gh).

#### **1.4.10 Manner of Subscription for the Offer Shares**

Only Qualifying Applicants can apply for the purchase of the Offer Shares.

A Qualifying Applicant may apply to purchase Offer Shares through a physical Application Form, the Offer Website or the MTN Mobile Money platform, as set out in this section.

##### **(a) Physical application**

All Qualifying Applicants must deliver or lodge their duly completed and signed Application Forms, together with the amount payable on application at the offices of IC Securities or any of the named Receiving Banks or Receiving Agents during business hours and during the Offer Period until 5:00 pm (GMT), on the Offer Closure Date. An Application Form sent via email should be sent to **[mtnshareoffer@icsecurities.com](mailto:mtnshareoffer@icsecurities.com)**. Original completed Application Forms should then be mailed to IC Securities through a registered mail service.

Applicants who choose to post their Application Forms by registered mail to any of the Receiving Banks or Receiving Agents are advised to use registered mail services. However, all documents mailed to any of the Receiving Banks or Receiving Agents by Qualifying Applicants will be at the Qualifying Applicant's own risk.

Qualifying Applicants are to note that Application Forms must be lodged at or posted to the same Receiving Bank or Receiving Agent's office where payment is made for the Offer. The Receiving Bank or Receiving Agent will acknowledge receipt of successfully submitted Application Forms and funds from Qualifying Applicants.

##### **(b) Application via MTN Mobile Money**

All Qualifying Applicants subscribing through the MTN Mobile Money platform must duly complete all the required fields on the platform and complete the payment process during the Offer Period until 5.00 pm (GMT) on the Offer Closure Date. Successfully submitted applications will be evidenced by a confirmation text message. An Application Form delivered through the MTN Mobile Money platform shall be deemed to have been duly delivered when a confirmation text message is received by the Qualifying Applicant.

If for any reason there are technical difficulties that do not allow a Qualifying Applicant to successfully complete and submit an application via this method, the Qualifying Applicant is advised to use the physical application method.

##### **(c) Online Applications via the Offer Website**

All Qualifying Applicants subscribing through the Offer Website (at **[mtngahanashares.com](http://mtngahanashares.com)**) must duly complete all the required fields on the platform and complete the payment process by paying cash or cheque through a Receiving Bank or via debit card or MTN Mobile Money, during the Offer Period until 5:00 pm (GMT) on the Offer Closure Date. Successfully submitted applications will be evidenced by a confirmation email and/or text. An Application Form delivered through the Offer Website shall be deemed to have been duly delivered when a confirmation email and/or text is received by the Qualifying Applicant.

If for any reason there are technical difficulties that do not allow a Qualifying Applicant to successfully complete submit an application via this method, the Qualifying Applicant is advised to use the physical application method.

Please note that the application is also subject to the additional terms and conditions indicated under Appendix A (How to Apply for the Offer Shares) and any instructions in the relevant Application Form.

#### **1.4.11 Terms of Payment for Offer Shares**

The currency of this Offer is in GHS.

All payments for Offer Shares must be made in full upon submission of the application. Payments by instalments will not be accepted. Qualifying Applicants may make payments in GHS or USD.

Applicants who make payment for subscriptions in USD will have their shares allocated to them

using the Prevailing Exchange Rate at the date of application.

Payment may only be made in cash, cheque, debit card, bank transfers or via MTN Mobile Money. Payments by way of credit cards or postal orders will not be accepted.

Cheques presented for payment, should be made payable to "**MTN GHANA PUBLIC OFFER**" only and should be crossed and marked "**COMMISSION TO DRAWER'S ACCOUNT**". This endorsement must be signed by the drawer. No cheques will be accepted later than 3 Business Days before the Offer Closure Date. Applications in respect of which cheques are returned unpaid will be rejected.

Bank transfer charges and debit card charges on application monies shall be borne by the Qualifying Applicant. Applications via MTN Mobile Money will not incur mobile money charges.

Payments in respect of the Offer shall be made into any of the relevant collection accounts of the Receiving Banks created for the purposes of the Offer. Regarding online applications, Qualifying Applicants should select the name of the Receiving Bank and follow the prompts. Regarding physical applications, Qualifying Applicants should indicate, on the payment slip, the name of the collection account and payment must be effected by the receiving officer into the relevant collection account.

Please note that all payments are also subject to the additional terms and conditions indicated under Appendix A (How to Apply for the Offer Shares) and any instructions in the relevant Application Form.

#### **1.4.12 Escrow Account**

All Application Funds collected by the Receiving Banks and Receiving Agents will be deposited into the Escrow Accounts below:

**Stanbic Bank (Ghana) Limited**

7th Floor, Stanbic Heights  
215 South Liberation Link, Airport City  
Accra, Ghana

**Branch - Stanbic Heights**

**Branch Code - 041029**  
**SWIFT Code - SBICGHAC**

ESCROW BANK ACCOUNT DETAILS				
Country	Account Name	Account Type	Type Currency	Account Number
Ghana	MTN Ghana Shares Offer	Escrow Account	Ghana Cedi (GHS)	9040006730528
Ghana	MTN Ghana Shares Offer	Escrow Account	US Dollar (USD)	9040006730536

**APPLICANTS SHOULD NOT MAKE PAYMENT INTO THE ESCROW ACCOUNT. PAYMENT FOR APPLICATIONS BY QUALIFYING APPLICANTS SHOULD BE MADE DIRECTLY TO ANY OF THE RECEIVING BANKS OR RECEIVING AGENTS STATED IN APPENDIX G (RECEIVING BANKS AND RECEIVINGAGENTS)OF THIS PROSPECTUS. PROCEEDS FROM MOBILE MONEY SUBSCRIPTIONS WILL BE HELD IN A RECEIVING ACCOUNT HELD BY STANBIC BANK GHANA LIMITED.**

The Receiving Banks and the Sponsoring Broker shall remit all cleared funds in the receiving accounts (or any other accounts into which payments are made by the Qualifying Applicants in relation to the Offer) into a reconciliation account held with the Escrow Bank for purposes of reconciliation and onward transfer to the Escrow Account. The remittance into the reconciliation account shall be undertaken on every Monday by 12:00 pm until the Offer Closure Date and by 12:00 pm on the next Business Day after the Offer Closure Date. The remittance from the reconciliation account to the Escrow Account shall be undertaken on every Monday by 12:00 pm until the Offer Closure Date and by 12:00 pm on the third Business Day after the Offer Closure Date.

#### **1.4.13 Allotment of Offer Shares**

The MTN Ghana Board will be responsible for the allotment of all Offer Shares. The Directors reserve the right to accept or reject any application in whole or in part for any reason whatsoever, including for reasons given under Appendix A (*How to Apply for the Offer Shares*).

The allotment of Offer Shares will be conducted at the discretion of the MTN Ghana Board and in the following order of priority.

- (a) first, satisfy all duly completed applications from Ghanaian Investors; and
- (b) second, satisfy all duly completed applications from other Qualified Applicants who are not Ghanaian Investors.

Subject to satisfying the Minimum Amount, the MTN Ghana Board may limit Non-Ghanaian Investor participation in the Offer such that the total number of shares allotted to Non-Ghanaian Investors in the Offer does not exceed 5% of the Company's total issued shares.

Following the allotment and approval by the SEC, any excess application funds shall be returned to the respective Qualifying Applicants by the Refund Final Date. Applications that are received after the Offer Closure Date may not be processed or considered. Applicants will receive confirmation of the number of Offer Shares that they have been allocated after the Offer by SMS text message if they applied via MTN Mobile Money or by email if they applied through the Offer Website/Application Form (where a mobile number or an accurate email address has clearly been indicated).

Applicants may elect to check the number of allotted shares by, where applicable, checking their MTN Mobile Money account, visiting the Offer Website at [mtnghanashares.com](http://mtnghanashares.com), or by contacting the CSD for confirmation, after the Trading Date.

As at the date of this Prospectus, the MTN Ghana Board has not entered into any arrangement or agreement with any investor in respect of purchasing 5% or more of the Offer Shares.

#### **1.4.14 Refund of Excess Application Fund**

If any application is not accepted or is accepted for fewer Offer Shares than applied for, the balance of the amount paid on application will be returned (without interest) to the respective Receiving Bank and Receiving Agent no later than the Refund Final Date for onward distribution to Qualifying Applicants. MTN Ghana will, within one (1) week of making refunds to the Receiving Banks or Receiving Agents, announce such refunds through an advertisement in a national daily newspaper, announcements on local radio stations or by way of other recognised information channels with wide reach. The announcement will specify how and where Qualifying Applicants will claim their refunds.

An application will be deemed successfully refunded at the point when the amount has been returned or transferred to Qualifying Applicants' corresponding Receiving Banks and Receiving Agents for onward distribution to Qualifying Applicants.

If MTN Ghana does not make refunds of extra application monies available to the Receiving Banks and Receiving Agents by the Refund Final Date, then MTN Ghana will pay to the relevant Qualifying Applicants, interest (calculated on a per annum basis) on the unpaid amounts from the day that follows the Refund Final Date at the prevailing BoG prime rate for each day of default until the refund is made to Receiving Banks and Receiving Agents.

Refunds will be made in GHS. However, applicants who make payment in USD will receive any refunds in USD.

#### **1.4.15 Transfer of Application Funds**

After the approval of the allotment results by the MTN Ghana Board and the SEC, the net consideration, as stated in 1.2, will be transferred from the Escrow Account to MTN Ghana and the Selling Shareholder.

#### **1.4.16 Form of Offer Shares**

In compliance with the requirements of the GSE and the CSD, share certificates will not be issued for the Offer Shares. The Offer Shares will, when issued, be held in dematerialised form and registered electronically by the CSD.

Successful Qualifying Applicants who provide CSD Accounts will have their respective CSD Accounts credited with the number of new shares allotted to them. IC Securities will create CSD Accounts for applicants who do not provide details of their CSD Accounts, and their respective allotments will be credited to the CSD account created for them accordingly. As such, Qualifying Applicants who do not have CSD Accounts will automatically be registered as IC Securities' brokerage and investment clients during the security upload process.

#### **1.4.17 Securities Symbol**

MTN Ghana Shares will be quoted as "**MTNGH**" as the stock ticker on the GSE.

### **1.5 Trading of the Offer Shares**

The GSE has granted conditional approval for the Listing of the MTN Ghana Shares on the GSE. It is expected that dealings in the listed MTN Ghana Shares will commence on the Listing Date as stated in the timetable and only through a Licensed Dealing Member.

### **1.6 Cost and Expenses of the Offer**

The total cost and expenses of the Offer is not expected to exceed 5% of the Application Funds. MTN Ghana will pay all costs and expenses out of the Application Funds. Below are the summarised details of the cost of the Offer:

Expense Item	Amount (GHS)	% of Offer
Professional Fees	<b>43,155,932</b>	<b>1.24%</b>
- Legal Advisory Fees	887,500	0.03%
- Reporting Accountant Fees	869,094	0.02%
- Financial Advisory and Brokerage Fees	30,965,200	0.89%
- Receiving Agents Fees	10,434,138	0.30%
<b>Regulatory Fees:</b>	<b>9,469,748</b>	<b>0.27%</b>
GSE Fees	7,713,225	0.22%
SEC Fees	1,739,023	0.05%
Central Securities Depository Fees	17,500	0.00%
<b>Other Fees:</b>	<b>34,552,199</b>	<b>0.99%</b>
Registrar of companies	9,336,370	0.27%
Media Publicity, Marketing, Printing, etc.	24,419,554	0.70%
Systems Development Cost	796,275	0.02%
<b>Total</b>	<b>87,177,879</b>	<b>2.51%</b>





## PART TWO - SCANCOM PLC (MTN GHANA)

### 2.1 Background of MTN Ghana

The Company was incorporated on 14 April 1994 as a private limited liability company under the Companies Act, with two (2) shareholders (Tele 2 Nornett A/S, a Norwegian company, and Scan Construction Limited, a Ghanaian company). It was registered as "Scancom Limited" with company registration number "C-54,827". It was subsequently re-registered with a new company registration number of "CS487252014" as required by the RGD under the Government of Ghana e-registration system.

Pursuant to the Offer, the Company was converted into a public limited liability company on 18 October 2016 upon a resolution of the Existing Shareholders passed on 8 September 2016. Following the conversion, the RGD has issued Scancom Plc with a new company registration number of "PL000322016".

In 1994, the Company (then using the trade name "Spacefon") was authorised to operate and provide GSM mobile cellular services in Ghana. The Company launched its GSM mobile cellular services in November 1996 in a highly unpenetrated market, with initial coverage in Accra and Tema. Coverage was further expanded to Kumasi and Obuasi in 1997 and to Takoradi, Bibiani, Tarkwa and Cape Coast in 1999. The Company commenced operations with a group of twenty (20) staff, of which six (6) were Ghanaians at an office complex off the Graphic Road, Accra. The Graphic Road building served as the head office and service centre and was the sole office space for the entire company.

In 1996, Investcom Consortium (a Lebanese-owned company incorporated in British Virgin Islands) acquired the majority shareholding in the Company. The trade name of the Company was subsequently changed from "Spacefon" to "Areeba".

In 2006, the MTN Group fully acquired Investcom Consortium and subsequently changed the Company's trade name from "Areeba" to "MTN Ghana".

The Company maintained its focus on expansion throughout the changes in ownership and trade names. The base of business expanded over the years and the Company moved the head office to 6 floors of rental space at Ridge Towers in Accra, while keeping the service centre and technical office at the Graphic Road offices.

The Company operates its corporate headquarters from the recently commissioned state-of-the-art MTN House located at West-Ridge, Accra.

MTN Ghana has built a robust customer base through its two decades of operations in Ghana, leveraging the wide reach of its network and the wide spectrum of its service offering. When the Company was acquired by the MTN Group in 2006, it had 2.5 million subscribers. This increased to 4.0 million by the end of 2007, doubled to 8.0 million by December 2009 and hit the 10.0 million mark in 2011. The Company has continued to grow and is the leading provider of telecommunication services in Ghana



with over 17.83 million subscribers as at December 2017. The Company's 87 service centres nationwide form part of its work to serve even more customers with relevant digital services, in line with growth in the breadth of services and the expansion of its customer base.

## **2.2 Vision and Mission Statements**

### **Vision Statement**

To lead the delivery of a bold, new Digital World to our customers.

### **Mission Statement**

To make our customers' lives a whole lot brighter.

## **2.3 Strategy**

Best customer experience; Returns and efficiency focus; IGNITE commercial performance; Growth through data and digital; Hearts and minds; and Technology excellence.

We refer to this as the "**BRIGHT**" strategy.

#### **B: Best customer experience:**

- Net Promoter Score (NPS) leader
- Churn reduction
- Market share gains

#### **R: Returns and efficiency focus:**

- Return on invested capital
- Total shareholder returns
- Adjusted free cash flow yield

#### **I: Ignite commercial performance:**

- Subscriber growth
- #1 or #2 in every market and segment
- Revenue share and EBITDA growth

#### **G: Growth through data and digital:**

- Growth in data subscribers
- Growth in digital subscribers
- Sales and service through digital channels

#### **H: Hearts and minds:**

- Employee NPS leader
- Culture survey score
- Reputation survey score

#### **T: Technology excellence:**

- #1 network NPS
- Error free billing and charging
- Quality data sessions

## 2.4 Core Brand Values

Guided by its core brand values of *Leadership, Integrity, Can-Do, Innovation and Relationships*, MTN Ghana contributes to: keeping families connected, the creation of jobs, bringing financial access to the unbanked, bolstering government revenue, improving business prospects, enabling and empowering lifestyle and making entertainment accessible.

<b>Leadership</b> Foresight   Commitment   Guidance	Building a future for our people and the customers we serve Leading the way through connectivity enablement
<b>Integrity</b> Solid Principles   Trusted   Togetherness	We are, because of you, our customer We are, because of you, our employee With your trust and belief, we will always succeed
<b>Can-Do</b> Optimistic   Future Focus   Passionate   Happening	Creating brighter futures, for everyone whose life we touch Empowering people, communities and countries Creating possibility
<b>Innovation</b> Simplicity   Imagination   Insight   Creativity	Doing things differently Making unlikely connections The unexpected exceeds expectations
<b>Relationships</b> Teamwork   Friendly   Personal   Warm   Caring	Connecting with people on their level Having empathy for their unique situation Building relationships with our customers (Internal & External)

MTN Ghana's Core Values

## 2.5 Licences Held

The Company commenced operations in 1996 with a licence to provide GSM mobile cellular services in Ghana within the 905-915 MHz and 950-960 MHz frequency bands. The licence was valid for 15 years from 01 January 1996.

Subsequently, the Company obtained the following licences:

- (a) **December 2004 | 2G Licence** - the NCA issued the Company with a 2G licence, which authorised it to provide mobile cellular services in Ghana within the 900 MHz and 1800 MHz frequency bands, using second generation mobile cellular technology. The 2G licence is valid for 15 years (expiring on 01 December 2019) and is subject to renewal.
- (b) **May 2011 | 3G Licence** - the NCA issued the Company with a 3G licence, which authorised it to provide mobile cellular services in Ghana within the 2100 MHz frequency band, using third generation mobile cellular technology. The 3G licence is valid for 15 years (expiring on 22 January 2024) and is subject to renewal.
- (c) **May 2011 | Submarine Cable Licence** - the NCA issued the Company with a submarine cable licence to land and operate an optical fibre submarine cable system. The licence is valid for 20 years (expiring on 03 March 2030) and is subject to renewal.
- (d) **August 2014 | International Gateway Licence** - the NCA issued the Company with an international gateway licence to construct, own, operate, maintain and use an international gateway for the provision and operation of international gateway services. The licence is valid for 5 years (expiring on 10 August 2019) and is subject to renewal.
- (e) **July 2015 | Fixed Access Licence** - the NCA issued the Company with a fixed access licence to establish a fixed access network to provide fixed access services. The licence is valid for the unexpired term of the 2G licence (expiring on 01 December 2019) and is subject to renewal.
- (f) **February 2016 | 800MHz Licence** - the NCA issued the Company with provisional authorisation to establish, maintain and operate mobile broadband services using lot 2 of the 800 MHz frequency band. This authorisation allows the Company to operate its 4G LTE technology. The Licence is valid for 15 years expiring on 02 February 2031 and is subject to renewal.

## **2.6 MTN Ghana Operations**

MTN Ghana is the market leader in Ghana's increasingly competitive mobile telecommunications industry, growing from a subscriber base of 8.7 million as at December 2010 to over 17.83 million as at December 2017. The Company's sustained market leadership has been fostered by its efforts at introducing innovation to enhance the experience of its customers. Known to lead the way, MTN Ghana was the first telecommunications operator to:

- provide telecommunication coverage in all 10 regions of Ghana
- launch 4G LTE services as a mobile operator
- offer 4G LTE in all 10 regions of Ghana
- launch Electronic recharge and Fixed Wireless Access Phone (FWAP)
- launch mobile credit transfer
- set up a charitable foundation with a 1% Profit After Tax annual contribution to charitable projects (i.e. MTN Ghana Foundation)
- launch Blackberry service
- introduce 3G commercial service
- launch mobile money service
- introduce Blade Cluster Technology in Africa
- build 3 ultra-modern switch and data centres

MTN Ghana currently has over 87 service centres and 186 volume management centres across the country. The Company also has over 270,000 airtime retailers who trade with MTN Ghana products in addition to 89,748 MTN Mobile Money agents and merchants as at December 2017.

With an ultimate aim of customer satisfaction, MTN Ghana operates an extensive network in Ghana, reaching all 10 regional capitals, major cities and many rural and remote areas, as well as roaming partnerships with international telecommunications operators in foreign countries around the world. MTN Ghana continues to offer its valued customers a range of exciting products and services under postpaid and prepaid mobile subscriptions.

One of the Company's key goals is to build a high performance and customer-centric culture, by among other things, capitalising on the MTN Ghana workforce profile, skills and competencies as well as seeking and fostering strategic alliances and partnerships to facilitate and realise the skills and talent in its workforce. An employee retention approach is designed to build competitive reward systems to incentivise key executive personnel and employees.

## **2.7 MTN Group Structure**

MTN Ghana is a subsidiary of MTN Group. MTN Group is a leading emerging market operator connecting subscribers in 22 countries in Africa and the Middle East. MTN Group has over 217 million subscribers across its operating subsidiaries and joint ventures in Afghanistan, Benin, Botswana, Cameroon, Cyprus, Ghana, Guinea Bissau, Guinea Republic, Iran, Ivory Coast, Liberia, Nigeria, Republic of Congo (Congo Brazzaville), Rwanda, South Africa, Sudan, South Sudan, Swaziland, Syria, Uganda, Yemen and Zambia. In 2015, MTN Group was named the most admired brand in Africa and the most valuable African brand (Brand Africa). MTN Group is listed on the Johannesburg Stock Exchange (**"JSE"**) in South Africa under the share code: "MTN" and had a market capitalisation of ZAR 223.29 billion<sup>6</sup> (USD 18.68 billion) at 05 April 2018.

MTN Group, through its operating companies, offers an integrated suite of communications products and services to customers, including mobile voice and data, digital and mobile financial services as well as enterprise services to small and medium-sized enterprises (SMEs), public sector and corporate clients.

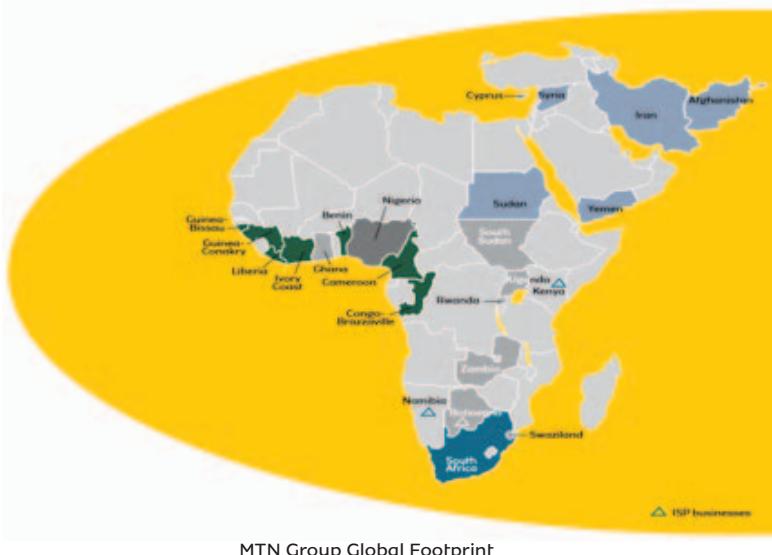
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<sup>6</sup> Bloomberg

The MTN Group's vision is to lead the delivery of a bold, new Digital World to our customers and is supported by the following key strategic themes:

- creating and managing stakeholder value
- creating a distinct customer experience
- driving sustainable growth
- transforming our operating model
- innovation and best practice

To ensure robust operational oversight across our 22 OpCos and three ISP businesses, we manage the group as follows: South Africa, Nigeria and the SEAGHA, WECA and MENA regions and their respective underlying operations.



### 2.7.1 South and East Africa & Ghana

MTN Group's South and East Africa & Ghana ("SEAGHA") region encompasses 7 operations:

MTN Ghana, MTN Uganda, MTN Rwanda, MTN Zambia, MTN South Sudan, Mascom Botswana (joint venture) and MTN Swaziland (joint venture).

### 2.7.2 West and Central Africa

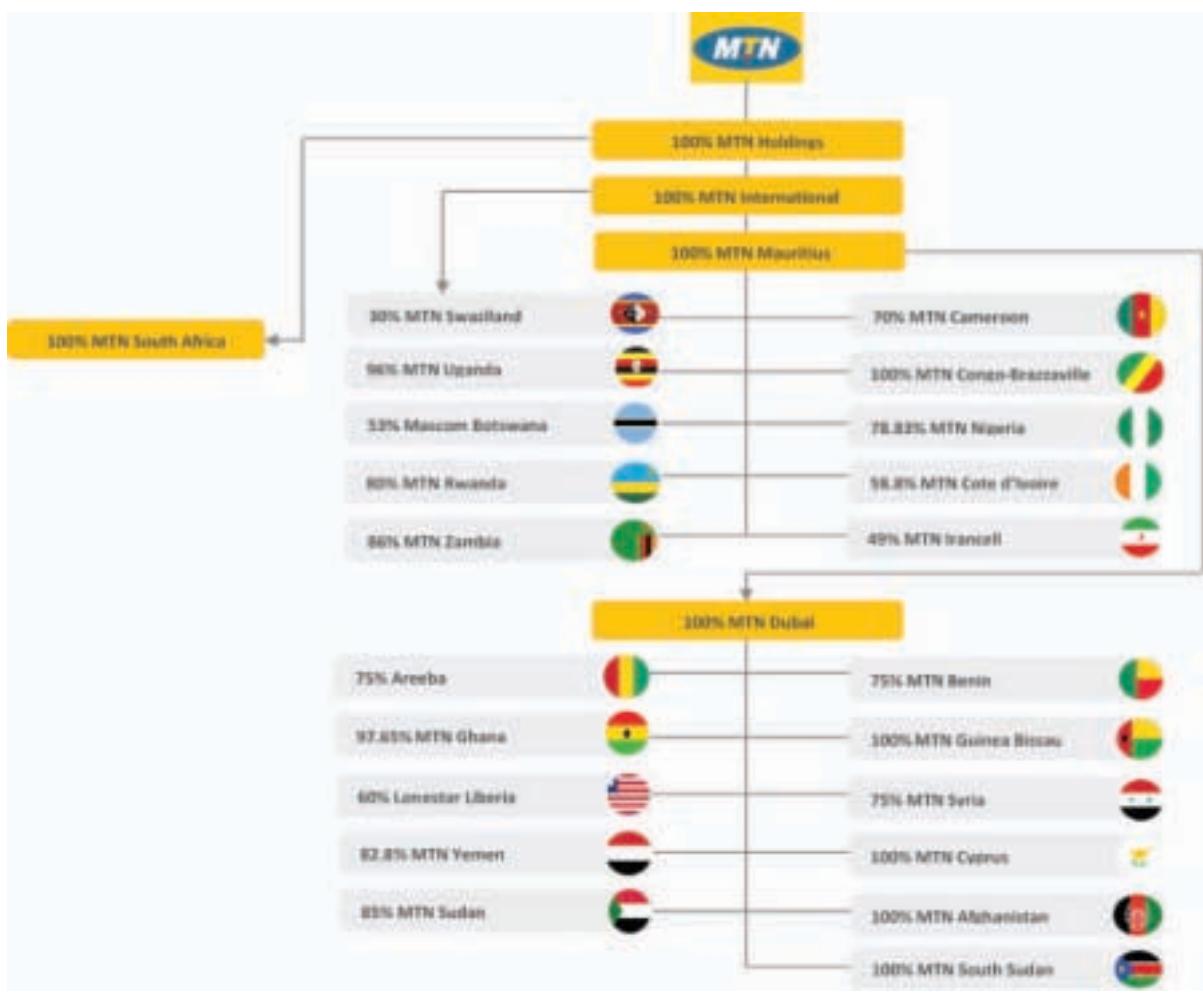
7 operations make up MTN Group's West and Central Africa ("WECA") region. They are:

MTN Cameroon, MTN Ivory Coast, MTN Benin, MTN Guinea Conakry, MTN Congo-Brazzaville, Lonestar Cell MTN in Liberia and MTN Guinea-Bissau.

### 2.7.3 Middle East and North Africa

MTN Group's Middle East and North Africa ("MENA") region is made up of MTN Syria, MTN Sudan, MTN Yemen, MTN Afghanistan, MTN Cyprus and MTN Irancell (joint venture).

As at 31 December 2017, the MTN Group recorded over 217 million subscribers across its operating subsidiaries and joint ventures. Subscribers in the SEAGHA region amounted to 22% of the Group's total subscribers while WECA and MENA contributed 47% and 31% respectively.



MTN Group Ownership Structure – OpCos only

## 2.8 MTN Ghana Products and Services

MTN Ghana is well positioned to participate in the data opportunity in Africa. MTN Ghana leads the data market with 11.7 million (56.29%) subscriber market share as at September 2017. The growth in data market share is largely attributable to effective market propositions, rich content and value added services, video push and MTN's smart device drive, lifestyle-based propositions and packages as well as partnership models within the data ecosystem. All these have been enabled by aggressive investments in the data business since 2009.

The various products and services offered by MTN Ghana include the following:

### 2.8.1 Voice Services

MTN Ghana's voice services for both business and individual customers include packages for prepaid and postpaid mobile access as well as fixed lines. MTN Ghana subscribers are largely prepaid, with subscribers purchasing prepaid airtime through vouchers, mobile money wallets or virtual top up to 'recharge'. Prepaid vouchers and virtual top up are easily obtainable and can be used to add airtime to any prepaid MTN Voice or Internet package.

### 2.8.2 Fixed Line

In June 2015, MTN Ghana obtained a provisional authorisation from the NCA to establish a fixed access network to provide fixed line services.

### 2.8.3 Broadband, Data and Internet Solutions

MTN Ghana is licensed as a national operator to operate in the mobile sector and fixed-line and internet services sectors.

MTN Ghana covers the country with 2G, 3G and 4G LTE networks, Fibre, Wimax and Wi-fi solutions and services catering for both individual and corporate customers.

#### 2.8.4 MTN Business

MTN Business Ghana, which was awarded the Best Telecom Business of the Year award at the Ghana Information Technology & Telecom Awards (GITTA) in 2017, offers a host of services. It has an extensive range of converged telecommunications products and services with dedicated account managers to ensure excellent customer experience with MTN Business. Its growing portfolio of products and services include:

- **MTN Dedicated Internet** – This is a high-speed dedicated internet service for businesses via microwave or fibre technology, enabling customers to run their businesses and communicate effectively with around-the-clock technical support.
- **MTN Corporate Postpaid Packages** – Postpaid bundles with any phone. MTN Ghana spreads the phone payments over 12 to 24 months with no interest. Organisations enjoy multiple offers, lower tariffs, their own relationship manager and other incentives.
- **MTN Asset Tracking** – A portfolio of devices for securing, monitoring and Global Positioning System (“GPS”) tracking of valuable assets. Satellite mapping enables users to locate assets in real time.
- **MTN Leased Lines** – MTN Ghana's leased lines service offers a secure way of connecting office branches of an organisation across the country and internationally on a high-speed link. Leased lines facilitate fast unlimited data transfer without using the internet. The service also offers various bandwidth packages.
- **MTN Vehicle Tracking** – This provides a specific tracking system for individual cars or fleet of vehicles. It gives users automatic vehicle location using GPS and Google Maps. Organisations can view reports on speed, stops and geolocation.
- **MTN Smart Cam** – A smart video surveillance solution that uses advanced technology and is compatible with various types of detectors to expand security alerts and features. The MTN Smart Cam service provides a sense of security when users are away from home or office locations. As a remote access mobile solution, the service allows the customer to view the camera's live footage with a mobile phone, tablet or computer, via the internet and also receive alert notifications whenever an event occurs. The Smart Cam only takes a SIM Card and backs up videos on the cloud for playback when required.
- **MTN Eazifon** – MTN Eazifon is a fixed wireless/portable mobile phone-like device that is easy to setup with no hassle for small businesses. This is a Plug-and-Play phone that simply takes a SIM card and can easily be disconnected and reconnected if the user relocates his/her home or office.
- **MTN SME Plus** – A prepaid all-inclusive bundle for SMEs. SME Plus Bundles include voice, SMS, data and VAS services. The customer is able to choose weekly or monthly bundle packages.
- **MTN Directory Service** – Allows cellphone users to access mainly local businesses' phone numbers via their mobile phones. Organisations register for free. Customers can access the directory service by:
  - Call - By Dialling 1188
  - USSD - \*1188#
  - Mobile app - 1188 on Google Play Store
  - Web portal - [www.1188.mtn.com.gh](http://www.1188.mtn.com.gh)
- **MTN Fibre Broadband** – This is MTN Ghana's Fibre-to-the-Home product which uses high speed fibre technology which gives the user internet connectivity 30 times faster than DSL or regular broadband with download speeds up to 100Mbps. MTN Fibre Broadband is available to homes and businesses at low cost and in a wide range of packages.
- **MTN Business Caller Tunez** – Allows businesses to use their advertising jingle or mission and vision statement on their employee phone lines within hours of work. Companies change their tones as many times as they wish at no added cost.

- **MTN Multi-Caller Service** – A bulk voice calling service that carries a recorded message to the listener through voice calls which can be used as a means of advertising at a lower cost. The message can be in any language.
- **MTN Cloud Services** – With MTN Ghana's Cloud Services, customers have access to a one-stop-shop with a comprehensive range of ICT-based business services to meet the growing needs of customers. They offer an excellent way for businesses to cut IT costs while remaining competitive.
- **MTN Global (MPLS) VPN** – This service allows local and international companies to connect their offices in Ghana to different geographic locations across the world (such as Nigeria, United Kingdom, South Africa, Kenya, Uganda, Tanzania, Senegal and many other countries where the MTN Group has a presence), using a seamless network connectivity solution from MTN Ghana and the MTN Group. All the organisation's international connections are managed from Ghana via one global account manager with around-the-clock global technical support.
- **MTN Co-Location Hosting/Data Centre Services** – Customers can save on capital expenditure and infrastructure costs by housing their servers and IT infrastructure within the MTN Data Centre. Our state-of-the-art data centre provides the ideal environment, security and infrastructure to keep the servers of a business safe and in excellent condition while providing the needed space, bandwidth, power, cooling, security and so much more. This service is tailored to allow assist a businesses to concentrate on running their organisations efficiently.
- **MTN APN SIM** – Businesses that may have staff located across the country and using various mobile devices (such as PoS and ATM) will need to connect these devices with the MTN APN SIM service. Using APN SIMs embedded in the devices they can link all the remote devices and services to the customer's head office or main database. APN SIMs are available with multiple data bundles of the customer's choice monthly.

### **2.8.5 Value Added Services**

MTN Ghana Value Added Services provides an array of services which include but are not limited to:

- MTN Caller Tunez;
- CR7 Live;
- MTN Care 24/7;
- MTN Radio;
- iStream TV;
- MTN Play;
- MTN Xtra Time (Emergency Airtime on Credit);
- Religious Portal;
- Caller Feel; and
- MTN Protect

### **2.8.6 MTN Digital Services**

#### **MTN's Partnership with Africa Internet Holdings (AIH)**

Africa Internet Holdings (AIH) is the largest, fastest and most successful group in Africa in the e-commerce and digital services domain.

MTN Group owns a minority stake in AIH to complement its telecommunication and mobile financial services businesses.

As part of MTN's vision of delivering a bold new Digital World to customers, the objective of the collaboration between MTN and AIH is to add value for customers by driving synergies between both MTN and AIH which leverage off the key competencies of both companies. Examples of such collaborations include joint special deals with AIH/Jumia and access to MTN's strong mobile financial services channels.

### **MTN Online School**

This service is an online portal accessible by MTN customers only. The content focuses on providing online practice sessions for the Basic Education Certificate Examination and the West African Senior School Certificate Examination syllabus. Tutorial sessions include sessions on solving past questions and answers from these examinations.

### **Music Plus**

This is an app for music streaming, and music on demand, allowing customers to enjoy a wide range of local and international music. The service is accessible via an Android app, iOS app, web platform and a mobisite version for feature phone users.

### **MTN Play**

MTN Play is a one-stop shop for the latest and most useful mobile content. A repository for local and international contents such as apps, games, news and information, sports result, wallpapers, ringtones, music, videos, movies and much more.

### **MTN Video Plus**

This is a subscription video on demand service with a repository of rich local and internal content in various categories such as comedy, short movies and long form movies.

## **2.8.7 MTN Mobile Money**

MTN Ghana was the first telecommunication company in Ghana to launch mobile money service in July 2009 in partnership with 9 banks. By December 2017, there were 17 partner banks and about 11.6 million registered subscribers on the MTN Mobile Money platform with over 89,748 agents nationwide.

Due to the increasing opportunity for further growth as well as the requirements of the BoG guidelines for e-money issuers in Ghana, MTN Ghana set up a subsidiary, MobileMoney Limited on 30th June 2008 to focus and deliver better services and products. The subsidiary has completed the application process with the Bank of Ghana to be licensed as an e-money issuer in accordance with the BoG's guidelines on e-money issuers in Ghana (**"EMI Guidelines"**). MobileMoney Limited as an existing operator has the mandate from the regulator to continue operations under the new guidelines until the license is officially issued. The new subsidiary provides significant employment opportunities to Ghanaians, growth and business opportunities to SMEs, revenue for the state through taxes and fosters economic growth through increased economic activity driven by increased liquidity from mobile money floats. The EMI Guidelines will be replaced by the "Payment Systems and Services Bill, 2017" which is currently pending Parliamentary approval.

MTN Ghana offers a host of services via the MTN Mobile Money platform, some of which include:

- **Money Transfer**

This is the transfer of funds from an MTN Mobile Money registered customer to another registered customer. Transfer of funds can also be made from an MTN Mobile Money registered customer to a customer who is not registered for MTN Mobile Money. This is done through the generation of a token. Money transfer can also be done between non-MTN Mobile Money registered customers, through agents.

- **Airtime Top Up**

The Airtime Top Up service allows the customer to purchase airtime through the MTN Mobile Money service for him/herself or for other MTN Ghana subscribers. This service is open to both subscribers and agents. Currently, a 100% bonus applies for airtime purchase through MTN Mobile Money.

- **Bill Payments**

This allows the customer to purchase internet bundles through the MTN Mobile Money service for him/herself or for other MTN Ghana subscribers. The service is open to both subscribers and agents.

- **General Payment**

General Payment (GP) is a platform that allows direct and indirect integration with the MTN Mobile Money platform by corporate clients such as airline companies, online shops, restaurants, supermarkets, churches and non-governmental organisations

The GP solution is a complete payment management solution that comes with detailed transactional reports, which enhances reconciliations and the overall operations of the business.

The payment solution usually comes in 3 modules:

- *Bill Prompt & Invoice* – generate invoice for payment with a fixed amount
- *Data-backed* – payment to a code representing the customer
- *Alias (nickname)* – payment on account (companies with database of defined clients who have unique IDs)

- **Bulk Payment (Payroll)**

Bulk Payment offers employers or entities the capability of making payment to a large group of individuals instantly.

The service enables companies and individuals to make payment such as salaries, per diem, commissions, airtime, allowances and loans to several staff or group of individuals in one go. The service eliminates the risk of carrying bulk physical cash, or writing several cheques to pay staff or other beneficiaries.

Recipients of bulk payment need to register for MTN Mobile Money to benefit from the service. Companies will also have to be registered for the service before they can use this.

- **School Fees**

The School Fees service allows integration with the MTN Mobile Money platform by educational institutions.

It is a complete payment management solution that comes with detailed transactional reports, which enhances reconciliations and the overall operations of the school.

- **Savings and Investment**

This allows MTN Mobile Money subscribers to make specified contributions to their financial institutions at a specified frequency. This is of particular interest to savings and loans institutions for mobilising savings and the disbursement of loans. The service is also useful for pension contributions, susu collections and related products.

The contribution amount as well as the frequency can be set by the financial institution or selected by the user during activation. The frequencies currently available are daily, weekly and monthly.

Users activate the service through their mobile phone using a USSD menu. The menu is configured for each service provider. The activation is confirmed with the user's MTN Mobile Money PIN.

Two services have recently been launched under the savings and investment portfolio.

- i. **TBill4All**

This service was launched in partnership with Ecobank Ghana and enables MTN Mobile Money subscribers to purchase Bank of Ghana's 91 and 182-day Treasury Bills using their MTN Mobile Money wallet. Subscribers can invest as little as GHS 5 from wherever they are in Ghana without visiting a bank branch. To subscribe for the service, the customer dials \*770# to access the menu and follows the process to complete registration and their first transaction.

## **ii. Y'ello Save**

This service was launched in partnership with Fidelity Bank and enables MTN Mobile Money subscribers to open a savings account with Fidelity Bank and save at an attractive rate using their MTN Mobile Money wallet. Subscribers can save as little as GHS 5 from wherever they are in Ghana. To subscribe to the service, the customer dials \*170# to access the MTN Mobile Money menu, selects option 6 and follows the process to complete registration and their first transaction.

### **• International Remittance**

The International Remittance service allows MTN Mobile Money subscribers to receive international money transfers directly to their MTN Mobile Money wallet in GHS.

MTN Mobile Money subscribers can receive money from abroad through MTN Ghana's global partners.

Upon completion of a transaction, the sender receives an SMS notification or an email alert while the receiver gets an SMS notification as confirmation. Limits on the value of transactions are the GHS equivalent of USD 500 per single transaction and USD 1,500 per month per customer. Charges are made available by the sending agent to the sender, so the sender bears all the cost of sending. If the receiver wants to cash out the money, the regular MTN Mobile Money cash out fees apply.

### **• Link to Bank Account**

This service allows Mobile Money subscribers to link their MTN Mobile Money wallets to their bank accounts. Customers can also transfer electronic cash from their Mobile Money wallets into their bank accounts or pull from their bank accounts to their MTN Mobile Money wallet. Currently, no service charges apply for loading money from a bank account onto the MTN Mobile Money wallet and vice versa.

The service is currently available to MTN Mobile Money subscribers with bank accounts at Fidelity Bank (Ghana) Limited, Access Bank (Ghana) Limited, Ecobank (Ghana) Limited, Zenith Bank (Ghana) Limited, GN Bank, Agricultural Development Bank, Guaranty Trust Bank, UniBank Ghana Limited, HFC Bank, First Atlantic Bank, Barclays Bank, Stanbic Bank, United Bank for Africa and CAL Bank. Service will soon be available to customers of all the 17 partner banks of MTN Mobile Money. Registration can be done at any branch of the implementing banks mentioned above.

Subscribers can access this service by dialing \*170# to access the MTN Mobile Money menu, select option 7 and follow the process to complete either transaction i.e. push or pull.

Alternatively MTN Mobile Money subscribers with bank accounts at Fidelity Bank (Ghana) Limited and Access Bank (Ghana) Limited can access the service by dialing \*500#.

They can perform any of the following transactions;

- enter or reply 1 to Check Balance
- enter or reply 2 to Transfer from Bank Account
- enter or reply 3 to Transfer to Bank Account
- enter or reply 4 to Change Bank Pin

MTN Mobile Money subscribers with bank accounts at Ghana Commercial Bank can access the service through the GCB USSD App.

- **Mi-Life Insurance (\*165#)**

This Mobile Insurance provides money in the event of death of the subscriber or the next of kin. The following are the standard monthly premium payments and the coverage:

Monthly Premium per 2 Persons	Insurance Cover per Person
GHS 1.00	GHS 400
GHS 2.00	GHS 800
GHS 5.00	GHS 2,000
GHS 10.00	GHS 4,000

Insurance cover lasts for a month, until the next month's deduction. Subscribers get SMS notifications to inform them when deductions are made and to remind them of any insufficient funds in their wallets. MTN Mobile Money subscribers can dial \*165# for this service.

- **ATM Cash- Out (\*511#; with 8 banks)**

This service provides cardless withdrawal from MTN Mobile Money wallet. This is done by dialling \*511# to:

- generate token (enter 1 to generate a token)
- check token status (enter 2 to check if token has been cashed out or not)
- reverse token (enter 3 to reverse a token in case you don't want to cash out again)
- retrieve active tokens (enter 4 to retrieve a token in case of SMS delivery failure)

Once a token is generated, the customer proceeds to interact with the ATM. On the ATM, the customer selects "cardless", then "MTN Mobile Money", and follows the process to enter secret code, token and amount. Once the details are correct, the ATM dispenses cash. Cash out charges apply.

MTN Ghana's Mobile Money service is the first mobile money service in Ghana to be ISO 27001:2013 certified. This certification is a mandatory regulatory requirement from the BoG as part of the application process for an electronic money issuer licence.

The certification was awarded to MobileMoney Limited in February 2016 after a rigorous assessment process by a certified ISO accreditation body. The award signifies how well MTN Ghana manages its information security functions and processes. Overall, the certification provides customers and stakeholders with a strong level of confidence in MTN Ghana and MobileMoney Limited's risk management strategy and operations. It also ensures that all legal obligations within the applicable regulatory frameworks in Ghana are duly fulfilled with regard to the MTN Mobile Money service.

Other ISO certified Ghanaian companies within other sectors include Ghana Interbank Payment and Settlement Systems Limited.

## 2.8.8 Growing Data through Open Market Partnership

The "Open Market Partnership" rolled out by MTN Ghana has aided with the penetration of the "Open Market Channel" which is largely informal and was previously very challenging to penetrate. Under this simple-to-execute initiative, MTN Ghana provides original equipment to manufacturers/dealers with attractive packages to enhance the sale of their devices.

## 2.9 MTN Ghana's Challenges and Progress made

Maintaining a commanding lead in the highly competitive local telecommunication industry has not been without challenges. However, MTN Ghana's measured responses have reduced the

impact of these, the most notable of which have been battery theft from cell sites, fibre optic cuts, simbox fraud and electric power load shedding:

- **Battery Theft:** Over the last three years ending Q1 of 2017, it is estimated that batteries valued at USD 5.3 million were stolen from MTN Ghana's cell sites. The deployment of anti-theft solutions and the replacement of the batteries with MTN branded batteries has since led to a significant reduction in battery theft incidents. Battery theft trends for Q2, Q3, Q4 of 2017 stand at 106 batteries at a cost of USD 20,820.
- **Fibre Cuts:** MTN Ghana has deployed over 5,000km of nationwide fibre optic connections to its cell sites, fixed broadband & enterprise customers. MTN Ghana, however, experiences approximately 3 fibre cuts per day which impacts negatively on its operations. These fibre cuts which are mainly caused by construction contractors remain an impediment to the continuous expansion of MTN Ghana's network and its commitment to providing quality service to customers. Up till Q3 of 2017, MTN Ghana had spent USD 744,000 to relocate and repair 41 km of damaged fibre. Notwithstanding, MTN Ghana is implementing measures to reinforce the protection of its existing fibre infrastructure and putting preventive measures in place for new fibre rollout to provide more robust redundancies. Additionally, the company is employing a comprehensive communication and sensitisation plan to engage all relevant stakeholders as part of its campaign to reduce fibre cuts.
- **Simbox Fraud:** MTN Ghana has been at the forefront of the battle against simbox fraud, committing resources to help curtail the menace and restore lost revenue to various stakeholders in the industry. The strategies employed against this include (i) active and passive detection and blocking of simboxes; (ii) provision of simbox statistics to the NCA; (iii) tracking and reporting of simbox operators for law enforcement arrests; and (iv) sharing between network operators of detected off-net simbox numbers.
- **Electric Power Load Shedding:** MTN Ghana's commitment to the provision of reliable services is evidenced by its investment in alternative power arrangements to support network uptime in times of power shortage. In 2015, Ghana experienced significant grid unavailability and load shedding which led to an over 45% increase in fuel usage. MTN Ghana has invested in direct current equipment at all its sites and has also converted approximately 40% of its sites to direct current power contracts with its tower companies to mitigate against the unreliable power in the country. MTN is in constant engagements with its power providers to implement innovative solutions to mitigate against unstable power supply within the country.
- **Over-The-Top (OTT) Calls:** A major challenge to operators in the telecommunication industry is the wide range of OTT players and their impact on telecommunication providers' revenue, even though the use of OTT services has contributed significantly to the growth of data service usage on networks. The NCA is reviewing the situation and may in due course take decisions for an enabling regulatory environment that will benefit all stakeholders including operators and consumers.
- **Competition from other Telecommunication Operators:** MTN Ghana operates within a relatively crowded telecommunications market. The introduction by the NCA of new industry directives such as Mobile Number Portability (MNP), Mobile Virtual Network Operators (MVNO), Interconnect Clearing House among others has reinforced the competitive intensity among new and existing stakeholders all seeking to acquire value from the industry. The rapidly intensifying competitive landscape has led to calls for consolidation among the existing operators to ensure long-term profitability and sustainability. Mobile network operators will also look to drive their business through innovation and technology as well as the utilisation of business intelligence strategies.

## 2.10 MTN Ghana's Key Recent Developments

The growing consumer demand for technology solutions has necessitated increased capital investments by MTN Ghana to maintain its leadership position. Since the acquisition of Scancom in 2006, MTN Ghana has invested approximately USD 2.5 billion in network and information technology infrastructure to improve its service quality. Total infrastructure investment for 2016 was approximately USD 163.5 million, which comprised of USD 67.5 million for the acquisition of

the Licence, USD 62 million for network improvement, up to USD 16 million for IT infrastructure and USD 18 million for 4G LTE investments.

Leading cellular providers across the world are deploying 4G LTE technologies that can provide users with up to 10 times the speeds of 3G networks for mobile devices. MTN Ghana is the first and only mobile network operator in Ghana to roll out a 4G LTE service. There are 4 other non-mobile 4G LTE service providers in Ghana who predominantly operate in the Greater-Accra Region. MTN Ghana has deployed the highest number of 4G LTE cellular sites (673 sites) and has the widest 4G LTE coverage amongst telecom operators across all 10 regions.

4G LTE is expected to improve innovative services such as surveillance and live traffic reports, location-based services and mobile TV/video on demand. It is also expected to have social impacts through improved communication and access to information, improved network quality across communities, institutions and agencies and enhanced entertainment (music, video, streaming, downloads and uploads).

## **2.11 MTN Ghana's Contributions to National Development**

MTN Ghana's contribution to national development spans tangible and intangible contributions like keeping families connected, improving business prospects, making entertainment accessible, bringing financial access to the unbanked, creating jobs and making significant contributions to government revenues.

MTN Ghana currently provides over 500,000 jobs directly and indirectly through a robust ecosystem of partners and suppliers. The Company has a wide network of dealers and distributors, content providers, print and media houses and agencies. MTN Ghana's existence has created opportunities for businesses in value added services, entertainment, media, advertising, brands, research, hospitality, music, culture and arts, youth development, retail, training etc.

MTN Ghana is committed to contributing to corporate social investment (CSI) and national development. As at December 2017, MTN Ghana committed GHS 7.0 million (USD 1.6 million) to CSI initiatives.

Also, in 2017, the Company's contributions to Government of Ghana's income totalled GHS 1.1 billion as against GHS 712.7 million in 2016 as shown in the table below.

TAX TYPE	2015	2016	2017
WHT (SUPPLIERS)	29,792,414	69,971,863	65,069,635
PAYE	16,308,078	17,538,959	21,803,714
Withholding Tax on Dividend	22,000,000	8,560,000	28,000,000
Corporate Income Tax	175,356,643	131,107,723	338,784,455
National Fiscal Stabilization Levy	33,761,298	41,023,186	52,600,452
Communications Service Tax	133,173,174	139,374,535	177,605,735
Net VAT Paid	229,098,340	203,029,230	234,356,461
Customs Duties	36,093,645	102,167,353	140,860,151
<b>Total</b>	<b>675,583,596</b>	<b>712,772,849</b>	<b>1,059,080,604</b>

MTN Ghana also made payments of GHS 159.4 million to the NCA and Ghana Investment Fund for Electronic Communication (GIFEC) for the year 2017. In 2016, MTN paid GHS 258 million to the NCA for the 4G LTE licence in addition to GHS 137 million paid to NCA and GIFEC.

MTN Ghana executes its social responsibility to the Ghanaian community through diverse sponsorship programmes. MTN Ghana's "MTN Ghana Foundation", the premier telco-owned foundation in Ghana, seeks to give back to the community and has since its inception in 2008, spent approximately USD 13 million through which it has undertaken 142 major projects that have impacted over four (4) million people directly and indirectly. The projects are geared toward education, health, economic empowerment and employee community support programmes (**Y'ello Care**).

## **2.12 MTN Ghana's Outlook**

MTN Ghana remains focused on its vision to lead the delivery of a bold new Digital World to customers, through the provision of state-of-the-art telecommunication products and services, as well as involvement in innovative and sustainable corporate social investment initiatives. The Company will focus on the following key objectives in 2018 and beyond by applying the new BRIGHT strategy:

- creating and managing stakeholder value;
- creating a distinct customer experience;
- driving sustainable growth;
- transforming our operating model;
- innovation and best practice; as well as
- to be the employer of choice through our employee value proposition.

MTN Ghana intends to sustain its growth by improving operational performance supported by a strong leadership.

MTN Ghana's Mobile Money services will contribute to the projected growth and will be spurred by service innovation, increased merchant coverage and continuous system improvements.

MTN Ghana is focused on leading with the rollout and full commercialisation of 4G LTE services, as well as focusing on new digital businesses and mobile money. The 4G LTE rollout will be a key driver of growth of its "Value Added Services" and "MTN Business". MTN Ghana will also leverage new key trends such as video streaming, Internet of Things (IoT) and mobile payments through modernisation and stabilisation, asset optimisation, supply chain leverage and deployment of 4G LTE technology.

## **2.13 MTN Ghana Capital Structure and Ownership**

### **2.13.1 Capital Structure**

As at the date of this Prospectus, MTN Ghana had 100,000,000,000 authorised ordinary shares of which 10,760,000,000 had been issued. The issued shares are fully paid up.

Details of Capital Structure	
Authorised Shares	100,000,000,000
Issued Shares	10,760,000,000
Stated Capital (GHS)	1,363,000

MTN Ghana's Stated Capital Structure

## 2.13.2 Current Debt Structure

The total indebtedness of the Company, as at 31 December 2017, was GHS 345 million. This is as a result of a disbursement of GHS 345 million from a syndicated loan facilities agreement dated 13 December 2017 (the “**Facilities Agreement**”) and entered into between the Company, Ecobank Development Corporation and Ecobank Ghana Limited (as arrangers), Barclays Bank of Ghana Limited (as facility and security agent) and the syndicate lenders. Under the Facilities Agreement, the syndicated lenders have agreed to make available, to the Company, credit facilities in aggregate of up to GHS 510 million, comprised of a term loan facility (of up to GHS 345 million) and a revolving loan facility (of up to GHS 165 million) to support capital expenditure and working capital programmes. The facilities will mature on 13 December 2022.

The Company has created a floating charge over its assets in favour of Barclays Bank of Ghana Limited (as security agent and for the benefit of the syndicated lenders) to secure the repayment of the facilities.

## 2.13.3 Share Issue History

At incorporation on 14 April 1994, the Company was registered with 100,000 ordinary shares of no par value issued to Tele 2 Nornett (51,000) and Scan Constructions (49,000). The shareholding history of MTN Ghana is as follows:

	1994-95	1996-98	1999		2000	2001-03	2004-05	2006-2017
			11/8/99	7/9/99				
	'000	'000	'000	'000	'000	'000	'000	'000
<b>ISSUED SHARES</b>								
Shareholders	100	1,000,000	10,760,000	10,760,000	10,760,000	10,760,000	10,760,000	10,760,000
Tele 2 Nornett (Norway)	51	36,000	36,000	231,270	231,270	231,270	-	-
Scan Construction (Ghana)	49	34,000	34,000	218,421	218,421	218,421	-	-
Investcom Consortium (Lebanon)	-	670,000	10,430,000	9,557,109	10,095,109	9,831,489	10,496,380	10,496,380
MTN Dubai <sup>7</sup>	-	-	-	-	-	10,760	10,760	10,760
Richmond Aggrey (USA)	-	200,000	-	-	-	-	-	-
Grandview Management Inc. (USA)	-	-	200,000	538,000	-	-	-	-
David Hesse (Ghana)	-	60,000	60,000	215,200	215,200	215,200	-	-
Zent International Ltd. (Oman)	-	-	-	-	-	252,860	252,860	252,860

MTN Ghana's Share Issue History

<sup>7</sup> MTN Dubai Limited formerly known as Investcom Consortium (Lebanon)

#### 2.13.4 Capital Expenditure

The table below shows MTN Ghana's principal capital expenditure over the past 6 years and December 2017:

Fixed Assets in GHS '000	2012	2013	2014	2015	2016	2017
Land and Building	794	2,384	143	56,039	28,670	32,096
Leasehold Improvement	2,793	3,342	1,190	6,060	-	12,960
Network Infrastructure	91,131	201,291	153,211	306,495	312,873	444,126
Information Systems	11,248	14,271	9,690	47,492	37,377	53,734
Furniture	937	1,623	1,342	27,779	12,156	2,156
Office Equipment	1,463	1,517	525	1,877	540	3,628
Vehicles	1,650	525	6,718	4,181	5,662	14,278
Work in Progress	117,616	74,188	174,483	4,057	203,452	160,313
<b>Total</b>	<b>227,632</b>	<b>299,141</b>	<b>347,302</b>	<b>453,980</b>	<b>600,730</b>	<b>723,291</b>
Software/Network Licences	17,454	59,370	57,962	54,970	278,464	71,140
<b>Grand Total</b>	<b>245,086</b>	<b>358,511</b>	<b>405,264</b>	<b>508,950</b>	<b>879,194</b>	<b>794,431</b>

MTN Ghana's Capital Expenditure

#### 2.13.5 Takeover Offers or Bids

MTN Ghana has neither received any material binding takeover offers from third parties nor made any material binding takeover bid for other companies' shares during the last financial year and as of the date of this Prospectus.

#### 2.13.6 Existing Shareholders

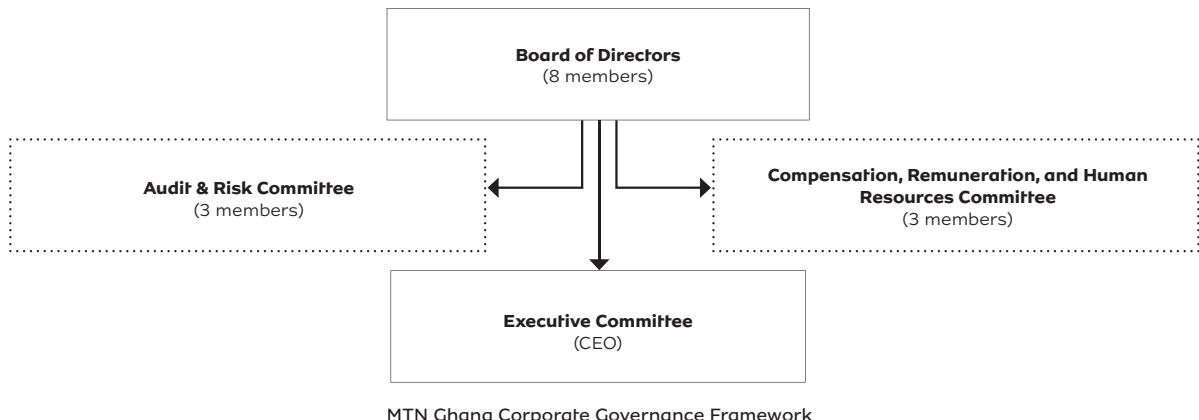
As at the date of this Prospectus, MTN Ghana has 3 shareholders.

Name of Shareholder	Number of Shares	Percentage stake (%)
Investcom Consortium Holding S. A.	10,496,380,000	97.55%
Zent International Limited	252,860,000	2.35%
MTN (Dubai) Limited	10,760,000	0.10%
<b>Total</b>	<b>10,760,000,000</b>	<b>100.00%</b>

Shareholders of MTN Ghana

MTN (Dubai) Limited wholly owns Investcom Consortium, a company incorporated in British Virgin Islands. As already indicated, Investcom Consortium is selling a portion of its shares under the Offer.

## 2.14 MTN Ghana Corporate Governance Framework



The MTN Ghana Board is responsible for governing the Company as well as setting the strategic policies, appointing top management, monitoring progress towards the achievement of objectives and compliance with policies and approving all policies. As at the date of this Prospectus, the MTN Ghana Board consists of 8 members, made up of a non-executive chairman, 6 non-executive directors, and 2 executive directors.

These directors have wide experience and in-depth knowledge in management, industry and the financial and capital markets, which enable them to make informed decisions and valuable contributions to the Company's progress.

### 2.14.1 Summary of Director Profiles

Name of Director	Nationality	Position	Date of Appointment	Expiration of Directorship
Ishmael Yamson	Ghanaian	Board Chairman	27 April 2011	None
Ebenezer Twum Asante	Ghanaian	Chief Executive Officer /MTN Group Vice President, Southern & East Africa and Ghana	21 July 2015	None
Modupe Agbolade Kadri	Nigerian	Chief Financial Officer	15 April 2016	None
Kwasi Abeasi	Ghanaian	Non-Executive Director	27 April 2011	None
Sugenthare Perumal	South African	Non-Executive Director	01 June 2018	None
Ralph Mupita	South African	Non-Executive Director	01 June 2018	None
Fatima Jakoet	South African	Non-Executive Director	15 April 2016	None
Albert Fernandez Pomes	Spanish	Non-Executive Director	15 October 2015	None

None of the directors has been appointed for a fixed term of office

### 2.14.2 MTN Ghana Board of Directors Profiles

#### Ishmael Evans Yamson - Board Chairman (75 years)



Ishmael Evans Yamson has over 4 decades of experience in corporate management. He spent 20 years working in senior executive positions in Unilever operations in Ghana, the United Kingdom, Holland and other parts of Africa.

He has held many private sector positions including President of the Ghana National Chamber of Commerce, Ghana Employers' Association and the Private Enterprise Foundation in Ghana. He was also a founding director of the Ghana Stock Exchange and the Centre for Policy Analysis. He was also a founding Director of the Commonwealth Business Council

and member of the Duke of Edinburgh's Commonwealth Conference. Ishmael previously served as the Chairman of the President's Economic Advisory Council, Chairman of the University of Ghana Council and Chairman of the Ghana Investment Promotion Council.

**Other Directorships:** Unilever Ghana Ltd, Standard Chartered Bank Ghana Ltd, Mantrac Ghana Limited, Tema, Benso Oil Palm Plantations Ltd, Ishmael Yamson & Associates, Nosmay Company Ltd, Ghacem Ghana Limited, Kosmos Energy Ghana and Serengeti Capital Ghana Limited.

### **Ebenezer Twum Asante - Chief Executive Officer/MTN Group Vice President, Southern & East Africa and Ghana (50 years)**



Ebenezer Twum Asante is the first Ghanaian to head MTN Ghana. He is currently the Vice President of MTN Southern, Eastern and Ghana (SEAGHA) operations. He has recently been appointed as the Vice President of MTN Southern, Eastern and Ghana (SEAGHA) operations. He will, however, remain the CEO of MTN Ghana until a new CEO is appointed in due course. The new CEO will report to Ebenezer, who will remain based in Ghana.

Prior to assuming his role as the CEO of MTN Ghana, he was CEO of MTN Rwanda for almost two years. Ebenezer joined MTN Ghana in 2008 as Sales and Distribution Executive. Prior to joining MTN Ghana, he spent 13 years with Unilever, where he held various positions, including Managing Director for Zambia and Customer Development Director and member of the Unilever Ghana Board of Directors. He holds a Bachelor of Arts (Hons) degree in Economics and Statistics from the University of Ghana, a Postgraduate Diploma in Management from Henley Management College (UK) and was part of MTN's Global Advancement Programme (GAP) in 2010. He also participated in Executive level and General Management development programmes at the Ashridge Business School (UK), Harvard and INSEAD (Paris).

**Other Directorships:** MTN Ghana Foundation, Spacetel Guinea-Bissau S.A. and MobileMoney Limited.

### **Modupe Agbolade Kadri - Executive Director (49 years)**



Modupe Agbolade Kadri is the Chief Financial Officer for MTN Ghana. He joined MTN Ghana in 2014 as the Chief Financial Officer and became an Executive Director in April 2016. Prior to his appointment in Ghana in August 2014, he was the acting Chief Financial Officer at MTN Nigeria for a three-month period. He joined MTN Nigeria in 2007 as the General Manager Financial Operations, advising the Chief Executive Officer, Chief Financial Officer and stakeholders on business operations. He also held the position of General Manager for Financial Planning at MTN Nigeria and acted as General Manager for Revenue Assurance. Before joining MTN Nigeria, he worked at Lafarge Cement (WAPCO) Nigeria where he held various positions. He started his professional career at PricewaterhouseCoopers (PwC), where he trained and qualified as a Chartered Accountant and worked for 11 years. After leaving PwC, he worked with Lafarge Africa Plc (then WAPCO Nigeria Plc) for slightly over four years in various capacities: firstly as their Internal Audit Manager, Financial Controller and Business Development Manager.

**Other Directorships:** MobileMoney Limited, Hajj Mabrur Ventures Limited (Nigeria) and Al-Barakah Microfinance Bank Limited (Nigeria).

### **Kwasi Abeasi - Non-Executive Director (71 years)**



Kwasi Abeasi is the Chief Executive Officer of Africa Investconsult Limited and a lead consultant for the ECOWAS Commission's Private Sector Directorate. He previously worked with the Volta Aluminium Company (VALCO), Mobil Oil Ghana Ltd and the Agricultural Development Bank (ADB). He was the Managing Director of Ghana Oil Company (GOIL), Director-General of Private Enterprise Foundation (PEF) and Chief Executive of the African Business Roundtable (ABR) in South Africa. He was recently appointed the Board Chairman of the Ghana Investment Promotion Centre.

**Other Directorships:** Chairman of Centre for Democratic Development, Africa Investconsult Limited, (DEEBABS Energy & Trading Co. Limited), Lifeforms Company, Forms Capital Limited, Capital Limited, Goldfields Ghana Limited and Abosso Goldfields Limited.

### **Sugentharen Perumal - Non-Executive Director (39 years)**



Sugentharen Perumal is currently the Chief Financial Officer of MTN Iran, a position he has held for the past 4 and half years. Prior to joining MTN, he was an Audit Director at one of South Africa's largest audit and advisory firms, SizweNtsalubaGobodo. Effective 01 June 2018, Sugentharen will join MTN Group as Executive for Group Finance Operations. Sugentharen is a highly accomplished finance professional with significant experience in strategic and operational planning and management of Telecommunications companies in the Middle East and Africa. As an Audit Professional, he accumulated expertise and proficiency in the private sector as well as the public sector. This experience ranges over multiple industries including telecommunications, energy and utilities. Sugentharen holds a Bachelor of Commerce degree (Accounting and Management Accounting) from the University of Natal. He is also a member of the South African Institute of Chartered Accountants CA (SA).

**Other Directorships:** MTN Yemen and MTN Afghanistan.

### **Ralph Mupita - Non-Executive Director (46 years)**



Ralph Mupita has been Group Chief Financial Officer since April 2017, and Executive Director of the MTN Group effective 01 June 2018. He is a former Chief Executive Officer of Old Mutual Emerging Markets (2012 to 2017) and has extensive experience in financial services operations in Africa, Asia and Latin America markets. Ralph currently serves on the board of several of MTN Group's Subsidiaries and is an independent non-executive director of Rand Merchant Investment Holdings Limited and Rand Merchant Bank Holdings Limited. He previously served on the boards of various Old Mutual entities and joint ventures, as well as industry bodies such as Business Leadership South Africa, Association of Savings and Investments South Africa and UCT Graduate School of Business. Mr Mupita holds a Bachelor's Degree in Engineering (Hons) and Masters in Business Administration, both from the University of Cape Town. He is an alumnus of executive programmes at London Business School, INSEAD and Harvard Business School.

**Other Directorships:** MTN Group Limited, Mobile Telephone Networks Holdings (Pty) Ltd, MTN International (Pty) Ltd, Mobile Telephone Networks Holdings (Proprietary) Limited, MTN Business Solutions (Pty) Ltd, MTN Group Management Services (Pty) Ltd, MTN Nigeria Communications Limited, Irancell Telecommunications Services Company (Pty) Ltd, MTN Dubai Limited, MTN International (Mauritius) Limited, Mauritius Investments, MTN Group Management Services (Pty) Ltd, Easy Dial International Ltd BVI, 14 Avenue Investment Holding Limited, Investcom Mobile Communications Limited, Servico S.A.L, Mobile Telephone Networks (Netherlands) B.V, Mobile Telephone Networks NIC B.V and 14th Avenue Holdings B.V.

### **Fatima Jakoet - Non-Executive Director (57 years)**



Fatima Jakoet worked in corporate positions ranging from regional and corporate finance to General Manager of Telecommunications for over a decade. She is a member of the South African Institute of Chartered Accountants. Fatima has extensive JSE listed company board experiences.

**Other Directorships:** MTN Syria, MTN Sudan, MTN Congo-Brazzaville, MTN Cote D'Ivoire, MMI Holdings Ltd and MMI Group Ltd, Clicks Group Ltd, Tongaat Hulett Ltd, Rand Refinery (Pty) Ltd, AfriSam (SA) (Pty) Ltd and Afrisam Holdings (Pty) Ltd and Abathwa Capital Holdings (Pty) Ltd.

### **Albert Fernandez PomesNon - Executive Director (49 years)**



Albert Fernandez Pomes has over 20 years of professional experience in the telecommunications industry with over 12 years at C-suite level as Chief Commercial Officer both at Group level as well as for major telecom operators. He is the Chief Consumer Officer of the MTN Group. Albert has served in several managerial positions across the telecommunications industry, including Group Commercial Officer of Zain, VimpelCom and Telefonica. Prior to these appointments, Albert had served in various executive positions within the MTN Group. He holds a Master's Degrees in Management from the ESADE Business School and University of Chicago Graduate School of Business.

**Other Directorships:** MTN Cameroon, aYo Holdings, MTN Cote d'Ivoire, and MTN Uganda.

### **Pala Asiedu Ofori - MTN Ghana Board Secretary (48 years)**



Pala Asiedu Ofori is the Senior Manager Commercial Legal Affairs, and Company Secretary to the Board of MTN Ghana. She has over 20 years of experience as a lawyer, 12 of which have been in the telecoms industry. Before joining MTN Ghana in 2005, Pala was a Senior Associate at JLD Consultancy Services Limited. She holds a first degree in Law (LLB) from the University of Ghana Legon, and a Qualifying Certificate in Law (BL) from the Ghana School of Law (1995). She obtained a Master's in Law (LLM) in Electronic and Commercial Law from the University of Cape Town, South Africa. She is a member of the Ghana Bar Association.

#### **2.14.3 Board Committees**

The MTN Ghana Board has 2 committees: the Audit & Risk Committee and the Compensation, Remuneration & Human Resource Committee.

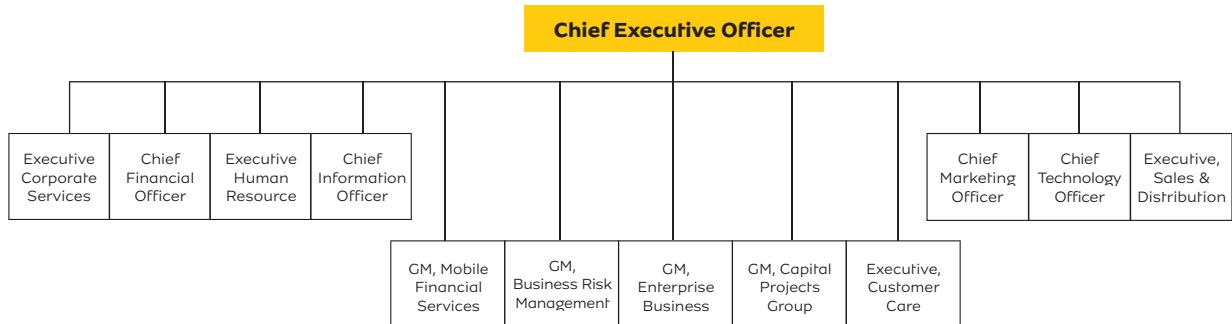
##### **(a) The Audit & Risk Committee**

This committee is made up of 3 members responsible for recommending the selection, appointment, retention, compensation and oversight of MTN Ghana's external auditors. It also reviews and challenges the actions and judgments of management of MTN Ghana in relation to the interim and annual financial statements before submission to the MTN Ghana Board as well as other formal announcements relating to the financial performance of MTN Ghana. Its other duties include reviewing MTN Ghana's report on internal control systems prior to MTN Ghana Board's endorsement, approving the appointment and dismissal of MTN Ghana's head of internal audit and key officers and the establishment of key performance areas and supervising MTN Ghana's internal audit and risk and compliance functions.

##### **(b) The Compensation, Remuneration & Human Resource Committee**

This committee comprises 3 members with a core responsibility to ensure alignment of the remuneration and human resources strategies and policies with MTN Ghana's business strategy and the desired culture. The committee is also in charge of considering and approving, where necessary, remuneration packages needed to attract, retain and motivate high performing employees.

## 2.15 Organisational Chart



## 2.16 Management Team

MTN Ghana's senior management team includes the following:

### **Ebenezer Asante - Chief Executive Officer**

Refer to "MTN Ghana Board of Directors Profiles"

### **Modupe Kadri - Chief Financial Officer**

Refer to "MTN Ghana Board of Directors Profiles"

### **Eric Yaw Nsarkoh - Sales and Distribution Executive**



Eric Yaw Nsarkoh is responsible for developing and providing strategic vision and direction for the Sales & Distribution Division. He joined MTN Ghana in September 2011 from Airtel where he was the IT Director. Prior to this, he worked in senior management roles in both the IT and Commercial environments with Millicom International (Tigo), Discoverytel Ghana, Heineken International, British American Tobacco, KPMG and PricewaterhouseCoopers. Eric holds a Bachelor of Science (Hons) degree in Chemical Engineering from the Kwame Nkrumah University of Science and Technology, Kumasi and a Master of Business Administration (Management Information Systems Option) from Vrije Universiteit Brussel, Brussels, Belgium.

### **Amma Benneh-Amponsah - Human Resources Executive**



For the past 16 years, Amma's generalist HR experience and strategic focus have shaped MTN Ghana's talent resourcing, management, development and workplace culture. Amma holds a degree in Business Administration from the University of Ghana, a Master of Business Administration from the William Morris Business School, Coventry University, a post graduate qualification in Strategic Management from the Columbia Executive Education programme and a PMP Associate. She is also an alumnus of the MTN Global Advancement Programme and a member of the Society of Human Resource Management (SHRM). Amma's passion for creating people-centred workplaces and ensuring employees are enterprise contributors has earned

MTN Ghana its prestigious Gold Investors In People (IIP) accreditation, recognition as the best organisation in HR best practices in Ghana and a company culture that exceeds Ghana, West Africa and Global best practice norms in consecutive Towers Watson assessments.

Amma serves on the board of Enterprise Trustees Limited and the Institute of ICT professionals.

### **Jemima Kotei-Walsh - Customer Relations Executive**



Jemima Kotei-Walsh is responsible for providing strategic direction and execution of customer-related programmes and policies in MTN Ghana. Under her leadership, MTN Ghana has won the best Customer Service Organisation in the Telecom Industry in Ghana for the last four consecutive years. She has also led her team to win the best Customer Service team in the industry for the last couple of years. She has over 15 years' experience in customer service, serving in different roles within the Customer Care Function of MTN Ghana. She was also the Senior Manager for Quality Assurance and Training for the Customer Care Function, prior to her current role. She attended the University of Ghana Business School and has a BSc in Business Administration. Jemima also holds a Master of Arts in Human Resource Development and Consulting from the Management School, Lancaster University, UK, and a Masters certificate in Project Management from the George Washington University, USA.

### **Mohammed Rufai - Chief Technology Officer**



Mohammed Rufai is responsible for managing MTN Ghana's network and overseeing the implementation of its technical plans and strategies. He has experience in technology, networks, project management and information systems, with more than 16 years' experience working in the ICT industry, and over 10 years at senior management levels in telecoms and IT. Prior to this position, he held various management positions in MTN Nigeria, including General Manager Network Operations, General Manager Network Access and General Manager Network Planning and Optimization. He holds a Bachelor of Technology degree in Computer Science from Abubakar Tafawa Balewa University, (Bauchi) in Nigeria. He is also an alumnus of Cranfield University, UK and Lagos Business School.

### **Abbad Reda - Chief Information Officer**



An accomplished MTN Ghana executive with a demonstrated record of exceeding goals and driving innovation to increase revenue and market share, Abbad is a partner on digital delivery, innovation and efficiencies across different technology and commercial functions. He is a results-oriented, decisive leader with proven success in challenging and competing markets. Abbad is the chairman of the MTN Ghana Product and Services Innovation team (PSCom) and a key partner in driving customer experience initiatives within the business. Abbad holds an Executive MBA from CEIBS, a Bachelor of Engineering in Computer and Communication Engineering, and has participated in MTN's Global Advancement Program (GAP).

He served as interim CEO for MTN Liberia from September 2017 to March 2018.

### **Eli Hini - General Manager, Mobile Financial Services**



Eli Hini is the General Manager for MobileMoney Limited, the MTN Ghana subsidiary responsible for mobile financial services. He is responsible for driving strategy, business development, innovation and relevant operations of MTN's Mobile Money business. Prior to Eli's appointment as General Manager, he was the Commercial Senior Manager for MTN Mobile Money, a role he held for approximately seven years. Eli was instrumental in setting up Mobile Money services in Ghana and growing the subscriber base, transaction volumes and value. He also led the MTN Mobile Money team to receive ISO certification (ISO/IEC 12007: 2013 certification) in January 2016. Eli is a Chartered Marketeer with over 17 years' experience, and has also held leadership positions in Unilever Ghana Limited and Coca-Cola Bottling Company Limited. He holds a Bachelor of Science degree in Agriculture from the Kwame Nkrumah University of Science and Technology and a professional postgraduate diploma in Marketing from the Chartered Institute of Marketing, UK.

Eli serves on the Board of MobileMoney Limited.

**William Tetteh - General Manager, Capital Projects**

William Tetteh is responsible for the development of strategy and operational support for the Capital Projects Group function, and ensures effective governance and execution of projects managed by the division. William holds a Bachelor of Science in Physics from the University of Science and Technology, Kumasi-Ghana. He also holds a Master of Science in Telecommunication Engineering from the Ghana Telecom University College, Accra-Ghana as well as a Master of Business Administration in Project Management from the University of Ghana, Legon.

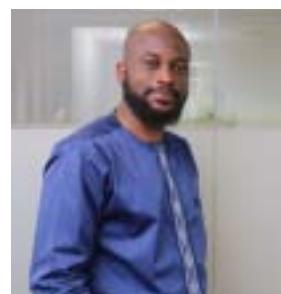
**Sam Addo - General Manager, MTN Business**

Sam Addo is responsible for Business Sales, ICT Sales and Business Development, Business Sales Operations and Support. He was the General Manager in charge of Distributive Trade and Regional Sales - Southern Ghana, in the Sales and Distribution Division of MTN Ghana. Prior to joining MTN, Sam worked for 13 years in several roles at Unilever, including Area Manager for South-Eastern Ghana. He holds a Bachelor of Science (Hons) Degree in Biological Sciences from the University of Ghana and a Post Graduate Diploma in Marketing from the Chartered Institute of Marketing UK.

**Didier Sala-Diakanda - General Manager ,Business Risk Management Division**

Didier Sala-Diakanda joined MTN Ghana from MTN Guinea Conakry in 2015, where he was Head of Business Risk and Corporate Affairs. He also worked in MTN Group's Business Risk Management Division in South Africa for 9 months where he was assigned to lead the Group Enterprise Risk Management function. Didier joined MTN from Warid Telecommunication Cote d'Ivoire, where he was the Deputy CFO. Prior to this, he worked for 5 years as Regional Financial Controller for Celtel International/Airtel Group; in charge of 7 francophone countries and working directly with CEOs and CFOs to improve financials and internal control. Didier started his career with PricewaterhouseCoopers, where he worked for 7 years across Central Africa and France. Didier holds a Masters in Finance and Accounting and a Degree in Management and Economics from the Catholic University of Central Africa. He also completed a General Management Programme (GMP) at the Witwatersrand Business School in South Africa.

Didier serves on the board of MobileMoney Limited.

**Noel Kojo-Ganson - AG. Chief Marketing Officer**

Noel Kojo-Ganson is a seasoned senior marketing professional who has 16 years' FMCG & telecoms experience. He has a Master's in Business Administration specialized in Strategic Marketing and a Chartered Marketer from the Chartered Institute of Marketing UK. Noel's work experience prior to joining MTN Ghana includes holding key marketing leadership roles, in SABMiller now AB InBev as the Head of Marketing, Brand Development Manager for their Africa operations. He is a Co-Chair of the MTN Product and Service Innovation committee. Noel has ample breadth and depth of the Commercial landscape having led teams in the Channel, Distribution, Trade Marketing, Brand and Consumer space. His experience including the new areas of Digital, Large Data and Financial Inclusion, and will play a key role in the next frontier of delivering MTN's digital strategy and vision.

## **Corporate Services Executive**

Pala Asiedu Ofori, Samuel Koranteng, Robert Kuzoe and Georgina Asare Fiagbenu (senior managers of the Corporate Services division) have been managing the affairs of the Corporate Services Division in an acting capacity, on a rotational basis pending the appointment of a substantive Corporate Services Executive.

Please see below the profiles of the respective senior managers:

### **Mr. Samuel Koranteng - AG. Corporate Services Executive**



The current Acting Corporate Services Executive, Mr. Samuel Koranteng is a lawyer by profession with approximately 29 years post qualification experience in general law practice, 10 years of which have been in the ICT and telecommunications industry. Samuel has been a specialist in regulatory and compliance affairs as well as government affairs with MTN Ghana since July 2013. He provides input for the development of a robust regulatory and compliance regime in line with existing legislative obligations binding on MTN to eliminate risk exposure and sanctions. Samuel advises on key regulatory issues, government relations and policy advocacy to ensure business promotion, licence protection and reputation management. Prior to joining MTN Ghana, Samuel worked with Vodafone Ghana as a Senior Litigation Lawyer, Head of Regulatory Affairs and later, Head of Public Policy. He obtained his Bachelor of Laws Degree (LLB) from the University of Ghana in 1986 and was called to the Ghana Bar in 1988.

### **Pala Asiedu Ofori - AG. Corporate Services Executive**

Refer to "MTN Ghana Board Secretary" for Pala's profile

### **Robert Kuzoe - AG. Corporate Services Executive**



Robert is MTN Ghana's Senior Manager for Sustainability and Social Impact and the Executive Secretary for the MTN Ghana Foundation. Robert holds a Bachelor of Arts degree in Social Sciences and Masters in Communications for Development from the Gregorian University in Rome. He also holds diplomas in Public Administration from the University of Ghana and in Journalism from the Ghana Institute of Journalism. Prior to joining MTN in 2008, Robert worked with Bioversity International in Rome and the UN World Food Programme as the focal point for the Tsunami Operations Team. Robert's expertise is in corporate social responsibility.

### **Georgina Asare Fiagbenu - AG. Corporate Services Executive**



Georgina is the Head of Corporate Communications for MTN Ghana. She is responsible for leading and managing the overall reputation management plan of MTN Ghana. She leads the development and execution of strategies to improve internal and external communications, media relations, community relations, customer education, stakeholder management and corporate social investment communications. Georgina is an Accredited public relations practitioner and an associate member of the Chartered Institute of Marketing Ghana. She holds a bachelor's degree in Sociology from the University of Ghana and a Post Graduate Diploma in Communications Studies. She is currently studying for a master's degree in Leadership and Governance at the University of Ghana Business School. She is a columnist and a blogger.

## **2.17 Remuneration and Compensation**

Employees of the Company are paid salaries monthly in arrears based on a payment calendar which is published by the Company. All staff are eligible to participate in the Performance Based Incentive Scheme. The amount to be distributed through the scheme is determined annually by the Board of Directors. The amount is based on the performance of individuals and the general performance of the Company. Employees are entitled to a medical scheme, loans, long service awards, other allowances and benefits.

Remuneration of the Directors paid by MTN Ghana for the last five (5) years are as follows and December 2017:

Amount in (GHS '000)	2013	2014	2015	2016	2017
Directors Remuneration	2,126	1,383	2,419	5,109	8,171

Details of Directors' Remuneration

## **2.18 Employee Headcount**

The table below shows the number of staff employed by MTN Ghana over the last five (5) years and December 2017:

Employee Type	2013	2014	2015	2016	2017
Permanent	930	722	681	687	679
Non-Permanent	698	651	463	489	506
<b>Total Employees</b>	<b>1,628</b>	<b>1,373</b>	<b>1,144</b>	<b>1,176</b>	<b>1,185</b>

MTN Ghana's employee headcount

## **2.19 Subsidiaries and Associate Companies**

The following companies are fully owned subsidiaries and associate companies of MTN Ghana as at the date of this Prospectus:

Company	Nature of Business	Holdings by MTN
MobileMoney Limited	Mobile financial services	100%
MTN Ghana Foundation	Corporate social investment	100%
EasyNet Limited	Technology	15%

Details of MTN Ghana's equity investment

## **2.20 Material Contracts**

Other than in the ordinary course of business, MTN Ghana has not entered into any contract (as at the date of this Prospectus) the termination of which may have a material adverse effect on MTN Ghana.

### **Technology Management Transfer Agreements**

Historically, MTN Ghana concluded a technology transfer agreement with MTN Group, through its wholly owned subsidiary MTN (Dubai) Limited, and registered the same with the Ghana Investment Promotion Centre ("**GIPC**"), under which MTN Group charged a fee of approximately 11% of net revenue to MTN Ghana. This agreement expired in 2014. Upon the expiry of the agreement, MTN Ghana submitted a new technology agreement to the GIPC for review and registration. The new agreement is in respect of the licensing of the MTN trademarks and the provision of know-how and technical and management services by MTN (Dubai) Limited to MTN Ghana. On 20 April 2018, the GIPC approved the registration of the new agreement. The approval covered the payment of a fee estimated at 5% of net revenue for the use of MTN trademarks and the provision of know-how and technical support services. The GIPC also approved a further payment of a pro-rated fee for management services, based on the prevailing legislation, currently (100 – equity owned by MTN Group) x 2% of profit before tax, which is currently estimated at 0.047% of net revenue based

on the current shareholding of 97.65%. This fee could increase to a maximum of 0.753% of net revenue assuming MTN Ghana is able to sell 35% of its shares through this Transaction.

### **American Tower Corporation Agreement**

In 2011, MTN Ghana agreed to dispose up to 1,876 towers to a tower company joint venture between MTN Group and American Tower Corporation (ATC). The tower company, which is managed by ATC, is 49% owned by a MTN Group subsidiary and 51% owned by ATC. As part of this transaction, MTN Ghana became an anchor tenant on commercial terms on each of the towers sold. Furthermore, MTN Ghana agreed to lease additional sites in line with its infrastructure deployment strategy.

### **MTN Group Agreement**

MTN Ghana has entered into an agreement (the "**MTN Group Agreement**") with MTN Group. The key purpose of the MTN Group Agreement is to provide a framework for MTN Ghana to consult with MTN Group Limited in order to be aligned with the overall strategic vision of the MTN Group and to share information with MTN Group, for the benefit of all MTN Ghana shareholders.

## **2.21 Litigation**

As at the date of this Prospectus, MTN Ghana (whether as defendant or otherwise) is not involved in any legal, arbitration, administration or other proceedings, the results of which might have or have had (during the 12 months prior to the date of this Prospectus) a significant effect on the financial position or the operations of MTN Ghana, nor is it aware of any such proceedings being threatened or pending.

## **2.22 Disclosure of Interests by Directors**

As at the date of this Prospectus, none of the Directors holds directly or indirectly any relevant interest in the entities that have contracts with the Company.

## **2.23 Disclosure of Interests by Advisers**

As at the date of this Prospectus:

- IC Securities holds no Existing Shares. No employee or principal of IC Securities holds any interest in any Existing Shares;
- KPMG holds no Existing Shares. No employee or partner of KPMG holds any interest in Existing Shares; and
- BELA holds no Existing Shares. No employee or partner of BELA holds any interest in Existing Shares.

## **2.24 Other Disclosures**

**Relationships among Directors** - There are no family relationships among the Directors.

**Bankruptcy Petitions** - None of the Directors has filed any petition, or is subject to any proceedings, under any applicable law relating to insolvency or bankruptcy. No company associated with the Directors has filed any petition, or is subject to any proceedings, under any applicable law relating to insolvency or bankruptcy.

**Criminal Proceedings or Convictions for Fraud or Dishonesty** - None of the Directors has been adjudged bankrupt, convicted of an offence involving fraud or dishonesty, denied a licence as a dealer, dealer's representative, investment adviser or investment representative or had a licence issued under the applicable law suspended or revoked or is the subject of any pending criminal proceeding relating to fraud or denied a licence under the applicable law or had any licence issued under applicable law suspended or revoked.

**Prohibition against Financial Advisory or Capacity to Hold Office** - None of the Directors, or persons who have been nominated to be Directors, has been subject of any judgment or ruling of any court of competent jurisdiction, tribunal or permanent body permanently or temporarily restraining him/her from acting as an investment adviser, dealer in securities, Director, employee

of a corporate body or engaging in any type of business practice or activity or profession.

## **2.25 Dividend History and Policy**

Below are the dividends declared by MTN Ghana in the last five (5) financial years:

Year	Dividend Per Share (GHS)	Total Amount of Dividend Declared (GHS)
2017	0.0437	470.0 million
2016	0.0099	107.0 million
2015	0.0256	275.0 million
2014	0.0233	251.0 million
2013	0.0223	240.2 million

Dividend history of MTN Ghana

MTN Ghana has a dividend pay-out target of 60% of annual profits while maintaining an adequate debt/equity ratio without breaching debt covenants and allowing for working capital and capital expenditure requirements. MTN Ghana's dividend pay-out is subject to the discretion of the MTN Ghana Board.

The Company intends to utilise its retained earnings as at 31 December 2017 to declare a special dividend to the Existing Shareholders. As at the date of this Prospectus, the Directors have provisionally recommended a dividend pay-out of up to GHS 1,867,274,000 to the Existing Shareholders. The Existing Shareholders have also provisionally approved the proposed dividend payment. MTN Ghana intends to pay the finally approved dividend to the Existing Shareholders from the proceeds of the sale of the Subscription Shares.





## PART 3 - OVERVIEW OF TELECOMMUNICATION INDUSTRY

### 3.1 History and Background of Ghana's Telecommunication Industry<sup>8</sup>

Ghana's telecommunication sector remains a forerunner in Africa. The country is a pioneer in mobile telephony and data services and was one of the first countries on the continent to connect to the internet. Ghana plays host to 6 active mobile networks dominated by a number of major international players. Additionally, there are 4 licensed Broadband Wireless Access (BWA) operators in Ghana as at September 2017.

Mobile Telecommunication Operators in Ghana									
Operator			 Merged in October 2017						
Launched	1996	1974	1992*	2010**	1995	2012	2014	2011	2004
Majority Shareholder	MTN Group	Vodafone Group	Millicom Int.	Bharti Airtel	Sudatel	Globacom	Joseph Horgle	Skybridge Investments Ltd.	Osei Owusu-Korkor
Cellular Mobile Technology	3G, 2G	4G LTE 3G, 2G	3G, 2G	3G, 2G	CDMA	3G, 2G	4G LTE	4G LTE	4G LTE

Telecommunication Operators in Ghana (\*Tigo, \*\*Airtel)

In 1996, the NCA was established by the Government of Ghana as a central regulatory body to regulate the telecommunications sector and to promote a stable operating environment for all participants, while also promoting fair competition and efficiency.

The sector has made a significant contribution to national development over the years through direct contribution to national income, job creation and provision of business solutions and value added services (VAS). The vibrancy of Ghana's telecommunication sector is fostered by keen competition among the operators in the mobile telephony and fixed line segments of the industry. The Ghanaian telecoms sector is widely known to adhere to best practices in the development and administration of the Universal Service Funds (USFs) system in the Sub-Saharan Africa region.

The Ghanaian telecommunication sector is considered to be one of the most resilient in the West African region with mobile voice penetration of 130.91% and a mobile data penetration of 79.94% as per the NCA's September 2017 statistics.

#### 3.1.1 Fixed Telephony

As part of the Government of Ghana's Accelerated Development Programme (ADP 2000) reform between 1994 and 2000, Ghana Telecom was incorporated in June 1995 as a successor to the telecommunications division of Ghana Posts and Telecommunications Corporation (GPTC), making it the nation's first fixed telephony company. The GPTC, established as a public corporation in 1974, had been responsible for operating the nation's telecommunications and licensing of telecom services until October 1995. In 1996, Ghana Telecom privatised its main line operations by awarding a Malaysian-led consortium (Telekom Malaysia) a 30% stake in the state company with full management control for USD 38 million. Following this privatisation, the number of phone lines increased from

63,000 in 1995 to 200,000 in December 2000, representing a 217% increase in fewer than six (6) years.

The NCA's September 2017 telecommunications industry statistics show that the fixed-line sector has a total subscriber base of 286,493. Vodafone Ghana (formerly Ghana Telecom) has a total subscriber base of 279,681 (~98%), while Airtel has 6,812 subscribers (~2%). MTN Ghana has obtained provisional authorisation to operate fixed line services.

### 3.1.2 Cellular (Mobile) Phone Network

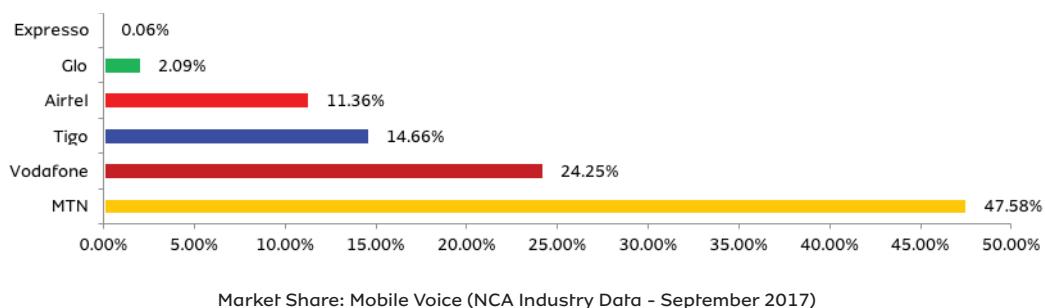
The first cellular network operator in Ghana was Millicom Ghana, a subsidiary of Millicom International, UK/Luxembourg under the brand name Mobitel in 1992. It operated an analogue Total Access Communication System (TACS) network. In 1993, CellTell (now Kasapa Limited) started its operations in Ghana using the Advance Mobile Phone System (AMPS) technology, with coverage in Accra and Tema.

Digitisation of the cellular network in Ghana began in 1996 with the launch of the first Global System for Mobile communication (GSM) service by MTN Ghana (then under the brand name of Spacefon). With its post-paid package for Ghana, MTN Ghana (then under the brand name of Spacefon) revolutionised the market with new services such as Caller ID, Call Forwarding, Call Holding, International Roaming and Short Message Service (SMS). In 1998, MTN Ghana (then under the brand name of Spacefon) launched its prepaid service under the name SNAP which came with many of the features of a digital mobile phone service, with the convenience of being prepaid. By mid-year 1999, the number of mobile phone owners had increased to 68,000 from 19,000 in 1992.

### 3.1.3 Mobile Voice<sup>9</sup>

Mobile voice services are the main source of average revenue per user (ARPU) for mobile network operators in Ghana. According to the NCA, the total number of subscribers for mobile voice were 37,445,048 in September 2017. The NCA's statistics show that MTN Ghana was Ghana's largest mobile operator by voice subscriptions with voice subscriptions of 17,817,273 and a market share of 47.58%. Vodafone followed in second place with voice subscriptions of 9,079,502 and a market share of 24.25%. Tigo, Airtel, Glo and Espresso had 14.66%, 11.36%, 2.09% and 0.06% market share, respectively.

More recently the growth of Over-The-Top (OTT) services has increased competition in the voice segment. The already price competitive market now faces competition from OTT voice mobile applications (like WhatsApp, Viber, Skype and FaceTime) which are accessible over the internet and in some cases rely on operators' network numbering resources and internet services.



### 3.1.4 Mobile Data<sup>10</sup>

In 2008, the NCA, which is in charge of spectrum licensing in Ghana, granted Glo a 3G Mobile Broadband licence for USD 50.1 million while Vodafone obtained one for USD 28.1 million as part of its USD 900 million acquisition of Ghana Telecom in the same period. Zain acquired Westel's 3G licence through its purchase of Westel in 2008, a licence that has since been passed to Airtel. Tigo and MTN Ghana followed suit in the same year. Telecom operators began to roll out 3G services in

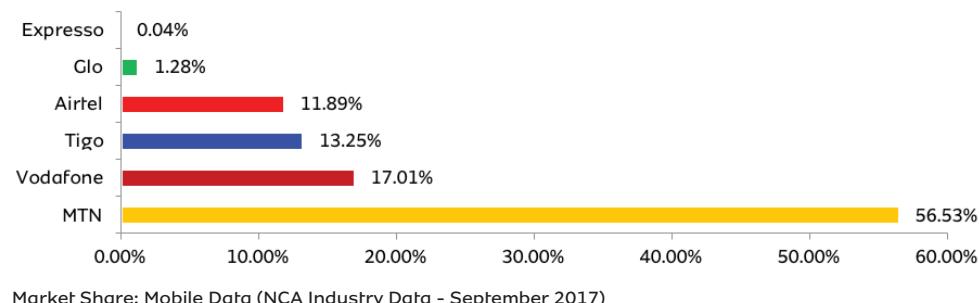
9 NCA. Market shares stated as at September 2017

10 Market shares stated as at September 2017

early 2009 with MTN Ghana being the first to launch 3G commercially. The 3G technology optimised mobile for data by delivering achievable throughput of more than 2Mbps, reducing operator cost for data services and enhancing continuous evolution of the service.

In February 2016, MTN Ghana obtained provisional authorisation from the NCA to establish, maintain and operate mobile broadband services using lot 2 of the 800MHz frequency band. With this authorisation, MTN Ghana commercially launched its 4G LTE services, making it the only mobile network operator to provide 4G LTE services in Ghana. Currently, the company has 4G LTE coverage in all 10 regional capitals of Ghana, key towns and mining areas as well as some border towns. Areas such as Newmont Ahafo/Akyem, Chirano, Iduaprim, Tarkwa, Obuasi, Bogoso, Damine, Sefwi, Half Assin, Morle, Lawra, Tumu, Denu, Aflao in addition to the regional capitals are covered by MTN Ghana's 4G LTE service.

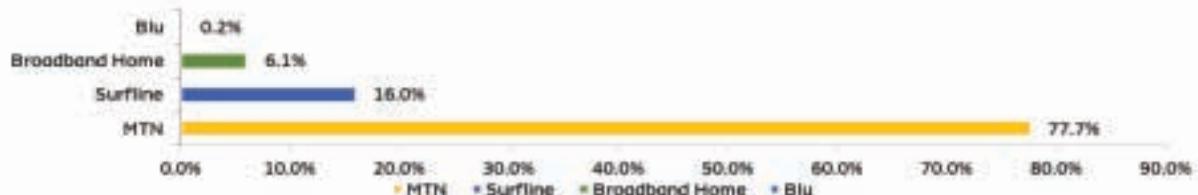
As at the end of September 2017, the total number of mobile data subscribers in Ghana was 22,865,821 with a total penetration rate of 79.94%. MTN Ghana had 56.53% of the mobile data subscribers' market share with 12,925,524 subscribers. Vodafone recorded a total of 3,889,821 data subscribers with a market share of 17.01%. Tigo and Airtel recorded mobile data subscribers of 3,029,361 and 2,718,966 respectively with market share of 13.25% and 11.89% as at September 2017. Glo recorded 291,998 mobile data subscribers with a market share of 1.28%. Expresso's mobile data subscriber figures as at the end of April 2017 was 10,151. This represents a market share of 0.04% for the April 2017. (NB: Mobile Data Subscription of Expresso beyond April, 2017 is unavailable).



Market Share: Mobile Data (NCA Industry Data - September 2017)

### 3.1.5 4G LTE Data Operators

In February 2013, the NCA issued 2500MHz - 2690MHz spectrum licences to 3 indigenous companies (Surfline, Goldkey Telecoms and Blu Telecoms (formerly G-Kwik net), rather than existing operators in a bid to expand domestic content. The licences were issued at a price of USD 6 million each, valid for 10 years and subject to a renewal fee. There are currently 4 4G LTE data operators: MTN Ghana, Surfline, Blu Ghana and Broadband Home. The total number of subscriptions for 4G LTE Data was 422,204 as at the end of September 2017. Surfline recorded subscriptions of 67,702 (16.0 %), Blu Ghana recorded a total subscription of 884 (0.2 %), Broadband Home recorded a total of 25,689 (6.1%) subscriptions with MTN recording a total of 327,929 (77.7%) subscriptions.



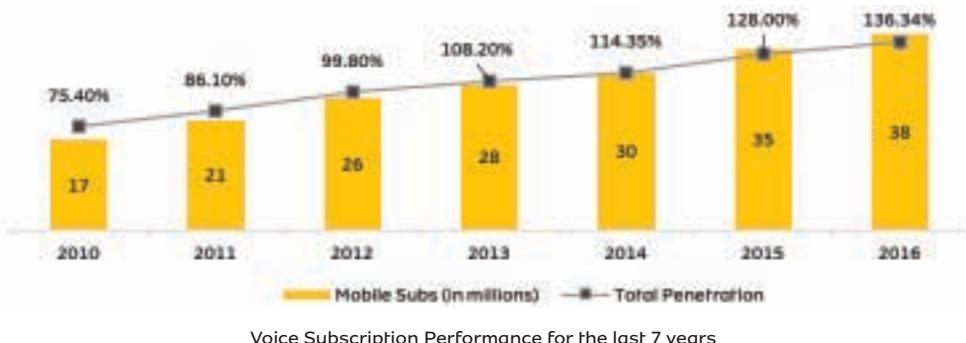
Market Share: 4G Operators (NCA Industry Data - July 2017)

## 3.2 Industry Growth & Penetration and Network Coverage

### 3.2.1 Growth & Penetration

Ghana's mobile penetration rate currently stands at 130.91% as at the end of September 2017. The growth seen in the performance of the telecommunications industry has been supported by strong economic growth, increased competition due to innovative service offerings and continuous initiatives to retain subscribers. Mobile subscriptions have been on a strong upward trajectory over the past 5 years while fixed subscriptions have declined.

Data subscription levels are currently lower than voice subscriptions, but have seen steady growth over the past few years. This growth trajectory is expected to continue as the population becomes increasingly technology savvy.



### **3.2.2 Mobile Technology and Network Coverage**

The first commercial 3G services for non-business customers were launched in early 2009 by MTN Ghana. Although the uptake of 3G services was slow until 2011, the market penetration increased to about 32.0% in 2014, making Ghana the third highest 3G penetration rate out of 23 countries in Sub-Saharan Africa. By May 2013, all operators in Ghana had access to 4 submarine cables and offered advanced 3G data services, with MTN Ghana accounting for the majority of the total subscriptions.

The commercial launch of 3G services by Ghana's 4 largest mobile operators was an important milestone in the development of mobile value added services (VAS) in Ghana. Currently, most operators offer a range of downloadable content, including multimedia and online social networks.

Expresso launched advanced 3G services in May 2013 on the back of the African Coast to Europe (ACE) submarine cable, of which it is a partial owner. Glo has access to its own Glo-1 cable and MTN Ghana signed a deal to access the West Africa Cable System (WACS) owned by MTN Group and other partners. Main One is the fourth major submarine cable providing connectivity to Ghanaian mobile operators.

### **3.2.3 Mobile Telecommunication Operators**

Market leader MTN Ghana was the first mobile network operator to cover all 10 regions in Ghana providing voice and data services. The company was the first mobile telecommunications operator in Ghana to achieve full 3G compliance in all districts as required by the NCA. The Company also reported 7 million 3G devices on its network at the end of December 2017, with 18.0% year-on-year increase in data subscribers to 12.04 million as at December 2017, which was attributed to the massive growth in data services, improved handsets, lower tariffs and data bundles.

MTN Ghana commercially launched its 4G LTE services in June 2016 and is the only mobile telecommunications operators to operate within the 800 MHz mobile spectrum in Ghana. This puts MTN Ghana in a position to offer better and improved voice and data services to its customers.

MTN Ghana's 4G LTE mobile internet service has coverage in all regional capitals in Ghana as well as a number of key towns across the country.

### **3.2.4 Mobile Money**

Mobile money services and the expansion of other financial electronic payments services have been on the increase in recent years. Financial institutions in Ghana are adopting e-services to allow for transactions to be made online and through SMS-text messages. As the Government of Ghana regards these services as banking, they are strictly regulated and licensed by the Bank of Ghana (under the EMI Guidelines).

Mobile money and money transfer platforms have been the most popular e-services. Mobile money which targets the underserved segment of the population is intended to give users the ability to transfer money, make cash payments and conduct other financial transactions over the phone. Mobile money is predominantly used in urban areas to transfer funds to recipients in rural

areas and has been crucial in advancing financial inclusion and the Bank of Ghana's 'cash-lite' economic agenda. Key partners in the provision of mobile money services include commercial banks, mobile phone operator's shops, distributor shops and accredited agents.

In 2009, MTN Ghana introduced the MTN Mobile Money service in Ghana. Since then, the number of registered subscribers has grown to 11.6 million registered subscribers as at December 2017. Airtel, Tigo and Vodafone have since introduced mobile money to provide financial services to their clients. The total transactions value in mobile money has surged over the years reaching GHS 150 billion<sup>11</sup> as at December 2017, an increment of 103% from 2016's transactions value of GHS 74 billion.

Mobile money presents significant advantages to the unbanked population as it reduces transaction costs of financial services, especially for people in rural areas. Furthermore, it has created a significant number of jobs and saves travel time and costs otherwise required to access financial services in less developed parts of the country.

MTN Ghana has incorporated a wholly-owned subsidiary, MobileMoney Limited, to undertake MTN Mobile Money service. As already indicated, the subsidiary has made an application to the Bank of Ghana to be licensed as an e-money issuer in accordance with the EMI Guidelines. MTN Ghana commenced the MTN Mobile Money services business before the EMI Guidelines came into effect on 06 July 2015. MTN Ghana intends to fully transfer all MTN Mobile Money service to the subsidiary when the licence is issued.

### **3.2.5 Telecommunication Industry Infrastructure<sup>12</sup>**

Ghana's telecommunication companies all use co-location cell towers to help reduce costs. 2 major types of infrastructure sharing have been identified in the telecommunication service industry.

The sharing of space or physical supporting infrastructure like network towers or masts, which does not require active operational co-ordination of interconnection between network operators, is referred to as passive infrastructure sharing. The second one which requires operators to share elements such as radio access, nodes and transmission, network roaming and core-network equipment is known as active infrastructure sharing.

In 2015, there were about 6,500 telecommunications towers located throughout the country, with most of these situated in the nation's southern sector. 4 tower companies operate locally: Helios Ghana (a subsidiary of Helios Africa), American Tower Corporation (ATC), London-based Eaton Towers and Airtel Towers. The firms have benefited from the move by mobile operators such as MTN Ghana to withdraw from the ownership, operation and management of towers and focus instead on their core business. With the expectation of increasing network demand following the roll-out of greater 3G and 4G LTE coverage, combined with the tightening of operators' margins, the trend within the markets towards greater co-location is likely to continue.

As at 3Q 2017, there were 3 network tower infrastructure providers with ATC being the leading network tower infrastructure provider, controlling more than 60% of the total towers sited across Ghana. The other 2 tower infrastructure providers are Eaton Tower and Helios Tower.

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11 MTN Ghana filings

12 International Telecommunications Society

### **3.2.6 Key Developments and Market Highlights**

In the last decade, the telecommunications industry witnessed a host of events largely characterised by innovations, consolidations, competition and the advent on new operators:

<b>Year</b>	<b>Key Developments</b>
2006	Millicom rebranded Buzz GSM to Tigo
2006	MTN Group acquired Investcom (Areeba)
2008	Zain entered the telecommunications industry
2008	Vodafone acquired Ghana Telecom and OneTouch
2009	MTN Ghana initiated the mobile money market with "MTN Mobile Money"
2010	Bharti Airtel acquired Zain
2010	Helios Towers Ghana (HTG) acquired 750 Tigo Ghana towers
2010	Tigo pioneered mobile micro-insurance
2010	NCA announced SIM registration of all mobile users
2010	Tigo introduced a mobile money service dubbed "Tigo Cash"
2011	American Tower Corporation (ATC) acquired 51% of Ghana Tower InterCo B.V towers and base stations
2011	Mobile Number Portability was introduced to allow subscribers to switch between networks while keeping the same number
2011	Airtel rebranded Zap mobile money to Airtel Money
2012	Regulatory requirement for all Ghanaian telcos to register all SIM cards
2012	Glo Telecom entered the Ghanaian telecommunications market
2013	NCA prohibited existing telecommunication companies' access to frequencies to rollout 4G LTE services. Three Ghanaian companies were licensed to operate within the 4G LTE space
2014	Blu and Surfline introduced 4G data services to the market
2014	Airtel partnered with MicroEnsure and Ghana's Enterprise Life to launch Airtel Insurance
2015	Vodafone Ghana extended MPesa to Ghana, under the Vodafone Cash brand
2015	MTN Ghana won the bid to establish, operate and maintain mobile broadband services using lot 2 of the 800MHz frequency band
2015	NCA issued a request for applications for three new telecoms licences, namely: mobile virtual network operator (MVNO), a 'fixed access service of a unified access service licence' and an international wholesale carrier (IWC) permit
2016	MTN Ghana became the first mobile network operator to commercially launch 4G services
2016	Parliament unanimously passed the Electronic Communications (Amendment) Bill, to give legal backing to the operation of the Interconnect Clearinghouse (ICH) which is now mandated to provide interconnection services to all operators and to sanction operators who fail to prevent their subscribers from terminating international calls as local calls
2017	Millicom International Cellular S.A. ("Millicom") merged with Bharti Airtel Limited ("Airtel") to combine their operations in Ghana. The merged entity will have a 3G Licence valid until January 25, 2024, while their 2G Licence will be valid until October 30, 2021

### **3.2.7 Telecommunication Sector Outlook**

The NCA continues to work to create an enabling environment for local companies to promote growth in the industry. It has put in place a policy that limits authorisation to operate 4G LTE services to companies with a minimum Ghanaian shareholding as part of its vision to maintain some level of local content in the industry. The 4 local Broadband Wireless Access (BWA) operators who currently offer 4G LTE services are Surfline Communications, Blu Telecoms, Goldkey Telecoms and Broadband Home. These BWA operators are required to provide, at least, 50% of all districts in Ghana with data services within 5 years of being issued their licences.

The recent bandwidth harvested from Ghana's digital migration, freed up space for 2 frequency spectrum lots in the 800MHz band to be allocated for the provision and operation of mobile broadband services. The NCA held an auction for the award of licences in the 800MHz band in 2015. The auction was open to all, including Broadband Wireless Access operators and existing telecommunication operators, subject to NCA's eligibility criteria. MTN Ghana was the successful bidder and was provisionally awarded one lot of 2 x 10 MHz in the 800 MHz band for the provision of mobile broadband services. Currently, MTN Ghana remains the only mobile network operator in Ghana to be issued with this licence and has officially launched its 4G LTE services nationwide.

The Ghanaian telecommunication industry is positioned for growth in the short to medium term, particularly in the broadband sphere. The rapid technology migration by users across Africa to high-speed networks is expected to yield a total high-speed (3G and 4G LTE) connection penetration of 56.0% and 60.0% in Sub-Saharan Africa and Ghana respectively by 2020.





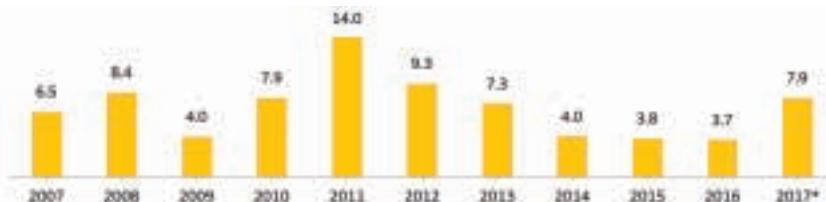
## PART 4 - THE GHANAIAN ECONOMY

### 4.1 Overview of the Ghanaian Economy<sup>13</sup>

Ghana is one of the largest economies in West Africa by Gross Domestic Product ("GDP") with a GDP of USD 42.7 billion in 2016. The country has an estimated population of about 28 million with 72.6%<sup>14</sup> of the population below the age of 60. Ghana recorded an average GDP growth rate of 7.0% from 2011 to 2016 largely driven by the services sector contribution to GDP as well as the discovery of oil and gas. The country has a very large unmeasured informal population which employs 88.0% of the workforce, according to the Ghana Living Standards Survey 2014 ("GLSS 6"). As with the other emerging markets, Ghana's GDP growth slowed over the years recording the lowest growth rate in 10 years of 3.7% in 2016, against a backdrop of high inflation, rising debt, currency volatility, wider fiscal deficits and an energy crisis.

In November 2017, the Finance Minister, presented the 2018 Budget Statement to parliament under the theme "*Putting Ghana Back To Work*" which outlines government's growth agenda and macroeconomic targets for the year ending December 2018. Recent data released by the Bank of Ghana, the Ghana Statistical Services (GSS) and the 2018 Budget Statement have indicated that the economy is recording commendable growth and is expected to record a growth rate of 7.9% in 2017 up from the original forecast of 6.3%. Fiscal deficit and inflation are expected to improve to 4.5% of GDP and 9.8% in 2018 respectively. As part of government's agenda to boost growth and increase tax revenue mobilisation for the 2018 fiscal year there would be a review of the Suspense Regime, implementation of the Excise Tax Stamp Policy, extension of the requirement of Tax Clearance Certificates to cover private sector contracts and improvement in the Property Rate collection.

The medium-term prospect for Ghana is high with an estimated average growth rate of 6.1% from 2018 to 2021, according to the IMF World Economic Outlook. The economy growth is expected, on the back of higher oil and gas production, increased power supply as well as increased private sector and public infrastructure investments.



Ghana GDP growth rate for the last ten (10 years from 2007 to 2017)<sup>15</sup>

\*Provisional - 2017 Estimate

13 IC Securities Research

14 World Bank

15 Ghana Statistical Service

## 4.2 Political Background<sup>16</sup>

Ghana has become one of the most stable democracies in Africa. The country's post-independence history has been characterized by long military rules interspersed with civilian governments. After close to a decade of quasi-military rule under the then Provisional National Defence Council (PNDC), strong internal and external pressures on the government led to the passage into law of the constitution in 1992. Additionally, there was the reinstatement of multi-party democracy in the same year, thus, ushering Ghana into the Fourth Republic.

Ghana is a unitary republic with sovereignty residing in the Ghanaian people. This status is conferred by the 1992 Constitution (the "**Constitution**"), which is a hybrid of the Westminster and US systems of government. Ghana's political system is principally based on the separation of powers of the 3 arms of government (namely the Executive, Legislative and Judiciary) as well as a system of checks and balances.

Executive authority rests with the President, in conjunction with the Council of State (a body that deliberates and makes recommendations on any matter being considered or dealt with by the President or any other authority in respect of any appointment enshrined in the Constitution). The President is Head of State, Head of Government, and Commander-in-Chief of the Armed Forces of Ghana, and is elected by the direct vote of the eligible and registered populace for a four-year term and may be re-elected only once.

The Parliament of Ghana ("**Parliament**") is vested with legislative authority. It consists of a unicameral body of 275 members who must be elected by their constituents for a 4-year term in single-seat constituencies. The basic function of the Parliament is to deliberate on issues which can result in the passage of resolutions. For a bill to become law, it must have the support of the majority of the members of Parliament present and voting along with the assent of the President, who has a qualified veto over all bills except those to which a vote of urgency is attached. The President's veto can be overridden by a vote of two-thirds of the members of Parliament.

The Judiciary consists of the Superior Courts of Judicature and such lower courts or tribunals as Parliament may establish. The Superior Courts are the Supreme Court, the Court of Appeal, the High Court and Regional Tribunals. The Constitution provides that the Supreme Court is to consist of the Chief Justice and not fewer than 9 other Justices. Presently, the Supreme Court consists of the Chief Justice and 10 other Justices. The Chief Justice is appointed by the President acting in consultation with the Council of State and with the approval of Parliament. The President appoints the other Supreme Court Justices, acting on the advice of the Judicial Council, of which the Chief Justice is the Chairman, in consultation with the Council of State and with the approval of parliament. Ghana's courts are used extensively for civil, business and criminal cases, and the judiciary is independent of political influences.

As a result of the robust democratic system built over 2 decades, Ghana held its seventh consecutive democratic election under the Fourth Republic in 2016, which resulted in a successful and peaceful transfer of power from an incumbent party to an opposition party. The New Patriotic Party's (NPP) flagbearer Nana Addo Dankwa Akufo-Addo was declared winner with 53.9% of votes, versus President John Mahama of the National Democratic Congress (NDC) who came second with 44.4% of votes. This makes Nana Addo Dankwa Akufo-Addo the fifth President of the Fourth Republic<sup>17</sup>.

## 4.3 Historical Economic Performance<sup>18</sup>

Historically, the backbone of the Ghanaian economy has been the agricultural sector with the focus on the production of cocoa. In recent years however, the services sector has become the highest contributor to GDP surpassing agriculture. Following a cocoa boom in the 1920s, Ghana then called the "Gold Coast" financed the development of its infrastructure and a network of social service institutions which were among the most advanced in Africa. The 1930s global slump and the disruption of exports during the Second World War marked a decade-long pause in the economic development of the British colony. The British government continued to purchase the

16 IC Securities Research, ESLA Bond Prospectus (October 2017) & Government of Ghana

17 Electoral Commission of Ghana

18 Government of Ghana, Ghana Statistical Service & IC Securities Research

cocoa crop in accordance with previous purchase arrangements throughout the war years. War-time rationing limited the opportunities for spending the earnings from the British purchases of cocoa, which resulted in the Gold Coast's emergence post-war as one of the largest holders of reserves in the British Empire.

On the background of accumulated national savings, the colony was able to finance a university as early as 1947, along with developments in infrastructure such as the new harbour and the industrial city of Tema. Early years after independence marked a boom in projects. Some of which include; the Volta River Authority power system, a paved highway to link Accra and Tema, transformation of Ghana's social and economic infrastructure. The price of social change was being paid for out of the profits from a long cyclical boom in the cocoa industry, a guaranteed gold bullion price and a newly emerging timber export business. This reliance on agriculture and gold prices made Ghana's economy particularly susceptible to changes in prices for such commodities and exchange rates.

Until recently, Ghana's economy was characterised by a pattern of recurring variabilities, depending on movements in the prices of Ghana's three principal exports, which were cocoa, timber and gold. In the early 1960s, Ghana was the world's largest producer of cocoa, with an annual output of 450,000 tonnes, however, output fell to an all-time low of 159,000 tonnes in the 1983/84 crop year as a result of low producer prices, and dry weather, which led to bush fires that destroyed many cocoa farms.

#### **4.3.1 Real Sector Development<sup>19</sup>**

Ghana's GDP growth rate increased to 7.8% in 2Q2017 against 2.7% in 2Q2016. This is an improvement from the downward growth trajectory of 14.0% in 2011 to 3.7% in 2016. The dip in growth rates over the years was attributed to the following macroeconomic challenges: the disruptions to energy supplies, higher interest rates, low food production, falling worldwide commodity prices and rising input costs from the depreciation of the Ghana Cedi. However, there have been the following developments in macroeconomic indicators since December 2016: a cut in the Monetary Policy Rate to 21.0% from 26.0% in 2016, a decline in inflation to 12.2% in September 2017 from 15.4% in December 2016 and a surplus primary balance of 0.3% in September 2017 against a deficit of 1.6% in September 2016. In the 2018 Budget Statement and Economic Policy, the Minister of Finance stated that the growth rate is expected to reach 7.9% for 2017.

#### **4.3.2 Principal Sectors of the Economy<sup>20</sup>**

Ghana's economy is broadly classified into 3 sectors: Agriculture, Industry and Services of which the agricultural sector has in the past been the primary driver of growth in GDP. In recent years however, the services and industrial sectors have become increasingly contributory and have outpaced the agricultural sector as the largest contributor to GDP, with the services sector becoming the largest contributor to GDP.

##### **I. Services Sector**

The services sector remains the largest sector of the economy accounting for 55.9% of GDP in 2017 (estimated), a marginal drop from 56.8% in 2016. Service sector growth is estimated to be 4.7% in 2017. The Information and Communication Technology (ICT) and Education are expected to be the largest contributors in the sector with 10.7% (2017 estimate) and 9.1% (2017 estimate) contribution to GDP respectively. Growth was positive for all sub-sectors with the exception of Community, Social and Personal Service activities which is estimated to record a negative growth of 0.5% in 2017. The improved growth performance of Finance and Insurance from 3.5% to 4.1% in 2017 is indicative of the subsector's slow recovery from the severe slowdown in 2015. The services sector is expected to grow by 6.2%, 6.5% and 6.1% in 2018, 2019 and 2020 respectively. Service delivery is expected to be generally enhanced by attempts to achieve greater formalization of the economy, while trade activities will continue picking up in response to a fairly stable exchange rate.

19 2018 Budget Statement and Economic Policy & IC Securities Research

20 2018 Budget Statement and Economic Policy & Ghana Statistical Service

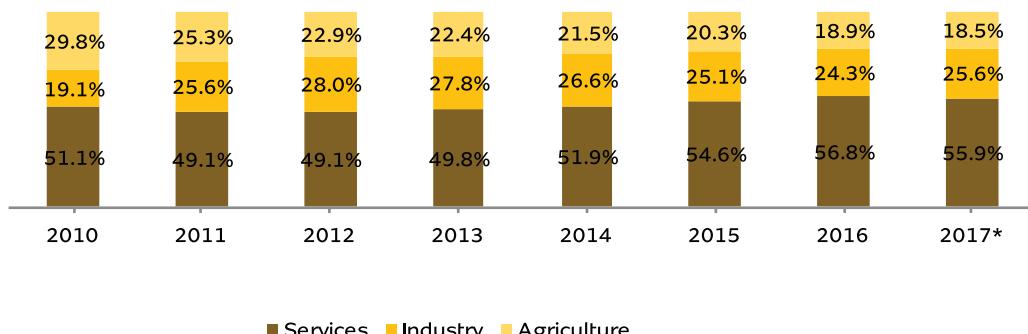
## **II. Agriculture Sector**

The agriculture sector's contribution to GDP has decreased in recent years, from 21.5% of GDP in 2014 to 20.2% of GDP in 2015 although it employs 44.3% (GLSS 6) of the estimated workforce. Cocoa is the major export crop, accounting for approximately 19.4% of export earnings in 2015<sup>21</sup>, followed by non-traditional products such as horticulture, fish and pineapples. The sector experienced a growth of 2.5% in 2015, compared to a growth of 4.6% in 2014. In Q3 of 2016, the sector grew by 2.3% (y/o/y) compared to 24.5% in Q3 of 2015 (y/o/y). The sector's contribution however inched up in Q3 of 2016 (y/o/y) to 24.8% from 24.5% in Q3 of 2015 (y/o/y).

## **III. Industry Sector<sup>22</sup>**

The industry sector is expected to contribute 25.6% to GDP in 2017 from 24.3% in 2016 and 25.1% in 2015. Growth in the sector is also expected to record significant growth from -0.3% and 0.5% in 2015 and 2016 respectively to 17.7% in 2017. This is largely driven by the mining and quarrying subsector, of which upstream petroleum constitutes a significant share. Upstream petroleum is expected to grow by 69.2% in 2017, a sharp reversal from the negative 16.9% recorded in 2016. This figure is higher than previously projected and is principally due to the deferment of the FPSO Turret Remediation Project to 2018, allowing for increased production in 2017 and a lower forecast production in 2018 than originally projected. Manufacturing is estimated to grow by 3.1%, compared with 2.7% recorded in 2016. In 2016, the electricity sub-sector recorded the highest growth with a growth rate of 11.7% (6.7% 2017 estimate) followed by the construction and manufacturing subsectors with a growth rate of 2.9% and 2.7% respectively. The petroleum, mining and quarrying, and water and sewerage recorded negative growth rates of 16.9%, 7.6% and 3.2% respectively and are estimated to record growth rates of 69.2%, 52.3% and 17.7% respectively.

Total crude oil lifted Year-to-Date (YTD) September 2017 was 5,795,014 barrels (3,802,769 barrels of Jubilee oil and 1,992,245 barrels of TEN oil), compared to 2,926,979 barrels (all from Jubilee Field) for the same period in 2016. The overall lifting volume YTD September 2017 was ~98% higher than that of the same period in 2016. Receipts from crude oil liftings for the period up to September 2017 was USD 339.3 million (GHS1.5 billion). Total petroleum receipts (i.e. proceeds from liftings and other sources) as at September 2017 was USD 362.6 million (GHS1.6 billion) against receipts of USD 172.9 million (GHS 671.5 million) for the same period in 2016. The allocation of the Petroleum receipts were based on the provisions of the Petroleum Revenue Management Act, 2011 (Act 815) (as amended) (the “PRMA”). The PRMA requires that not more than 70.0% of Government’s net petroleum receipts is designated as Assets Based Finance Association (ABFA), and that not less than 30.0% is designated as Ghana Petroleum Funds (GPFs). A total of USD 135.8 million (GHS 588.2 million) was transferred into the GPFs and USD 127.1 million (GHS 546.3 million) to ABFA for the period up to September 2017, compared to USD 32.5 million (GHS 126.5 million) for the same period in 2016. Total proceeds of USD 126.7 million was also allotted to the GNP.



Contribution of the various sectors to GDP from 2010 to 2017<sup>23</sup>

21 GSS, Revised 2015 Annual GDP (Sept 2016 Edition)

22 Ghana Eurobond Prospectus (July 2016)

23 2018 Budget Statement and Economic Policy & Ghana Statistical Service

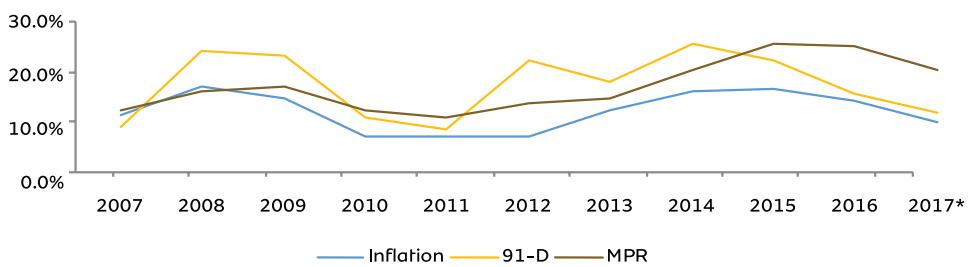
#### 4.3.3 Monetary and Fiscal Policies

The Bank of Ghana is responsible for formulating monetary policies aimed at maintaining price stability as stated in the Bank of Ghana Act, 2002 (Act 612) (as amended). The BoG's Monetary Policy Committee (the "MPC"), modelled after that of the Bank of England, sets the policy rate every 2 months, and communicates its decision to the public. This has supported a shift in macroeconomic policy from one of considerable fiscal relaxation and monetary accommodation to one of fiscal and monetary prudence, by using interest rates to steer expectations. In pursuit of its monetary policy objectives, the BoG relies on open market operations and utilises adjustments in the monetary policy rate, reserve requirements and the money supply.<sup>24</sup>

Against a backdrop of increased inflation, higher inflation expectations and unstable macroeconomic conditions, the MPC has reduced the Monetary Policy Rate ("MPR") by 150 basis points from 22.5% in June 2017 to 21.0% in July 2017 and it has remained unchanged after the MPC meeting in September 2017. The monetary policy for 2017 was focused on moving inflation towards a medium-term target band of  $8.0\% \pm 2.0\%$  and this was meant to improve the country's macroeconomic fundamentals, exchange rate stability, ease inflation pressures and improved sentiments.

##### I. Consumer Price Inflation<sup>25</sup>

In July 2013, the Ghana Statistical Service introduced a rebased calculation of the Consumer Price Index ("CPI") which along with other changes, updated the relative weights of the items in the consumption basket and moved the CPI base year from 2002 to the average prices of 2012. CPI indices and rates of inflation under the new calculation vary slightly from indices and rates calculated for the same periods under the old calculation. In general, rates of inflation under the new calculation are slightly higher than they would be if calculated using the old methodology. In 2018, the CPI will be rebased from 2012 to 2017. This will be done to improve the quality and coverage of national accounts aggregates to reflect Ghana's current economic structure. Over the last 3 years, the BoG has implemented tight monetary policies in an effort to manage inflation which stood at 16.9%, 17.4% and 15.8% in October 2014, 2015 and 2016 respectively. Inflation has dropped to 11.6% as at the end of October, 2017. The downward trend in inflation was driven by the relative exchange rate stability, the tight monetary policy and prudent fiscal consolidation policies.



Inflation, 91-Day Treasury bill and MPR trend from 2007 to 2017<sup>26</sup>

\* Provisional – 2017 estimate

##### II. Interest and Public Debt<sup>27</sup>

Rates on the short term bills have been on a steady decline since December 2016. The interest equivalent of the 91-day Treasury bill rate declined from 16.8% in December 2016 to 13.2% as at September 2017. Towing the same line, the rate on the 182-day Treasury bill declined to 14.1% as at September 2017 from 18.5% in December 2016 while the rates of the 1-year, 2-year, 3-year and 5-year bonds fell from 21.5%, 22.5%, 24.0% and 25.0% to 15.0%, 17.0%, 18.3% and 18.2% respectively. Ghana's public debt stock has increased from GHS 53 billion (52.0% of GDP) in 2013 to GHS 138.9 billion (72.5% of GDP) in September 2017. It comprises of an external and domestic debt of GHS 75.5 billion and GHS 63.3 billion respectively. Interest payments through September 2017 amounted to GHS 9.7 billion which

24 Bank of Ghana

25 IC Securities Research & Bank of Ghana

26 Bank of Ghana

27 Government of Ghana & Bank of Ghana

was 5.5% lower than the targeted 6.6%. As at September 2017, the total public debt stock as a proportion of GDP decreased to 68.3% from the 73.1% recorded in 2016.

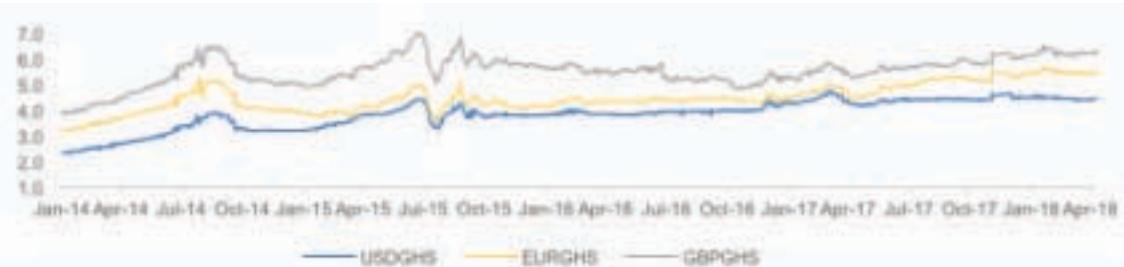
With the assistance of the IMF and the World Bank, the Government of Ghana has developed a Medium-Term Debt Management Strategy to enhance debt sustainability as well as support fiscal consolidation.

In the beginning of 2017, the Government of Ghana planned to restructure the debt of the energy sector SOEs by leveraging the Energy Debt Recovery Levy component of the Energy Sector Levies Act (899) (as amended) (**"ESLA"**). As a result, the Ministry of Finance sponsored the establishment of the E.S.L.A. Plc as a Special Purpose Vehicle (the **"ESLA SPV"**). The ESLA SPV established a bond programme to issue GHS-denominated medium-to-long-term amortising bonds on the back of ESLA receivables to repay legacy debt to the tune of up to GHS 10 billion (the **"ESLA Bond Programme"**). The first tranche of bonds issued under the ESLA Bond Programme comprised a 7-year (GHS 2.4 billion) and a 10-year (GHS 2.4 billion) bond (with coupons of 19.0 % and 19.5%, respectively) for a total of GHS 4.8 billion.

The proceeds from the bond issuance is expected to reduce non-performing loans within the banking sector and strengthen the balance sheets of the SOEs in the energy sector. To date, the stock of energy sector debt has been almost halved. The ESLA SPV will continue to issue bonds to completely pay off the legacy debts.

### III. Foreign Exchange Rates

In 2000, Ghana experienced a currency crisis where the GHS depreciated by 50.0% against the USD as a result of weak cocoa and gold prices and the high price of imported oil. The GHS was relatively stable until 2012, when it declined sharply in value, falling from GHS 1.57 per USD as at 3 January 2012 to GHS 1.88 per USD on 31 December 2012: a total decline of 19.8%. This decline was the result of several factors including pressures in the foreign exchange market following a surge in import demand that accompanied GDP growth, premature redemption of portfolio investments by non-residents and divestments of foreign holdings in government bonds. As a result, the BoG took a number of measures in 2012 to tighten domestic liquidity, including increasing the MPR from 12.5% to 15.0% and requiring banks to hold mandatory reserves on foreign currency deposits in GHS.



Foreign Exchange trend for January 2014 to 06 April 2018: Ghana Cedis/US Dollar, British Pound and Euro<sup>28</sup>

The GHS' depreciation against the major foreign currencies still remains a major concern to the BoG. The USD 1.8 billion cocoa syndicated loan for the 2017/2018 crop season together with the favourable developments in the country's external position are expected to help moderate exchange rate volatilities.

### IV. Government Budgetary Operations<sup>29</sup>

The Government of Ghana has made fiscal deficit control an important fiscal policy goal. The budget deficit, which stood at 5.8% of GDP in 2009, increased to 11.5% of GDP in 2012 mainly due to the implementation issues associated with the Single Spine Salary Structure ("SSSS"), shortfalls in development partner grants, over-estimation of expected oil revenues, larger-than-expected petroleum and utility subsidies, and higher interest cost burden resulting from the steep rise in short-term domestic interest rates. As at December 2016, the fiscal deficit on cash basis was 8.7% against a full year target of 5.0% of GDP whereas the fiscal

28 Bloomberg

29 IC Securities Research & 2018 Budget Statement and Economic Policy

deficit on commitment basis was 10.3%. Government expenditure for the year ended 2016 amounted to GHS 51.1 billion (30.3% of GDP) against a target of GHS 44.0 billion (26.4% of GDP), with an outstanding stock of arrears of nearly GHS 7.0 billion. This is at variance with the Performance Criteria on the non-accumulation of arrears for the 2016 fiscal year under the IMF-supported Extended Credit Facility (ECF) Programme.

Total revenue and grants collected as at September 2017 amounted to GHS 28.0 billion (14.1% of GDP) compared to a target of GHS 31.3 billion (15.5% of GDP). The shortfall in revenue performance is due to delays in implementation of tax compliance and administrative measures as well as slow real GDP growth in the non-oil sectors of the economy. The government improved expenditure management with an amount of GHS 37.7 billion compared to the targeted GHS 41.0 billion. This was due to the lower interest payments arising mainly from the reprofiling of maturing domestic debt. The wage bill amounted to GHS 10.7 billion constituting about 48% of tax revenues. The overrun was attributed to the payment of higher than programmed wages and allowances carried over from previous years. The cash fiscal deficit was GHS 9.3 billion (4.6% of GDP) against a target of GHS 9.7 billion (4.8% of GDP). Government has projected an expenditure of GHS 62.0 billion for the 2018 fiscal year. Fiscal deficit is expected to decline to 4.5% of GDP in 2018 from the estimated 6.3% in 2017 but the government projects a medium term stabilization of 3% to 5% of GDP.

#### V. Credit Rating<sup>30</sup>

Ghana obtained its first sovereign rating of 'B' with a positive outlook from Fitch Ratings and 'B' from Standard & Poor's in late 2003. Fitch Ratings affirmed Ghana's 'B+' with a stable outlook in 2012 signifying that investors risk a moderate chance of default, while Standard & Poor's rated Ghana 'B' with a stable outlook in its 2012 annual review. In 2015, when Ghana attracted a 10.8% interest rate on the Eurobond issued, Fitch Ratings affirmed Ghana's 'B' rating with a negative outlook, while Standard & Poor's rated Ghana 'B-' long-term and 'B' short-term with a stable outlook and Moody's further downgraded Ghana's sovereign rating from 'B2' to 'B3' with a negative outlook. In 2016, Fitch Ratings affirmed Ghana's 'B' rating with a negative outlook, Standard & Poor's affirmed Ghana's 'B-' long-term and 'B' short-term ratings with a stable outlook and Moody's affirmed Ghana's sovereign 'B3' rating with a stable outlook which was reflective of the large gross financing needs, high debt burden and low debt affordability that Ghana was facing. However, Standard and Poor's maintained Ghana's rating of 'B-' and changed the outlook from stable to positive in October 2017. Below is the current credit of rating of Ghana per credit rating agency:

Agency	Rating	Latest Rating
Moody's	B3/Stable	Revised September 2016: Outlook revised to Stable from Negative. Rating Affirmed
Fitch Ratings	B/Stable	Revised May 2017: Outlook revised to Stable from Negative. Rating Affirmed
Standard & Poor's	B-/Positive	Revised October 2017: Outlook changed to Positive from Stable. Rating affirmed

#### 4.4 International Monetary Fund Programme<sup>31</sup>

In August 2014, the Government of Ghana requested an arrangement with the IMF to help support stronger policy adjustments, restore market confidence and revive Ghana's transformation agenda. The programme was to help restore macroeconomic stability and foster a return to high growth and job creation while protecting social spending. The Executive Board of the IMF approved a 3-year arrangement under the Extended Credit Facility ("ECF") for Ghana of up to USD 918.0 million in support of Ghana's medium-term economic reform programme in April 2015. The fourth review under the ECF was completed with the disbursement of USD 94.2 million bringing the total amount received under the programme to USD 565.2 million. The ECF has been extended by one year with the final review scheduled to occur on February 2019.

30 Ghan Statistical Service and IC Securities Research

31 IMF - Ghana: Fourth Review Under the Extended Credit Facility Arrangement

Current efforts made so far include the total removal of subsidies on petroleum products, mitigation of payroll irregularities, enhancement of public finance management and transparency and deregulation of the oil distribution sector. Ghana's external position has seen a major improvement with the strong foreign investor participation in the domestic debt market. Wide ranging reforms will play a role in making consolidation sustainable over the medium term and create fiscal space for priority spending programmes. 2016 also saw the introduction of new taxes aimed at strengthening SOEs in the utilities sector to avoid additional pressures on the national budget and ensuring that gains from fiscal consolidation are sustained over the medium term.

#### 4.5 Economic Outlook<sup>32</sup>

The IMF projected Ghana's economic growth (real GDP growth) to be 8.9%, 5.9% and 5.1% in 2018, 2019 and 2020 respectively while GDP per capita is expected to increase consequently over the same period.<sup>33</sup> Key contributors to this projected growth are banking, agriculture, fast moving consumer goods and the telecommunication sector. The industry sector is expected to see significant improvement in growth while the services sector is expected to maintain its growth trajectory, spurred by a rising middle income class with a growing appetite for goods and services.<sup>34</sup>

Ghana is making headway in infrastructure development and has acquired power barges to help alleviate its power situation. There are ongoing thermal and hydro power projects aimed at adding 3,000 MW of power to the national grid over the next 3 to 5 years. Gas production on the Sankofa Gye Nyame (SGN) field is expected to commence in the second quarter of 2018. The SGN field is however expected to introduce 30,000 barrels of oil daily as well as 44,800 barrels per day (bopd) at peak levels. The Tweneboa-Enyera-Ntomme ("TEN") field is the second largest oilfield in Ghana with recoverable reserves of 245 million barrels of oil and 365 billion cubic feet (bcf) of gas. The TEN project started in mid-2013 with first oil flow in August 2016. Its production capacity is expected to graduate from 27,000 barrels bopd and peak at 76,000 bopd. Production from the TEN field as at September 2017 was 14,253,478 barrels. Average daily oil production achieved for the period stood at 52,211 barrels against a planned daily average of 50,000 bopd. These will collectively improve Ghana's energy sector by ensuring stable power supply as well as increase revenues from oil exports.

The Government of Ghana has indicated that it is committed to fiscal reforms and consolidation in a bid to reduce the fiscal deficit to 3.0% by 2019 and inflation to 8.0% ±2.0% in 2018 to 2019. In order to improve revenue, government rolled-out the National Identification Scheme and National Digital Addressing System in September and October of 2017. The commencement of these programmes is expected to widen the tax net particularly in the informal sector. The government also intends to introduce new instruments to further lengthen the maturity profile of public debt, reduce cost/risk factors associated with the debt portfolio through effective liability management, and support the development of the capital market. This will involve the implementation of a wide variety of operations, including the buy-back of existing debt using Sinking Fund Account, interest rate hedging and the use of structured financial instruments, as market conditions permit.

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32 IC Securities Research

33 IMF WEO Data book

34 2018 Budget Statement and Economic Policy





## **PART 5 - LEGAL COMPLIANCE LETTER FROM LEGAL ADVISER**



**BENTSI-ENCHILL  
LETSA & ANKOMAH**

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S/139s10

02-Mar-18

**Securities and Exchange Commission**  
30, Third Circular Road, Cantonments  
Accra, Ghana

Attention: The Director-General

**Ghana Stock Exchange**  
5<sup>th</sup> Floor, Cedi House, Liberia Road  
Accra, Ghana

Attention: The Managing Director

Dear Sirs,

**SCANCOM PLC: LEGAL COMPLIANCE LETTER IN CONNECTION WITH INITIAL PUBLIC OFFER OF SHARES AND LISTING OF SHARES ON THE GHANA STOCK EXCHANGE**

**1. INTRODUCTION**

**1.1 Basis of Instruction**

We have acted as legal advisers to Scancom Plc, a public limited liability company incorporated under the laws of Ghana ("MTN Ghana"), in connection with its:

- 1.1.1** proposed initial public offer of up to 2,489,698,667 new ordinary shares by way of subscription (the **Subscription Shares**) and up to 2,147,695,867 issued ordinary shares by way of sale by an existing shareholder (the **Sale Shares**) (the Subscription Shares and the Sale Shares, together, the **Offer Shares**), representing up to 35% of the issued shares of MTN Ghana (the **Offer**); and
- 1.1.2** proposed listing of all the Offer Shares and all of its already issued ordinary shares (**Existing Shares**) (the Offer Shares and the Existing Shares, together, the **MTN Ghana Shares**) on the Ghana Stock Exchange (the **Listing**),  
(the Offer and the Listing, together, the **Transaction**).

**1.2 Documents Examined**

- 1.2.1** For the purpose of giving this opinion, we have examined a draft of the prospectus to be issued by MTN Ghana and which sets out, among others, the

terms and conditions of the Transaction, and which is yet to be approved by the Securities and Exchange Commission (the **Prospectus**).

- 1.2.2 Unless otherwise indicated, all expressions defined in the Prospectus have the same meanings when used in this opinion.
- 1.2.3 In addition, we have examined originals or copies certified to our satisfaction of the following documents:
  - 1.2.3.1 the certificate of incorporation of MTN Ghana dated October 18, 2016;
  - 1.2.3.2 the certificate to commence business of MTN Ghana dated September 9, 2014;
  - 1.2.3.3 the regulations of MTN Ghana adopted by special resolution on September 8, 2016 (the **Regulations**);
  - 1.2.3.4 the written resolution of the board of directors of MTN Ghana (the **Board**) dated September 2, 2016 and approving the conversion of MTN Ghana into a public company and recommending the adoption of the Regulations (the **Written Board Resolution**);
  - 1.2.3.5 the extract of the minutes of the meeting of the Board held on October 31, 2017, indicating that the Board has, among others, approved the Transaction (the **Extracted Board Minutes I**);
  - 1.2.3.6 the extract of the minutes of the meeting of the Board held on June 20, 2016, indicating that the Board has, among others, authorised Ebenezer Twum Asante (*Chief Executive Officer*) to sign the Prospectus and any other related documents (the **Extracted Board Minutes II**),  
(the Extracted Board Minutes I and the Extracted Board Minutes II, together, the **Extracted Board Minutes**);
  - 1.2.3.7 the written resolution of the shareholders of MTN Ghana (the **Shareholders**) dated September 8, 2016 and approving the conversion of MTN Ghana into a public company and the adoption of the Regulations (the **Written Shareholders' Resolution I**); and
  - 1.2.3.8 the written resolution of the Shareholders dated March 1, 2018 and approving the Transaction (the **Written Shareholders' Resolution II**),  
(the Written Shareholders' Resolution I and the Written Shareholders' Resolution II, together, the **Written Shareholders' Resolutions**).
- 1.2.4 We have also examined such other documents and certificates, searches and records as are necessary under the laws of Ghana to enable us to give this opinion.

### 1.3 Scope and Purpose of the Opinion

- 1.3.1 We are qualified to practise law in Ghana. This opinion is limited to matters of Ghanaian law as in force and applied at the date of this opinion. We have not investigated the laws of any country other than Ghana and we express no opinion on the laws of any other jurisdiction.

- 1.3.2** This opinion is given on the basis of the assumptions set out in the Schedule (Assumptions).

## **2. OPINION**

Based on the preceding paragraphs, we are of the opinion that:

### **2.1 Incorporation**

- 2.1.1** MTN Ghana is duly incorporated as a public limited liability company under the laws of Ghana.

- 2.1.2** MTN Ghana has perpetual corporate existence and the capacity to sue or be sued in its name and to carry on its business as currently conducted and authorised under the Regulations.

- 2.1.3** To the best of our knowledge and upon due enquiry:

- 2.1.3.1** MTN Ghana has all the necessary power and authority to own its property and assets and to carry on its businesses as currently conducted and authorised under the Regulations;

- 2.1.3.2** no steps have been (or are being taken) to appoint any administrator, trustee, receiver, liquidator (or such analogous person or body) over, or to wind up or dissolve, MTN Ghana; and

- 2.1.3.3** no moratorium been declared on the payment of any indebtedness of MTN Ghana.

### **2.2 Powers and Authorisations**

MTN Ghana:

- 2.2.1** is duly licensed by the National Communications Authority of Ghana to provide electronic communications services in Ghana;

- 2.2.2** has the power to issue, and perform its obligations under, the Prospectus;

- 2.2.3** has taken all necessary action to authorise the issue of, and performance of its obligations under, the Prospectus; and

- 2.2.4** has taken all necessary action to authorise the signing of the Prospectus and all notices, certificates, communications and other documents to be delivered by it under the Prospectus.

### **2.3 Regulatory Approvals and Consents**

- 2.3.1** The approval of the Securities and Exchange Commission (the **SEC**) is required for the Prospectus in accordance with section 3(k) of the Securities Industry Act, 2016 (Act 929) (the **SEC Approval**).

- 2.3.2** The approval of the Ghana Stock Exchange is required for the Listing in accordance with Part II (*Admission of Securities to Listing*) of the listing rules under the Ghana Stock Exchange (**GSE**) Rule Book (the **GSE Approval**).

**2.3.3** Apart from the SEC Approval and the GSE Approval, no other regulatory approvals, consents, licences or authorisations are required under Ghanaian law for the implementation of the Transaction and/or the issuance of the Prospectus.

**2.4 The Prospectus and the Offer Shares**

**2.4.1** The Prospectus complies with the requirements of Schedule 5 of the SEC Regulations, 2003 (L.I. 1728) and Schedule 7 of the Companies Act of Ghana, 1963 (Act 179) (as amended) (the **Companies Act**).

**2.4.2** The Offer Shares rank, and will rank, equally and rateably *pari passu* in all respects with the Existing Shares.

**2.5 The Regulations**

**2.5.1** The Regulations comply with all requirements on the contents of the regulations of a public company, as required by the Companies Act and Part V (*Regulations of an Applicant Company*) of the listing rules under the GSE Rule Book.

**2.5.2** The Transaction does not contravene any provision of the Regulations or any applicable Ghanaian law.

**2.6 Contractual Obligations**

To the best of our knowledge and upon due enquiry, there are no contractual agreements, obligations or undertakings preventing MTN Ghana from undertaking the Transaction.

**2.7 Taxes and Stamp Duty**

**2.7.1** The statements in the Prospectus regarding taxation in Ghana are correct in all material respects.

**2.7.2** The Prospectus is not subject to stamp duty under the Stamp Duty Act, 2005 (Act 659).

**2.8 Registrations and Filings**

**2.8.1** No registration or filing is required at any registry in Ghana in order for the Prospectus to be valid, binding and enforceable in accordance with its terms.

**2.8.2** The Prospectus is, however, required to be filed with the Companies Registry in accordance with the Companies Act. There will be no legal effect on the Prospectus if it is not duly filed except for a fine of GHS 6,000 on the Issuer and any of its officers who are at fault.

Yours faithfully,

  
**Seth Asante**  
(Partner & Head, Financial Institutions and Capital Markets)  
**Bentsi-Enchill, Letsa & Ankomah**

## Schedule

### Assumptions

In giving this opinion, we have assumed, and this opinion is given on the basis, that:

1. all original documents supplied to us are complete, authentic and up to date, and that all copy documents supplied to us are complete and conform to the originals;
2. the Extracted Board Minutes are in respect of resolutions duly passed at duly constituted meetings of the Board and all requirements relating to disclosure of interest and due consideration of the commercial interests of MTN Ghana were complied with;
3. the Written Board Resolution was duly executed by all the directors of MTN Ghana and all requirements relating to disclosure of interest and due consideration of the commercial interests of MTN Ghana were complied with;
4. the Written Shareholders' Resolutions were duly executed by all the Shareholders after the Board had fully disclosed all material details relating to the Transaction; and
5. all disclosures made to us by MTN Ghana as reflected in the Prospectus are materially correct as at the date of this opinion and no event has occurred which undermines or may undermine the correctness of those disclosures.

We have found nothing to indicate that the above assumptions are not justified.



**PART 6 - REPORTING ACCOUNTANT'S REPORT ON  
HISTORICAL FINANCIAL STATEMENTS**



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Our ref. G.98/AKS/SG  
Contact S. Gyau

The Board of Directors  
Scancor Plc  
Plot OER 6  
Independence Avenue  
West Ridge  
Accra

27 March 2018

Dear Sir

**Review Report to the Directors of Scancor PLC on the Historical Financial Information of Scancor PLC**

We have reviewed the accompanying historical financial information of Scancor PLC, which comprises the statements of financial positions as at 31 December 2011 to 31 December 2017, the statements of comprehensive income and cash flows for the years and period then ended, and a summary of significant accounting policies. We report on this historical financial information, which has been prepared for inclusion in the Prospectus of Scancor PLC for the purpose of a public offering of ordinary shares to meet the requirements for the award of a 4G LTE License.

**Responsibility of the Directors**

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in a manner required by the Companies Act, 1963 (Act 179), and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The financial information is the responsibility of the Directors of Scancor PLC who have initiated the Public Share Offering. The Directors of Scancor PLC are also responsible for the contents of the Prospectus relating to the public share offering in which this report is included.

**Independent Reviewer's Responsibility**

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial information, taken as a whole, is not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

KPMG, a partnership established under Ghanaian law, is a member of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

N.K. Dadi  
A.K. Sapping  
N.A. Ayeh  
J. Coleman

E.D. Asiedu  
D.S. Adwoya  
K. Frempong-Kwei  
N.D. Herley  
A.D. Afoko  
P.N. Dennis

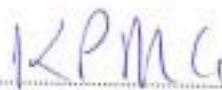


A review of financial information in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial information does not give a true and fair view of the financial positions of Scancom PLC as at 31 December 2011 to 31 December 2017, and of its financial performance and cash flows for the periods then ended, in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179).

The engagement partner on the review engagement resulting in this independent reporting accountant's report is **Anthony Kwasi Sarpong (ICAG/P/1369)**.

  
For and on behalf of:  
KPMG (ICAG/F/2018/038)  
CHARTERED ACCOUNTANTS  
13 YIYIWA DRIVE, ABELENKPE  
P O BOX GP 242  
ACCRA



KPMG, a partnership established under Ghanaian law, is a member of the  
KPMG network of independent member firms affiliated with KPMG  
International Cooperative ("KPMG International"), a Swiss entity.

M.A. Dorcas  
A.K. Sarpong  
N.A. Ayivor  
J. Coleman  
  
E.O. Asiedu  
D.S. Adoteye  
K. Thompson-Ross  
  
H.D. Hartley  
A.O. Akoto  
F.N. Dennis

Statements of Comprehensive Income for the Years Ending 31 December 2013 – 2017					
	2013	2014	2015	2016	2017
	GHS'000	GHS'000	GHS'000	GHS'000	GHS'000
Revenue	1,752,605	1,993,411	2,315,666	2,773,219	3,419,747
Other income	4,172	4,524	-	-	18,700
Direct network operating cost	(273,178)	(361,655)	(482,521)	(565,097)	(757,257)
Interconnect and roaming cost	(245,876)	(275,506)	(273,353)	(297,038)	(334,007)
Cost of handsets, sim cards, recharge vouchers and other accessories	(80,101)	(126,293)	(204,555)	(69,719)	(93,933)
Selling, distribution and marketing expenses	(162,358)	(181,144)	(190,045)	(481,462)	(611,129)
Employee benefits	(87,580)	(102,304)	(115,065)	(131,318)	(160,131)
Other operating expenses	(246,265)	(121,055)	(109,536)	(95,563)	(131,068)
Impairment (loss)/reversal	6	(93,000)	3,286	-	-
<b>EBITDA Pre-Management fee</b>	<b>840,073</b>	<b>784,237</b>	<b>943,877</b>	<b>1,133,022</b>	<b>1,350,922</b>
Management fee	(178,648)	(47,259)	-	-	-
EBITDA	661,425	736,978	943,877	1,133,022	1,350,922
Depreciation of property, plant and equipment	(132,046)	(158,847)	(254,666)	(217,910)	(295,375)
Amortisation of intangible assets	(21,564)	(32,198)	(31,240)	(40,461)	(64,553)
<b>Operating profit</b>	<b>507,815</b>	<b>545,933</b>	<b>657,971</b>	<b>874,651</b>	<b>990,994</b>
Finance income	50,673	163,772	119,440	50,152	50,122
Finance cost	(60,511)	(200,886)	(154,413)	(104,340)	(72,078)
<b>Profit before tax</b>	<b>497,977</b>	<b>508,819</b>	<b>622,998</b>	<b>820,463</b>	<b>969,038</b>
NFSL	(11,597)	(25,441)	(31,150)	(41,023)	(48,452)
Income tax expense	(124,996)	(126,756)	(161,060)	(236,928)	(205,818)
<b>Profit for the year</b>	<b>361,384</b>	<b>356,622</b>	<b>430,788</b>	<b>542,512</b>	<b>714,768</b>

Statements of Financial Position at 31 December 2013 – 2017					
Statement of Financial Position	2013	2014	2015	2016	2017
<b>Assets</b>	GHS'000	GHS'000	GHS'000	GHS'000	GHS'000
<b>Non-current assets</b>					
Property, plant and equipment	1,202,140	1,292,670	1,467,317	1,882,574	2,267,833
Intangible assets	123,072	148,956	95,714	333,717	340,305
Prepayment	172	172	260	260	-
IRU assets	12,405	17,795	35,917	37,913	60,555
	1,337,789	1,459,593	1,599,208	2,254,464	2,668,693
<b>Current assets</b>					
Inventories	14,112	10,845	7,359	27,463	20,300
Trade and other receivables	209,014	394,631	409,659	322,604	379,904
Income tax asset	2,973	8,857	23,286	-	179,002
National stabilization levy receivable	-	-	-	-	3,819
Cash and cash equivalents	291,124	242,431	284,283	151,671	196,730
Current Portion of IRU Assets	-	-	-	-	-
<b>Total assets</b>	<b>1,855,012</b>	<b>2,116,357</b>	<b>2,323,795</b>	<b>2,756,202</b>	<b>3,448,448</b>
<b>Equity</b>					
Stated capital	1,363	1,363	1,363	1,363	1,363
Retained earnings	925,584	1,031,206	1,186,994	1,622,506	1,867,274
	926,947	1,032,569	1,188,357	1,623,869	1,868,637
<b>Non-current liabilities</b>					
Borrowings	96,763	107,225	96,000	-	337,164
Deferred tax liabilities	143,253	108,695	107,963	216,976	237,229
Provisions	121	3,965	3,900	3,770	3,770
Deferred revenue - IRU	-	-	-	-	7,542
	<b>240,137</b>	<b>219,885</b>	<b>207,863</b>	<b>220,746</b>	<b>585,705</b>
<b>Current liabilities</b>					
Trade and other payables	553,341	708,455	631,337	608,815	862,568
Borrowings	39,492	71,483	192,000	159,075	-
Deferred revenue	77,155	69,684	83,583	75,248	90,745
Provisions	17,676	11,341	20,326	26,686	40,793
Current income tax liabilities	264	2,940	329	41,763	-
Bank Overdraft	-	-	-	-	-
	<b>687,928</b>	<b>863,903</b>	<b>927,575</b>	<b>911,587</b>	<b>994,106</b>
<b>Total liabilities</b>	<b>928,065</b>	<b>1,083,788</b>	<b>1,135,438</b>	<b>1,132,333</b>	<b>1,579,811</b>
<b>Total equity and liabilities</b>	<b>1,855,012</b>	<b>2,116,357</b>	<b>2,323,795</b>	<b>2,756,202</b>	<b>3,448,448</b>

Cash Flow Statements for the Years Ending 31 December 2013 – 2017					
	2013 GHS'000	2014 GHS'000	2015 GHS'000	2016 GHS'000	2017 GHS'000
<b>Cash flows from operating activities</b>					
Cash generated from operations	699,940	655,044	907,937	1,208,043	1,253,282
Finance income	24,557	33,906	21,425	19,155	7,061
Finance cost	(13,153)	(26,219)	(28,633)	(64,289)	(9,421)
Income tax paid	(123,538)	(189,963)	(209,982)	(104,218)	(458,600)
Dividend paid	(291,486)	(218,400)	(252,920)	(199,000)	(401,000)
<b>Net cash generated from operating activities</b>	<b>296,320</b>	<b>254,368</b>	<b>437,827</b>	<b>859,691</b>	<b>391,322</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment	(290,366)	(267,461)	(453,980)	(585,273)	(436,435)
Purchase of intangible assets	(59,370)	(57,962)	(54,970)	(278,006)	(53,856)
Proceeds from disposal of property, plant and equipment	745	468	188	555	131
Proceeds from disposal of intangible assets	-	-	-	-	-
Proceeds from the disposal of non-current assets	4,172	6,124	-	-	-
IRU asset	(1,355)	-	-	-	(22,644)
<b>Net cash used in/from investing activities</b>	<b>(346,174)</b>	<b>(318,831)</b>	<b>(508,762)</b>	<b>(862,724)</b>	<b>(512,804)</b>
<b>Cash flows from financing activities</b>					
Proceeds from borrowings	119,100	80,000	242,836	315,000	345,000
Repayment of borrowings	(13,379)	(87,739)	(156,795)	(447,600)	(159,075)
<b>Net cash generated from/used in financing activities</b>	<b>105,721</b>	<b>(7,739)</b>	<b>86,041</b>	<b>(132,600)</b>	<b>185,925</b>
Net increase/(decrease) in cash and cash equivalents	55,867	(72,202)	15,106	(135,633)	64,443
Cash and cash equivalents at the beginning of the year	221,251	291,124	242,431	284,283	151,671
Exchange gains on cash and cash equivalents	14,006	23,509	26,746	3,021	(19,384)
<b>Cash and cash equivalents at the end of the year</b>	<b>291,124</b>	<b>242,431</b>	<b>284,283</b>	<b>151,671</b>	<b>196,730</b>



**PART 7 - REPORTING ACCOUNTANT'S REPORT  
ON FORECAST AND GUIDANCE**



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Our ref. G.99/AKS/SG  
Contact S. Gyau

The Board of Directors  
Scancor Plc  
Plot OER 6  
Independence Avenue  
West Ridge  
Accra

27 March 2018

Dear Sir

**Independent Reporting Accountants' Report on the Forecast Financial Statements of Scancor Plc**

We have examined the forecast financial statements of Scancor Plc, which comprises forecast financial position, statements of comprehensive income and statements of cash flows, for the period 2018 to 2022. We have examined the forecast financial statements which have been prepared for inclusion in the Prospectus (the "Prospectus") of Scancor Plc for the purpose of a public offering of ordinary shares to meet the requirements for the award of a 4G LTE License.

The financial forecasts have been prepared in line with the Company's accounting policies, and are based on International Financial Reporting Standards (IFRS).

**Directors' responsibility**

The Directors of Scancor Plc are responsible for the forecast, including the assumptions set out in the Prospectus of the Company, on which it is based and for the financial information from which it has been prepared. This responsibility includes determining whether the assumptions, barring unforeseen circumstances, provide a reasonable basis for the preparation of the forecast, whether the forecast has been properly compiled on the basis stated and whether the forecast is presented on a basis consistent with the accounting policies of Scancor Plc.

**Our independence and quality control**

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Control 1 (ISQC 1) Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

KPMG, a partnership established under Ghanaian law, is a member of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

N.A. Dadeo  
A.K. Serpong  
H.A. Ayivor  
J. Coleman

E.O. Aduku  
D.S. Adomah  
E. Frimpong-Kare  
F.N. Dennis



#### Reporting accountants' responsibility

Our responsibility is to provide a limited assurance report on the forecast prepared for the purpose of complying with the accounting policies of Scancor Plc. We conducted our assurance engagement in accordance with the International Standard on Assurance

Engagements (ISAE) 3400, The Examination of Prospective Financial Information. This standard requires us to obtain sufficient appropriate evidence as to whether:

- Management's best-estimate assumptions on which the forecast is based are not unreasonable and are consistent with the purpose of the information
- The forecast is properly prepared on the basis of the assumptions
- The forecast is properly presented and all material assumptions are adequately disclosed; and
- The forecast is prepared and presented on a basis consistent with the accounting policies of Scancor Plc for the period concerned.

In a limited assurance engagement, the evidence gathering procedures are more limited than for a reasonable assurance engagement and, therefore, less assurance is obtained than in a reasonable assurance engagement. We believe our evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

#### Conclusion

Based on our examination of the evidence obtained, nothing has come to our attention which causes us to believe that:

- The assumptions, barring unforeseen circumstances, do not provide a reasonable basis for the preparation of the forecast
- The forecast has not been properly compiled on the basis stated
- The forecast has not been properly presented and all material assumptions are not adequately disclosed; and
- The forecast is not presented on a basis consistent with the accounting policies of Scancor Plc and International Financial Reporting Standards (IFRS).

Actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variation may be material; accordingly no assurance is expressed regarding the achievability of the forecast.

The engagement partner on the review engagement resulting in this independent reporting accountant's report is **Anthony Kwasi Sarpong (ICAG/P/1389)**.

For and on behalf of:  
KPMG (ICAG/F/2018/038)  
CHARTERED ACCOUNTANTS  
13 YIYIWA DRIVE, ABELENKPE  
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ACCRA

27 March, 2018

KPMG, a partnership established under Ghanaian law, is a member of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

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A.K. Sarpong  
M.A. Ayivor  
J. Coleman

E.O. Asiedu  
D.S. Adobeyie  
K. Frimpong-Kwei  
N.D. Haffey  
A.O. Aboah  
F.N. Dennis

Forecast and Guidance on Profit and Loss at 31 December for the Years Ending 31 December 2018 – 2022					
GHS'million	2018	2019	2020	2021	2022
	Forecast	Forecast	Forecast	Forecast	Forecast
Total revenue	4,014	4,686	5,387	13.0% - 14.0% growth	13.0% - 14.0% growth
Cost of sales	(1,105)	(1,244)	(1,387)	24.0% - 25.0% of Revenue	
<b>Gross profit</b>	<b>2,909</b>	<b>3,442</b>	<b>4,001</b>		
Total Opex	(1,302)	(1,488)	(1,750)	~33.0% of Revenue	
<b>EBITDA (Pre-Management Fee)</b>	<b>1,607</b>	<b>1,955</b>	<b>2,250</b>		
Management Fee	(184)	(222)	(253)	4.5% - 5.0% of Revenue	
<b>EBITDA (Post-Management Fee)</b>	<b>1,422</b>	<b>1,732</b>	<b>1,998</b>		
Depreciation of property, plant and equipment	(314)	(294)	(341)	5.0% - 6.0% of Revenue	
IRU Amortisation	(2)	(2)	(2)	GHS2.4mn	
Amortisation of intangible assets	(78)	(80)	(82)	1.0% -1.5% of Revenue	
<b>Operating profit</b>	<b>1,028</b>	<b>1,356</b>	<b>1,572</b>		
Finance income	60	52	33	1.0% - 2.0% of Total Assets	
Finance cost	(64)	(102)	(108)	3.0% - 9.0% of Total Liabilities	
<b>Profit before tax</b>	<b>1,025</b>	<b>1,305</b>	<b>1,497</b>		
NFSL	(49)	(65)	(75)	5.0% of PBT	
Income tax expense	(258)	(325)	(377)	25.0% of PBT	
<b>Profit for the year</b>	<b>718</b>	<b>915</b>	<b>1,044</b>		

Forecast and Guidance on Balance Sheet for the years ending 31 December 2018 – 2022					
GHS'million	2018	2019	2020	2021	2022
	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Non-current assets</b>					
Property, plant and equipment	2,619	2,975	3,332	as per Capex (12% - 13% of Revenue) & Depreciation	
Intangible assets	434	407	381	as per Additions (~1.0% of Revenue) & Amortization	
Non-current prepayment	0	0	0	Similar to previous years	
IRU assets	58	56	53	IRU Asset amortisation of GHS2.4mn p.a.	
	<b>3,111</b>	<b>3,437</b>	<b>3,767</b>		
<b>Current assets</b>					
Inventories	34	75	74	~1.5% of revenue	
Trade and other receivables	335	316	313	as 5.0% - 6.0% of revenue	
Cash and cash equivalents	529	495	530	from Cash Flow Statements	
<b>Total assets</b>	<b>4,010</b>	<b>4,324</b>	<b>4,684</b>		
<b>Equity</b>					
Stated capital	1,869	1,869	1,869	No new capital raised	
Retained earnings	805	1,171	1,569	Addition of retained earnings less dividends proposed (~60% of net income)	
	<b>2,673</b>	<b>3,039</b>	<b>3,438</b>		
<b>Non-current liabilities</b>					
Borrowings	337	225	111	No Long Term Borrowings	
Deferred tax liabilities	321	409	436	as 14% - 23% of PBT	
Provision for Decommissioning	4	4	5	5% growth over previous year	
	<b>663</b>	<b>638</b>	<b>552</b>		
<b>Current liabilities</b>					
Trade and other payables	546	307	309	as 8.5% - 11.5% of COGS and OPEX	
Deferred revenue	63	61	60	as 2.0% - 2.5% of COGS and OPEX	
Other provisions	29	23	23	as 0.5% - 1.0% of COGS and OPEX	
Borrowings	-	112	111	GHS 107mn in 2021 and nil in 2022	
Dividend payable	-	-	-	Dividend assumed to be paid in the same year as declared	
Current income tax liabilities	36	142	191	as per income tax payable (30% of PBT) and cash tax payments	
	<b>674</b>	<b>647</b>	<b>695</b>		
<b>Total liabilities</b>	<b>1,337</b>	<b>1,284</b>	<b>1,246</b>		
<b>Total equity and liabilities</b>	<b>4,010</b>	<b>4,324</b>	<b>4,684</b>		

Forecast and Guidance on Cash Flow Statement for the years ending 31 December 2018 – 2022					
GHS'million	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
<b>Cashflows from operating activities</b>					
Cash generated from operations	1,097	1,465	2,003	Post Management EBITDA + changes in NWC + Prov. For Decommissioning	
Finance income	60	52	33	From Income Statement	
Finance cost	(64)	(102)	(108)	From Income Statement	
Income tax paid	(4)	(197)	(376)	Cash Tax Payments (30% - 40% of PBT)	
Dividend paid	(1,701)	(549)	(646)	Cash Dividends Paid (~60.0% of Net Profit)	
<b>Net cash generated from operating activities</b>	<b>(611)</b>	<b>668</b>	<b>905</b>		
<b>Net cash used in investing activities</b>					
Purchase of property, plant and equipment	(665)	(650)	(699)	12% - 13% of Revenue	
Purchase of intangible assets	(171)	(53)	(56)	~1.0% of Revenue	
Increase in non-current prepayments	0	-	-		
Transaction Costs	(87)	-	-		
<b>Net cash generated from financing activities</b>	<b>(923)</b>	<b>(703)</b>	<b>(755)</b>		
<b>Cashflows from financing activities</b>					
Cash from share issue	1,867			No new issuance	
Proceeds from borrowings	-	-	-	No new borrowings	
Repayment in borrowings	-	-	(115)	GHS115.0mn p.a.	
<b>Net cash generated from/(used in) financing activities</b>	<b>1,867</b>	<b>-</b>	<b>(115)</b>		
Net (decrease)/increase in cash and cash equivalents	333	(34)	35	Computed from above	
Cash and cash equivalents at the beginning of the year	197	529	495	Cash Balance from Previous Year	
Exchange gains on cash and cash equivalents	-	-	-		
<b>Cash and cash equivalents at the end of the year</b>	<b>529</b>	<b>495</b>	<b>530</b>	<b>Computed from above</b>	



## **PART 8 - RISK FACTORS**

An investment in MTN Ghana entails certain risks. Prospective investors, in considering a purchase of the Offer Shares, should carefully consider the following potential risks including any relevant information contained in this Prospectus. There are a wide range of factors which, individually or together, could affect MTN Ghana and its objectives and/or prospects. It is not possible to identify all such factors or to determine which factors are most likely to occur, as MTN Ghana may not be aware of all relevant factors and certain factors which they currently deem not to be material may become material as a result of the occurrence of events outside its control. This section presents information about the more common risks affecting MTN Ghana and its objectives, policies and processes for measuring and managing these risks. The risks and uncertainties below are not the only ones relating to MTN Ghana. Additional risks and uncertainties not presently known to MTN Ghana, or that it currently believes are immaterial, could also impair MTN Ghana's business and its objectives and/or prospects.

## **8.1 General Risk Factors**

### **8.1.1 Market Risks**

Changes in market prices (such as interest rates, foreign exchange rates and consumer confidence) may affect MTN Ghana's income. Ghana is also vulnerable to international oil and commodity price changes. Such changes introduce market risks including liquidity risks, inflation and commodity price volatilities. The Company's activities expose it primarily to the financial risks of changes in interest rates and foreign currency exchange rates due to the capital and operational expenditure of the industry.

### **8.1.2 Operational Risks**

Direct or indirect financial loss may arise from a wide variety of causes associated with MTN Ghana's processes, personnel, technology and infrastructure and also from external factors other than credit, market and financial risk such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Financial loss may also result from inadequate or failed internal processes, people and systems or from external events. These risks also include risks of temporary closing of business in the aftermath of damages to infrastructure (fire, terrorist attacks, acts of God, and sabotage by employees etc.), strikes and departure of key staff or system down time due to systems and network disruptions. MTN Ghana depends significantly on its information technology systems to provide reliable services to customers and may therefore be subject to these risks.

### **8.1.3 Regulatory and Compliance Risk**

MTN Ghana operates in a highly regulated environment. It is regulated by the NCA for its telecommunications business; the BoG for its Mobile Money business and by the SEC for the Offer Shares to be issued. The introduction of, changes in, or the inconsistent or unpredictable application of laws or regulations from time to time, may materially affect the operations of the Company, and ultimately the earnings of the Company. There is no assurance that the regulatory environment will support any increase in business and financial activity of the Company.

The Government of Ghana's communications policies have been evolving since 1996 and changes in regulations or government policies or differing interpretations of such regulations or policies will inform the Company's strategy implementation. On-going engagements to ensure alignment with strategy implementation to improve operational efficiency and the quality of information from the Regulator would enable the Company to cope with an ever-changing regulatory landscape.

Non-compliance with the terms and conditions of licences issued by the NCA to MTN Ghana may lead to the relevant licence being revoked or the term of the licence being reduced resulting in a subsequent inability of the Company to carry on part or all of its business to which the relevant licence relates. The Company strives to ensure vigilance in terms of internal checks and controls, including stringent governance controls, so as to minimise any potential events of regulatory non-compliance but there is no assurance that these measures will be adequate to minimise or mitigate such risks.

#### **8.1.4 Financial Risk**

Financial risk is the probability that MTN Ghana's profitability, liquidity and solvency may be at risk of falling below acceptable levels by failure to adopt appropriate financial controls, policies, programmes and interventions. This may be caused by MTN Ghana's inability to meet its payment obligations associated with its financial liabilities when they fall due and ability to replace funds when they are withdrawn. Financial problems can have an adverse impact on MTN Ghana's earnings and capital and, in extreme circumstances, may even lead to the collapse of MTN Ghana.

#### **8.1.5 Credit Risks**

Credit risk or the risk of financial loss to the Company due to loss of customers or default by distributors and sub-dealers not meeting their contractual obligations, is managed through the application of credit approvals, limits and monitoring procedures. The Company's maximum exposure to credit risk is represented by the carrying amounts of the financial assets that are exposed to credit risk, with the exception of financial guarantees granted by the Company for which the maximum exposure to credit risk is the maximum amount the Company would have to pay if the guarantees are called on. MTN Ghana being a predominantly "pay as you go" company has limited exposure to credit risk. The Company strives to maintain a well-managed credit policy with credit evaluations of customers requiring credit via post-paid contractual agreements in order to mitigate such risks but there is no assurance that these measures will be adequate to minimise or mitigate such risks.

#### **8.1.6 Interest Rate Risk**

Interest rate risk is the risk borne by an interest-bearing asset or liability due to variability of interest rates. Financial assets and liabilities that are sensitive to interest rate risk are cash and cash equivalents, trade and other receivables/payables and loans payable. The interest rates applicable to these financial instruments are a combination of floating and fixed rates in line with those currently available in the market. The Company's interest rate risk arises from the re-pricing of the Company's borrowings.

The Company's debt is managed on an optimal floating interest rate basis. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. However, there is no assurance that these measures will be adequate to minimise or mitigate such risks.

#### **8.1.7 Foreign Exchange Risk**

Currency risk is the exposure to exchange rate fluctuations that have an impact on cash flows and financing activities. Currency risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. Items included in the annual financial statements of the Company are measured using the currency that best reflects the primary economic environment in which the Company operates (the functional currency). Included in the Company's statement of financial position are amounts denominated in currencies other than the functional currency of the Company. The Company is exposed to currency risk arising from various currency exposures and therefore implements various currency risk management strategies in order to mitigate such risks. However, there is no assurance that these measures will be adequate to minimise or mitigate such risks.

#### **8.1.8 Liquidity Risk**

Liquidity risk is the risk that an entity will be unable to meet its obligations as they become due. The Company's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures it has sufficient cash on demand or access to facilities to meet expected operational expenses, including the servicing of financial obligations. However, there is no assurance that these measures will be adequate to minimise or mitigate such risks.

## **8.19 Capital Management Risk**

Capital includes borrowings, stated capital and equity attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios to support its business and maximise shareholder value. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to borrow using a mixture of long-term and short-term capital market issues and borrowing facilities from the local and international capital markets as well as multi-lateral organisations together with cash generated to meet anticipated funding requirements. There is, however, no assurance that these measures will be adequate to minimise or mitigate such risks.

## **8.1.10 Technology Risk**

Rapid technological changes and ineffective information technology infrastructure may diminish the Company's ability to support its customer's current and future needs in an efficient and effective manner. This will, in turn, affect the Company's quality of service and ability to pursue new business opportunities which use technology to improve efficiency and further require the use of new technology as an enabler for new products and services. If the Company's ability to provide network services is limited by an inability to keep up with technological advancement, there will be a loss of customers and impact on business continuity and the viability of the company may be adversely affected. The Company is also subject to business continuity risk, including thorough single points of failure such as lack of geographical redundancies on infrastructure such as the network operation centre. To mitigate these risks, the Company prioritises disaster recovery initiatives on critical systems, network modernisation and optimisation projects, and deployment of cost efficient and robust technology and further rollout of efficient power back-up systems and energy centres. There is, however, no assurance that these measures will be adequate to minimise or mitigate such risks.

## **8.1.11 Competition Risk**

MTN Ghana operates within a relatively crowded telecommunications market. The introduction of new industry directives by the NCA such as Mobile Number Portability (MNP), Mobile Virtual Network Operators (MVNO), Interconnect Clearing House (ICH) among others have reinforced the competitive intensity among new and existing stakeholders all seeking to acquire value from the industry. The rapidly increasing competitive landscape has increased calls for consolidation among the existing operators to ensure long-term profitability and sustainability. Mobile network operators will also look to drive their business through innovation and technology as well as the utilisation of business intelligence strategies.

The Company needs to adapt in order to thrive in this new competitive environment and to address this, MTN Ghana is strengthening its brand, accelerating the introduction of new products and converged services that will promote customer loyalty and increase MTN Ghana's market share. However, there is no assurance that these measures will be adequate to minimise or mitigate such risks.

## **8.1.12 Risk Management and Supervision**

The MTN Ghana Board has the overall responsibility for the establishment and oversight of its risk management framework. The MTN Ghana Board, in anticipation of MTN Ghana's expansion, has established governance committees which are responsible for developing and monitoring risk management within the business. MTN Ghana, through its training and management standards and procedures, aims to continuously develop a disciplined and constructive control environment in which all employees understand their roles and obligations. However, there is no assurance that these measures will be adequate to minimise or mitigate such risks.

### **8.1.13 Changes to Tax laws**

MTN Ghana's activities are subject to tax under Ghanaian law. Future actions by the Government of Ghana to increase tax rates or impose additional taxes would reduce MTN Ghana's profitability. Revisions to tax legislation or to its interpretation might also affect MTN Ghana's financial condition and results of operations in the future.

MTN Ghana is also subject to periodic tax audits which could result in additional tax assessments relating to the past. Any such assessments could be material and could have a material adverse effect on its business, financial condition, results of operations or prospects.

### **8.1.14 Political Risks**

Ghana has experienced periods of political and economic instability in the past. During the periods immediately prior to and following previous elections in 1992, 1996, 2000, 2004, and 2008, Ghana experienced periods of economic instability characterised by exchange rate volatility, high inflation and fiscal overruns.

There was a peaceful and uneventful change of government following the 2016 general elections. That notwithstanding, any significant adverse changes in policies, including a rejection or reversal of reform policies favouring privatisation and industrial restructuring, may have negative effects on the economy, and potentially impact the MTN Ghana's operations.

### **8.1.15 Management Risks**

The Selling Shareholders will retain significant interests in, and will continue to exert substantial influence over the Company following the Transaction and their interests may differ from, or conflict, with those of the other shareholders of the Company, who will be in the minority.

## **8.2 MTN Ghana-Specific Risk Factors**

### **8.2.1 Failure in the operations of our networks, gateways to our networks or the networks of other operators:**

A failure in the operations of our networks, gateways to our networks or the networks of other operators could adversely affect our business, financial conditions, results of operations and prospects. We depend to a significant degree on the uninterrupted operation of our networks to provide our services. From time to time, customers of MTN Ghana have experienced blocked or dropped calls or slow data speeds because of network capacity constraints. We may not be able to improve or maintain these relevant networks at current levels, particularly if our traffic volume grows significantly beyond our headroom capacity. This may cause our customers to choose an alternative service provider, and we may need to engage in costly marketing activities to retain or attract customers.

We also rely to a certain extent, on interconnection with the networks of other telecommunications operators to carry calls from our customers to the customers of fixed-line operators and other mobile operators, both within Ghana and internationally. While we have interconnection and international roaming agreements in place with many other telecommunications operators, we have no direct control over the quality of these networks, the interconnections or the international roaming services they provide. Any difficulties or delays in interconnecting with other networks and services, or the failure of any operator to provide reliable interconnections or roaming services to us on a consistent basis, could result in a loss of subscribers or a decrease in traffic, which could adversely affect our business, financial conditions, results of operations and prospects.

In addition, our network, including our information systems, information technology and infrastructure, and the networks of other operators with whom our customers interconnect, are vulnerable to damages or interruptions in operation from a variety of sources including earthquakes, fires, floods, power loss, equipment failures, network software flaws, transmission cable disruptions or similar events. Any interruption of our operations or the provision of any service, including for a short period of time, whether from operational disruption, natural disaster or otherwise, could damage our ability to attract and retain customers, cause significant customer

dissatisfaction and have a material adverse effect on our brand, business, financial condition, results of operations and prospects. Due to these, MTN Ghana has a comprehensive disaster recovery strategy to ensure redundancies are in place to check minimal downtime and continual services to our customers to mitigate these risks.

**8.2.2 Termination of relationships with key suppliers could adversely affect our business, financial condition, results of operations and prospects**

Our business is dependent on third party suppliers that are integrated into our network, some of which are critical to the operation of our business. Any significant disruption or other adverse events affecting our relationship with our major suppliers could have a material adverse effect on our business operations and strategy. Replacement of our major suppliers will impact the business cost structures. We may face risks and costs associated with transfer of operations. In addition, a failure to replace any of our major suppliers in a timely manner and on commercially reasonable terms, or at all, could have a material adverse effect on our business, financial conditions, results of operations and prospects. If any of these critical relationships is terminated or a material supplier fails to provide key services or equipment and we are unable to reach suitable alternative arrangements in a timely manner and on commercially reasonable terms, or at all, we may experience significant additional costs and/or may not be able to provide certain services to customers, which could in turn have a material adverse effect on our business, financial conditions, results of operations and prospects.

**8.2.3 Current and future antitrust and competition laws may limit our growth and subject us to antitrust and other investigations or legal proceedings**

The antitrust and competition laws and related regulatory policies in Ghana generally favour increased competition in the telecommunications industry and may prohibit us from making further acquisitions or continuing to engage in particular practices.

In addition, antitrust and competition laws in Ghana are subject to change, and existing or future laws may be implemented or enforced in a manner that is materially detrimental to us. We cannot predict the effect that current or any future lawsuits, appeals or investigations by regulatory bodies or by any third party would have on our business, financial conditions, results of operations or prospects. Although there are no material antitrust or competition-related lawsuits currently outstanding against us, there can be no assurance that such lawsuits will not occur and as a result cause us material losses and expenses. In addition, any fines or other penalties imposed by an antitrust or competition authority as a result of any such investigation, or any prohibition on us engaging in certain types of business, could have a material adverse effect on our business, financial condition, results of operations and prospects.

**8.2.4 We are, and may in the future be, involved in disputes and litigation, the ultimate outcome of which is uncertain**

We are subject to numerous risks relating to legal and regulatory proceedings to which we are currently a party or which could develop in the future. Our involvement in litigation and regulatory proceedings may adversely affect our reputation. Furthermore, litigation and regulatory proceedings are unpredictable and legal or regulatory proceedings in which we are or may become involved (or settlements thereof) may have a material adverse effect on our business, financial conditions, results of operations and prospects.

**8.2.5 Ghana may suffer from electricity shortages**

Insufficient power generation, aging infrastructure, weak distribution networks and overloaded transformers result in frequent power outages, high transmission and distribution losses and poor voltage output. Failure to adequately address the significant lingering deficiencies in power generation, transmission and distribution infrastructure and related concerns within the power sector could lead to lower GDP and hamper the development of the economy. Slow growth in the economy may lessen consumer propensity to spend, which could materially adversely affect our business, financial condition, results of operations and prospects. For example, our customers may decide that they can no longer afford mobile services, or that they can no longer afford the

data services and value-added services that are instrumental in maintaining or increasing total revenue generated per subscriber and, in turn, increasing our revenues. This, in turn, may have an adverse effect on our business, results of operations, financial conditions, cash flows, liquidity and prospects.

#### **8.2.6 The Company cannot guarantee making dividend payments in the future**

There can be no assurance as to the level of any future dividends. The declaration, payment and amount of any future dividends of MTN Ghana are subject to the discretion of the Directors, and will depend on, among other things, MTN Ghana's earnings, financial position, cash requirements and availability of profits and distributable reserves. If MTN Ghana's cash flow underperforms, its capacity to pay a dividend will suffer. While the Directors intend to adopt a dividend policy that reflects the long-term earnings and cash flow potential of MTN Ghana, there can be no assurance that MTN Ghana will pay dividends in the future.

#### **8.2.7 Our revenue from voice services is declining and unlikely to improve and our future revenue will be increasingly dependent on data services**

Revenue from fixed-line and mobile telephony voice services is declining across the industry globally, but at the same time there is an upward trend in data revenue. We expect that the demand for data services will continue to be driven by rising smartphone and tablet penetration and usage, usage of video and other multimedia services, as well as improvements in mobile network capability. Although we have identified data revenue as one of the most important drivers for future profit growth and are investing in and upgrading our infrastructure and new consumer propositions in response to this trend, there is no assurance that we will successfully monetise the increase in data traffic and any increase in the revenue generated from data services may not be sufficient to offset the substantial capital expenditures required to upgrade our networks to handle increased data traffic as well as the decline in voice services revenue. Also, the margins which we realise on data may be significantly lower than the margins we realise on voice.

This could have a material adverse effect on our business, financial conditions, results of operations and prospects.

#### **8.2.8 Risk of errors or omissions regarding the review of our internal controls over financial reporting, risk elevation and corporate compliance**

We maintain and regularly review internal controls over our financial reporting, risk elevation and corporate compliance. However, internal control over financial reporting, risk elevation and corporate compliance have inherent limitations. They are processes that involve human diligence and compliance and are subject to lapses in judgment and breakdowns resulting from human failures. In addition, they can be circumvented by collusion or improper management override. A failure to detect or correct deficiencies and weaknesses in a timely manner could have an adverse effect on the accuracy of financial reporting. A failure to adequately monitor compliance with laws and regulations could have a material adverse effect on our business, financial condition, results of operations and prospects. Although we have taken and continue to take the necessary steps to strengthen the compliance by MTN Ghana, there can be no assurance that the steps taken will eliminate the risk of a failure in risk elevation and corporate compliance or prevent enforcement actions by regulators, impositions of fines or reputational damage, among others.

#### **8.2.9 Fluctuations in rates could increase our finance costs and/or make it difficult to meet our obligations under finance facilities**

Our finance costs are highly sensitive to many factors beyond our control, including the interest rate, exchange rate and other monetary policies of governments and central banks in the jurisdictions in which we operate. Also, the floating rate portion of our borrowings is subject to interest rate risk resulting from fluctuations in the relevant reference rates underlying such debt. Consequently, because a portion of our debt is subject to floating interest rates, any increase in such reference rates will result in an increase in our interest rate expense and may have a material effect on our financial condition, results of operations and prospects. Any future unhedged interest rate risk may result in an increase in our interest expense and may have a material adverse effect on our

business, our financial condition and results of operations. There is ongoing monitoring of the financial and costing systems to ensure there is a clear strategy towards cost savings but there is no assurance that these measures will be adequate to minimise or mitigate such risks.

#### **8.2.10 Telecommunications businesses require substantial capital investment and we may not be able to obtain sufficient financing on favourable terms, or at all**

We operate in a capital-intensive industry that requires substantial amounts of capital and other long term expenditures, including those relating to the development and acquisition of new networks and the expansion or improvement of existing networks. We have recorded increasing capital expenditures of GHS 518 million, GHS 509 million and GHS 399 million in 2016, 2015 and 2014, respectively. We have also authorised a capital expenditure of GHS 697 million for 2017. In the past, we have financed these expenditures primarily through syndicated banking facilities. This is likely to remain unchanged in the future. Our ability to arrange external financing, and the cost of such financing, depends on numerous factors, including our future financial condition and results of operations, general economic conditions, interest rates, credit availability from banks or other lenders, investor confidence in us, applicable provisions of tax and securities laws and political and economic conditions in any relevant jurisdiction.

#### **8.2.11 If we fail to attract and retain qualified and experienced employees, our business may be harmed**

If we are unable to attract and retain experienced, capable and reliable personnel, especially senior and middle management with appropriate professional qualifications, or if we fail to recruit skilled professional and technical staff at a pace consistent with our growth, our business, financial conditions, results of operations and prospects may be materially adversely affected. Experienced and capable personnel in the telecommunications industry remain in high demand and there is continuous competition for their talents. We may not be able to successfully recruit or retain the necessary qualified personnel in the future. The loss of some members of our senior management team or any significant number of our mid-level managers and skilled professionals may, particularly with regards to digital content and advertising, result in a loss of organisational focus, poor execution of operations and corporate strategy or an inability to identify and execute potential strategic initiatives such as expansion of capacity or acquisitions and investments. These adverse consequences could, individually or in the aggregate, have a material adverse effect on our business, financial condition, results of operations and prospects.

#### **Risk related to Mobile Money Services and Violations of Anti-corruption Laws, Sanctions or other similar**

#### **8.2.12 Failure to put in place a comprehensive Anti-Money Laundering/ Combating the Financing of Terrorism (AML/CTF) Compliance Programme**

Failure to put in place a comprehensive AML/CTF Compliance programme will impact the management of compliance by the Bank of Ghana. Non-compliance with AML/CTF rules and regulations may lead to significant fines for, and reputational damage to, MTN Ghana.

#### **8.2.13 Failure to ensure adequate Know Your Customer (KYC)/Customer Due Diligence (CDD)**

Failure to ensure adequate Know Your Customer (KYC)/Customer Due Diligence (CDD) as per regulations will impact the MML business and will attract regulatory and compliance fines.

#### **8.2.14 Failure to monitor Counter-Terrorism Financing and Anti-Money Laundering**

Failure to monitor Counter-Terrorism Financing and Anti-Money Laundering will impact the reputation of the MTN Mobile Money service and also attract regulatory scrutiny. Thus our AML process is integrated to our financial system to ensure alerts are produced in combating illegal activities or illegitimate use of cash on the MTN Mobile Money platform in alignment with the MTN Mobile Money business rules and KYC requirements to prevent criminals from using our financial system as a conduit for their proceeds of crime. For this reason, profile categories are in place for MTN Mobile Money transaction limits linked with KYC requirements. AML systems and tools are

integrated with our financial services platforms to ensure preventive and detective measures in place to produce alerts and reports on AML/KYC profile non-compliance to be communicated to the Bank of Ghana on a monthly basis. However, there is no assurance that these measures will be adequate to minimise or mitigate such risks.

#### **8.2.15 Failure to identify Politically Exposed Persons (PEPs)**

Failure to identify Politically Exposed Persons (PEPs) who have been entrusted with prominent public functions and those associated with them will present a risk to the MTN Mobile Money business. A PEP generally presents a higher risk for potential involvement in bribery and corruption by virtue of their position and the influence that they may hold. Failure to ensure monitoring of PEPs, will impact heavily on the viability of mobile money and regulatory and compliance landscape.

#### **8.2.16 Failure to ensure Mobile Money Financial platform compliance**

Failure to ensure that the MTN Mobile Money platform is ISO 27001:2013 compliant has implications on data integrity, confidentiality and availability, and is not aligned to Global best practice may present a risk to the MTN Mobile Money business. MML acquired the ISO 27001:2013 certification since 2015. However, there is no assurance that the acquisition of the certification will be adequate to minimise or mitigate such risks.

#### **8.2.17 Telecommunications Industry Related Risk Factors**

We could experience breaches in privacy laws and other information security requirements, which may materially adversely affect our reputation, lead to subscriber lawsuits, loss of subscribers or hinder our ability to gain new subscribers and thereby materially adversely affect our business.

We may be exposed to breaches in privacy laws and other information security requirements which could result in the unauthorised dissemination of information about our subscribers, including their names, addresses, home phone numbers, passport details, financial information and individual tax numbers. The breach of security of our database and illegal sale of our subscribers' personal information could materially adversely impact our reputation, prompt lawsuits against us by individual and corporate subscribers, lead to adverse actions by the telecommunications and other regulators, lead to a loss in customers and hinder our ability to attract new customers. If severe customer data security breaches are detected, the regulatory authority can sanction us, and such sanction can include suspension of operations for some time period. These factors, individually or in the aggregate, could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, our information security requirements have increased, and will continue to increase over time as we expand the scope of our digital services and process an increasing amount of sensitive personal information, including financial transactions. We continue to review and upgrade our information security procedures, but we cannot assure you that such changes will be or effective or sufficient to protect customer information in an evolving cybersecurity threat environment.

#### **8.2.18 Our telecommunications licences, permits and frequency allocations are subject to finite terms, ongoing review and/or periodic renewal, any of which may result in modification or early termination. In addition, our inability to obtain new licences and permits could adversely affect our business**

The terms of our licences, permits and frequency allocations are subject to finite terms, ongoing review and/or periodic renewal and, in some cases, are subject to modification or early termination or may require renewal with the applicable government authorities. While we do not expect that we will be required to cease operations at the end of the term of their business arrangements or licences, and while many of these licences provide for terms on which they may be renewed, there can be no assurance that these business arrangements or licences will in all cases be renewed on equivalent or satisfactory terms, or at all. Upon termination, the licences and assets of these companies may revert to the local governments or local telecommunications operators, in some cases without any or adequate compensation being paid.

We have in the past paid significant amounts for certain of our telecommunications licences and the competition for these licences have historically been high. We anticipate that we may have to continue to pay substantial licence fees, particularly for licences in areas anticipated to have high growth prospects. There can be no assurance that we will be successful in obtaining or funding these licences, or, if licences are awarded, that they can be obtained on terms acceptable to us. If we obtain or renew further licences, we may need to seek future funding through additional borrowings, equity offerings or other alternative means and there can be no assurance that such funding will be obtained on satisfactory terms, or at all. Failure to obtain financing on satisfactory terms or at all may have a material adverse effect on our business, financial condition, results of operations and prospects.

#### **8.2.19 Our operations could be adversely affected by natural disasters or other catastrophic events beyond our control**

Our business operations, technical infrastructure (including our network infrastructure) and development projects could be adversely affected or disrupted by natural disasters (such as earthquakes, floods, tsunamis, hurricanes, fires or typhoons) or other catastrophic or otherwise disruptive events, including, but not limited to:

- changes to predominant natural weather, hydrologic and climatic patterns;
- major accidents, including chemical or other material environmental contamination;
- acts of terrorism;
- cyber security incidents;
- power losses;
- strikes or lock-outs or other industrial action by workers or employers; and
- medical pandemics.

The occurrence of any of these events, or a similar such event affecting any part of our telecommunications network may cause disruptions to our operations in part or in whole, may increase the costs associated with providing services as a result of, among other things, costs associated with remedial work, may subject us to liability or impact our brands and reputation and may otherwise hinder the normal operation of our business, which could materially adversely affect our business, financial condition, results of operations and prospects.

In addition, our technical infrastructure is vulnerable to damage or interruption from information and telecommunications technology failures, acts of war, terrorism, intentional wrongdoing, human error and similar events. Unanticipated problems affecting any part of our telecommunications network, such as system failures, hardware or software failures, computer viruses or hacker attacks could affect the quality of our services and cause service interruptions. Any of these occurrences could result in reduced user traffic and reduced revenues and could harm our operations.

Further, any security breaches, such as misappropriation, misuse, penetration by viruses, worms or other destructive or disruptive software, leakage, falsification or accidental release or loss of information (including customer, personnel and vendor data) maintained in our information technology systems and networks or those of our business partners could damage our reputation, result in legal and/or regulatory action against us, and require us to expend significant capital and other resources to remedy any such security breach.

The effect of any of these events on our business, financial conditions, results of operations and prospects may be worsened to the extent that any such event involves risks for which we are uninsured or not fully insured, or which are not currently insurable, such as acts of war and terrorism.

### **8.2.20 Failure in our information and technology systems could result in interruptions of our business operations**

Our information and technology systems are designed to enable us to use our infrastructure resources as effectively as possible and to monitor and control all aspects of our operations. Although our critical systems are designed with high availability to avoid any downtime, any failure or breakdown in these systems could interrupt the normal business operations and result in a significant slowdown in operational and management efficiency for the duration of such failure or breakdown. Any prolonged failure or breakdown could dramatically impact our ability to offer services to our customers, which could have a material adverse effect on our business, financial condition, results of operations and prospects. For example, we depend on certain technologically sophisticated management information systems and other systems, such as our customer billing system, to enable us to conduct our operations. Any significant delays or interruptions in providing services could negatively impact our reputation as an efficient and reliable telecommunications provider.

In addition, we rely on third-party vendors to supply and maintain some of our information technology. In the event that one or more of the third-party vendors that we engage to provide support and upgrades with respect to components of our information technology cease operations or become otherwise unable or unwilling to meet our needs, we cannot assure investors that we would be able to replace any such vendor promptly or on commercially reasonable terms, if at all. Delay or failure in finding a suitable replacement could materially adversely affect our business, financial condition, results of operations and prospects.

### **8.2.21 Actual or perceived health risks or other problems relating to mobile handsets or transmission and/or network infrastructure could lead to litigation or decreased mobile communications usage**

The effects of any damage caused by exposure to an electromagnetic field have been and continue to be the subject of careful evaluations by the international scientific community, but to date there is no conclusive scientific evidence of harmful effects on health. However, we cannot rule out that exposure to electromagnetic fields or other emissions originating from wireless handsets or transmission infrastructure is not, or will not be found to be, a health risk.

Our mobile communications business may be harmed as a result of these alleged or actual health risks. For example, the perception alone of these health risks could result in a lower number of customers, reduced usage per customer or potential customer liability. In addition, these concerns may cause regulators to impose greater restrictions on the construction of base station towers or other infrastructure, which may hinder the completion of network build-outs and the commercial availability of new services and may require additional investments.

### **8.2.22 Industrial action or adverse labour relations could disrupt our business operations and have an adverse effect on operating results**

While only a limited number of our operations, involving an aggregate of approximately 1,200 employees or approximately 6%, are currently subject to collective bargaining, union or similar labour agreements, more of our operations may in the future be subject to collective bargaining, union or similar labour agreements. In addition, our employees also benefit from local laws regarding employee rights and benefits. If we are unable to negotiate acceptable labour agreements or maintain satisfactory employee relations, the results could include work stoppages, strikes or other industrial action or labour difficulties (including higher labour costs), which individually or in the aggregate, could have a material adverse effect on our business, financial condition, results of operations and prospects.





## PART 9 - ADDITIONAL INFORMATION

### 9.1 Regulations of Scancor Plc

MTN Ghana is authorised to carry out the business of operating telecommunication systems in Ghana.

### 9.2 Directors

- (a) **Power to vote on a proposal, arrangement or contract in which a director has material interest:** Subject to compliance with section 207 of the Companies Act, a Director may enter into any contract with MTN Ghana and such contract or any other contract of the Company in which any director is in any way interested shall not be liable to be avoided nor shall any Director be liable to account for any profit made thereby by reason of the director holding the office of director. Also subject to compliance with section 207 of the Companies Act, any Director may not act by himself or his firm in a professional capacity for MTN Ghana, except as an auditor, and he or his firm shall be entitled to proper remuneration for professional services as if he were not a Director.
- (b) **Power to vote on compensation:** All fees and remuneration payable to directors in whatever capacity is subject to approval of shareholders of the Company in accordance with section 194 of the Companies Act.
- (c) **Directors borrowing powers:** Subject to section 202 of the Companies Act, the MTN Ghana Board may exercise all such powers of the Company, including power to borrow money and to mortgage or charge its property and undertaking or any part thereof and to issue debentures as are by the Companies Act or the Regulations required to be exercised by the members in a general meeting.
- (d) **Appointment and Retirement:** Appointment of directors is governed by sections 181, 298 and 299 of the Companies Act. There is no retirement age for directors.
- (e) **Number of qualifying shares to be held by a director:** A director need not hold shares in MTN Ghana.

### 9.3 Description of the MTN Ghana Shares

Holders of ordinary shares of MTN Ghana are entitled to the following rights and obligations attached to their shares:

- (a) **Voting Rights:** Any shareholder of the Company is entitled to attend and vote at a meeting of the shareholders of the Company and shall be entitled to appoint a proxy to attend and vote in his/her place. Each shareholder (or its proxy) present at a general meeting shall exercise his/her voting rights strictly by way of poll in such manner as the Chairman shall direct.
- (b) **Rights to share in MTN Ghana's profits:** Apart from their entitlement to declared dividends, shareholders have no right to share in the Company's profits.

- (c) **Rights of members to share in any surplus in the event of liquidation:** If MTN Ghana is wound up, the liquidator may, with the approval of a special resolution and any other sanctions required by the Companies Act, divide among the members in specie or in kind, the whole or part of the assets of the Company and may determine how such divisions shall be carried out between the members or different classes of members.

#### **9.4 Liability of Shareholders to Further Capital Calls by MTN Ghana**

Shareholders have no obligation to provide additional equity capital to the Company.

#### **9.5 Convening of Annual General Meetings and Extraordinary General Meetings**

All meetings of shareholders of the Company are convened by the Directors in accordance with section 150 of the Companies Act, subject to the rights of shareholders to requisition meetings of the shareholders of the Company in accordance with section 297 of the Companies Act.

#### **9.6 Taxation**

The following is a general guide to the material taxation consequences in Ghana arising for investors regarding the ownership and disposal of the Offer Shares. The summary, which is intended as a general guide only, does not purport to be an exhaustive analysis of all possible tax considerations and investors should in all cases satisfy themselves as to the tax consequences of the ownership or disposition of shares by consulting their own tax advisers.

**If you are in any doubt as to your taxation position or if you are subject to tax in any jurisdiction other than Ghana, you should consult an appropriate professional adviser immediately.**

#### **9.7 Dividend Withholding Tax**

As at the date of this Prospectus (and subject to any exemptions or waivers applicable to a shareholder), all dividends received by shareholders of a Ghanaian company are subject to a final withholding tax of 8%.

#### **9.8 Capital Gains**

A resident holder of the Offer Shares who makes a gain on the sale of the Offer Shares will be taxed at the applicable income tax rate, where the gains are computed as part of total chargeable income of the resident holder of the Offer Shares for the relevant year of assessment. A resident individual holder of the Offer Shares may elect to be taxed at 15% on such gains.

A non-resident holder of the Offer Shares who is a natural person will pay tax at the rate of 20% on the total chargeable income of that holder of the Offer Shares where the gains made from the realisation of the Offer Shares are computed as part of the total chargeable income of the holder of the Offer Shares. A non-resident corporate holder of the Offer Shares will pay tax at the rate of 25%.

In 2016, the GSE, the SEC and the Ghana Industry Association made representations to the Ministry of Finance and the GRA for the tax exempt status on capital gains on listed securities (which existed prior to January 2016) to be maintained.

In 2017, the Income Tax (Amendment) Act, 2017 (Act 941) was passed to exempt gains derived from the realisation of securities listed on the GSE from tax up to 31 December 2021. Accordingly, persons who derive gains from the realisation of securities listed on the GSE during this period shall not be liable to pay any tax on the gains.

#### **9.9 Stamp Duty**

Stamp duty is administered under the Stamp Duty Act, 2005 (Act 689) (as amended) on documents. Stamp duty is not payable on the issue or transfer of shares.

## **9.10 Corporate Tax**

Under the Income Tax Act, MTN Ghana is subject to corporate tax of 25%. Under the National Fiscal Stabilisation Levy Act, 2013 (Act 862) (as amended), MTN Ghana is also subject to a National Fiscal Stabilisation Levy of 5%.

## **9.11 Exchange Controls**

Exchange control is currently governed by the Foreign Exchange Act, 2006 (Act 723) and other applicable notices issued by the Bank of Ghana. Under the current foreign exchange regime, no regulatory approval is required for non-residents to invest in the Offer. Further, non-residents are guaranteed free transferability of their capital and income through authorised dealer banks.

## **9.12 Documents Available for Inspection**

Copies of the following documents in respect of the business and affairs of MTN Ghana may be inspected at the registered offices of MTN Ghana and IC Securities (each as described on pages 13 and 14) during normal business hours of any working day:

- the Regulations, the Certificate of Incorporation and the Certificate of Commencement of Business of MTN Ghana;
- extracts from the minutes of meetings of the MTN Ghana Board and shareholders of MTN Ghana approving the Offer;
- the Company's audited annual reports for the last 5 years;
- the financial due diligence report on MTN Ghana dated 02 March 2018;
- a copy of the Escrow Account Agreement;
- the valuation report dated March 2018; and
- the Prospectus.

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## PART 10 – OVERVIEW OF THE GHANA STOCK EXCHANGE

### 10.1 Overview of the GSE

The GSE was incorporated in July 1989 as a private company limited by guarantee under the Companies Act. It was authorised as a stock exchange in October 1990 under the repealed Stock Exchange Act, 1971 (Act 384). The first council of the GSE was inaugurated on 12 November 1990 and trading commenced on its floor on the same day. The GSE changed its status to a public company limited by guarantee in April 1994.

The exchange is governed by a 9-member council and with its operations regulated by the SEC, which is empowered by the Securities Industry Act, 2016 (Act 929). The GSE's membership comprises 21 licensed dealing members (LDMs) and 28 associate members.

### 10.2 Developments and Trends

Trading on the GSE began with 3 stockbrokers, 1 commemorative bond and 11 companies listed on one market. Currently, the GSE operates 3 markets – the GSE Main Market, the Ghana Alternative Market (**"GAX"**) and the Ghana Fixed Income Market (**"GFIM"**). There are currently 34 equities, 1 exchange-traded fund and a preference share listed on the Main Market; 5 listed equities on the GAX and several debt instruments issued by 8 corporates, 4 Government of Ghana sovereign bonds and several Government of Ghana treasury bonds (ranging from 2 to 15 years) listed on GFIM as at April 2018.

Some of the developments that have helped to shape the evolution of the GSE in the last decade include:

2004	The Bank of Ghana Securities Depository was established in 2004 to manage the issuance, redemption and maintenance of ownership records of securities issued by the Government of Ghana, Bank of Ghana and Ghana Cocoa Board
2007	The passage of Central Securities Deposit Act, 2007 (Act 733) to permit the issuance of dematerialised securities, where shareholders and the board of directors of an issuer have authorised this. It enabled the GSE to set up the GSE Securities Depository Company Limited (GSD) as well as a settlement system. It also enabled the BoG to set up the CSD
2008	GSD commenced operations in November 2008
2009	The GSE launched a live automated trading system in March 2009, which was upgraded later to allow stockbrokers to trade remotely from their offices in June 2009
2011	The GSE extended trading hours from 09:30GMT - 13:00GMT to 09:30GMT - 15:00GMT
2013	GAX was launched as a parallel market operated by the GSE to allow viable small and medium enterprises (SMEs) to raise capital to finance their growth ambitions
2013	The GSE agreed with the BoG in December 2013 to merge the GSD and the CSD into a single depository known as the CSD
2014	The Ministry of Finance facilitated discussions between the BoG and the GSE toward a merger of the two depositaries. This was because the capital market in Ghana was not big enough to be served by two depositaries. The CSD is the surviving entity of the merger
2015	GFIM was launched to facilitate secondary market trading of fixed income securities issued by government, government agencies and corporate institutions
2015	The GSE successfully upgraded its automated trading platform to boost global investor confidence in the Ghanaian market and to provide the backbone for West African capital markets integration agenda

### **10.3 Ghana Alternative Market (GAX)**

The GAX was launched in 2013 as a parallel market operated by the GSE, with the focus on start-ups and existing enterprises, both small and medium.

Companies applying to list on the GAX must meet the following requirements: (i) a minimum stated capital of GHS 250,000.00 - being the capital after the company's initial public offer but prior to listing, (ii) a minimum public float of 25% of the total number of issued shares, (iii) a minimum of 20 public shareholders and (iv) the ability to make profit at the end of its third year of listing. For start-ups however, applicants must submit a 3-year business plan, demonstrating clearly the viability of the applicant.

As at April 2018, there were 5 listed companies on the GAX equities market.

### **10.4 Ghana Fixed Income Market (GFIM)**

GFIM was established in 2015, facilitating the secondary trading of all fixed income securities in Ghana. Operations of the fixed income market are based on the existing regulatory framework of the GSE, which in turn is regulated by the SEC. However, BoG regulates the operations of the primary market and must be consulted before the introduction of money market instruments into the GFIM.

Securities traded on the GFIM include: Government of Ghana treasury bills, notes and bonds; BoG money market instruments; Quasi-Government of Ghana institutions' money market instruments notes and bonds; corporate notes and bonds; local government bonds, supra-national bonds; repos; and other fixed income or money market securities. As at April 2018, there were several debt instruments issued by 8 companies which mainly operate in the financial services and real estate markets. Trading hours on the GFIM are from 09:00GMT to 16:00GMT daily.

The objectives of GFIM are:

- (i) improve liquidity in the trading of fixed income securities;
- (ii) bring about greater efficiency of the market;
- (iii) greater transparency with the trading and reportage of fixed income securities; and
- (iv) better price discovery.

The GFIM has developed the necessary infrastructure to support its operations. The supporting infrastructure includes:

- (i) the Bloomberg E-Bond trading platform, which provides electronic trading and market surveillance tools;
- (ii) the CSD platform, which enables market dealers to trade bonds; and
- (iii) the CSD's clearing and settlement system which uses the BoG as the settlement bank; and The CSD's depository system.

### **10.5 Other Information**

<b>Main Equity Market &amp; GAX</b>	
<b>Trading Days</b>	<b>Trading takes place every working day</b>
<b>Trading Hours</b>	Pre-Opening period: 9:30GMT to 10:00GMT Market opens for continuous trading: 10:00GMT to 15:00GMT
<b>Clearing &amp; Settlement</b>	Trade Settlement is done electronically using a web-based application. Settlement occurs three business days (T+3) after the trade date. The System allows for mutual settlement of trade on T+0 or T+1 basis
Trade and general information on the GSE can be found on the GSE website - <a href="http://www.gse.com.gh">http://www.gse.com.gh</a> ; Bloomberg.	

## **10.6 Performance and Outlook of the GSE's Main Market**

The GSE is increasingly attracting the attention of foreign investors as the market continues to evolve, keeping abreast with international standards, to inspire confidence in global investors. Investor confidence in the stock market was weak in 2015 and 2016 on the back of macroeconomic concerns about shortfalls in power supply, inflation, currency stability, rising public debt and fiscal slippages ahead of the 2016 elections. However, the market bounced back from the negative returns of -11.8% and -15.3% recorded in 2015 and 2016 respectively to 52.7% in 2017. This was due to improved investor confidence in the Ghanaian economy, lower yields on Government of Ghana treasury securities, lower inflation and better performance of businesses during the year.

Fundraising activities are expected to increase in the banking sector due to BoG's directive to banks to increase their minimum capital requirement to GHS 400.0 million. The capital raising activities by the banks are expected to reflect on the activities and performance of the GSE's main market in the short to medium term.





## APPENDIX A – HOW TO APPLY FOR THE OFFER SHARES

### A. Issuer Discretion

- (a) Your application for the Offer Shares is subject to the matters set out hereunder and any further instructions in the Application Form. MTN Ghana reserves a general discretion to relax or deviate from the specific process or procedures set out herein, subject to applicable regulatory approvals.
- (b) MTN Ghana further shall have the right at any time and from time to time to take any action it considers reasonably necessary to correct any errors or omissions which may occur whatsoever under or in connection with the Offer, and is authorised by each Qualifying Applicant to take such steps. Although MTN Ghana accepts no obligation to do so, this right includes the right to correct payment errors and/to reverse allocations and/or issues of Offer Shares which are allocated and/or issued to a Qualifying Applicant as a result of another Qualifying Applicant using the incorrect Unique Reference Code, and to transfer and/or issue the relevant Offer Shares to the intended Qualifying Applicant, and/or to make fresh issues of MTN Ghana ordinary shares to Qualifying Applicants and/or otherwise register such shares in its name. This paragraph applies notwithstanding anything to the contrary in the Prospectus.

### B. Who Qualifies to Apply

- (a) You can apply for the Offer Shares if you are (or any person for whose benefit you are applying is) a Qualifying Applicant.
- (b) Offer Shares may be bought for a Ghanaian minor by a parent, grandparent or guardian of the minor who may complete an application in his/her name.

### C. Where to collect the Application Form

You may obtain the Application Form (free of charge) from:

- (a) the regional offices of MTN Ghana within the regions, as well as the offices of IC Securities and any of the Receiving Banks or Receiving Agents appointed by MTN Ghana in respect of the Offer; or
- (b) the Offer Website at [mtnghanashares.com](http://mtnghanashares.com) or MTN Ghana's website at [www.mtn.com.gh](http://www.mtn.com.gh)

with effect from 12:30 pm (GMT) on the Offer Commencement Date until 5:00 pm (GMT) on the Offer Closure Date.

### D. How to Apply

- (a) With effect from 12:30 pm (GMT) on the Offer Commencement Date until 5:00 pm (GMT) on the Offer Closure Date, you may apply to purchase Offer Shares through a physical Application Form, the Offer Website or the MTN Mobile Money platform, as set out in (and in accordance with) section 1.4.10 (Manner of Subscription for the Offer Shares) of the Prospectus

- Applicants who subscribe for shares through the Offer Website and MTN Mobile Money platform, and do not have CSD Accounts, will automatically be registered as IC Securities clients during the security upload process.
- (b) If you are applying through a physical Application Form, detailed instructions for the application are set out under Appendix C (*Guide to Applying via the Physical Application Form*).
- (c) If you are applying through the MTN Mobile Money platform, detailed instructions for the application are set out under Appendix D (*Guide to Applying via the MTN Mobile Money Platform*).
- (d) If you are applying through the Offer Website, detailed instructions for the application are set out under Appendix E (*Guide to Applying via the Offer Website*).
- (e) If you are applying through a physical Application Form and you made a mistake when completing any of your contact or other details on your Application Form, you will need to visit any Receiving Bank or Receiving Agent during the Offer Period to correct those details. Applicants who subscribed via the MTN Mobile Money platform or the Offer Website, should contact IC Securities at **mtnghanashares@icsecurities.com** to make corrections.
- (f) If any of your contact details in the Application Form change during the Offer Period, you will need to visit any Receiving Bank or Receiving Agent to update your contact details. If any of your contact details change after the close of the Offer Period, please contact the Sponsoring Broker. Applicants who subscribed via the MTN Mobile Money platform or the Offer Website should contact IC Securities at **mtnghanashares@icsecurities.com** to change their details.

## **E. Payment for Offer Shares**

- (a) You undertake to pay the Offer Price for the Offer Shares in respect of which your application is accepted. The cheque or other remittances must be presented for payment before acceptance of your application.
- (b) The currency of the Offer is GHS. Qualifying Applicants resident in Ghana shall make payments in GHS. Qualifying Applicants not resident in Ghana may make payments in GHS or USD.
- (c) If the application is invalid, rejected or not accepted in full, or if the amount of the application divided by the Offer Price does not result in a whole number of the Offer Shares, or if the Minimum Amount is not obtained, the proceeds of the cheque or other remittances or the unused balance of those proceeds (as the case may be) will be refunded without interest in accordance with section 1.4.6 (*Minimum Amount to be raised under the Offer*) or section 1.4.14 (*Refund of Excess Application Funds*) of the Prospectus.
- (d) If the remittances are not honoured on first presentation, then at any time until MTN Ghana has received cleared funds in respect of the Offer, the Lead Manager (on behalf of MTN Ghana) may terminate the agreement to purchase the Offer Shares without liability.
- (e) If you (or someone on your behalf) transfer funds into the wrong bank or MTN Mobile Money account by mistake, or attempt to make payment by way of cheque which is made out to the incorrect person by mistake, these funds may not be recoverable and will not be applied towards the Offer Shares.
- (f) One or more third parties may make payment for your Offer Shares on your behalf, using your Unique Reference Code as a payment reference. However, no refunds will be made to any such third parties. All refunds relating to your application will only be paid to you. You indemnify MTN Ghana, each Receiving Bank, each Receiving Agent and the Escrow Bank in respect of any claims made against them by any person who made any payment with respect to the Offer Shares using your Unique Reference Code as a payment reference number.
- (g) If you (or someone on your behalf) do not use the right Unique Reference Code as a payment reference, the transaction could be ineffective due to the funds being unassigned, or the

funds deposited could be allocated to the wrong Qualifying Applicant. You may therefore lose your monies or otherwise suffer a loss. It is accordingly very important that the Unique Reference Code is used as a payment reference at the time of the payment/transfer to avoid the transaction being rejected due to the funds being unallocated, and for the funds to be allocated to the correct Qualifying Applicant. The onus is on the Qualifying Applicant to ensure that his/her/its payment reference is correct. Neither MTN Ghana nor any Receiving Bank or Receiving Agent will be held liable for payments made without reference numbers or with incorrect payment references.

## F. Offer to Purchase the Offer Shares

- (a) You offer to purchase such number of the Offer Shares which when multiplied by the Offer Price, is nearest but not more than the amount indicated in your Application Form, subject to the terms and conditions of this Prospectus and any instructions in the Application Form.
- (b) You agree to provide the supporting documents indicated under [Appendix C \(Guide to Applying via the Physical Application Form\)](#), [Appendix D \(Guide to Applying via the MTN Mobile Money Platform\)](#) or [Appendix E \(Guide to Applying via the Offer Website\)](#).
- (c) The obligation to give full and accurate information rests on each Qualifying Applicant. The acceptance of an Application Form and supporting documentation, and the allotment and issue of Offer Shares following acceptance of an application, does not imply that any such information has been verified or accepted as true and correct, and will not prevent MTN Ghana and the Lead Manager from taking action in connection therewith at any time, including after Offer Shares have been issued or transferred to you. MTN Ghana is entitled to verify your details for any purpose and you are obligated to assist in such verification promptly when requested to do so. Failing to do so may result in your being disqualified from participating in the Offer. Providing false information could result in persons, including MTN Ghana, having claims and rights against you, and could be a criminal offence.
- (d) You agree that your application to acquire Offer Shares cannot be revoked and promise that any cheque or money will be honoured on first presentation and that this Prospectus constitutes an agreement between you and MTN Ghana.
- (e) MTN Ghana reserves the right to accept or refuse any application in whole or in part as it determines in its sole and absolute discretion, and may reject any application in whole or in part or decline to make any allocation at any time prior to the Offer Shares being allotted and issued thereunder. Without limiting this discretion, the following will likely disqualify you:
  - (i) if you do not make payment in time and in accordance with this Prospectus;
  - (ii) if your Application Form is not completed properly, is incomplete or (in the case of a physical application) is not signed;
  - (iii) if you do not subscribe for the minimum number of Offer Shares referred to under [section 1.4.5 \(Minimum Number of Offer Shares\)](#) of the Prospectus;
  - (iv) if your duly completed (and signed) Application Form and payment in full in respect of the Offer Shares applied for is not received by 5:00 pm (GMT) on the Offer Closure Date;
  - (v) if all the required supporting documents are not submitted;
  - (vi) if your information cannot be verified;
  - (vii) if you are not a Qualifying Applicant as defined in terms of this Prospectus; or
  - (viii) if you make any fraudulent or untrue statements in your Application Form.

## **G. Acceptance of the Offer**

- (a) Acceptance of your offer will be made if your application is received, valid, complete, processed and not rejected.
- (b) The acceptance may be of the whole or any part thereof and (in the latter event) the number of Offer Shares you offer to purchase may be scaled down. The acceptance or rejection of your offer will be at the discretion of the MTN Ghana Board.
- (c) If your application to purchase the Offer Shares is accepted (in whole or in part), the relevant number of Offer Shares will be allotted to you. You will not receive a share certificate for the Offer Shares allocated to you, as the Offer Shares will be issued in dematerialised form (i.e. without a physical document) and electronically registered by the CSD.
- (d) Successful Qualifying Applicants get confirmation of the number of Offer Shares allocated to them after the Offer by SMS text message and email, if they applied via MTN Mobile Money or through the Offer Website/Application Form (where an email address has clearly been indicated). Applicants can elect to check the number of allotted shares by checking their MTN Mobile Money account or visiting the Offer Website at [mtnghanashares.com](http://mtnghanashares.com) or by contacting the CSD for confirmation after the Trading Date.

## **H. Representations and Warranties**

By completing and submitting the Application Form:

- (a) you warrant and represent that you have full legal capacity and are duly authorised to contract and, having read and understood the Prospectus, you agree to be bound by the terms of the Prospectus and you irrevocably apply for the number of Offer Shares contemplated in your Application Form;
- (b) you warrant and represent you are a Qualifying Applicant (or that the person on whose behalf you are applying is a Qualifying Applicant) and that all of the information provided by you in the Application Form (and the supporting documents) is complete, true and correct in all respects;
- (c) you warrant and represent the source of funds you use for our payment for Offer Shares are not the proceeds of unlawful activities constituting a crime or a contravention of any laws, whether in Ghana or in any other jurisdiction;
- (d) you acknowledge that MTN Ghana will rely on the truthfulness and completeness of the information provided and statements made by you when making its decision to issue Offer Shares to you;
- (e) you agree that MTN Ghana is entitled to verify your details and that you are obliged to assist in such verification promptly when requested to do so;
- (f) you acknowledge that MTN Ghana or other persons may have claims and rights against you because of the details that you put in your Application Form, and providing false information could be a criminal offence;
- (g) you warrant and represent your application for (and holding of) Offer Shares does not and will not contravene any Applicable Law or regulation or result in a breach of or default under any agreement or other instrument to which you are a party or by which you are bound;
- (h) you warrant and represent in making your application, you are not relying on any information or representation concerning MTN Ghana not contained in this Prospectus. You agree that no person responsible for the Prospectus or any part of it will have liability for any such other information or representation;
- (i) you warrant and represent that if you sign (or make a thumb print on) or submit an Application Form and are not the Qualifying Applicant, you have authority to do so on behalf of the Qualifying Applicant;
- (j) you warrant and represent that if the Qualifying Applicant is other than a natural person and

you sign and/or submit the Application Form on behalf of the Qualifying Applicant, you have authority to do so on behalf of the Qualifying Applicant; and

- (k) you acknowledge that the Prospectus is legally binding on and enforceable against you.



## **APPENDIX B – APPLICATION FORM**

**MTN GHANA SHARE OFFER APPLICATION FORM – INDIVIDUAL APPLICANT**



**SERIAL NUMBER:**

**Personal Details**

**Individual Application**

**1<sup>st</sup> Applicant**

Mr.     Mrs.     Miss     Ms.     Dr.     Other

Joint:

In Trust For:

**1**

First Name: \_\_\_\_\_  
 Other Names: \_\_\_\_\_  
 Surname: \_\_\_\_\_  
 Previous Names: \_\_\_\_\_  
 ID Type:  Driver Licence  Passport  National ID  NHIS Card  
 Voter's ID  
 ID Number: \_\_\_\_\_  
 Expiry Date: 

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

Mr.     Mrs.     Miss     Ms.     Dr.     Other

First Name: \_\_\_\_\_  
 Other Names: \_\_\_\_\_  
 Surname: \_\_\_\_\_  
 Previous Names: \_\_\_\_\_  
 ID Type:  Driver Licence  Passport  National ID  NHIS Card  
 Voter's ID  
 ID Number: \_\_\_\_\_  
 Expiry Date: 

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

**2<sup>nd</sup> Applicant**

**Contact Information (Authorised Representative as defined in Prospectus)**

**2**  
 Telephone: \_\_\_\_\_  
 Postal Address: \_\_\_\_\_  
 Town/City: \_\_\_\_\_

Fax: \_\_\_\_\_  
 Country: \_\_\_\_\_

Email: \_\_\_\_\_

**Subscription Information (Individuals without CSD Accounts should turn overleaf and complete the supplementary information section.)**

**3**  
 CSD Account Code: \_\_\_\_\_  
 Number of Shares: \_\_\_\_\_  
 Payment Mode:  Cash     Bank Transfer     Cheque  
 Cheque Number: \_\_\_\_\_

CSD Broker Code: \_\_\_\_\_  
 Amount Due GHS: \_\_\_\_\_

**Declaration**

I/We hereby apply for MTN Ghana Shares under the terms and conditions set out in the Offer Prospectus. In my/our knowledge there is no other application being made for MTN Ghana Shares for my/our benefit (or that of any persons whose benefit I am/we are applying). I/We certify that all statements made in this application are correct and that the responses are my/our own

**1<sup>st</sup> Applicant**

Signature:

**2<sup>nd</sup> Applicant**

Signature:

**4**

Date: 

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

Date: 

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

Receiving Agent Stamp:

I, the undersigned, have read the terms and conditions set out in the Offer Prospectus, explained same in \_\_\_\_\_ (the language) to the applicant and the applicant confirms his understanding of these terms and conditions.

**5**

Name:

Signature:

Date:

SUPPLEMENTARY INFORMATION FOR INDIVIDUALS WHO DO NOT HAVE CSD ACCOUNTS						
<b>6</b>	<b>1st Applicant</b>		<b>Joint:</b> <input type="checkbox"/> <b>In Trust For:</b> <input type="checkbox"/>			
	Date of Birth:	<input type="text"/> D <input type="text"/> D <input type="text"/> M <input type="text"/> M <input type="text"/> Y <input type="text"/> Y <input type="text"/> Y <input type="text"/> Y	Date of Birth:	<input type="text"/> D <input type="text"/> D <input type="text"/> M <input type="text"/> M <input type="text"/> Y <input type="text"/> Y <input type="text"/> Y <input type="text"/> Y		
	Occupation:	<input type="text"/>	Occupation:	<input type="text"/>		
	Date of Issue of ID:	<input type="text"/> D <input type="text"/> D <input type="text"/> M <input type="text"/> M <input type="text"/> Y <input type="text"/> Y <input type="text"/> Y <input type="text"/> Y	Date of Issue of ID:	<input type="text"/> D <input type="text"/> D <input type="text"/> M <input type="text"/> M <input type="text"/> Y <input type="text"/> Y <input type="text"/> Y <input type="text"/> Y		
Place of Issue:	<input type="text"/>	Place of Issue:	<input type="text"/>			
<b>Address &amp; Bank / MTN Mobile Money Details</b>						
<b>7</b>	Correspondence Address:	<input type="text"/>				
	Town/City:	<input type="text"/>	Country:	<input type="text"/>		
	Applicants Postal Address:	<input type="text"/>				
	Town/City:	<input type="text"/>	Country:	<input type="text"/>		
<b>Dividend Payment</b>						
Where would you like your dividends paid?	<input type="checkbox"/> Bank	<input type="checkbox"/> MTN Mobile Money Wallet				
Bank:	<input type="text"/>					
Account Name:	<input type="text"/>					
Branch:	<input type="text"/>	Account Number:	<input type="text"/>			
MTN Mobile Money Number:	<input type="text"/>					
<b>Investment Profile</b>						
<b>9</b>	<b>Objectives</b>	<b>Investment Knowledge</b>				
	<input type="checkbox"/> Savings	<input type="checkbox"/> Low	<b>Risk Tolerance</b>			
	<input type="checkbox"/> Extra Income	<input type="checkbox"/> Medium	<input type="checkbox"/> Low			
	<input type="checkbox"/> Both	<input type="checkbox"/> High	<input type="checkbox"/> Medium			
<input type="checkbox"/> High	<input type="checkbox"/> High	<input type="checkbox"/> High				
<b>Next of Kin</b>						
<b>10</b>	Title:	<input type="text"/>	Surname:	<input type="text"/>		
	First Name:	<input type="text"/>	Other Names:	<input type="text"/>		
	Relationship to Applicant:	<input type="text"/>				
	Address:	<input type="text"/>				
ID Type:	<input type="text"/>	ID Number:	<input type="text"/>			
<b>Residential Status (Tick where applicable)</b>						
<b>11</b>	<input type="checkbox"/> Resident Ghanaian	<input type="checkbox"/> Resident Foreigner	<input type="checkbox"/> Non-Resident Ghanaian			
	<input type="checkbox"/> Non-Resident Foreigner					
<b>Statement Delivery method:</b>						
<b>12</b>	<input type="checkbox"/> Email	<input type="checkbox"/> Post	<input type="checkbox"/> Hold			
	<input type="checkbox"/> Hold					
<b>Declaration</b>						
<b>13</b>	I/We hereby apply for MTN Ghana Shares under the terms and conditions set out in the Offer Prospectus. In my/our knowledge there is no other application being made for MTN Ghana Shares for my/our benefit (or that of any persons whose benefit I am/we are applying). I/We certify that all statements made in this application are correct and that the responses are my/our own					
	<b>Individual Applicant</b>		<b>Joint Applicant</b>			
Signature:	<input type="text"/>		Signature:	<input type="text"/>		
I, the undersigned, have read the terms and conditions set out in the Offer Prospectus, explained same in _____ (the language) to the applicant and the applicant confirms his understanding of these terms and conditions.						
<b>14</b>	Name:	<input type="text"/>	Signature:	<input type="text"/>	Date:	<input type="text"/>







## APPENDIX C – GUIDE TO APPLYING VIA THE PHYSICAL APPLICATION FORM

**Note:** This option is only available to Qualifying Applicants applying through an authorised Receiving Bank or Receiving Agent as listed in Appendix G (Receiving Banks and Receiving Agents) of this Prospectus

**It is important that the Application Form is correctly completed. Applicants in doubt should consult any of the Receiving Banks or Receiving Agents for assistance. The Offer is open from 12:30pm (GMT) on the Offer Commencement Date and closes at 5:00 pm (GMT) on the Offer Closure Date. Applications received after the Offer has closed shall not be considered.**

**Qualifying Applicants may obtain Application Forms from the Receiving Banks or Receiving Agents whose details are shown in Appendix A (How to Apply for the Offer Shares) of this Prospectus or any regional offices of MTN Ghana. Please note that terms defined in the Prospectus have the same meaning when used in the Application Form. All Applicants are advised to read the Prospectus in its entirety and consult a licenced professional before filling in the Application Form.**

There are multiple sections of the Application Form for this Offer. The sections to be completed by Qualifying Applicants will be determined by the Qualifying Applicant's status as an individual Qualifying Applicant with a CSD Account or an individual Qualifying Applicant without a CSD Account or a corporate Qualifying Applicant. Please ensure that you complete the appropriate sections of the Application Form and return the completed and signed form to a Receiving Bank, Receiving Agent or any MTN branch together with all required supporting documents and proof of full payment for your application. All payments in respect of the Offer should be made to the Receiving Banks or Receiving Agents.

**Corporate Applicants without CSD Accounts should submit their Application Forms directly to the Sponsoring Brokers so that CSD Accounts are opened for them.**

Once the CSD account is created, IC Securities will be, by default, the Qualifying Applicant's broker. Such Qualifying Applicant(s) can contact IC Securities after the Offer to change their broker.

### GUIDE TO COMPLETING THE APPLICATION FORM – Individual, Joint Applicant and In Trust For (ITF)

**Section 1 – Individual, Joint Application and ITF Form (This section is to be completed by individual, joint and ITF Applicants only)**

**Section 1 – Personal Details (This section is to be completed by Individual, Joint and ITF Applicants only)**

Insert in Section 1 your surname, all your other names and the title you prefer to be addressed by (i.e. Mr., Ms., Miss, Mrs., Dr. and Other).

## **Section 2 – Contact Information**

Please insert your contact information; telephone number, fax (where applicable), postal address, town or city, country of residence and email. The address must be current and reliable and in case of any change in address, you should immediately inform your broker or the Registrar.

## **Section 3 – Subscription Information (*This section is to be completed by all Qualifying Applicants*)**

Please provide details of your CSD Account Code and Broker Code (optional)

Insert number of shares and the amount due in GHS for the application. Applicants should tick as appropriate the mode of payment for the Offer Shares. For cheque payments, Qualifying Applicants must provide the cheque number in the text boxes provided.

## **Section 4 – Declaration**

Please read the declaration carefully before you sign (or, if unable to sign, mark with your thumbprint) in the space provided. By signing or thumbprinting this Section, you will be applying for Offer Shares under the terms and conditions set out in the Prospectus and this Application Form. Proceedings may be instituted against anyone knowingly making a false declaration. This applies whether an application is made solely, jointly or In Trust For.

## **Section 5 – Declaration by Form Assistors**

Please read the declaration carefully before you sign (or, if unable to sign, mark with your thumbprint) in the space provided. By signing or thumbprinting this Section, you will be attesting to having read the terms and conditions set out in the Prospectus and this Application form and explained same to the applicant, confirming his understanding of the terms and conditions.

## **SUPPLEMENTARY INFORMATION FOR INDIVIDUALS, JOINT APPLICANTS AND ITF WHO DO NOT HAVE CSD ACCOUNTS**

**Sections 6 – 14** of the Application Form are to be completed by individuals, joint and ITF Qualifying Applicants without CSD Accounts who are applying through any of the Receiving Banks. Information provided in these sections will enable the Sponsoring Broker to create CSD Accounts on behalf of the Qualifying Applicant.

Once the CSD account is created, IC Securities will be, by default, the Qualifying Applicant's broker. Such Qualifying Applicant(s) can contact IC Securities after the Offer to change their broker.

## **Section 6 – Identity Document (“ID”) Details**

State the form of valid identity document (“ID”) being used and the identity document number. For the purpose of this Offer, a valid ID for an individual applicant is a national passport, a driver’s license, a national ID, a national health insurance ID and or a voter’s ID. Your application must be submitted with either (i) an original of your valid ID to the Receiving Bank or Receiving Agent, who will verify and make a copy of same (without keeping the original), or (ii) an already notarised or certified copy of the valid ID. The notarisation must be undertaken by a notary public. The certification must be undertaken by a legal practitioner or other recognised professional registered by his or her regulating body. The notarised or certified copy must be stamped, dated and signed “original sighted by me” by the relevant person.

It is the duty of each Qualifying Applicant to provide a valid form of identification at the time of application. Neither the Company nor its advisers will be held liable for any consequences resulting from the failure of any Qualifying Applicant to provide a valid form of identification at the time of application or at any time thereafter. Please note that there are provisions in this Section for joint Qualifying Applicants and ITF applications.

Applications on behalf of minors must include notarised or certified copies of the parent’s or guardian’s valid ID as well as the minor’s ID.

Applications for persons other than minors must have attached to the form, notarised or certified copies of a valid ID and a power of attorney from the beneficiary.

## **Section 7 – Address Details**

Please provide the details of your residential and postal address.

## **Section 8 – Dividend Payment**

Applicants should provide their bank account details and or their mobile money account information for dividend payment.

## **Section 9 – Investment Profile**

Please tick the appropriate boxes to indicate your investment objective, investment knowledge and risk tolerance.

## **Section 10 – Next of Kin**

Please provide information on your Next of Kin.

## **Section 11 – Residential Status**

Please provide your residential status.

## **Section 12 – Statement Delivery Method**

Please indicate the method of delivery for your CSD Account Statements.

## **Section 13 – Declaration**

Please read the declaration carefully before you sign (or, if unable to sign, mark with your thumbprint) in the space provided. By signing or thumbprinting this Section, you will be applying for Offer Shares under the terms and conditions set out in the Prospectus and this Application Form. Proceedings may be instituted against anyone knowingly making a false declaration. This applies when an application is made solely or jointly with other persons.

## **Section 14 – Declaration by Form Assistor**

Please read the declaration carefully before you sign (or, if unable to sign, mark with your thumbprint) in the space provided. By signing or thumbprinting this Section, you will be attesting to having read the terms and conditions set out in the Prospectus and this Application form and explained same to the applicant, confirming his understanding of the terms and conditions.

## **GUIDE TO COMPLETING THE APPLICATION FORM – Corporate Applicant**

All sections of the Application Form are required to be completed. The information provided will enable the Sponsoring Broker to create CSD Accounts on behalf of the Qualifying Applicant.

Once the CSD account is created, IC Securities will be, by default, the Qualifying Applicant's broker. Such Qualifying Applicant(s) can contact IC Securities after the Offer to change their broker.

## **Section 1 – Corporate Application (This section is to be completed by Corporate Applicants only)**

Complete Section 1 with the organisation's name and registration number as quoted on its valid ID. Your application must be submitted with a Letter of Authorisation, giving applicants the mandate to purchase shares for the Offer.

Applications from corporations and partnerships must be completed under the hand of a duly authorised official.

For the purpose of this Offer, a valid ID for a corporate Qualifying Applicant is a certificate of incorporation or registration. Your application must be submitted with either (i) an original of your valid ID to the Receiving Bank or Receiving Agent, who will verify and make a copy of same (without keeping the original), or (ii) an already notarised or certified copy of the valid ID. The notarisation must be undertaken by a notary public. The certification must be undertaken by a legal practitioner or other recognised professional registered by his or her regulating body. The notarised or certified copy must be stamped, dated and signed "original sighted by me" by the relevant person.

Applications on behalf of other persons must have attached to the form, notarised or certified copies of a valid ID and a power of attorney from the beneficiary.

It is the duty of each Qualifying Applicant to provide a valid form of identification at the time of application. Neither MTN nor its advisers will be held liable for any consequences resulting

from the failure of any Qualifying Applicant to provide a valid form of identification at the time of application or at any time thereafter.

**Section 1** requires the following details from a Corporate Applicant: company name, a certified copy of the Certificate of Incorporation, registered address, and place of business, telephone number and email. The authorised officials' are required to provide their personal details and valid IDs.

The address must be current and reliable and in case of any change in address, you should immediately inform your broker or the Registrar, whichever is the case.

**Section 2 – Subscription Information (This section is to be completed by the company's authorised representative)**

Please provide details of your CSD Account Code and Broker Code (optional). Insert number of shares and the amount due in GHS for the application.

**Payment Method**

Insert number of shares and the amount due in GHS for the application.

Applicants should tick as appropriate the mode of payment for the Offer Shares. For cheque payments, Qualifying Applicants must provide the cheque number in the text boxes provided.

**Dividend Payment**

Applicants should provide their bank account details and or their mobile money account information for dividend payments (if applicable).

**Section 3 – Investment Profile**

Please tick the appropriate boxes to indicate your investment objective, investment knowledge and risk tolerance.

**Section 4 – Declaration**

Authorised officials are required to insert their names, sign (or, if unable to sign, mark with their thumbprint) and the company's stamp in the space provided.

Please read the declaration carefully before you insert your name, designation, company seal or stamp and sign (or, if unable to sign, mark with your thumbprint) in the space provided. By signing or thumbprinting this Section, you will be applying for Offer Shares under the terms and conditions set out in the Prospectus and this Application Form. Proceedings may be instituted against anyone knowingly making a false declaration. This applies whether an application is made solely or jointly with other persons.

**Section 14 – Declaration by Form Assistor**

Please read the declaration carefully before you sign (or, if unable to sign, mark with your thumbprint) in the space provided. By signing or thumbprinting this Section, you will be attesting to having read the terms and conditions set out in the Prospectus and this Application form and explained same to the applicant, confirming that his or her understanding of the terms and conditions.





## APPENDIX D – GUIDE TO APPLYING VIA THE MTN MOBILE MONEY PLATFORM

**Note: Only available to Individual Applicants**

**Guidelines to Apply for Offer Shares using MTN Mobile Money (USSD)**

**Step 1:** Dial \*170#

**Step 2:** Select “**MTN GH Share Offer**” from the menu presented

**Step 3:** Select “Yes” option from the menu presented to agree to the Terms and Conditions of the Offer

**Step 4:** Select the “**Buy Shares**” option

**Step 5:** Enter the number of Offer Shares you would like to purchase

**Step 6:** First time users will be prompted to answer two KYC questions

**Step 7:** Confirm details of the Offer Shares (total cost and number) you would like to purchase and the registered name on the Mobile Money wallet

**Step 8:** Enter your MTN Mobile Money PIN to authorize purchase of Offer Shares

**Step 9:** Select “**Yes or No**” to approve the transaction

**Note:**

- ii. The amount due will be deducted from your mobile money wallet
- ii. An SMS will be sent to confirm the purchase of Offer Shares
- iii. There are no transaction fees for purchasing MTN Ghana Shares

**To View purchase history**

**Step 1:** Dial \*170#

**Step 2:** Select “**MTN GH Share Offer**” from the menu presented

**Step 3:** Select the “**View Shares Bought**” option

**Step 4:** All previous transactions will be displayed





## APPENDIX E – GUIDE TO APPLYING VIA THE OFFER WEBSITE (Web Platform)

**Note: Available to Individual and Corporate Applicants only**

### Guidelines to Apply for Offer Shares via the Offer Website

#### Individual Subscription

- Step 1:** Visit [mtnghanashares.com](http://mtnghanashares.com) to access the official MTN Ghana Public Offer website
- Step 2:** Agree to the Terms and Conditions to proceed
- (a): For users who are applying for the first time, click "Buy" and select the "**First Time Subscription**" option
  - (b): For users who have previously subscribed for Offer Shares, click "Additional Subscription", login and proceed to Steps 7 through to 11 to complete subscription process
- Step 3:** Fill out the Account Creation page which captures type of account, name, contact information and password details. Upon filling all required fields, click "**Continue**" to proceed to the next stage
- Step 4:** Click on "**Click Here to Complete Registration**" to complete your personal and KYC details
- Step 5:** Cross-check registration details entered at the summary page. Click on "**Edit**" to alter details provided and click on "**Save**" to proceed
- Step 6:** Click on "**Subscribe for MTN Ghana Shares**" to apply for shares
- Step 7:** Enter the number of Offer Shares you would like to subscribe for. At cost of shares, the corresponding cost of the Offer Shares will be shown in GHS. Click "**Next to Payment**" to provide payment information
- Step 8:** Specify the preferred payment method (MTN Mobile Money, pay at bank or debit card payment) for the subscribed Offer Shares and enter payment details to confirm the payment for the Offer Shares. Follow the prompts to complete the payment with your preferred payment method
- Note:** For "**Pay at Bank**", please submit the Unique Reference Code or Payment Code to the Receiving Bank for payment - your Unique Reference Code or Payment Code will be displayed on the screen once the subscription has been saved. You may also click "**Print Subscription Receipt**" to print a payment slip with the Unique Reference Code
- Step 9:** An email will be sent to confirm the purchase of Offer Shares

### **Joint Subscription**

- Step 1:** Please follow steps 1 through to 6 for an individual subscription
- Step 2:** At apply for shares, select "**Joint Subscription**" from the drop down menu
- Step 3:** Select "**New Joint Subscription**" at Joint Subscription (drop down menu) to display the second applicant's registration form
- Step 4:** Click on "**Please Agree to Continue**" and fill the registration details for the joint applicant. Click "**Next**" to proceed
- Step 5:** Specify the preferred payment method (MTN Mobile Money, pay at bank or debit card payment) for the subscribed Offer Shares
- Step 6:** Cross-check registration details entered at the summary page. Click on "**Edit**" to alter any of the details provided and click on "**Next**" to proceed
- Step 7:** Enter payment details to confirm the payment for the Offer Shares. Follow the prompts to complete the payment for your preferred payment choice
- Note:** For "**Pay at Bank**", please submit the Unique Reference Code or Payment Code to the Receiving Bank for payment - your Unique Reference Code or Payment Code will be displayed on the invoice on your screen when you click "**Print Subscription Receipt**"
- Step 8:** An email will be sent to confirm the purchase of Offer Shares

### **In Trust For (ITF) Subscription**

- Step 1:** Please follow steps 1 through to 6 for an individual subscription
- Step 2:** At apply for shares, select "**In Trust For**" from the drop down menu
- Step 3:** Select "**New ITF Subscription**" at ITF beneficiary to display the second applicant's registration form. Fill the details for the second applicant and click "**Next**" to proceed
- Step 4:** Specify the preferred payment method (MTN Mobile Money, pay at bank or debit card payment) for the subscribed Offer Shares
- Step 5:** Cross-check registration details entered at the summary page. Click on "**Edit**" to alter any of the details provided and click on "**Next**" to proceed
- Step 6:** Enter payment details to confirm the payment for the Offer Shares. Follow the prompts to complete the payment for your preferred payment choice
- Note:** For "**Pay at Bank**", please submit the Unique Reference Code or Payment Code to the Receiving Bank for payment - your Unique Reference Code or Payment Code will be displayed on the invoice on your screen when you click "**Print Subscription Receipt**"
- Step 7:** An email will be sent to confirm the purchase of Offer Shares

### **Corporate Subscription**

- Step 1:** Please follow steps 1 through to 2 for an individual subscription
- Step 2:** Fill out the Account Creation Page which captures type of account (corporate), name, contact information and password details. Upon filling all required fields, click "**Continue**" to proceed to the next stage
- Step 3:** Click on "**Click Here to Complete Registration**" to fill the company details and click "**Next**" to proceed
- Step 4:** Please follow Steps 5 through to 9 for an individual subscription







## APPENDIX F – GUIDE FOR TRADING SHARES

### Kindly take note:

1. After the Offer, shareholders who wish to trade their shares via the MTN Mobile Money trading platform or the Web Platform will have to be IC Securities' clients
2. To trade your shares via the MTN Mobile Money trading platform or the Web Platform, kindly follow the guidelines in Option 1 and Option 2 below
3. Shareholders can however trade their shares through their local broker (as stated in Option 3 below)

### OPTION 1 - Trading Electronically via MTN Mobile Money (USSD)

**Note: Only available to individual clients of IC Securities**

**A. Guidelines to Place an Order to Purchase Shares on the Secondary Market**

Shares may be traded through any licensed member of the GSE  
IC Securities' clients may also trade through MoMo or Web portal

**Step 1:** Dial \*170# (short code is subject to change)

**Step 2:** Select “**MTN Ghana Shares**” from the menu (menu is subject to change)

**Step 3:** Enter your MTN Mobile Money PIN to access the trading menu

**Step 4:** (a) For customers with multiple accounts (Individual, Joint or In Trust For), the customer will be prompted to select an account to trade with

(b) For new customers, customer agrees to the terms and conditions and completes the KYC questions to open an account

**Note:** New accounts are opened within 48 hours

**Step 5:** Select the “**Buy Shares**” option from the menu

**Step 6:** Enter the unit price you would like to purchase shares at

**Step 7:** Enter the number of MTN Ghana Shares you would like to purchase

**Step 8:** Choose how long the order should be valid for

**Step 9:** Confirm details for the purchase of MTN Ghana Shares (total consideration and cost breakdown will be shown) you wish to buy

**Step 10:** Enter your MTN Mobile Money PIN to authorize purchase of MTN Ghana shares

**Note:**

- i. This amount will be deducted from your MTN Mobile Money wallet
- ii. An SMS will be sent to confirm the placement of an order to purchase Offer Shares
- iii. Once the purchase order has been successfully matched, the customer will receive an SMS confirming the trade and the requisite shares will be credited to the customer
- iv. In the event that the order expires before it is matched, the customer will receive an SMS notification of the expired order

**B. Guidelines to Sell Shares on the Secondary Market**

**Step 1:** Dial \*170# (short code is subject to change)

**Step 2:** Select “**MTN Ghana Shares**” from the menu presented (menu is subject to change)

**Step 3:** Enter your MTN Mobile Money PIN to access the trading menu

- Step 4:**
- (a) For customers with multiple accounts (Individual, In Trust For or Joint), the customer will be prompted to select an account to trade with
  - (b) For new customers, customer agrees to the terms and conditions and completes the KYC questions to open an account

**Note:** New accounts are opened within 48 hours

**Step 5:** Select the “**Sell Shares**” option

**Step 6:** Enter the unit price you would like to sell shares at

**Step 7:** Enter the number of MTN Ghana shares you would like to sell

**Step 8:** Choose how long the order should be valid for

**Step 9:** Confirm details for the sale of MTN Ghana Shares (total consideration and cost breakdown will be shown)

**Step 10:** Enter your MTN Mobile Money PIN to authorize the sale of your MTN Ghana shares

**Note:**

- i. An SMS will be sent to confirm the placement of an order to sell MTN Ghana Shares and the shares will be blocked on the customer's account
- ii. Once the sell order has been successfully matched, the customer will receive an SMS confirming the trade and the requisite amount will be credited to the customer
- iii. In the event where the order expires before it is matched, the customer will receive an SMS notification of the expired order and the shares will be released to the customer

**C. Guidelines to View or Cancel Pending Orders**

**Step 1:** Dial \*170# (short code is subject to change)

**Step 2:** Select “**MTN Ghana Shares**” from the menu presented (menu is subject to change)

**Step 3:** Enter your MTN Mobile Money PIN to access the trading menu

**Step 4:** Select the “**View/Cancel Order**” option

**Step 5:** Open orders are displayed (numbered)

- Step 6:** To cancel an order, a customer enters the number corresponding to the order and confirms the cancellation
- (a) For a purchase order, the customer receives a notification of the cancelled order and the funds debited are credited back to the customer
  - (b) For a sale order, the customer receives a notification of the cancelled order and the blocked shares are released

**D. Guidelines to View trade history**

- Step 1:** Dial \*170# (short code is subject to change)
- Step 2:** Select “**MTN Ghana Shares**” from the menu presented (menu is subject to change)
- Step 3:** Select the “**View Trade History**” option
- Step 4:** All previous trades will be displayed

## **OPTION 2 - Trading Electronically via the Web Platform**

**Note: Only available to retail and corporate clients of IC Securities**

### **A. Guidelines to Purchase Shares on the Secondary Market**

**Step 1:** Enter [mtnghanashares.com](http://mtnghanashares.com) into your browser to access the trading web platform

**Step 2:** (a) For users who did not purchase Offer Shares and are using the platform the first time, click “**Sign Up**”

(b) For customers who purchased Offer Shares or have previously signed up to the Trading Platform (USSD or Web) click “**Login**”, enter your credentials and proceed to Steps 5, 6 and 7 to place orders

**Step 3:** Agree to the Terms and Conditions to proceed

**Step 4:** Fill out the account creation page which captures customer type, name, contact information and password details. Upon filling all required fields, click “**Continue**” to proceed to the next stage

**Note:** Customers can place trades after 48 hours when depository accounts have been opened

**Step 5:** (a) For customers who have previously funded their trading accounts and have sufficient funds to complete the desired purchase order, proceed to step 6

(b) For customers who do not have sufficient funds to complete a purchase order:

(i) Select the “**Cash Deposit/Withdrawal**” option from the menu

(ii) Select Deposit

(iii) Enter the amount to be deposited

(iv) Choose the preferred payment option (debit card, MTN Mobile Money or payment at a partner bank)

**Step 6:** Click the “**Buy/Sell Shares**” button

**Step 7:** Select “**MTN Ghana Shares**” from the stock slider

**Step 8:** Enter the number of shares, the unit price and choose the validity period and order type (Market or Limit Order) for your order

**Step 9:** Click “**Buy**”

**Step 10:** Confirm the order details and click confirm to finalize the order

**Note:**

(i) Total amount due for the order will be blocked from the customer's available trading balance

(ii) An email will be sent to confirm the placement of an order to purchase Shares

(iii) Once the purchase order has been successfully matched, the customer will receive an email confirming the trade and the requisite shares will be credited to the customer

(iv) In the event where the order expires before it is matched, the customer will receive an email notification of the expired order and the amount blocked for the order will be released to the customer

## **B. Guidelines to Sell Shares on the Secondary Market**

**Note: Only applicable for customers who hold shares**

- Step 1:** Enter [mtnghanashares.com](http://mtnghanashares.com) into your browser to access the trading web platform;
- Step 2:** Click “**Login**”, enter your credentials and proceed
- Step 3:** Click the “**Buy/Sell Shares**” button
- Step 4:** Select “**MTN Ghana Shares**” from the stock slider
- Step 5:** Enter the number of shares, the unit price and choose the validity period and order type for your order
- Step 6:** Click “**Sell**”
- Step 7:** Confirm the order details and click confirm to finalise the order

**Note:**

- (i) The shares due for the order will be blocked from the customer's available shares
- (ii) An email will be sent to confirm the placement of an order to sell Shares
- (iii) Once the sell order has been successfully matched, the customer will receive an email confirming the trade and the requisite funds will be credited to the customer's account (bank/MTN Mobile Money)
- (iv) In the event where the order expires before it is matched, the customer will receive an email notification of the expired order and the shares blocked for the order will be released to the customer

## **C. Guidelines to withdraw funds from the trading platform**

**Note: Only applicable to customers who hold funds**

- Step 1:** Click “**Login**”, enter your credentials to proceed
- Step 2:**
  - (a) Select the “**Cash Deposit/Withdrawal**” option from the menu
  - (b) Select “**Withdraw**”
- Step 3:** Enter the amount to be withdrawn from the trading platform
- Step 4:** Choose the preferred settlement option (bank account or MTN Mobile Money)
- Step 5:** Customer confirms the transaction and funds are transferred based on the account details provided at signup
- Step 6:** Customer receives email notification of the withdrawal
  - (a) For MTN Mobile Money, Funds are credited same day
  - (b) For bank deposits, funds are credited within 24-hours

## **D. Guidelines to view Transaction History**

**Note: Only applicable for customers who hold shares**

- Step 1:** Click “**Login**”, enter your credentials to proceed
- Step 2:** Select the “**Transaction History**” option from the menu
- Step 3:** All transactions (trades and cash movements) completed on the customer's account are displayed

**OPTION 3 - Trading through a broker will be done as usual**

**Note: Only available to all shareholders.**

Contact your preferred broker with details of your order.



## **APPENDIX G – RECEIVING BANKS AND RECEIVING AGENTS**

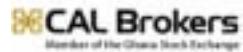
## RECEIVING BANKS



## RECEIVING BANKS

<p><b>Access Bank (Ghana) Limited</b>            Starlets' 91 Road, Osu            P. O. Box 353            Accra, Ghana            Tel: +233 (0) 302 661 769/684 858            Email: info@ghana.accessbankplc.com</p>	<p><b>ADB Bank Limited</b>            Accra Financial Centre            3rd Ambassadorial Development Area            Ridge, Accra            P. O. Box 4191, Accra            Tel: +233 (0) 302 770 403            Email: adbweb@agricbank.com</p>	<p><b>Barclays Bank of Ghana Limited</b>            Accra High Street            P. O. Box GP 2949            High Street, Accra            Tel: +233 (0) 302 664 901            Email: barclays.ghana@barclays.com</p>
<p><b>CAL Bank Limited</b>            23 Independence Avenue, North Ridge            P.O. Box 14596            Accra, Ghana            Tel: +233 (0) 302 680 062-3/680 065            Email: customercare@calbank.net</p>	<p><b>Ecobank Ghana Limited</b>            19, Seventh Avenue, Ridge West            PMB-G.P.O.            Accra, Ghana            Tel: +233 (0) 302 681 146-7/681 168            Email: ecobankgh@ecobank.com</p>	<p><b>FBN Bank Ghana Limited</b>            Meridian House            PMB No. 16            Accra North, Ghana            Tel: +233 (0) 302 236 136/235 684            Email: icb@icbank-gh.com</p>
<p><b>Fidelity Bank (Ghana) Limited</b>            1st to 4th Floor, Ridge Towers            Ambassadorial Enclave            Ridge, Accra            Tel: +233 (0) 302 214 490            Email: info@fidelitybank.com.gh</p>	<p><b>GN Bank Limited</b>            C625/3 Fourth Crescent,            Asylum Down, Accra, Ghana            Tel: +233 (0) 302 218 855            Email: info@gnbankghana.com</p>	<p><b>Guaranty Trust Bank (Ghana) Limited</b>            25 Castle Road            Ridge Ambassadorial Enclave, Accra            PMB CT 416, Cantonment, Accra            Tel: +233 (0) 302 250380/250636            Email: gh.corporateaffairs@gtbank.com</p>
<p><b>Societe Generale Ghana</b>            P. O. Box 13119            Ring Road, Accra            Tel: +233 (0) 302 202 001/248 920            Email: sgghana.info@socgen.com</p>	<p><b>Stanbic Bank (Ghana) Limited</b>            7th Floor, Stanbic Heights            215 South Liberation Link, Airport City            P.O. Box CT 2344, Cantonments            Tel: +233 (0) 302 815 789            Email: customercare@stanbic.com.gh</p>	<p><b>Standard Chartered Bank (Ghana) Ltd</b>            Standard Chartered Bank Building            6 John Evans Atta Mills High Street            Accra, Ghana            Tel: +233 (0) 664 591/8            Email: ghana.call-centre@sc.com</p>
<p><b>United Bank of Africa (Ghana) Limited</b>            Heritage Towers, Liberia Road            Ridge Ambassadorial Enclave, Accra            Tel: +233 (0) 302 674 085/674 089            Email: info@ubaghana.com</p>	<p><b>Universal Merchant Bank (Ghana) Limited</b>            No. 44 Kwame Nkrumah Avenue            UMB House Avenue            Tel: +233 (0) 666 331/662 332            Email: info@merchantbank.com.gh</p>	<p><b>Zenith Bank (Ghana) Limited</b>            Premier Towers            Liberia Road            PMB CT 393, Accra            Tel: +233 (0) 302 611 500/680 884            Email: info@zenithbank.com.gh</p>

## RECEIVING AGENTS



## RECEIVING AGENTS

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<b>African Alliance Securities Ghana Ltd</b> 2nd Floor, Heritage Towers, 6th Avenue Ridge Ambassadorial Enclave PMB 45 Ministries, Accra Tel: +233 (0) 302 610 610/ 679 761 Email: securities.gh@africanalliance.com	<b>Bullion Securities Limited</b> No.8 Quartey Papafio Avenue Airport Residential Area P.O. Box CT 10027, Cantonments Tel: +233 (0) 544 312 462 Email: info@bullion.com.gh	<b>CAL Brokers Limited</b> 6th Floor, World Trade Center Ridge Ambassadorial Enclave P.O. Box 14596, Accra Tel: +233 (0) 302 680 051/ 680 061-9 Email: info@calbrokersghana.com
<b>CDH Securities Limited</b> CDH House 36 Independence Avenue, North Ridge P.O. Box 14911, Accra Tel: +233 (0) 302 667 425-8/ 671 050 Email: info@cdhfinancialholdings.com	<b>Chapel Hill Advisory Partners Ghana</b> Suite 2, The Labone Office Park N. Sithole Street, Labone Tel: +233 (0) 302 766 865 Email: ghana.info@chapelhilldenham.com	<b>Databank Brokerage Limited</b> No.61, Barnes Road, Adabraka, Accra PMB, Ministries Post Office, Accra Tel: +233 (0) 302 665 124/ 663 763 Email: info@databankgroup.com
<b>EDC Stockbrokers Limited</b> Third Floor, Valco Trust House 22 Ambassador Re-development Area Ridge, Accra Tel: +233 (0) 302 251 720/4/9 Email: edc@ecobank.com	<b>Fidelity Securities Limited</b> Ridge Towers - Ridge PMB 43, Cantonments, Accra Tel: + 233 (0) 302 214 490 Email: info@myfidelitybank.net	<b>First Atlantic Brokers Limited</b> 3 Dr. Isert Road, North Ridge P.O. Box CT 1620, Cantonments, Accra Tel: +233 (0) 302 218 030/38 Email: brokers@firstatlanticbank.com.gh
<b>FirstBanC Brokerage Services Limited</b> 12th Floor, World Trade Centre Ridge Ambassadorial Enclave, Accra P.O. Box 1464, Osu-Accra Tel: +233 (0) 302 250380/250636 Email: brokerage@firstbancgroup.com	<b>Gold Coast Brokerage Limited</b> 5 Mozambique Link, North Ridge P.O. Box GP 17187, Accra Tel: +233 (0) 302 211 411/5 Email: info@gcsinvestments.com	<b>Republic Securities Ghana Limited</b> No.6, Sixth Avenue Ambassadorial Area, Ridge P.O. Box CT 4603, Cantonments, Accra Tel: +233 (0) 302 683 891-2/ 665 095 Email: info@hfcinvestments.com securities@publicghana.com
<b>Liberty Securities Limited</b> Chez Julie Plaza 30 Paa Grant Street, Comm.10, Tema P.O. Box CS 8876, Community 7, Tema Tel: +233 (0) 303 301 486 Email: info@libertygh.com	<b>New World Securities Limited</b> 1st Floor, NALAG House Behind Gulf House, near the Tetteh Quarshie Interchange Okponglo, Accra Tel: +233 (0) 302 660 163/ 676 979 Email: services@newworldgh.com	<b>NTHC Securities Limited</b> Martco House, Okai-Mensah Link, Off Kwame Nkrumah Avenue, Adabraka P.O. Box KIA 9563, Airport, Accra Tel: +233 (0) 302 238 492/3, 235 814-6 Email: info@nthc.com.gh
<b>Prudential Securities Limited</b> No. 8, Nima Avenue, Kanda Ring Road Central, Accra P.O. Box CT 628 Accra, Ghana Tel: +233 (0) 302 771 284/770 936 Email: info@prudentialsecurities.com.gh	<b>SBG Securities Ghana Limited</b> P.O. Box CT 2344, Cantonments, Accra Tel: +233 (0) 302 687 670-8 Email: brokerage@stanbic.com.gh	<b>SIC Brokerage Limited</b> No. 67 A&B Switchback Road Cantonments, Accra PMB CT 314, Cantonments Tel: +233 (0) 302 767 051 Email: info@sic-fsl.com
<b>Strategic African Securities Limited</b> 14th Floor, World Trade Centre Independence Avenue, Accra P.O. Box KA 16446, Airport, Accra Tel: +233 (0) 302 251 546/ 661 770 Email: info@sasghana.com	<b>UMB Stockbrokers Limited</b> Sethi Plaza 123 Kwame Nkrumah Avenue, Adabraka P.O.Box 401, Accra Tel: +233 (0) 302 226 112/ 220 952 Email: stockbrokers@myumbbank.com	<b>Worldwide Securities Limited</b> H80 Ringway Link Yeboah Afari Plaza Osu RE, Accra Tel: +233 (0) 256 001/2, 764 578/9 Email: info@worldwidesecurities-gh.com



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