



Mega African Capital Limited

**Circular to Shareholders
A Renounceable Rights Issue**

of

**864,147 Ordinary shares of no par value
at GHS 5 per share
in a ratio of 1 new share for every 10 existing shares**

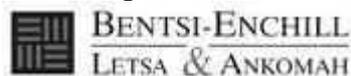
&

**a Private Placement of 1,535,853 shares of no par value
at GHS 5 per share**

Financial Advisor and Sponsoring Broker



Legal Advisor



Reporting Accountant



This document is dated Friday, 3rd July, 2015

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

No person is authorized to give any information or to make any representation not contained in this Circular and any information or representation not contained in this Circular must not be relied upon as having been authorized by Mega African Capital Limited or (“MAC” or the “Company”), Databank Brokerage Limited or any of MAC’s Advisors. Neither the delivery of this Circular nor any sale hereunder shall under any circumstances create any impression that there has been no change in the affairs of MAC since the date hereof or that the information contained herein is correct as of anytime subsequent to this date. Any material change, relevant to the Offer, in the affairs of MAC during the Rights Issue and Private Placement Offer Periods will be communicated to the Securities and Exchange Commission (“SEC”) and the investing public.

An application has been made to the Ghana Stock Exchange (the “GSE”), for the listing of all the additional shares to be issued under this Offer on the GSE. The GSE has given provisional approval for the listing of the said shares. The GSE assumes no responsibility for the correctness of any of the statements made, opinions expressed and reports presented in this Circular.

A copy of this Circular has been delivered to the Registrar of Companies, Ghana, for registration. The Registrar has not checked and will not check the accuracy of the statements made and accepts no responsibility therefore or for the financial soundness of MAC or the value of the securities concerned.

This Circular has been reviewed and approved by the SEC in accordance with Section 9 of the Securities Industry Law (P.N.D.C. Law 333), as amended. In its review, the SEC examined the contents of the Circular to ensure that adequate disclosures have been made. **To ascertain the financial soundness or value of this Offer, MAC shareholders and the investing public are advised to consult a dealer, investment advisor or other professional duly authorized under the Securities Industry Law, 1993 (PNDCL 333) for appropriate advice.**

The distribution of this Circular (electronically or otherwise) and the offering of the shares in certain other jurisdictions may be restricted by law. No action has been taken to register or qualify the shares or otherwise permit a public offering of the shares in any jurisdiction outside Ghana. Any failure to comply with these restrictions may violate applicable securities laws. MAC requires persons into whose possession this Circular comes to inform themselves about, and observe any such restrictions and to seek their own advice on such restrictions. This Circular 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 authorized or is unlawful. Before deciding whether to apply for shares, you should consider whether shares are a suitable investment for you. Their value can go down as well as up. Past performance is not necessarily indicative of future performance.

Databank Brokerage Limited (“DBL”) is the Sponsoring Broker to the Transaction. The Sponsoring Broker has relied on information provided by the MAC and accordingly does not provide any assurance of the accuracy of the information contained in this Offer Circular and does not accept responsibility or liability for the inaccuracy of the information it contains. DBL does however confirm that to the best of its knowledge and belief, this Prospectus constitutes full and fair disclosure of all material facts about the issue and the issuer where appropriate and the profit forecast has been stated by the Directors after due and careful enquiry.

Bentsi-Enchill, Letsa & Ankomah (“BELA”) is acting as legal advisor to the Transaction. Any opinion expressed is limited to matters of the laws of the Republic of Ghana as in force and applied at the date of this Prospectus. BEL&A has relied on information provided by the Company. Accordingly, BEL&A does not provide any assurance of the accuracy of the information contained in this Prospectus and does not accept any responsibility or liability for the inaccuracy of the information contained in the Prospectus. BEL&A does however confirm that to the best of its knowledge, this Prospectus constitutes a full and fair disclosure of all material facts about the Company as required by the Securities Industry Act, 1993 (P.N.D.C.L 333), the Securities and Exchange Commission Regulations, 2003 (LI 1728) and the Listing Rules of the Ghana Stock Exchange. BEL&A consents to act in the capacity stated and to its name being stated in this Prospectus.

This Document includes forward looking statements that reflect MAC's intentions, beliefs or current expectations and projections about MAC's future results, operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans, opportunities, trends and the market in which MAC operates. These forward looking statements

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

The contents of this document do not constitute and are not to be construed as legal, business or tax advice. Each prospective investor should consult his/her own legal advisor, financial advisor or tax advisor for legal, financial and tax advice.

This Document has been seen and approved by the Directors of MAC and we collectively and individually accept full responsibility for the accuracy of the information given and that after making all reasonable inquiries and to the best of our knowledge and belief there are no facts, the omission of which would make any statement in the document referred to above misleading. The profit forecasts in this Circular have been stated by the Directors of MAC after due and careful enquiry.

Procedure

If you wish to apply for shares under the Offer then you must complete the procedures for application and payment set out in Parts 1 and 11 of this Offer Circular as well as the applicable form(s). This Offer Circular is being presented to you to make an informed decision on acquiring MAC Shares in the Offer. The procedures for trading are set out in this Offer Circular. Prospective investors should carefully consider the matters set forth in the section entitled 'Risk Factors' in this Circular.

Enquiries concerning this Circular may be made with the Transaction Advisor and Sponsoring Broker between 9.00 a.m. and 5.00 p.m. Monday to Friday (except public holidays) from the date hereof until the end of the Rights Issue and Private Placement Offer Period.

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KEY MILESTONE AND TIMETABLE

Activity	Date	Time
Ex-Rights Date	19 th October, 2015	10.00 am
Qualifying Date	21 st October, 2015	5.00 pm
Book Closure Date	22 nd October, 2015	8.00 am
Commencement of Offer	2 nd November, 2015	9.00 am
Commencement of Trading in Rights	2 nd November, 2015	10.00 am
Closure of Trading in Rights	20 th November, 2015	3.00 pm
End of Offer	27 th November, 2015	5.00 pm
Application Forms review for allotment commences	30 th November, 2015	9.00 am
End of allotment and submission of results to regulators	3 rd December, 2015	5.00 pm
Credit MAC shares to successful applicants	8 th December, 2015	5.00 pm
Commence dispatching letters to successful applicants	9 th December, 2015	9.00 am
Deadline for refunds to unsuccessful applicants	11 th December, 2015	5.00 pm
Listing of additional MAC Shares for trading on GSE	14 th December, 2015	10.00 am

All dates provided are subject to change by the Advisors in consultation with the MAC Board (subject to obtaining the necessary regulatory approvals). All times provided are in Greenwich Mean Time, 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.

CORPORATE INFORMATION ON MEGA AFRICAN CAPITAL LIMITED

Directors: Mrs Christine Dowuona – Hammond (Chairperson)
Mr. Eugene Addison
Mr. Kwesi Amonoo-Neizer
Mr. Opoku-Gyamfi Boateng
Mrs. Margaret Boateng Sekyere
Mrs Rosalyn Darkwa

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Tel: +233 302 201538
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Auditors: UHY Voscon Chartered Accountants
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Tudu, Accra
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P.O. Box LA 476
La, Accra

Legal Advisors: Bentsi-Enchill, Letsa & Ankomah
No. 4 Momotse Avenue
Adabraka, Accra
P. O. Box GP1632, Accra

Company Secretary: Trustee Services Limited
No. 4 Momotse Avenue
Adabraka, Accra
P. O. Box GP1632, Accra

Registrars: Central Securities Depository Co. Ltd
4th Floor, Cedi House, Accra
P.O. Box 134, Accra
Contact: Kwame Boa-Amponsem
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Email: kwame.boa-amponsem@csd.com.gh

ADVISORS & PARTIES TO THE TRANSACTION

Financial Advisor &Sponsoring Broker:	Databank Brokerage Limited 61 Barnes Road Adabraka, Accra Private Mail Bag, Ministries Post Office Accra, Ghana Tel: +233 0302 610610 Fax: +233 0302 669911 Contact: Armah I.J. Akotey Email:armah.akotey@databankgroup.com
Legal Advisors:	Bentsi-Enchill, Letsa & Ankomah No. 4 Momotse Avenue Adabraka, Accra P.O. Box GP 1632, Accra Contact: Seth Asante Email: seth.asante@belonline.org
Reporting Accountants	Asante Anarfi & Associates P.O. Box CT 7606, Cantonments, Accra Contact: Carl Engman Email:asanteanarfi@yahoo.com
Escrow Account Holder	Standard Chartered Bank Ghana Ltd Third Floor Accra High Street P. O. Box 59 Tel: +233 302 668029 Fax: +233 302 667751 Contact: Beverly Frimpong Email: beverly.frimpong@sc.com
Receiving Agents	See Part 10 for full details

DEFINITIONS

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

“Applicant”	A Qualifying Shareholder or a Qualifying Applicant;
“Application Form”	An application form for the Offer;
“Bank of Ghana”	The Central Bank of Ghana;
“BEL&A”	Bentsi-Enchill, Letsa & Ankomah, Legal Advisor to MAC for the Transaction;
“COCOBOD”	Ghana Cocoa Board;
“Companies Act ”	The Ghana Companies Act, 1963 (Act 179) as amended;
“Databank Brokerage”	Databank Brokerage Limited, acting as Financial Advisor and Sponsoring Broker to MAC for the Transaction;
“Director”	A member of the MAC Board;
“Euro”	The lawful currency of the member states of the European Union which adopt or have adopted it as their currency in accordance with the relevant provisions of the Treaty on European Union and the Treaty on the functioning of the European Union or their succeeding treaties;
“Financial Advisor”	Databank Brokerage Limited;
“GDP”	Gross Domestic Product;
“GH¢” or “GHS”	Ghanaian Cedi;
“Ghana”	The Republic of Ghana;
“IMF”	The International Monetary Fund;
“IMF Program”	A three year economic programme funded by the IMF aimed at restoring debt sustainability and macroeconomic stability in Ghana commencing in 2015;
“GSE” or “the Exchange”	The Ghana Stock Exchange;
“Listing”	The listing of the Issued MAC Shares on the GSE;
“Listing Date”	14 th December, 2015

“MAC” or the “Company”	Mega African Capital Limited;
“MAC Board” or the “Board”	The Board of Directors of MAC;
“MAC Shares”	The issued ordinary shares of MAC and “MAC Share” shall be construed accordingly;
“Management”	The management of MAC;
“Oak Partners”	Oak Partners Limited;
“Offer”	The offer of the ordinary shares of MAC under the Rights Issue and Private Placement;
“Offer Document”	This document dated 3 rd July, 2015
“Offer Period”	The period between 2 nd November, 2015 and 27 th November, 2015 when applications for MAC Shares will be accepted.
“Offer Price”	GHS 5 for both the Rights issue and the Private Placement.
“Private Placement”	An offer of 1,535,853 ordinary shares of MAC and all unallocated Rights Issue shares at a price of GHS 5 per share;
“P/E Ratio”	Price/Earnings Ratio;
“Qualifying Applicant”	Any natural person who is 18 years or over (whether applying on behalf of him/herself or on behalf of a minor), or a corporation, partnership or other unincorporated associations who are resident/incorporated in Ghana or some other state, or country provided that the offer to and acceptance by such an applicant of this Offer is not in contravention of the laws of that state or country;
“Qualifying Date”	21 st October, 2015;
Qualifying Shareholder	Shareholders of MAC whose names appear in the register of members as at the Qualifying Date;
“Receiving Agent” or “Receiving Agents”	Databank Brokerage Limited or any other company appointed by MAC, or by Databank Brokerage Limited on behalf of MAC, who will be receiving applications and payments from Qualifying Applicants under the Transaction. Full contact details of the receiving agents can be found in Part 10 of this Offer Document;

“Refund Period”	Within 10 working days of allotment of Shares;
“Registrars”	Central Securities Depository (Ghana) Limited;
“Regulations”	The regulations of MAC;
“Rights Issue”	An offer of 864,147 ordinary shares of MAC at GHS 5 per share in a ratio of 1 new share for every 10 existing shares held as at the Qualifying Date;
“RoA”	Return on Assets;
“RoE”	Return on Equity;
“Renouncee”	A person in favour of whom a Qualifying Shareholder has renounced his/her rights;
“Renouncer”	A qualifying MAC shareholder who renounces some or all of his/her rights in favour of another person(s);
“SEC”	Securities and Exchange Commission of Ghana;
“Sponsoring Broker”	Databank Brokerage Limited;
“Transaction”	The Rights Issue and the Private Placement; and
“USD” or “US\$”	United States Dollars.

PART 1 – THE TRANSACTION

1.1 Legal Basis and Reasons for the Transaction

MAC was incorporated under the Companies Act as a private limited liability company on 21st April, 2008, and was converted into a public limited liability company on 19th October, 2011.

1.1.1 Legal Basis for the Transaction

Board Resolution

At a meeting of the MAC Board held on 12th March, 2015, the Directors passed a resolution to raise additional capital of up to GHS16,000,000 by way of a rights issue and/or private placement to finance additional investments and to pay off debts of MAC.

Shareholders Resolution

The shareholders of MAC, at an Annual General Meeting (AGM) held on 16th April 2015, passed a resolution authorising the Directors to raise new capital of up to GHS16,000,000 through a renounceable rights issue and/or private placement in accordance with the Companies Act and the Rules and the Regulations of the GSE.

1.1.2 Reasons for the Offer and Use of Funds

MAC intends to use the proceeds of the Offer to finance additional investments and to pay off debts of MAC. The utilisation details are as follows:

Expenditure Item	Amount (GHS)
Reduce Short-term Debt	7,416,450
Real Estate Investment	4,000,000
Offer Expenses	583,550
Total	12,000,000

Exhibit 1: Expected Use of Funds

1.2 Key Terms of the Transaction

1.2.1 Number of Shares

The offer comprises 2,400,000 new ordinary shares to be issued as follows:

- I. Renounceable Rights Issue of 864,147 new ordinary shares at the offer price to Qualifying Shareholders in a ratio of 1 new share for every 10 existing ordinary shares held.
- II. Private Placement of 1,535,853 ordinary shares of MAC to Qualifying Applicants at the Offer Price.

The shares to be issued under this Offer will rank pari-passu with the ordinary shares of MAC already in issue and listed on the GSE.

1.2.2 Pricing of the Shares

The offer is priced at GHS5.0 (Five Ghana Cedis) per share, representing a 9% discount to MAC's market price of GHS5.50 on 30th June, 2015, the last practicable date before the printing of this document.

1.2.3 *Minimum Amount to Raise Under the Offer*

The minimum amount to be raised for the Offer to be declared successful is GHS3,000,000. Where only the minimum amount is raised, the funds would be used for covering the applicable costs of the offer and for working capital purposes.

Expenditure Item	Amount (GHS)
Reduce Short-term Debt	1,203,950
Real Estate Investments	1,500,000
Offer Expenses	296,050
Total	3,000,000

Exhibit 2: Expected Use of Minimum Amount Raised

1.2.4 *Dealings*

The GSE has granted approval to list the shares to be issued pursuant to this Offer, alongside the existing 8,641,469 ordinary MAC shares already listed as at 23rd April, 2014. It is expected that dealings in the new ordinary shares will start alongside the existing shares by 14th December, 2015.

1.2.5 *Qualifying Date for the Renounceable Rights Offer and Distribution of this Circular*

The 864,147 shares under the Renounceable Rights Offer will be offered to shareholders of MAC, whose names appear in the register of members as at 21st November, 2015. The Registrars of MAC will send a copy of this Circular containing the allotment letters, allotment details and Application Forms through the post to shareholders of MAC on record as of the Qualifying Date. The shareholders of MAC, who do not receive copies of the Circular by 2nd November, 2015 may contact the offices of the Registrars, Sponsoring Broker or the Receiving Agents for a copy of the Circular.

Qualified Applicants who are not existing shareholders of MAC and intend to participate in this Offer must contact the offices of the Sponsoring Broker or the Receiving Agents for a copy of the Circular.

1.2.6 *Rights & Fractional Shares*

All applications for shares under this Offer must be in whole numbers and no purported application for fractions of a share will be accepted.

The ratio in which the Rights to ordinary shares are allocated to Qualifying Shareholders may result in fractional entitlements. Fractional entitlements of 0.50 shares and above will be rounded up to one new share, whilst those below 0.50 shares will not be allotted to Qualifying Shareholders but will be consolidated and allotted by the Directors to Qualifying Applicants under the Private Placement.

1.3 **Lodgement of Completed Application Forms**

All Applicants resident in Ghana must deliver or lodge their duly completed application forms with the amount payable on application at the offices of the Sponsoring Broker or any of the named Receiving Agents during business hours and during the Rights Issue and Private Placement Offer Periods. No application will be accepted for consideration by Databank Brokerage or treated as binding after the Rights Issue and Private Placement Offer Periods have expired.

Applicants who choose to mail their Application Forms to any of the Receiving Agents are advised to use registered mail services. However, all documents mailed to any of the Receiving

Agents by an Applicant will be at Applicant's own risk, and Databank Brokerage may treat applications received after the Rights Issue and Private Placement Offer Period as invalid. Applicants are to note that Application Forms must be lodged at the same Receiving Agent's office where payment is made for the shares subscribed for. The Receiving Agent will acknowledge receipt of Application Forms and funds from Applicants.

1.4 Terms of Payment

Payment for MAC Shares under this offer must be in full on application. Payment by instalments will not be accepted. Databank Brokerage reserves the right to reject multiple applications, applications not paid for in full or to be paid by instalments. Payment may be in cash, cheque, postal, money order or electronic funds transfer. Cheques, postal and money orders, which will be presented for payment, should be made payable to "MAC SHARE OFFER" and should be crossed and marked "COMMISSION TO DRAWER'S ACCOUNT". This endorsement must be signed by the drawer. Applications in respect of which cheques are returned unpaid will be rejected. Bank commissions and transfer charges on application monies must be paid by the applicant.

1.5 Allotment Policy and Oversubscription

The allotment of shares will be:

- a. to satisfy all duly completed applications from Qualifying Shareholders and their Renounees as pertains to Qualifying Shareholders' rights in the Offer; and
- b. to satisfy all duly completed applications from Qualifying Applicants for shares under the Private Placement subject to approval by the MAC Board.

In the event that any of the Rights Issue shares remain unallotted, the MAC Board shall include the unallotted shares in the shares to be issued to Qualifying Applicants under the Private Placement. Qualifying Shareholders and their Renounees shall have the right to apply for additional shares under the Private Placement. However, the Qualifying Shareholders and their Renounees applying for shares under the Private Placement shall not be given any preference over non-shareholders in the allotment of shares.

To the extent that applications for extra shares received under the Private Placement are more than the available number of shares under the Rights Issue and Private Placement, the Directors may issue up to 800,000 additional shares to satisfy the oversubscription.

1.6 Refund of Excess Application Funds

If any application is not accepted or is accepted for a fewer number of shares than applied for, the balance of the amount paid on application will be returned to the Receiving Agents within 10 working days of the allotment of shares for onward distribution to applicants. MAC will announce such refunds through a national daily newspaper with wide circulation within 72 hours of the making of such refunds.

If MAC does not make refunds of extra application monies available to Receiving Agents by the end of the Refund Period, then MAC will pay to investors, interest (calculated on a per annum basis) on the unpaid amounts from the day that follows the last day of the Refund Period at the prevailing Bank of Ghana prime rate for each day of default until the refund is made to the Receiving Agents.

1.7 Escrow Account

All application monies collected will be deposited into an escrow account number

0100104290300 at Standard Chartered Bank (Ghana) Limited, High Street Branch, Head Office, Accra. A copy of the Escrow Account Agreement has been lodged with the SEC and is available for inspection at the office of the Sponsoring Broker.

1.8 Cost and Expense of the Transaction

The total cost and expense of the Transaction is not anticipated to exceed 5.0% of the Offer (assuming all the MAC Shares in the Offer are applied for and issued). The cost of the Transaction is summarised below:

Item	Amount GHS	% of Offer
Financial Advisory	200,000	1.67%
Legal Advisory	80,000.00	0.67%
Accounting Due Diligence	40,000	0.33%
Brokerage Commissions	120,000	1.00%
Regulatory Fees (SEC)	6,000	0.05%
Regulatory Fees (GSE)	48,800	0.40%
Central Securities Depository Fees	3,750.00	0.03%
Media publicity, marketing, printing, logistics, VAT etc.	5,000.00	0.04%
Total Estimated Cost	503,550.00	4.19%

Exhibit 3: Cost of Transaction

1.9 Transaction Details

Key share information of MAC:

Authorised Ordinary Shares	100,000,000
Number of Ordinary Shares Issued and fully paid	8,641,469
Stated Capital	GHS15,820,923
Shareholders' Funds	GHS39,527,798

Exhibit 4: Shareholders' Funds as at March 2015

Key Details of the Transaction are:

Listed MAC shares	8,641,469
New MAC shares on Offer	2,400,000
Price per Share	GHS5.00
Expected Proceeds from the Offer	GHS12,000,000
Expected Outstanding Shares After Offer	11,041,469
Minimum Expected Proceeds from the Offer	GHS3,000,000

Exhibit 5: Transaction Details

PART 2– THE INVESTMENT SECTORS WITHIN THE ECONOMIES

2.1 Overview

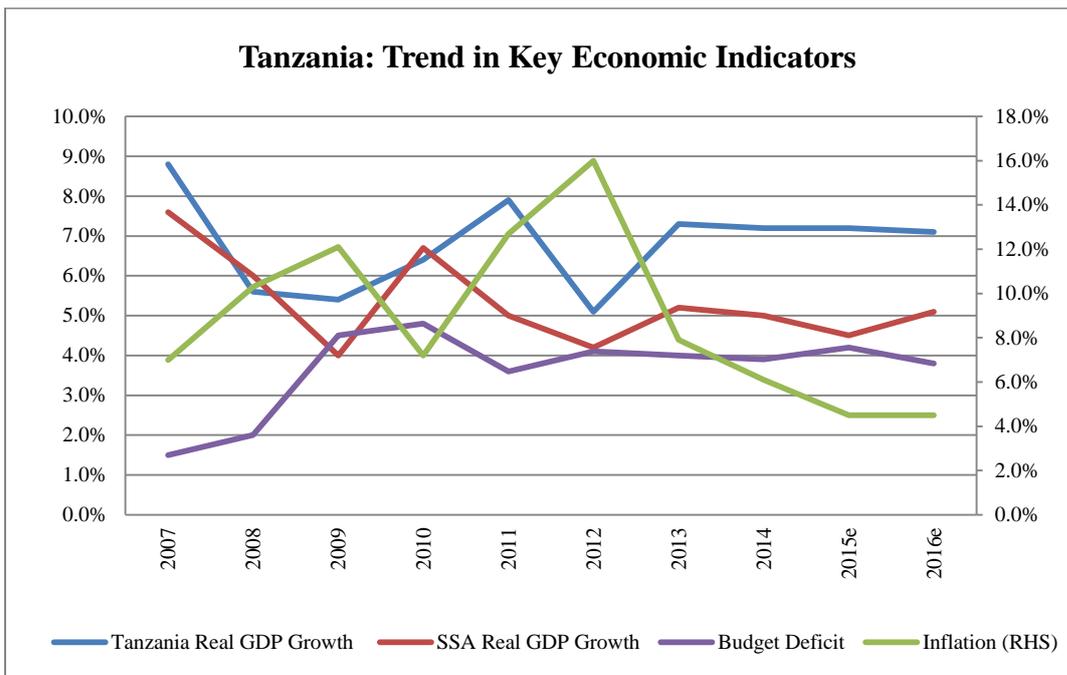
MAC was established at the height of the global financial crisis and at a time when the impact of the crisis had just begun to be experienced in Africa. The years 2008 and 2009 were among the worst performing years for stock markets around the world. The ramifications were felt across all financial markets. A credit crisis together with falling house and stock prices produced gloom in developed markets leading to little appetite for risk taking. This in turn had a knock-on effect on emerging markets. Many governments in the developed countries intervened in their economies to negate the effects of the downturn. African countries were hard hit by a fall in the demand for their output, leading to slower economic growth. However, the absence of well-functioning consumer credit markets meant that Africa was not badly affected by the global credit crisis. Africa experienced a decline in average growth to 3.5% in 2011 from 5% in 2010. Similarly, growth in the Sub-Saharan Africa (SSA) declined from 6.7% in 2010 to 5.0% in 2011 and further down to 4.2% in 2012. This was mainly due to political unrest in the Northern part of the continent. Although economies on the continent are showing signs of recovery with real GDP for SSA improving to 5.2% in 2013, growth is projected to decline slightly to 4.5% in 2015 due to poor performance of commodity prices on the international market. This notwithstanding is still higher than the global average of 3.5% and 2.4% growth projected for the advanced economies¹. We have set out below, a brief history and evaluation of the performance of the economies of the various countries in which MAC holds securities portfolios.

Tanzania

The United Republic of Tanzania is an East African country with a population of 49.25 million people (2013 estimate). The World Bank estimates its 2013 GDP to be USD43.65 billion and a real GDP growth rate of 7.2% over the figure for 2013. Inflation for 2014 was 6.1%.

Tanzania's economy has continued to perform strongly. The country recorded average real GDP growth of 6.8% for the period 2010-2014, outperforming the Sub-Saharan African average of 5.2% over the same period. Despite rising uncertainty over future energy policy and the risk of power crises, Tanzania's economy is expected to remain buoyant, with growth projected at 7.2% and 7.1% in 2014 and 2015 respectively. The country's economic growth is expected to be driven by transport, communications, manufacturing and agriculture, supported by public investment in infrastructure. Inflation pressures are expected to remain well anchored with headline inflation forecasted to an average of 4.5% in the next two years, as the country pursues prudent monetary policy to support growth and maintain price stability. Tanzania's budget deficit is also expected to improve further as the government aims to strengthen fiscal consolidation measures with a focus on managing expenditure and keeping fiscal deficit within the level recommended under the IMF. Per IMF's forecast, Tanzania's budget deficit is expected to decline to 3.8% by 2017, which is remarkable in the Sub-Saharan African context.

¹ World Economic Outlook, April 2015. International Monetary Fund



Source: IMF

The Tanzania stock market (Dar Es Salaam Stock Exchange) is one of the fastest growing stock market in Sub-Saharan Africa (SSA) in terms of capitalization. On a year-on-year basis, total market capitalization increased from TZS18,055.90 billion on at the end of April 2014 to TZS 22,743.30 at the end of March 2015, representing about 26% growth. Similarly, the domestic market capitalization recorded an impressive growth of about 63% to TZS10,235.9 billion from TZS6,295.4 billion during the same period. The All Share Index level, at the end of March 2015, came in at 2,596.26 from 2,043.56 at the end of April 2014. Growth in the All Share Index was highly attributed to the appreciation of the domestic share prices. The Tanzania Share Index increased by 61.4% from 2993.58 points at the end of April 2014 to 4830.10 points as at the end of March 2015. The Banking and Investment Index increased by 25.9% to 3443.90 points for the same period. Likewise, the Industrial & Allied Index and the Commercial Service Index increased by 79.4% and 81.1% moving from 3538.98 and 2006.98 points to 6349.95 and 3635.18 points respectively, for the same period.²

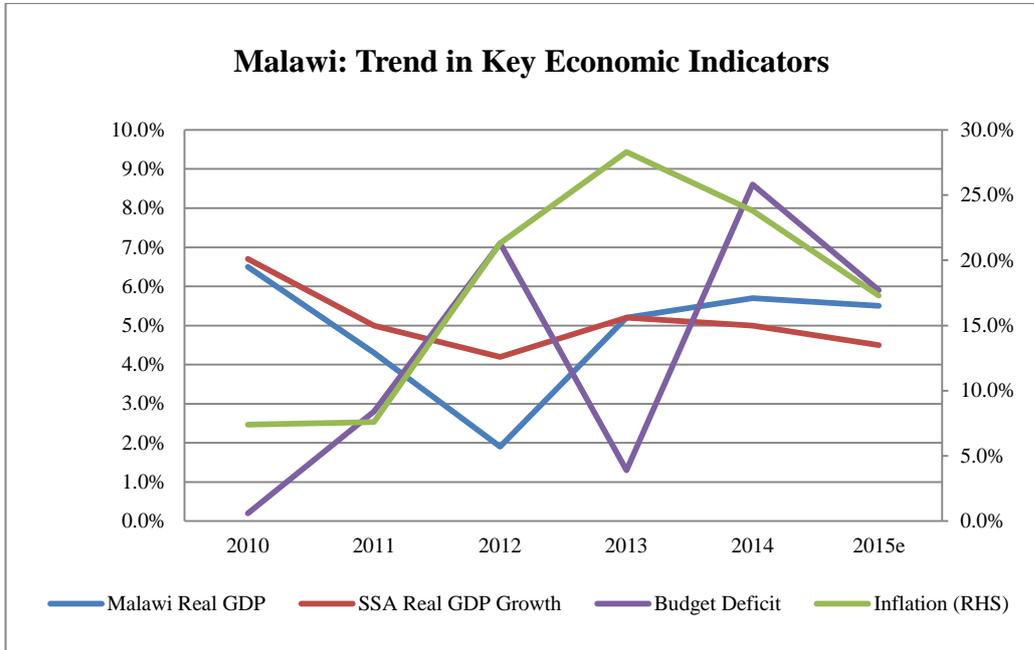
Malawi

The Republic of Malawi is a landlocked country in Southern Africa. Malawi has a population of about 17.4 million people, and the World Bank estimates its 2014 GDP to be USD 4.26 billion and a GDP growth rate of 5.7%. Inflation for 2014 was 23.8%. Malawi's economy is heavily driven by agriculture, which accounts for a third of its GDP and 90% of export revenues.

Malawi's economy has continued to grow at a moderate pace with generally positive prospects for growth in 2015 and 2016. Agriculture, ICT and wholesale/retail trade are expected to be the main areas driving economic activity in 2015. The net effect of the January 2015 floods on GDP growth over the year is expected to be neutral as the impact of the floods is offset by recovery and reconstruction work. A fast growing regional economy and a simplification of trade procedures create opportunities for Malawi to gain greater benefits from international trade, as resilient growth across Sub-Saharan Africa continues to create growing demand for Malawi's export products.

²Dar Es Salaam Stock Exchange (www.dse.co.tz)

Inflation edged down by 300bps to 18.2% in March 2015 from the beginning of the year, and this is attributable to strong appreciation of the Kwacha and pass-through effects of lower fuel prices on food and non-food inflation. Lower global oil prices in 2015 could reduce Malawi's oil import bill by up to 19.7%, which may offer some additional and timely relief on inflation. Inflation of 25.9% and 35.1% were recorded in January 2014 and January 2013 respectively.

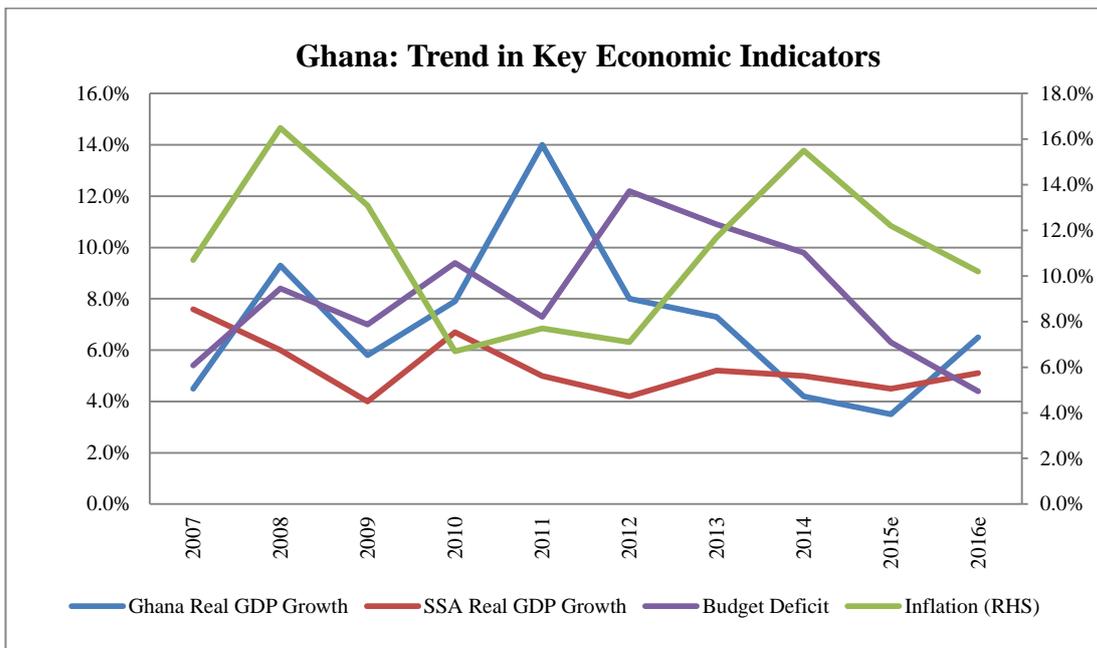


Source: IMF, African Economic Outlook (AFDB)

The Malawi All Share Index recorded a positive return of 8.1% in 2014, compared with 97.3% in 2013. These gains in dollar terms were however capped by depreciation of the Kwacha against the US Dollar. The Kwacha depreciated by about 9% against the USD Dollar (USD) in 2014 but showed strong signs of recovery in the first quarter of 2015 after the Reserve Bank of Malawi changed the Liquidity Requirement Ratio on Foreign Currency Denominated Accounts (FCDA) to Malawi Kwacha equivalent. The Malawi All Share Index (MASI) was 14,886 point at the end of 2014, as compared to 12,531 in 2013. The top gainers were REAL (130%), MPICO (101%), TNM (91.12%), NICO (82.58%) and NBS (68.75%). Traded volume and value for 2014 was 1.7 billion and USD26.7 million respectively, compared to 4.4 billion and USD34.6 million in 2013. The turnover velocity, as measured by the ratio of Total Value of Trades to Market Capitalization, was 1.7% in 2014 compared to 2.52% recorded in 2013.

Ghana

The outlook on the Ghanaian economy is positive; with GDP growth rates expected to increase from the 3.5% projected for 2015 to 6.4% and 9.2% in 2016 and 2017 respectively. Despite these positive projections, economic activity slowed in 2014 to 4.2% due to the high fiscal deficit (9.4%) which resulted in sharp cedi depreciation (32.5%), rising inflation rate (17%) and erratic power supply. Inflation has strayed into double digits since February 2013 after remaining in single digits between May-2010 and Feb-2013.



Source: IMF

The Bank of Ghana continues to work around its single digit target going forward (Medium term target: 8% ± 2%), in a bid to strengthen the local currency. This will help stabilize the performance of the Ghana Cedi against major trading currencies like the USD Dollar and Euro³.

After a relatively poor performance in 2014 and the first quarter of 2015, the Ghana Cedi is expected to stabilize in 2015 with the strengthening of Bank of Ghana policies under the 3-year IMF Program. The pace of depreciation of the Ghana Cedi is expected to slow down as a result of the measures to be introduced. Reducing the Bank of Ghana’s financing of fiscal deficit (to zero in 2016) is one of the major strategies to be implemented under the IMF Program to strengthen Ghana’s monetary policy and sustain a low and stable exchange rate; this is expected to pay off in the medium term. The government of Ghana’s commitment to the fiscal consolidation measures under the IMF program would be required to also support a stable macroeconomic environment. The Ghana Cedi regained stability in the second half of 2014 to Jan-2015, due to the inflows from the Eurobond (\$1 billion) and COCOBOD loan (\$1.7 billion) while the IMF Program was expected to start by February, 2015 (at the latest). The pace of cedi depreciation increased in Feb-2015 due to the delay in the start of the IMF program and the persistent energy crisis but is expected to slow down and regain stability given the start of the IMF Program since April, 2015.

The agriculture sector recorded the highest growth of 5.2% in 2014, followed by services (4.1%), with industry recording the lowest growth of 3.9% (the lowest in 6 years) due to the erratic power supply. Agriculture’s contribution to GDP in 2014 was 19.9% of total GDP, 170bps lower than the 2013 contribution while industry’s contribution in 2014 inched up by 70bps to 28.4%. The service sector increased its dominance by 110bps to 51.7% as the leading contributor to Ghana’s GDP. The Ghanaian equities market posted a 5.40% return at the close of 2014, significantly lower than the 78.8% return in 2013. The sharp decline in the GSE’s return was underpinned by the sharp cedi depreciation and the erratic power supply which adversely impacted operations and financial performance of listed consumer goods companies. Major gainers in 2014 included HFC Bank (56.3%), ETI (47.4%), EBG (35.5%), GOIL (93%), SOGEGH (33.3%), SCB (36.2%), MAC (45.2%), TOTAL (20.6%) and BOPP (27.7%). Volume

³ Ghana Macro-economic report: Africa Economic Outlook (www.africaneconomicoutlook.org)

traded for 2014 was 204.5 million shares, compared to 308.7 million in 2013. Value traded also came in at GHS330.9 million and GHS465.9 million for 2014 and 2013 respectively⁴.

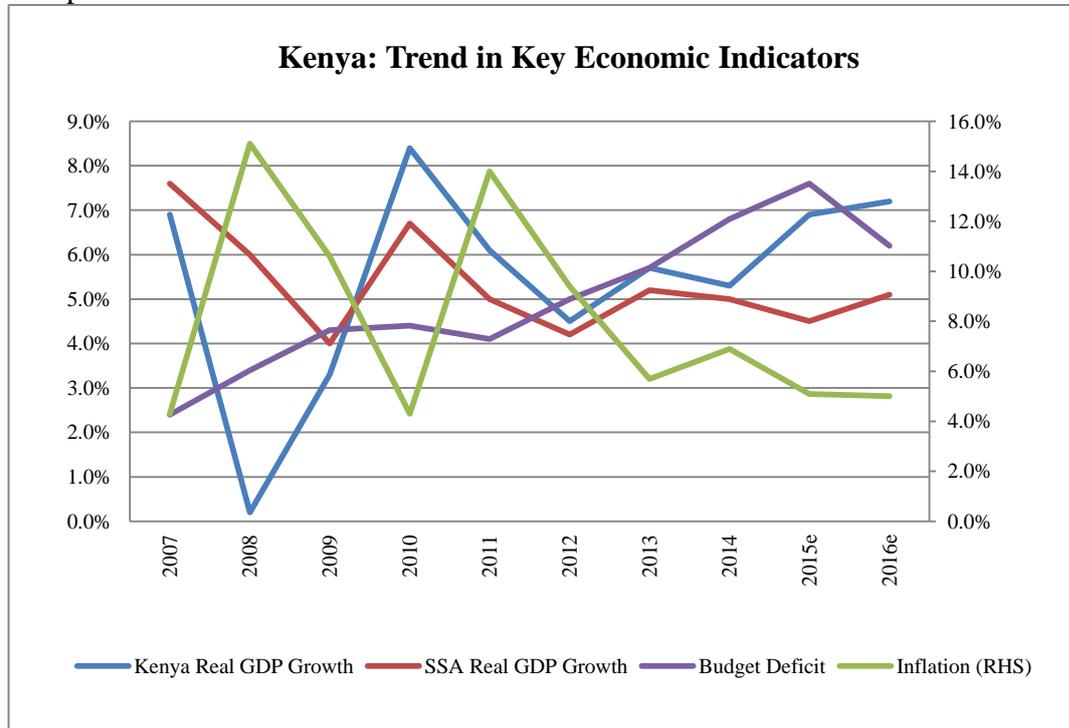
In spite of the challenges affecting the global financial industry, the companies that MAC has invested in and are well placed to weather the storm.

Kenya

Kenya is located in East Africa with a population of approximately 44 million growing at a rate of 2.1% in 2014. The World Bank estimates its 2014 GDP to be US \$55.24 billion and a GDP growth rate of 5.4%. Inflation for 2014 was 6%. Kenya's economy was driven by financial intermediation, tourism, construction and agriculture. While services sector is the largest contributor to its GDP, the country also has a developed agricultural sector.

Kenya's economy continues to recover from the slowdown experienced from 2011-2013 due to deep currency depreciation and rapid inflation. Growth is expected to accelerate from 5% in 2013 to around 6% in 2015, driven by exports and private sector investments, and on the supply side, by services (including finance and ICT and by the construction sector). The inflation of 6.02% recorded for December 2014, represented a drop from 7.15% in December 2013.

The NSE All Share Index advanced by 19.2% in 2014 to close at 162.89 points with total market capitalization at USD25.688 billion. The top gainers were Kenya Orchards (3,566%), Unqa Group (120.9%), British American Investments Company-Kenya (96.4%) and Kakuzi (89.5%). Traded volume and value for 2014 was 8.09 billion shares and USD8.83 billion respectively, compared to a volume of 7.66 billion and a value of USD8.61 billion in 2013. On a year-to-date basis, the NSE All Share Index have increased from 162.89 to 173.20 points, registering a return of 6.3% with total market capitalization at KES2,422.98 billion (USD25.21 billion) at the end of April 2015⁵.



Source: IMF

Zimbabwe

⁴Ghana Stock Exchange www.gse.com.gh

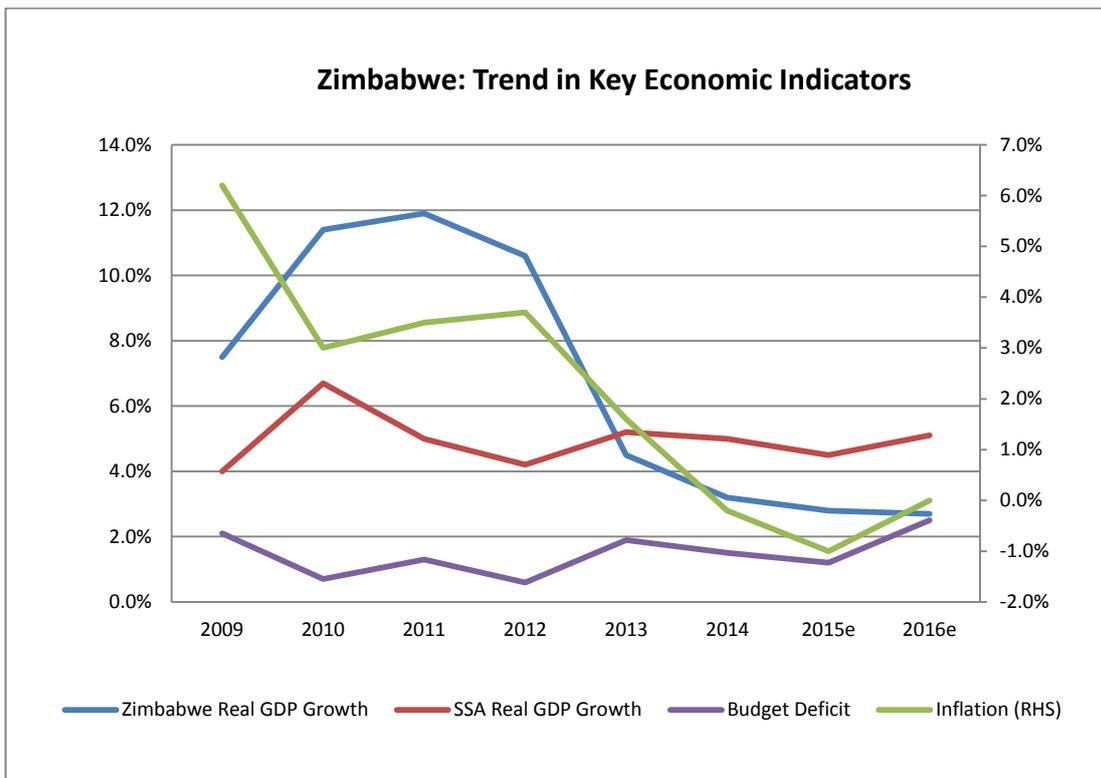
⁵Nairobi Stock Exchange www.nse.co.ke

The Republic of Zimbabwe has a population of 14.15 million people. According to the World Bank, Zimbabwe's 2014 GDP is estimated to be valued at USD 13.74 billion with a GDP growth rate of 3.1%. Inflation for 2014 was -0.2%.

Zimbabwe's economy is heavily dependent on mining and agriculture. Zimbabwe underwent a decade of contraction from 1998 to 2008 which was characterised by a large budget deficit, loose monetary policy and hyperinflation. The Zimbabwean Dollar subsequently ceased circulating in early 2009, with the Botswana Pula, the South Africa Rand, and the US Dollar being accepted as legal tender in its stead. Zimbabwe recorded an average real growth rate of about 9.2% for the period 2010-2013, which was significantly higher than that for the SSA region. However, the growth slowed to about 3.2% in 2014 due to poor harvests, low diamond revenues, and decreased investment.

Zimbabwe first slid into deflation in February 2014, when the consumer inflation rate decelerated to about -0.5%. Year-on-year inflation for March 2015 stood at -1.20%, gaining 0.19 percentage points on the February 2015 rate of -1.40%. The strong deflationary pressures have been attributed to low investment and consumer expenditure as well as weak economic activity. Zimbabwe's economic prospects remain difficult with growth expected to weaken further in 2015 amidst a precarious external position and significant debt levels. According to the IMF, further declines in global commodity prices, possible difficulties in policy implementation and sustained fiscal challenges present key risks to macroeconomic outlook.

The Zimbabwe Industrial Index was 162.79 at the end of 2014 compared to 202.12 recorded in 2013 while the Zimbabwe Mining Index was 71.71 points, compared to 45.79 points in 2014. Traded volume and value for 2014 was 1.13 million shares translating into USD5.60 million, compared to 2.73 million shares traded valued at USD5.50 million in 2013. Market capitalization for the Zimbabwean bourse declined to USD5 billion from USD5.2 billion in 2013. On a year-to-date basis, the top gainers include the fashion retail giant, Truworths (260%), Pelham Limited (300%), Barclays Bank of Zimbabwe (56.9%), African Sun (55.5%) and Dawn Properties (52.4%). Mining stocks including Riozim (-60%), Bindura Nickel (-37%), Hwang Colliery (-27%) and financial stocks such as First Mutual Holdings (-40%), ZB Financial (-30.5%) and NMBZ Holdings (-22.2%) recorded losses at as the end of April 2015.



Source: IMF

Ghana’s Real Estate Industry

Real Estate in Ghana comprises the sale and acquisition of land and the development, leasing or rental of buildings for residential, commercial, industrial and hospitality purposes. The real estate industry contributed to total GDP by 3.5%, the 8th largest out of 10 contributors to the services industry. The residential real estate market is deemed the largest and fastest growing sector within the country’s real estate bracket. It is made up of the high-end, middle-income and low-income segments. A report on Ghana by the Oxford Business Group in 2011 stated that there are more than 85,000 transactions per year in luxury real estate alone, with an estimated value of USD1.7 billion. With approximately 30,000 new expatriates expected over the next 10-15 years, demand for luxury residential real estate is expected to increase, as more foreign nationals seek homes of international standards.

Local-driven demand is also at play. Ghana’s population has grown at an annual cumulative rate of 2.6% over the past two decades, as well as a bottom-heavy demographic structure, with a median age of about 21.1 years. These dynamics have influenced the pace of urban expansion. Approximately 46% of the country’s population resides in urban areas. This is expected to grow by 4.8 times per annum due to a combination of natural growth and internal migration. Yet, the total housing requirement of 70,000 – 90,000 units per year has been met by delivery of about 30,000 per year. Ghana’s housing deficit is estimated to be in excess of about 1.7 million units by 2015, with an increase in annual demand for housing units of over 60,000 “affordable housing” units. The government continues to seek ways of addressing the housing deficit within the lower-to-middle income class range, but high-end real estate continues to be attractive. In view of this development, MAC has renewed its strategy to invest in Ghana’s high-growth real estate, reducing its listed equities portfolio to about 25%.

PART3 – MEGA AFRICAN CAPITAL LIMITED

3.1 History and Background

Background of the Company

MAC was incorporated under the Companies Act, 1963, (Act 179) as a private limited liability company on 21st April, 2008. MAC obtained a certificate to commence business on 22nd April, 2008. The shareholders of MAC, on 19th October 2011, resolved that the Company be converted from a private limited liability company into a public limited company. On October 30, 2012, the shareholders passed a resolution authorizing the listing of MAC on the GSE. MAC was admitted on the official list of the GSE on 23rd April, 2014.

At the Annual General Meeting of the Company held on 16th April 2015, the shareholders of the Company passed resolutions authorizing the Company to undertake a rights issue and/or a private placement to raise additional capital.

The Company's Authorized Business

The authorised business of the Company is “the development, purchase, sale and rental of real estate and investments in equities and fixed income investments and any other financial services”.

The Company's Objectives

MAC was established to harness investments from high net-worth shareholders seeking exposure to African investment opportunities with the potential to generate high returns. MAC's objective is to provide long-term capital growth primarily through investment in selected African assets.

The Company's Philosophy

Based on its objectives, the Company has developed the following philosophy:

- to have access to markets in several African countries to improve returns;
- to undertake bottom-up approach to security selection;
- use valuation models such as discounted cash flow, comparable company valuations and evaluation of a company's assets to identify bargains;
- identification of and investment in over-looked, out-of-favour stocks in order to capitalize on potential growth;
- investment in companies with strong cash generation capability;
- undertaking of selling strategy based on achievement of target prices;
- identification and evaluation of emerging trends in different sectors and geographies;
- selective use of leverage to enhance returns;
- concentration of investments in promising sectors in order to optimize returns; and
- selection of investments are based on potential for rapid increase in value, liquidity and downside protection.

The Prime Benefits of the Philosophy

The prime benefits of adopting these philosophies include the following:

- opportunity to profit from high returns in early stage markets;
- participation in opportunistic deals normally available to selected few;
- benefit from professional management and expertise of manager in stock selection;
- participation in pre-listing and private equity deals; and
- use of leverage to enhance returns.

3.2 Stated Capital

The stated Capital of MAC as at December, 2014 is:

Issued Share Capital	
8,641,469MAC Shares with no par value	GHS 15,820,923

Exhibit 6: Issued Share Capital of MAC

3.2.1 Share Issue History

Year	No. Of Shares Issued	Issue Price	Total No. Of Ordinary Shares (Dec 31)	Stated Capital	Date of Issue
2010	-	-	10,670	10,000	-
2011	7,140,797	1.57	7,151,467	11,211,868	31.12.2011
2012	156,668	3.89	7,308,135	11,820,922	31.03.2012
2013	-	-	7,308,135	11,820,922	-
2014	1,333,334	3.00	8,641,469	15,820,923	23.04.2014

Exhibit 7: Capital Raising History of MAC

3.3 Operations of the Company

In pursuance of its authorized business, MAC raises capital (equity or debt) to realise its core objectives. A summary of its investments (mainly equity securities and real estate projects) in Ghana and other markets on the African continents as at 31st March, 2015 is provided in Section 3.3.1 of this Offer Circular. MAC expects to make significant investments in real estate projects and private businesses going forward, reducing its exposure to listed equities to about 25% as a result.

3.3.1 The Company's Investments

MAC has, since its inception, invested some of its capital in securities in some selected African countries. Additionally, the Company has invested in real estate projects in Ghana. The Company's investment allocation as at 31st March 2015 is shown in Exhibit 8below:

Investments in Ghana

Security	Quoted/Unquoted	Industry	% of Total Assets
Benso Oil Palm Plantation	Quoted	Agro-processing	2.89%
Mechanical Lloyd Co. Ltd	Quoted	Vehicle Distribution	1.35%
Standard Chartered Bank Ltd	Quoted	Banking	0.22%
Axis Pension Group	Unquoted	Insurance	3.02%
Ghana Union Assurance	Unquoted	Insurance	5.74%
Edendale Property Ltd (unlisted)	Unquoted	Property	29.64%
Investment Property	Unquoted	Property	13.08%
Commercial Paper	Unquoted	Financial	21.18%
Total			77.12%

Investments in Malawi

Security	Quoted/Unquoted	Industry	% of Total Assets
NBS Bank	Quoted	Banking	2.20%
NICO Holdings	Quoted	Financial Services	12.74%
Press Corporation	Quoted	Conglomerate	3.17%
Total			18.11%

Investments in Tanzania

Security	Quoted/Unquoted	Industry	% of Total Assets
DCB Bank	Quoted	Banking	0.16%
Total			0.16%

Investments in Kenya

Security	Quoted/Unquoted	Industry	% of Total Assets
NIC Bank Kenya	Quoted	Banking	0.07%
Kenya Commercial Bank	Quoted	Banking	1.16%
CIC Insurance	Quoted	Insurance	0.96%
Total			2.20%

Investments in Zimbabwe

Security	Quoted/Unquoted	Industry	% of Total Assets
Zimplot	Quoted	Agriculture/Mining	2.42%
Total			2.42%

Exhibit 8: Investment Allocation as at 31st March 2015**3.3.2 The Company's Investment Approach**

The Company undertakes its investments by adopting the following strategies:

- intensive fundamental research and company analysis;
- company visits, interactions with research analysts and network of contacts; and
- analysis of quality of management, market position of company, potential earnings growth and valuation of company.

3.3.3 The Company's Performance

MAC commenced business in the middle of 2008 with an investment in CRDB Bank in Tanzania. By the end of 2008, banking stocks had experienced a substantial decline in prices which affected the pricing of CRDB's initial public offering. CRDB's price experienced significant downward pressure in 2009 and 2010. MAC used these price declines to add to its position. CRDB's price appreciated in 2011 with a subsequent 50% return.

MAC has also made significant investments in Malawi. Investments include Press Corporation, NICO Holdings and NBS Bank. Press Corporation is an investment holding company controlling significant portions of the Malawian economy. It has investments in the largest bank in Malawi, a telecommunications company, a bottling company and an oil marketing company, among others.

NICO Holdings has general insurance, banking, life assurance, real estate and investment management subsidiaries. Its strategy has been to expand into other countries in Southern and Eastern Africa. An investment was made in NBS Bank, a subsidiary of NICO, which is the fastest growing bank in Malawi with a focus on the SME and housing sectors.

MAC's investments in Ghana have largely been in the banking sector, as MAC expects the

sector to benefit hugely from the country's rapid expansion. The price of Ghana Commercial Bank Limited ("GCB") was found to be particularly attractive at the end of 2008 and in early 2009. MAC accumulated a stake in GCB, which appreciated remarkably. MAC made investments in CAL Bank Limited, UT Bank Limited, Societe Generale Ghana Limited and Standard Chartered Bank Limited. MAC also invested in Benso Oil Palm Plantations and has benefited from the change in ownership and management of the company.

MAC's NAV in GHS terms grew 12.3% from 2009 to 2010, then 16.3% further up in 2011. Growth slowed in 2012 as NAV recorded a mere 2.3% increase from 2011 to 2012. High growth resumed in 2013 and 2014 MAC's NAV grew significantly at 72.5% and 43.8% respectively. MAC's strong NAV performance between 2010 and 2014 resulted in an average growth rate of 29% in Cedi terms over that period.

NAV	31-Dec-10	31-Dec-11	31-Dec-12	31-Dec-13	31-Dec-14
NAV per share (GHS)	1.50	1.75	1.79	2.85	4.57
No. of Ordinary and Preference Shares	6,813,063	7,151,467	7,308,135	7,308,135	8,641,469
Value of MAC (GHS)	10,248,743	12,515,102	13,081,562	20,835,493	39,491,513

Exhibit 9: Performance Summary as at 31st December 2014

3.4 Dividend History

MAC paid its first dividend on 7th May 2015. A total of GHS 432,073.50 (equivalent of GHS 0.05 per share) was paid in dividends. Table 10 below shows its dividend history for the past 5 years.

Financial Year	Dividend Per Share
2014	0.05
2013	Nil
2012	Nil
2011	Nil
2010	Nil

Exhibit 10: Dividend History

3.5 Future Plans

MAC intends to broaden its international investments to include other Sub-Saharan economies. In the future and for long term strategic purposes MAC intends to continue its focus on smaller less liquid markets such as the Ghanaian, Malawian and Tanzanian markets. MAC will use bigger markets in Africa such as Kenya and Nigeria for liquidity purposes. The target is to invest 15% equity for liquidity purposes and 20% for strategic purposes. MAC has identified a shortfall in access to capital in Ghana and other African countries and therefore aims to position its self as a key provider of capital. Thus far, MAC's private equity investments have been in general insurance, pension fund trustee and administration businesses. MAC seeks to position itself to access long-term capital from the private pension industry. MAC is also a significant player in the high-end residential and commercial real estate market, which it intends to further develop.

3.5.1 Dividend Forecasts

The Company's dividend forecast schedule for 2015 through to 2019 is shown in Exhibit 9 below.

	2015E	2016E	2017E	2018E	2019E
Proposed dividends (GHS)	550,374	1,035,898	1,546,738	2,523,274	2,987,366
Forward pay-out ratio	4.6%	7.5%	10.0%	12.5%	12.5%

Exhibit 11: Dividend Forecasts (2015-2019)

3.6 Significant Shareholders

The following represents shareholders with significant holdings (being 1.5% or more) as at 31st December 2014:

Shareholder	Number of shares	% of Issued Capital
OAK Partners/ Trading	2,904,895	33.62
Omega Partners Limited	1,101,828	12.75
Rehoboth Capital	733,900	8.49
Omega Capital Limited	473,604	5.48
Kwesi & Rita Amonoo-Neizer	411,274	4.76
UT Bank/ Patrick Kingsley- Nyinah	295,290	3.42
Isabella Nyan	262,570	3.04
Damsel/Yamson Ishmael & Lucy	176,917	2.05
Emmanuel & Alice Kitcher	158,305	1.83
Emmanuel Lamptey	139,933	1.62

Exhibit 12: Significant Shareholders of MAC

3.6.1 Shareholding Analysis as at 31st December, 2014

The current shareholder distribution is skewed towards the 1-1,000 category.

Category	No. of Holders	No. of Shares	Percentage Holding%
1-1000	30	11,308	0.13
1001-5,000	25	68,864	0.80
5,001-10,000	13	100,099	1.16
10,001-50,000	26	778,739	9.01
Over 50,000	23	7,682,459	88.90
Total Shares Outstanding	117	8,641,469	100.00%

Exhibit 13: Shareholding Analysis of MAC

3.7 The MAC Board of Directors and Corporate Governance Structures

The Board sets the Company's strategic direction and reviews its financial performance, ensuring that conditions that promote strong, sustainable financial performance are promoted. To do this, the Board directs and monitors the affairs of the Company using a framework that makes it easy to assess risks through clear procedures, enabling long-term value delivery to stakeholders.

Comprising a non-executive Chairman, four (4) non-executive Directors and one (1) executive Director, the MAC Board, through an Audit Committee, (the "Committee") oversees that the appropriate standards of business practice are set and implemented and obligations to shareholders achieved. Each of the Directors has extensive knowledge of capital markets, finance and administration and private sector development and management.

Profile of Directors

Christine Dowuona- Hammond (Chairperson, Non-Executive Director)

Christine Dowuona-Hammond is a Senior Lecturer at the Faculty of Law, University of Ghana. She is a graduate of the University of Ghana and holds the LL.M degree from the University of Michigan, U.S.A. Christine Dowuona-Hammond practised law with the corporate law firm, Vidal L. Buckle & Co. from 1991 to 1998. She has since been involved in legal consultancy, specializing in Corporate Law; Contract Law and Negotiation and Property Law. As a Legal Consultant, Christine Dowuona-Hammond has undertaken extensive research projects and conducted studies supported by the World Bank, UNDP, DANIDA, GTZ, the Government of Ghana and the Carnegie Foundation. She has published widely in a range of areas including Contract Law, Consumer Protection Law, Land Law and Policy, Succession Law and Property Rights of Women. As an expert in Contract Law and Negotiation, Christine Dowuona-Hammond served as a member of the Legal Committee of the Government Negotiation Team for the renegotiation of the Volta Aluminium Company (VALCO) Agreements in 2002. Christine Dowuona-Hammond has also served as a member of the government negotiating team responsible for the review and re-negotiation of specific government contracts on behalf of the Ministry of Trade and Industry. Christine Dowuona-Hammond is currently responsible for the teaching of Contract Law and Commercial Law at the Faculty of Law of the University of Ghana and serves on the Editorial Committee of the University of Ghana Law Journal. She has been a Researcher at the Family and Development Project, based at the University of Ghana and a member of a team of lawyers and social scientists, which worked on the research project: *Women and Law in West Africa*, at the Faculty of Law, University of Ghana. She has been a Visiting Researcher and Lecturer in Universities in the Netherlands, the United Kingdom and the U.S. She is currently a member of a Team of Research Consultants engaged by the Economic Community of West African States (ECOWAS) on its project, *Harmonization of Business Laws in Non-OHADA States*, for the compilation and harmonisation of business laws in Ghana, Nigeria, Sierra Leone and Gambia. She was the Chairperson of the Board of Directors of the Ghana Reinsurance Company from September, 2001 to December, 2008. Mrs Dowuona-Hammond is 50 years old.

Mr. Eugene Addison (Non-Executive Director)

Eugene is a Mechanical Engineer by profession. He was the Production Manager of Tema Lube Oil Company Limited until his retirement. Prior to that, he was a Plant Engineer at the same company. Eugene Addison has held positions as Plant Superintendent at Liberia Electricity Corporation and Mechanical Engineer at Firestone Ghana Limited. He has vast experience as a private investor in various African markets. Mr. Addison is 63 years old.

Mr. Kwesi Amonoo-Neizer (Executive Director)

Kwesi was the Partner in charge of investments at OAK Partners. He had responsibility for structuring and managing clients' investments. Since the establishment of OAK Partners, Kwesi has been instrumental in mobilising over USD20million worth of assets. He has also been instrumental in providing financing for strategically located real estate projects in Ghana.

Kwesi was an Executive Director of Databank Asset Management Service Ltd (DAMSEL), one of the leading asset management firms in West Africa. He was instrumental in establishing DAMSEL in 1996 and spearheaded its growth until his departure in September 2008. In 1996, Kwesi encouraged five employees of the Bank of Ghana to set up an investment club called EPACK with less than US\$50. Under his leadership and management, this Fund grew to become one of the largest African funds with assets in excess of USD90 million and investments in eight African stock markets. Kwesi produced an investment return averaging over 55% in cedi terms and over 35% in US dollar terms during the ten years in which he managed EPACK. The Fund

has democratized stock market investing in Ghana by attracting over 70,000 shareholders.

Kwesi was an instructor in fund management at the West African Capital Markets School which has trained over hundred and fifty Ghanaians and Nigerians in portfolio management. His previous experience includes working with the National Grid Plc in the United Kingdom and the Volta River Authority in Ghana. He received a Bachelor's degree in Electrical Engineering from the Kwame Nkrumah University of Science and Technology (Kumasi, Ghana), an MSc. in Power Engineering from the Strathclyde University (Glasgow) and an MBA from the Cranfield School of Management (United Kingdom). Kwesi is currently the Board Chairman of Omega Capital Limited, a Board Member of Edendale Properties Limited, Mechanical Lloyd Company, Haradali Capital (Tanzania), Zigma Investment Club and Acorn Properties Limited.

On 16th August 2013, Mr. Amonoo-Neizer was appointed as Managing Director of MAC by the Board. Kwesi is 52 years old.

Opoku-Gyamfi Boateng (Non-Executive Director)

Mr. Boateng is a Partner at OAK Partners. He is responsible for the Corporate Finance and Advisory business of OAK Partners. Since joining OAK Partners, Mr. Boateng has raised funds for clients who are in the media, commerce, financial services, printing, real estate, logistics, and hospitality industries among others.

Mr. Boateng's experience is built on extensive knowledge and expertise in the corporate finance and advisory services. He has, over the past two decades, developed the requisite expertise and carved a reputation in corporate finance and advisory built on a considerable volume of transactions in financial restructuring, mergers and acquisitions, valuations, financial re-engineering, project analysis and evaluation, IPOs, bond structuring, construction finance, mortgage, manufacturing, mining, communications and broadcasting financing, and telecommunications.

Mr. Boateng has also undertaken a number of transactions in some African countries including:

- privatisation of Uganda Telecom in Uganda;
- bond structuring for a Housing Finance Company in Uganda;
- bond structuring assignment in Rwanda;
- feasibility study for a financial institution in The Gambia;
- fund raising assignment in Kenya and Tanzania; and
- information memorandum to raise funds for an oil and gas project in Nigeria.

Prior to joining OAK Partners, Mr. Boateng was an Executive Director of Databank with responsibility for Corporate Finance Advisory. Mr. Boateng joined Databank in 1991 as an analyst, and by dint of hard work and tenacity, rose through the ranks to become an Executive Director before resigning in 2009. He undertook a number of transactions on the Ghanaian financial scene including IPOs, mergers and acquisitions, bond structuring and other related financial services with some companies listed on the GSE.

Mr. Boateng is currently the Chairman of both uniBank Ghana Limited and StarLife Assurance Company Limited. He has served in a number of capacities including as a member of the Steering Committee of the Municipal Finance and Management Initiative of the Government of Ghana and a Negotiating Consultant for the Ministry of Food and Agriculture. Mr. Boateng holds a B.Sc. in Business Administration from the University of Ghana. He worked as a Teaching and Research Assistant at the University of Ghana and also at Coopers and Lybrand (now PricewaterhouseCoopers), a firm of Chartered Accountants. Mr. Boateng is 52 years old.

Mrs. Margaret Boateng Sekyere (Non-Executive Director)

Margaret Boateng Sekyere is a Director of MAC. She is currently a Director of Belstar Capital Limited. Margaret has more than twenty years of experience in private and public sector management in areas of project management, administration, financial and human resource management; and public sector reforms. Margaret was instrumental in the development of public sector reforms in Sierra Leone in the early 1990s and recently, 2004 to 2007, in Ghana.

Her work prior to her 5 year sojourn in Sierra Leone from 1985 – 1989 was in Public Accounting and Mortgage Banking in the USA after which she joined Price Waterhouse (now PricewaterhouseCoopers) in Ghana as a Management Consultant with special focus on Financial Management Reviews and Assessments of donor funding to public sector institutions.

From 1998 – 2003, Margaret, in her capacity as Senior Resource Management Officer of the World Bank Office in Ghana managed the transition from the existing administrative arrangements to an effective office management system, responsive to the new needs created by the enhanced role and larger staff size of the Country Office. She ensured strong internal controls through information sharing and advice on the World Bank’s internal control policies and procedures leading to improved knowledge and awareness of staff at all levels.

Margaret effectively managed the administrative services and accounting team in the Country Office including training, systematic back-up and replacement planning. She played a key role in the coaching and development of newly recruited resource management staff for Country Offices in the Africa Region, namely, South Africa, Uganda, Zimbabwe, Malawi, Nigeria, Ethiopia and Kenya.

In September 2003, Margaret joined a team, led by the Senior Minister, which spearheaded the re-tooling of the Government of Ghana’s Public Sector Reform Agenda. In the 4th quarter of 2007, she successfully led the team in the Ministry of Public Sector Reform that negotiated additional financing of US\$10 million from the International Development Agency in support of prioritized Programmed Activities for the Government’s Public Sector Reform agenda. Before joining the team at OAK Partners in 2008, Margaret successfully restructured the administrative and financial arrangements of a family-owned construction business that mainly focuses on delivering custom homes. Margaret received a Bachelor’s degree in Accounting and an MBA from Howard University in Washington D.C in 1985 and 1987 respectively. She is 53 years old and married with two (2) children.

Rosalyn Darkwa (Non-Executive Director)

Rosalyn is a seasoned investment banker with over two decades of experience and proven competence in investment banking, asset management and executive management. She believes that sound financial management practices are obligatory for every individual and economy in the world over.

Rosalyn began her higher education at the University of Ghana, Legon, where she obtained a B.A (Hons) Economics with Statistics. She then went on to the GSE to train as an Authorised Dealing Officer and then to the University Of Ghana to pursue an MBA in Finance. She is a certified member of the Chartered Institute of Bankers, Ghana.

Rosalyn has spearheaded strategic initiatives through her career. She spent a couple of years working at the Debt Management Unit, Ministry of Finance, Ghana. She then moved to Merchant Bank Ghana Limited where she rose through the ranks and played several strategic roles. During her tenure at the bank, she was an integral member of a formidable team of Investment Bankers who were credited with the structuring and execution of corporate financing

and privatisation transactions in the financial market place. She then moved on to the Teachers Fund, Ghana where she served as the Chief Executive Officer. She was at the forefront in the restructuring and management of the investment portfolio and successfully helped in positioning the Teacher's Fund as a formidable financial institution and creating its visible presence on the Ghanaian arena. Through her leadership the Teachers Fund was able to achieve positive investment returns in the face of adverse global and African economic downturn. Rosalyn further moved on to work at Verit Investment Advisory Services where she performed other Chief Executive functions.

Rosalyn is currently into private Financial and Management Consulting. She is a transformational leader who has a great passion for growing the financial services market in Ghana and the world at large. Mrs Darkwa is 48 years old.

Exhibit 14 provides a summary of other directorships held by the Directors of MAC:

Director	Nationality	Age	Qualification	Current directorship/ partnership	Previous directorship/ partnership	Date of Expiration of Term
Eugene Addison	Ghanaian	63	BSc	-	-	No expiry date
Kwesi Amonoo-Neizer	Ghanaian	52	BSc, MSc, MBA	Oak Partners Limited Omega Capital Limited Edendale Properties Limited Easy Loans (Malawi) Mechanical Lloyd Company Haradali Capital (Tanzania) Zigma Investment Club Acorn Properties Limited	Databank Asset Management Services Ltd	Three year contract as Managing Director which ends on September 30, 2016
Opoku-Gyamfi Boateng	Ghanaian	52	BSc (Admin)	Oak Partners Limited uniBank Ghana Limited StarLife Assurance Company Limited Starr Fm Capstone Capital Ghana Haradali Capital (Tanzania)	Databank Financial Services Ltd	No expiry date
Margaret Boateng Sekyere	Ghanaian	53	BA, MBA	Belstar Capital Limited	-	No expiry date
Rosalyn Darkwa	Ghanaian	48	BA, MBA	Databank Educational Fund Emage Lynx Limited	TF Financial Services Credit Mall Ltd	No expiry date
Christine Dowuona - Hammond	Ghanaian	50	LLB, LLM	Omega Income Fund Omega Equity Fund	Databank Epack Ghana Reinsurance Company Ltd	No expiry date

Exhibit 14: Details of Other Directorships

3.8 Directors' Remuneration

The terms of Director Remuneration have been set as follows:

Sitting Fee and Monthly Allowance:

- Chair Person: GHS1,250
- Board Members: GHS1,000

3.9 Corporate Governance and Board Practices

MAC's Audit Committee (the "Committee") assists the Board in its oversight responsibilities, exercising responsibility in three distinctive areas:

- financial reporting,
- corporate governance, and
- corporate control

In fulfilling these responsibilities, the Committee oversees financial reporting, management of financial and operational risks, audit processes and system of internal controls, fraud, employee conflict of interest, MAC's compliance with relevant laws and regulations, and its code of business conduct. This includes, but is not limited to:

- evaluating whether management is setting the appropriate control culture with regard to internal control and risk management, and ensuring that recommendations made by MAC's external auditors, and agreed to by the Committee, are implemented by management;
- ensuring that there is a clear understanding of roles and responsibilities across the Company;
- providing assurance that financial disclosures made by management reasonably reflects MAC's financial condition, results of operation and plans, and long term commitments;
- providing reasonable assurance that MAC is complying with the relevant laws and regulations, the Company's code of conduct, is conducting its affairs ethically, and is maintaining effective control on conflict of interest, misconduct and fraud.

The Committee comprises three (3) members, which can be expanded on approval from the MAC Board. Members are independent of management and appointed from among the membership of the Board. The chairman of the Committee is appointed by the MAC Board.

3.10 Directors' Holdings

The following members of the MAC Board hold shares in MAC. The details of the members of the MAC Board and their shareholding as at 31st December, 2014 are set out below:

Name of Director	Number of Shares (Ordinary)	Percentage Shareholding
Mr. Kwesi Amonoo-Neizer (jointly held with Rita Amonoo-Neizer)	411,274	4.76%
Mr. Opoku-Gyamfi Boateng	127,447	1.47%
Mr. Eugene Addison	1,736	0.02%
Mrs. Margaret Boateng Sekyere	23	0.0003%

Exhibit 15: Director Holdings

3.10.1 Other Director Disclosures

- a. No petition under any bankruptcy law has been filed against any Director or person nominated to become a Director or any partnership in which he was a partner or any corporate body of which he was a Director;
- b. No person who is a Director or has been nominated to become a Director has been convicted in a criminal proceeding or is a named subject of a pending criminal proceeding relating to an offence involving fraud or dishonesty;
- c. No person who is a Director or has been nominated to become a Director has been the subject of any other judgment or ruling of any court of competent jurisdiction, tribunal or governmental body permanently or restraining him from acting as an investment advisor, dealer in securities, director or employee of a corporate body or engaging in any type of business practice or activity or profession;
- d. Total Directors' remuneration for the year ended December 2014 was GH¢ 286,031;
- e. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its property and undertaking or in any part thereof and to issue debentures. Such powers can be varied by amending the Company's Regulations;
- f. No material part of the business is dependent upon patent, patent rights, trade marks, etc., and the Company does not pay or receive any payment for royalties.

3.11 The Management of the Company

The management of MAC's operations was undertaken by OAK Partners Limited ("OAK Partners") between the period of July, 2008 and September, 2013. The management fee was 2% of Assets under management. MAC is currently managed by the management team set out below (the Management):

3.12 Management & Key Staff Profile of Employees

Mr. Kwesi Amonoo-Neizer, Managing Director (See Board of Directors)

Maamle Totimeh- Principal, Treasury and Administration

Maamle is responsible for the management of the treasury, real estate and private equity functions of MAC and is also the Head of Administration at MAC. Maamle is an experienced Fund Manager with over 10 years' experience in investment banking and has managed over \$40 million over the period. At MAC she assists in the management of the Investment Portfolio and also assists the Managing Director to execute the business strategy. Maamle's wealth of experience in Investment Management dates back to her previous work experience in Databank where she was a Vice President, and was responsible for the mutual funds business unit, which had over 90,000 clients. She also had lead responsibility for the fixed income portfolio at Databank Asset Management Services Limited. She was also the Fund Manager of Databank Money Market Fund. Under her leadership and management the Fund grew and became the biggest mutual fund in Ghana. Prior to joining Databank Asset Management Services Limited, she worked as a Fixed Income Analyst with Databank Brokerage Limited. Maamle holds a Bachelor's Degree in Economics from University of Ghana and an Executive Masters in Business Administration in Entrepreneurial Management from University of Ghana Business School.

Dorcas Akyeneba Vandyck- Associate, Finance and Administration

Dorcas has apt knowledge in administrative issues and exhibits this in the day-to-day running of the Company. Prior to joining MAC she was an executive assistant at Oak Partners Limited and

was also responsible for the administration of Zigma Investment Club and Acorn Properties Clubs which are investment products of OAK Partners.

She also worked at the Ministry of Public Sector Reform (“MPSR”) after completing her National Service in August, 2007. She worked her way up to the position of Personal Assistant to the Chief Director after serving her National Service term. During her serving period, she worked in the MPSR’s registry, supporting the Chief Records Supervisor in duties such as file management and general records management. She was later assigned to the Assistant Director in charge of service delivery and improvement involved in the establishment of client service units across public institutions. She also had the opportunity to work with the Deputy Director, Human Resource Division. Prior to leaving MPSR to join OAK Partners, she had additional duties as an officer in the Policy Planning, Monitoring and Evaluation Unit as a Monitoring & Evaluation Officer of the MPSR. In that capacity, she assisted the consultant in charge of monitoring and evaluation in measuring and evaluating the progress of the various initiatives under review by the MPSR.

Dorcas holds a Bachelor’s degree in Geography & Resource Development and Political Science, from the University of Ghana, Legon, a law degree from the University of London and a Certificate in Business Administration from Ghana Institute of Management and Public Administration.

3.13 Litigation and Legal Proceedings

Neither MAC nor any of its Directors has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the 12 months prior to the publication of this Circular which may have, or have had during the recent past, a significant effect on MAC’s financial position or profitability.

3.14 Material Agreements

MAC has entered into two material agreements relating to its business. MAC has an agreement with Oak Partners under which Oak Partners is required to provide MAC with general administrative support and advisory services in respect of MAC’s investments.

MAC’s contract with Oak Partners is to run from 1st January, 2015 to 31st December, 2015. Under this agreement, Oak Partners is required to provide the following services to MAC:

- settlement of stock exchange and money market transactions;
- provide advice on private equity and real estate opportunities;
- safekeeping of certificates and related documentation where appropriate;
- asset record keeping;
- provision of dispatch services;
- accounting and banking services;
- provision of general record administrative support services; and
- fund mobilization.

MAC also has an investment advisory agreement with Omega Capital. MAC’s contract with Omega Capital came into effect on 4th March, 2015 and shall run for an initial term of two years. Under this agreement Omega Capital is required to provide the following services to MAC:

- advise MAC on purchase and sale of assets;
- advise MAC in relation to investment trends, market movements and all other matters likely to affect or which might reasonably be considered to affect the policy of MAC;
- provide recommendation for investment by MAC;
- monitor existing investments, advise and provide monthly investment brief to management;

- look for opportunities in other markets for MAC; and
- advise on capital raising for MAC.

3.15 Disclosure of Interests by Advisors

Neither Databank Brokerage Limited, Bentsi-Enchill, Letsa and Ankomah, nor Asante Anarfi & Associates have material direct or indirect economic or financial interest in MAC or an interest which depends upon the success of the offering. As at the date of this Circular:

- i. Databank Brokerage Ltd holds no MAC Shares. No employee or principal of Databank Brokerage Ltd holds any interest in any MAC Shares;
- ii. Bentsi-Enchill, Letsa & Ankomah holds no MAC Shares. No employee or partner of BEL&A holds any interest in MAC Shares; and
- iii. Asante Anarfi & Associates holds no MAC Shares. No employee or partner of Asante Anarfi & Associates holds any interest in MAC Shares.

3.16 Historical Financial Statements

The financial statements that follow have been extracted without change from MAC's Financial Reports. Further information on MAC's financial affairs, including its accounting policies, notes to its financial statements and the independent auditor's report can be obtained by referring to its latest Annual Report. The report is available at the registered offices of MAC during normal business hours of any working day.

3.17 Reporting Accountant's Report on Historical Financial Information



The Board of Directors
Mega African Capital Limited
"The Alberts", No. 23 Kanda Estate
PMB CT 235
Cantonments, Accra

Dear Sirs,

REPORT OF THE INDEPENDENT REPORTING ACCOUNTANT TO THE DIRECTORS OF MEGA AFRICAN CAPITAL LIMITED ON THE RENOUNCEABLE RIGHTS ISSUE AND PRIVATE PLACEMENT

We have reviewed the historical financial information and adjustments of the audited financial statements relating to the five years ended December 31, 2014 and the unaudited financial information for the three months ended March 31, 2015 set out on pages 16 to 22 Of this due diligence report.

Responsibilities of Directors and Reporting Accountants

Preparations of the financial statements are the responsibility of the management of the Company and were audited by Intergritas of Accra and Voscon of Accra. For each of the relevant years, the Auditors issued an unqualified audit report. Directors of the Company are also responsible for the contents of the Circular in which this report is included. It is our responsibility to compile the financial information and report our opinion to you.

Scope of the review

We conducted our review in accordance with International Auditing Standards applicable to review engagements. This standard requires that we plan and perform the review to obtain moderate assurance that the historical financial information and adjustments relating to the five years ended December 31, 2014 and the three months ended March 31, 2015 are free of material misstatement. A review is limited primarily to enquiries of the company personnel and analytical procedures applied to financial data and this provides less assurance than an audit. We have not performed an audit of the above mentioned historical financial information and adjustments thereto and accordingly, we do not express an audit opinion thereon.

Review of opinion

Based on our review, nothing has come to our attention that causes us to believe that the historical financial information for the five years ended December 31, 2014 and the three months ended March 31, 2015 are not fairly presented, in all material respects, in accordance with International Financial Reporting Standards (IFRS), and in the manner required by the Companies Act in Ghana.

Signed by Paul Kwasi Asante (ICAG/P/1300)
For and on behalf of;
Asante, Anarfi & Associates (ICAG/F/2015/189)
Chartered Accountants
P. O. Box CT 7606, Cantonments, Accra
Dated: June, 2015

Historical Balance Sheet

STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER

All amounts in Ghana Cedis		2014	2013	2012	2011	2010
NON-CURRENT ASSETS						
	NOTE					
Financial assets at fair value	1	46,012,467	14,842,675	11,910,182	9,815,189	8,699,638
Investment properties	2	9,236,652	6,350,000	3,618,951	-	-
Total Investments Assets		55,249,119	21,192,675	15,529,133	9,815,189	8,699,638
Property, Plant and Equipment		183,194	-	-	-	-
Total Non-Current Assets		55,432,313	21,192,675	15,529,133	9,815,189	8,699,638
CURRENT ASSETS						
Other account Receivables	3	3,293	-	54,566	362,970	281,692
Financial assets held for trading	4	6,400,863	5,816,080	4,064,118	1,268,648	435,693
Trade Receivables		-	96,250	-	-	-
Cash & cash equivalents	5	3,120,328	1,581,788	761,913	1,963,247	533,533
Total Current Assets		9,524,484	7,494,118	4,880,597	3,594,865	1,250,918
TOTAL ASSETS		64,956,797	28,686,793	20,409,730	13,410,054	9,950,556
CURRENT LIABILITIES						
Accounts payable and accruals	6	8,643,705	87,396	74,618	84,265	26,970
Taxation	15	32,230	32,095	-	5,601	5,991
Tenured deposits	7	16,817,524	7,797,117	7,406,679	1,933,503	746,573
Total Current Liabilities		25,428,999	7,852,418	7,481,297	2,023,369	779,534
NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS						
Stated capital	8	15,820,923	11,820,922	11,820,922	11,211,868	10,000
Preference Shares/Partners' investment	9	-	-	-	-	9,561,793
Retained earnings	10	23,706,875	9,013,453	1,107,511	174,817	-400,769
Total Net Assets Attributable to shareholders		39,527,798	20,834,375	12,928,433	11,386,685	9,171,024
TOTAL LIABILITIES & SHAREHOLDERS' FUNDS		64,956,797	28,686,793	20,409,730	13,410,054	9,950,558

Historical Profit & Loss Account

All amounts in Ghana Cedis		2014	2013	2012	2011	2010
Revenue	NOTE					
Investment and Operating Income	11	1,012,354	638,500	1,808,468	705,503	596,676
Gain/(Loss) on Investment at Market Value	12	17,211,233	9,507,654	583,868	570,381	275,441
Realized Capital Gain		-	-	-	-	413,162
Total Revenue		18,223,587	10,146,154	2,392,336	1,275,884	1,285,279
Expenses						
Administrative, legal & professional expenses	13	-1,692,357	-826,866	-1,406,150	-467,824	-378,874
Net profit before finance costs and Tax		16,531,230	9,319,288	986,186	808,060	906,405
Finance Costs	14	-1,837,808	-1,309,385	-	-224,037	-283,275
		14,693,422	8,009,903	986,186	584,023	623,130
Corporate Taxes	15	-	-103,961	-53,492	-8,436	-12,282
Net income attributable to shareholders		14,693,422	7,905,942	932,694	575,587	610,848

Historical Cash Flow Statement

All amounts in Ghana Cedis	2014	2013	2012	2011	2010
CASH FLOW FROM OPERATING ACTIVITIES	2,971,555	-1,638,680	1,263,804	1,400,237	-1,228,743
Tax paid	-135	-136,056	-59,093	-	-
Cash flow from operating activities	2,971,420	-1,774,736	1,204,711	1,400,237	-1,228,743
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Property, plant and equipment	-220,187				
Additions to investment property	-220,645				
Purchase of financial assets	-33,433,088	-7,865,373	-9,361,454	-832,954	-
Sale of financial assets	19,420,632	10,069,546	873,180	-553,709	-3,704,611
Net cash flow used in investing activities	-14,453,288	2,204,173	-8,488,274	-1,386,663	-3,704,611
CASH FLOW FROM FINANCING ACTIVITIES					
Capital contributions received from shareholders	4,000,001	-	609,054	1,396,036	2,433,626
Tenured deposit	9,020,407	390,438	5,473,175	-	-
Capital and income distribution to partners			-	-	-
Net cash flow from financing activities	13,020,408	390,438	6,082,229	1,396,036	2,433,626
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,538,540	819,875	-1,201,334	1,409,610	-2,499,728
Beginning cash and bank balance	1,581,788	761,913	1,963,247	553,637	3,033,261
Ending cash and bank balance	3,120,328	1,581,788	761,913	1,963,247	533,533

Notes to the Financial Statements

#	All amounts in Ghana Cedis	2014	2013	2012	2011	2010
1	INVESTMENTS					
	FINANCIAL ASSETS DESIGNATED AT FAIR VALUE					
	Equity securities traded in an active market	18,784,691	12,905,100	11,199,086	9,815,189	8,699,638
	Equity securities not traded in an active market	27,227,776	1,937,575	711,096	-	-
		46,012,467	14,842,675	11,910,182	9,815,189	8,699,638

#	All amounts in Ghana Cedis	2014	2013	2012	2011	2010
2	INVESTMENT PROPERTIES					
	Investment Property	9,236,652	6,350,000	3,618,951	-	-
3	RECEIVABLES					
	Insurance prepayment	2,603				
	Trade Receivables	690		-	362,970	281,692
	Other Receivables	-	-	54,566	-	-
		3,293	-	54,566	362,970	281,692
4	FINANCIAL ASSETS HELD FOR TRADING					
	Commercial Paper	6,400,863	5,816,079	4,064,118	1,268,648	435,693
	TOTAL INVESTMENTS	61,649,982	27,008,754	19,593,251	11,083,837	9,135,331
5	CASH & CASH EQUIVALENTS					
	Bank					
	Foreign Currency Accounts	2,990,307	1,435,807	672,457	255,520	491,301
	Local Cedi Accounts	110,051	133,379	46,017	1,644,970	30,350
		3,100,358	1,569,186	718,474	1,900,490	521,651
	Cash					
	Malawi	7,028	4,919	7,734	62,274	3,099
	Tanzania	2,692	7,683	35,705	483	8,784
	Kenya	8,964				
		18,684	12,602	43,439	62,757	11,883
	Local petty cash	1,286				
		19,970				
	Total cash & cash equivalents	3,120,328	1,581,788	761,913	1,963,247	533,534
6	ACCOUNTS PAYABLE AND ACCRUALS					
	Accounting fee		8,500			
	Rental income received in advance	230,752				
	Board fees	13,500				

#	All amounts in Ghana Cedis	2014	2013	2012	2011	2010
	SSF	1,026				
	PAYE	2,157				
	Staff bonus	251,495				
	Management fee payable	20,045	40,290			
	Withholding Tax Payable	2,852	2,919	8,450	-	-
	Audit fees	12,000	11,750			
	Custody fees	34,099				
	Investment	8,000,000				
	Capital Duty	2,000				
	Accrued Expenses			66,168	45,660	15,407
	Other Payables	75,778	23,937	-	38,605	18,501
		8,645,704	87,396	74,618	84,265	33,908
7	TENURED DEPOSITS					
	Client Deposits	13,395,219	5,933,554	6,703,824	1,709,466	6,078
	Interest Payable	3,422,305	1,863,563	702,855	224,037	740,495
		16,817,524	7,797,117	7,406,679	1,933,503	746,573
8	STATED CAPITAL					
	Balance - Jan 01	11,820,922	11,820,922	11,211,868	10,000	10,000
	Shares issued during year			385,017	-	-
	Conversion of interest on preference shares to Ordinary shares	-	-	224,037	11,201,868	-
	Balance - Dec. 31	15,820,923	11,820,922	11,820,922	11,211,868	10,000
9	PREFERENCE SHARES CONTRIBUTIONS					
	Balance - Jan 01	-	-	-	9,561,793	7,840,616
	Shares issued	-	-	-	1,640,075	-
	Share Subscription	-	-	-	-	1,721,178
	Conversion of interest on preference shares to ordinary shares	-	-	-	-11,201,868	-
		-	-	-	-	9,561,794
10	RETAINED EARNINGS					
	Balance - Jan 01	9,013,453	1,107,511	174,817	-400,769	-1,011,617
	Net profit/(loss) for the year	14,693,422	7,905,942	932,694	575,586	610,848

#	All amounts in Ghana Cedis	2014	2013	2012	2011	2010
	Balance - Dec. 31	23,706,875	9,013,453	1,107,511	174,817	-400,769
11	REVENUE					
	Investment and Operating Income					
	Listed Dividends - Ghana	188,958	180,429	120,716	71,997	46,855
	Listed Dividends - Overseas	662,173	457,998	604,393	456,233	267,832
	Interest Income		73	-	176,647	231,429
	Rental Income	161,223				
		1,012,354	638,500	725,109	704,877	546,116
12	Changes in market value of investments and other attributable income					
	Other Attributable Income					
	Exchange Gain	-2,804,432	-122,023	1,072,679	-	48,439
	Commissions (net)			-	-	-
	Interest on bank accounts			361	626	2,121
		-2,804,432	-122,023	1,073,040	626	50,560
	Unrealised Gain/Loss					
	Unrealised Gain/(Loss) on Investment	20,015,665	9,619,677	583,868	570,381	275,441
		17,211,233	9,497,654	1,656,908	571,007	326,001
13	ADMINISTRATIVE, LEGAL & PROFESSIONAL EXPENSES					
	Irrecoverable taxes incurred overseas			-	-	8,254
	Unrealised Exchange Losses on translation			-	-	136,287
	Auditors Remuneration	18,800	11,750	9,775	6,400	6,394
	Bank Charges	24,701	12,535	10,147	1,786	6,397
	Directors' remuneration	286,031	33,420	32,308	7,315	-
	Consultancy	36,294	136,503	217,513	38,952	-
	Corporate Finance & Advisory Costs	43,100	25,842	62,196	77,284	-
	Commissions			-	-	-
	Custodial Fees	54,315	46,915	40,006	27,497	28,647
	Exchange Loss			-	11,301	-
	Fund Administration Charges	270,588	414,419	298,037	251,948	170,993
	Interest Expense			702,855	18,190	-
	Listing Expenses	212,498	83,250			

#	All amounts in Ghana Cedis	2014	2013	2012	2011	2010
	Shareholders Meeting Expenses	9,978	11,001	9,650	-	3,401
	Provision for Liabilities	96,250	51,231	-	20,104	18,501
	Depreciation	36,992				
	Communication	30,952				
	Utilities	37,681				
	Staff Cost	299,256				
	Travel and Transport	102,305				
	Marketing and Publicity	50,000				
	Investment property management fee	15,454				
	Other Expenses	67,162		23,663	7,047	-
		1,692,357	826,866	1,406,150	467,824	378,874

14 **FINANCE COSTS**

This represents interest paid on tenured deposits

Distribution to holders of redeemable shares				-	224,037	283,275
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15 **TAXATION**

Year of Assessment.	Bal. Jan 01	Tax Charged	Tax Paid/ Withheld	Restatement Adjustment	Bal. Dec 31
2010(Restated)	1,109	13,265	-7,934	-449	5,991
2011	5,991	8,436	-8,826	-	5,601
2012	5,601	53,492	-59,093	-	-
2013	-32,095				-32,095
2014	-32,095	-	-135		-32,230

***Tax Charge**

GHS

2013

Adjustment to agree with DTRD	103,961
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3.18 Recent Management Accounts

Statement of Comprehensive Income

All Amounts in GHS	Q1 2015	Q1 2014	% Change	Full Year 2014
Revenue				
Investment and Operating Income	91,965	17,086	438%	1,012,354
Gain/(Loss) on Investments at Market Value	8,454,577	4,308,700	96%	17,211,233
Total Revenue	8,546,542	4,325,786	98%	18,223,587
Expenses				
Administrative, legal & professional expenses	-273,878	-178,342	54%	-1,692,357
Staff Cost	-100,732	-54,901	83%	-527,763
Profit before finance costs and tax	8,171,932	4,092,543	100%	16,531,230
Finance Costs	-475,521	-455,435	4%	-1,837,808
Profit before tax	7,696,411	3,637,108	112%	14,693,422
Corporate Taxes				
Net Income attributable to shareholders	7,696,411	3,637,108	112%	14,693,422
Other Comprehensive income				
Net Profit/(loss) for the year	7,696,411	3,637,108	112%	7,956,422
Balance as at 31st March	7,696,411	3,637,108	112%	7,956,422

Statement of Financial Position

All Amounts in GHS	Q1 2015	Q1 2014	% Change	Full Year 2014
ASSETS				
NON-CURRENT ASSETS				
Plant, property and equipment	173,436	78,963	120%	183,194
Financial assets at fair value through profit of loss	54,378,614	18,284,230	197%	46,012,467
Investment properties	10,815,782	7,735,455	40%	9,236,652
Total non-current assets	65,367,832	26,098,648	150%	55,432,313
CURRENT ASSETS				
Receivables	-5,154	96,250	-105%	3,293
Financial assets held for trading	17,520,722	6,154,088	185%	6,400,863
Cash and cash equivalents	896,320	680,726	32%	3,120,328
Total current assets	18,411,888	6,931,064	166%	9,524,484
TOTAL ASSETS	83,779,720	33,029,712	154%	64,956,797
CURRENT LIABILITIES				
Accounts payable and accruals	8,411,371	57,590	14506%	8,643,705
Taxation				
Tenured deposits	28,176,371	8,532,735	230%	16,817,524
Total current liabilities	36,555,511	8,558,230	327%	25,428,999
NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS				
Stated capital	15,820,923	11,820,922	34%	15,820,923
Retained earnings	31,403,286	12,650,560	148%	23,706,875
TOTAL NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS	47,224,209	24,471,482	93%	39,527,798
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	83,779,720	33,029,712	154%	64,956,796

Statement of Cash Flows

All Amounts in GHS	Q1 2015	Q1 2014	% Change	Full Year 2014
Cash flow from operating activities before	-5,483,758	-698,658	685%	2,971,555
Taxes paid				
Net cash flow from operating activities	-5,483,758	-698,658	685%	2,971,420
Cash flow from Investing activities				
Purchases of financial assets		-81,703	-100%	-220,187
Sale of financial assets	-8,099,096	-856,318	846%	-33,433,088
Net Cash flow from Investing activities	-8,099,096	-938,021	763%	-14,453,288
Cash flow from Financing activities				
Capital Contributions received from shareholders				4,000,001
Tenured Deposits	11,358,847	735,619	1444%	9,020,407
Net Cash flow from Financing activities	11,358,847	735,619	1444%	13,020,408
Net increase/(decrease) in cash for the period	-2,224,008	-901,060	147%	1,538,540
Balance at beginning period	3,120,328	1,581,786	97%	1,581,786
Closing Cash Balance	896,320	680,726	32%	3,120,328

3.19 Significant Trends in the Company's Performance

Over the past 3 years, MAC's business has been driven by realized and unrealized gains from investments in listed equities, the addition of real estate assets and an increase in capital (debt and equity) to increase the assets in its portfolio. MAC's growth slowed in 2012 to 2.3%. Growth was given an additional boost in 2013 and 2014 as MAC acquired real estate assets. At the end of 2013, MAC successfully completed the 'Alberts' property and added a number of prime real estate properties in Accra through investing in a real estate company. This resulted in impressively high growth of 72.5% and 43.8% in 2013 and 2014 respectively.

3.20 Indebtedness of MAC

As at the date of this circular, the Company does not have any long-term debt.

3.21 Reporting Accountant's Report on Prospective Financial Information



The Board of Directors
Mega African Capital Limited
"The Alberts", No. 23 Kanda Estate
PMB CT 235
Cantonments, Accra

Dear Sirs,

INDEPENDENT REPORT ON PROSPECTIVE FINANCIAL INFORMATION OF THE COMPANY

INTRODUCTION

This report has been prepared at the request of the Directors of Mega African Capital Limited for inclusion in an Investment Prospectus to be dated on or about June 24, 2015 relating to the presentation of the Company to investors.

The directors of the Company are solely responsible for the preparation and presentation of the prospective financial information including the assumptions on which the forecast is based.

SCOPE OF REPORT

We have reviewed the financial forecasts of Mega African Capital Limited for the period 31st December, 2015 to 31st December, 2019 as set out on pages 42 to 44, together with the assumptions on the forecasts as set out herein. The financial forecasts include the result shown by the unaudited interim financial statements for the three-month period to 31st March, 2015. They have been prepared for the purpose of providing investors considering the Offer with a guide to the future profitability of the Company. The Directors are responsible for the preparation and presentation of the forecasts and the information contained therein, including the assumptions on which they are based.

We disclaim any assumption of responsibility for any reliance on this report or on the forecasts to which it relates for any other purpose other than that for which it was prepared.

Our review of the forecasts has been conducted in accordance with International Auditing Standards applicable to review engagements. Our review was limited primarily to inquiries as to the process used in preparing the forecast, discussion with management and directors of the company, consideration of the data supporting the assumptions, amount and other disclosures as well as testing of the inclusion of the assumptions into the forecasts.

Our review is substantially less in scope than an audit examination conducted in accordance with International Accounting Standards. In addition, prospective financial information, such as forecasts, relate to events and actions that have not yet occurred and may not occur. While evidence may be available to support the assumptions on which the forecast is based, such evidence is generally future orientated. Accordingly, actual results may vary from the information presented in the Investment Prospectus and such variations may be material.

STATEMENT

In our opinion, based on our review, which is not an audit, nothing has come to our attention that:

- i. The directors' assumptions included do not provide a reasonable basis for the preparation of the forecasts;
- ii. The forecasts included herein are not presented on a basis consistent with the accounting policies adopted by the company and in accordance with applicable International Accounting Standards; and
- iii. The forecasts set out herein do not give effect in all material respects to the best estimate assumptions set out herein.

SUBSEQUENT EVENTS

To the best of our knowledge and belief, after making reasonable inquiries, there have been no material items, translations or events outside the ordinary business of the Company which require comment on, or adjustment to, the information contained in our report or which would cause such information to be misleading.

DECLARATION IN REGARDS TO INVESTMENT PROSPECTUS

The involvement of Asante, Anarfi & Associates in the preparation of the Investment Prospectus is limited solely to the preparation of this Report and the Independent Accountant's Report for which, normally, professional fees will be received.

Neither Asante, Anarfi & Associates nor any associate of Asante Anarfi & Associates has any interest in the Company. Apart from the above mentioned fees, neither Asante, Anarfi & Associates nor any associate of Asante, Anarfi & Associates will receive any other benefits, either directly or indirectly, for or in connection with the preparation of this report.

The giving of our consent for the inclusion of this report in the Investment Prospectus should not be taken as an endorsement of or a recommendation by Asante, Anarfi & Associates of any participation in the offer by any intending investors.

Asante, Anarfi & Associates gives no assurance or guarantee whatsoever in respect of the future success of or financial returns associated with the subscription of shares being offered pursuant to the investment Prospectus and disclaims responsibility for liability for statements or omissions in other parts of the Investment Prospectus.

We consent to the inclusion of this Report in the Prospectus in the same form and context in which it is included.



Signed by Paul Kwasi Asante (ICAG/P/1300)
For and on behalf of Asante, Anarfi & Associates
Asante, Anarfi & Associates (ICAG/F/2015/189)
Chartered Accountants
P. O. Box CT 7606, Cantonments, Accra

Dated: June, 2015

3.22 Projected Financial Statements

Projected Income Statement (2015– 2019)

<i>All amounts in Ghana Cedis</i>	2015	2016	2017	2018	2019
Revenue					
Investment and operating income	1,455,344	2,341,290	2,924,496	3,553,690	4,120,506
Gain/(Loss) on investment at market value	16,630,543	18,423,962	20,213,123	25,534,077	29,888,075
Realized capital gain	-	-	-	-	-
Other income	-	-	-	-	-
Total Revenue	18,085,887	20,765,252	23,137,619	29,087,767	34,008,581
Expenses					
Administrative, legal & professional expenses	(1,513,972)	(1,816,767)	(2,180,120)	(2,616,144)	(3,139,373)
Staff cost	(630,847)	(788,559)	(985,698)	(1,232,123)	(1,540,153)
Net profit before finance costs and tax	15,941,068	18,159,926	19,971,801	25,239,500	29,329,055
Finance costs	(3,060,871)	(3,877,940)	(3,470,141)	(3,554,778)	(3,554,778)
Profit before tax	12,880,197	14,281,986	16,501,660	21,684,722	25,774,277
Corporate taxes	(1,027,366)	(470,009)	(1,034,280)	(1,498,531)	(1,875,348)
Net income attributable to shareholders	11,852,831	13,811,977	15,467,380	20,186,191	23,898,929
Other Comprehensive Income					
Profit for the year	11,852,831	13,811,977	15,467,380	20,186,191	23,898,929
Total comprehensive income	11,852,831	13,811,977	15,467,380	20,186,191	23,898,929

Projected Balance Sheet (2015 – 2019)

<i>All amounts are in Ghana Cedis</i>	2015	2016	2017	2018	2019
NON-CURRENT ASSETS					
Financial assets at fair value through profit or loss	52,914,337	63,497,204	84,609,215	99,415,828	116,813,598
Investment property	11,545,815	13,566,333	15,262,124	16,788,337	18,467,170
Total Investments Assets	64,460,152	77,063,537	99,871,339	116,204,165	135,280,768
Property, plant & equipment	139,157	95,120	51,083	7,046	167,009
Total Non-Current Assets	64,599,309	77,158,657	99,922,422	116,211,211	135,447,777
CURRENT ASSETS					
Financial assets held for trading	22,980,007	27,576,008	30,333,609	31,091,949	32,646,547
Other account receivables	28,930	33,270	38,260	43,999	50,599
Trade receivables	-	-	-	-	-
Cash & cash equivalents	9,454,380	1,656,376	3,134,493	5,444,312	5,566,180
Total Current Assets	32,463,317	29,265,654	33,506,362	36,580,261	38,263,326
TOTAL ASSETS	97,062,626	106,424,311	133,428,784	152,791,472	173,711,103
CURRENT LIABILITIES					
Accounts payable and accruals	35,372	40,678	46,779	53,796	61,866
Taxation	-	-	-	-	-
Tenured deposits	34,197,000	30,777,300	33,855,030	35,547,782	35,547,782
Total Current Liabilities	34,232,372	30,817,978	33,901,809	35,601,578	35,609,648
NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS					
Stated capital	27,820,923	27,820,923	37,820,923	37,820,923	37,820,923
Retained earnings	35,009,331	47,785,410	61,706,053	79,368,970	100,280,533
Total Net Assets Attributable to shareholders	62,830,254	75,606,333	99,526,976	117,189,893	138,101,456
TOTAL LIABILITIES & SHAREHOLDERS' FUNDS	97,062,626	106,424,311	133,428,785	152,791,471	173,711,104

Projected Cash Flow Statement (2015 – 2019)

All amounts in Ghana Cedis	2015	2016	2017	2018	2019
CASH FLOW FROM OPERATING ACTIVITIES					
	(4,888,539)	1,723,604	3,739,007	5,397,212	6,739,179
Tax paid	(1,027,366)	(470,009)	(1,034,280)	(1,498,531)	(1,875,348)
Cash flow from operating activities	(5,915,905)	1,253,595	2,704,726	3,898,681	4,863,831
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of financial assets	(16,579,144)	(4,596,001)	(12,757,601)	(758,340)	(1,554,597)
Property, plant & equipment	-	-	-	-	(200,000)
Net cash flow used in investing activities	(16,579,144)	(4,596,001)	(12,757,601)	(758,340)	(1,754,597)
CASH FLOW FROM FINANCING ACTIVITIES					
Rights issue of shares	12,000,000	-	10,000,000	-	-
Tenured deposit/debt	17,379,476	(3,419,700)	3,077,730	1,692,752	-
Dividends	(550,375)	(1,035,898)	(1,546,738)	(2,523,274)	(2,987,366)
Net cash flow from financing activities	28,829,101	(4,455,598)	11,530,992	(830,522)	(2,987,366)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	6,334,052	(7,798,004)	1,478,117	2,309,819	121,868
at beginning of year cash and bank	3,120,328	9,454,380	1,656,376	3,134,493	5,444,312
at end of year cash and bank	9,454,380	1,656,376	3,134,493	5,444,312	5,566,180

PART 4 – RISK FACTORS

4.1 Risk Factors Overview

An investment in the securities of a company entails certain risks. Prospective investors, in considering a purchase of MAC's ordinary shares being offered, should carefully take note of the following:

4.1.1 *Inability to assess price movement:*

There is the risk that it will be difficult to correctly assess the future course of price movements of securities and real assets held within the portfolio. This risk is significant as the valuation of the investment depends on the prices of the various assets within the portfolio of investments held by the Company. A downward trend in the prices means a downward valuation of the portfolio and vice versa.

To mitigate this risk, MAC critically evaluates all available opportunities to ascertain those whose prices are reaching their lowest levels with upside potential before investing in them.

4.1.2 *Lack of diversification:*

Overconcentration of investments can be a challenge in this space. The overconcentration can happen as a result of a preponderance of investment in a particular sector, security or country and any mishap in such a concentrated area will adversely affect the portfolio.

The Management has since the inception of MAC consciously made investments in a well-diversified manner across various sectors as well as in different African countries, and has recently re-aligned its holdings to include more real sector activity.

4.1.3 *Volatility in the performance of the real estate sector and investee companies:*

Volatility in the operational performance of an investee company and the general performance of Ghana's real estate sector can affect the value of shares and asset valuation respectively, and subsequently impact the investment portfolio. A positive swing in an investee company's operations or that of the sectors that MAC invests in can lead to an increase in the value of assets held and vice versa. Another risk associated with the swing is the inability to predict the performance of the investee companies or the sectors within which assets are held and therefore the value of the security or property.

The Company is aware of these circumstances and evaluates this risk in its asset selection. This helps to mitigate the potential risks associated with the selection of assets for investments.

4.1.4 *Risks in less developed capital markets:*

Less developed capital markets pose a lot of challenges in terms of liquidity, sophistication and understanding of the market. These markets normally lack liquidity due to the limited number of listed securities and also due to the fact that most investors do not find them attractive. In addition to this, the Company has revised its strategy on fund allocation, and expects to make significant investments in real projects as well as acquire significant stakes in private companies in high growth sectors. This can pose additional liquidity risks to the investor.

Management is aware of these issues and normally enters those markets with a mapped out strategy to get around the issues.

4.1.5 *Risk of currency depreciation:*

Some of MAC's investments are made in USD (or its equivalent). The depreciation of the investee country's currency against the USD affects the value of assets and therefore the value

of the portfolio.

The Management's decision to invest not only in one country but in a number of selected African countries is intended to mitigate this risk.

4.1.6 *Capital Market Risk*

Liquidity

The additional MAC shares on offer will be listed on the GSE. However, this does not guarantee liquidity of company's shares. Thus, investors wishing to sell their shares may not be able to sell at a particular time or at their preferred price.

Dilution

The Offer allows non-shareholders to participate in the Rights Issue and Private Placement. A shareholder's holdings in the MAC will be diluted if he elects not to exercise his allotted rights and other investors are given the opportunity to subscribe to these rights. Further, the shares offered under the Private Placement is open to non-shareholders of MAC and may lead to a dilution of existing shareholders' holdings in MAC depending on the shares acquired by non-shareholders.

To the best knowledge of the sponsoring brokers, this Offer Document constitutes a full and true disclosure of all material facts about the Company and the Offer, but the sponsoring broker will not be held responsible for any inaccuracies as all information given herein was obtained from the MAC Board.

PART 5– OVERVIEW OF THE GHANA STOCK EXCHANGE

5.1 Overview of the Ghana Stock Exchange

The GSE was incorporated as a company limited by guarantee in July 1989 with trading commencing on November 12, 1990. A 13-member Council governs the bourse. The operations of the GSE are regulated by the SEC, which is empowered by the Securities Industry Act. Criteria for listing on the GSE include capital adequacy, profitability, spread of shares, years of existence and management efficiency.

5.2 Developments and Trends

The GSE started operating with 11 listed companies. As at 2002, 26 stocks, 4 corporate bonds and 2 government bonds were listed on the First Official List. This later increased to thirty five (35) listed equities, one (1) Exchange Traded Fund, one (1) preference share and one (1) depository share as several companies listed on the First Official List. The GSE also has listed a number of government bonds and corporate bonds issued by Izwe Loans Limited.

In 2007, the Central Securities Depository Act, 2007 (Act 733) was passed to permit the issuance of dematerialised shares, where shareholders and board of directors of an issuer have authorised this. This paved the way for the GSE to achieve several milestones in its development. These milestones include the incorporation and operation of the GSE Securities Depository Company Limited and the establishment of a Clearing and Settlement System. The Central Securities Depository Ghana Limited was established in 2004 to manage the issue, redemption and maintain the records of ownership of securities issued by Government of Ghana, Bank of Ghana and COCOBOD. The Central Securities Depository was wholly owned by the Bank of Ghana.

It was realised that the capital market in Ghana was not big enough to be served by two depositories. The Ministry of Finance facilitated discussions between the Bank of Ghana and the GSE towards a merger of the two entities. An agreement was reached which provided for the merger of the two depositories. The Central Securities Depository (Ghana) Limited is the surviving entity. The effective date of the merger was 1st January, 2014.

Further to that, the GSE completed the automation of its trading system with the support of the Government of Ghana's Economic Management and Capacity Building Project. The GSE introduced major changes in trading activities in 2011 to complement the automated trading regime. Trading hours, which were initially 09.30 hours to 13.00 hours, were extended, and the new trading period is from 09.30 hours to 15.00 hours. This affords dealers more time to interact with clients during the day while also allowing non-resident investors in different time zones more time to participate in the trading session through their local brokers.

Ghana Alternative Market (“GAX”): The GAX is a parallel market to the GSE's First Official List focusing on businesses with potential for growth. The GAX accommodates companies at various stages of their development, including start-ups and existing enterprises, both small and medium. There are several benefits due the small to medium scale companies that qualify to be listed on this market. This alternative market affords companies the opportunity to secure long term capital, broaden their investor base and provide liquidity for their shareholders / investors⁶.

5.3 Performance of the GSE

The performance of the GSE has been remarkable in recent years, experiencing improved

⁶Ghana Stock Exchange: Ghana Alternative Market (GAX) Rules and Benefits

volume trades and increased market capitalization following the listing of index heavy weights such as Tullow Oil Plc and Ecobank Transnational Inc. The market capitalisation at the end of June 2015 was approximately GHS 65billion. Following annual rallies of 23.81% and 78.81% in 2012 and 2013 respectively, returns on the benchmark GSE Composite Index (“GSE-CI”) slowed down recording a 5% return in 2014. As the downturn in the general economy dampened returns on the exchange. Return on the market remains low as at the end of June 2015. The GSE-CI and the GSE Financial Stock Index (“GSE-FSI”) have returned 4.03% and 6.73% respectively. We anticipate the broad market performance will pick up as the general economy firms up with the implementation of the 3 year IMF program.

5.4 Other Information

Trading Days	Trading takes place every working day
Trading Hours	Pre-Opening period: 9:30hrs to 10:00hrs (GMT) Market opens for continuous trading: 10:00hrs to 15:00hrs (GMT)
Clearing & Settlement	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 - <http://www.gse.com.gh>, Bloomberg and Reuters.

PART 6 – ADDITIONAL INFORMATION

6.1 Listing of Ordinary Shares

The GSE has granted permission to MAC to list an additional 2,400,000 MAC shares pursuant to the Offer. Following the completion of the Offer, dealings in the MAC Shares pursuant to the offer can be done on the GSE after the conclusion of the Transaction. Where applicable, dealings would need to be announced on the GSE in accordance with its rules.

6.2 Regulations of MAC

Regulations: The nature of the business, which the Company is authorized to carry on as provided by its Regulations, is the development, purchase, sale and rental of real estate and investment in equities and fixed income investments and any other financial services.

6.3 Directors

- a. **Power to vote on a proposal, arrangement or contract in which a director is materially interested:** Subject to compliance with section 207 of the Companies Act, a director may enter into any contract with the Company 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 act by himself or his firm in a professional capacity for the Company, 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 MAC 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. **Retirement and non-retirement of directors:** 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 any shares in the Company.

6.4 Description of the Shares of MAC

Holders of MAC Ordinary shares are entitled to the following rights and obligations attached to their shares:

- a. **Dividend Rights:** Dividends are declared at the discretion of the Directors in accordance with legal requirements applicable to MAC. There is no right to dividends unless declared by the directors.
- b. **Voting Rights:** Each ordinary share is entitled to one vote at any meeting of the shareholders of MAC. Any member of MAC 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 place.

- c. **Rights to share in MAC's profits:** Apart from entitlement to declared dividends, shareholders have no right to share in MAC's profits.
- d. **Rights of members to share in any surplus in the event of liquidation:** If MAC is wound up, the liquidator may, with the approval of a special resolution and any other sanctions required by the Companies Act, divide amongst the members in specie or 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.

6.5 Liability of Shareholders to further capital calls by MAC

Shareholders have no obligation to provide additional equity capital to MAC.

6.6 Convening of Annual General Meetings and Extraordinary General Meeting

All meetings of shareholders of MAC 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.

6.7 Taxation

The following is a general guide to the material taxation consequences in the Republic of Ghana arising for investors regarding ownership and disposition of ordinary shares in MAC. 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 advisors.

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

6.7.1 Dividend Withholding Tax

There is a final withholding tax of 8% on all dividends received by shareholders.

6.7.2 Capital Gains

Capital gains earned on the disposal of listed shares are exempt from capital gains tax since November 1990. The exemption is valid until 2015.⁷

6.7.3 Stamp Duty

Under the Stamp Duty Act, 2005 (Act 689) transfers of shares in a company are exempt from stamp duty.

6.8 Exchange Controls

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

⁷Under section 95(2) of the Internal Revenue Act, an asset that is chargeable to capital gains tax does not include securities of a company listed on the Ghana Stock Exchange, during the twenty-five years after the establishment of the Ghana Stock Exchange.

6.9 Documents Available for Inspection

Copies of the following documents in respect to the business and affairs of MAC and the Offer may be inspected at the registered offices of MAC and Databank Brokerage Limited (each as described on pages 1 and 2) during normal business hours of any working day:

- a. This Offer Circular;
- b. The Certificate of Incorporation and Certificate to Commence Business of MAC;
- c. The Regulations of MAC;
- d. Resolutions of the Board of Directors and shareholders of the Company authorising the Offer and listing of MAC Shares on the GSE;
- e. The Company's audited annual reports for the three years to 31st December 2014;
- f. The Financial Due Diligence Report; and
- g. A copy of the Escrow Agreement.

PART 7 – ADDITIONAL TERMS OF THE OFFER

7.1 General Conditions

If you receive a copy of this Offer Circular and/or the Application Form in any territory other than Ghana, you should not treat it as constituting an offer or an invitation to make an offer, nor should you use such application form, unless you are in a territory where such an Offer or invitation may lawfully be made to you without compliance with any securities registration or other legal requirements by the Company.

If you are in a territory outside Ghana in which this Offer may lawfully be made, it is your responsibility if you wish to make an application, to satisfy yourself as to the full observance of the laws of the relevant territory in connection with your application, including obtaining any governmental or other consents and compliance with other necessary formalities, and paying transfer or other taxes or duties required to be paid in such territory in respect of the Shares acquired by you under this Offer Circular.

7.2 Application

An Applicant to this Offer is either a Qualifying Shareholder or a Qualifying Applicant interested in acquiring MAC shares under the terms of this Offer.

7.2.1 *Application under the Rights Issue*

Qualifying Shareholders are entitled to subscribe to one new ordinary share for every 10 ordinary shares registered in their name and additional shares in excess of their rights as at the close of business on 21st October, 2015.

Enclosed with this Document is the Guide to Completing the Application Forms, Letter of Allotment to Qualifying Shareholders and Application Forms, which will be completed by Qualifying Shareholders. Qualifying Shareholders may take any one of the following actions under this Offer:

- a. **Fully subscribe to their rights under this Offer:** Qualifying Shareholders complete the Application Form and pay only for their entire allocation under this Offer, returning same to the receiving agents not later than 5pm on 27th November, 2015.

Qualifying Shareholders exercising this option must complete Section A of the Application Form, in accordance with the instructions set out under the enclosed Guide to Completing the Application.

- b. **Fully subscribe for their rights AND apply for additional shares in excess of what they are entitled to under the Rights Offer:** In addition to 7.2(a) above, Qualifying Shareholders may apply to subscribe for additional shares (extra shares above what they are entitled to under this Offer) and pay for such additional shares, returning the duly completed Application Form and payment covering both their rights and additional shares applied for to the receiving agents not later than 5.00pm on 27th November, 2015. However the application for additional shares by Qualifying Shareholders and their Renounees shall be regarded as an application under the Private Placement. The Application under the Private Placement shall be in accordance with 7.2.2 below
- c. **Partially subscribe to their rights only:** Qualifying Shareholders may apply for only part of the shares they are entitled to under this Offer and return the duly completed Application

Form together with payment to the receiving agents not later than 5.00pm on 27th November, 2015. Qualifying Shareholders may take no further action on their remaining rights under the Offer and empower the Directors of MAC to allot such unsubscribed portion of their rights under the Private Placement. Qualifying Shareholders must complete Sections A and B of the Application Form, in accordance with the instructions set out under the Guide to Completing the Application Form.

- d. **Partially subscribe to their rights under the Offer and renounce their unsubscribed rights in favour of qualifying third parties, who may or may not be shareholders of MAC (Renounees):** Qualifying Shareholders may apply for only part of the shares they are entitled to under this Offer, renouncing the remainder of their rights in favour of qualifying third parties who now have to apply for and pay for those shares. The Application Form completed by both the Qualifying Shareholder and the Renounee, together with payment for the shares must be returned to the Receiving Agents not later than 5.00pm on 27th November, 2015. Qualifying Shareholders choosing this option must complete Sections A and B, whilst each named Renounee must complete a copy of Section C of the Application Form in accordance with the instructions set out under the Guide to Completing the Application Form. A Qualifying Shareholder who desires to renounce the remainder of his/her rights in favour of more than one person, should state the number of shares to be allotted to each Renounee on a separate row in Section B of the Application Form. The completed Sections A, B and C of the Application Form together with payment for all shares applied for should then be lodged with the receiving agents not later than 5.00pm on 27th November, 2015.
- e. **Renounce all their rights in favour of qualifying third parties, who may or may not be shareholders of MAC:** Qualifying Shareholders of MAC may decide renounce all their rights under this Offer in favour of qualifying Renounees who may or may not be shareholders of MAC. The Renounees must complete and return the Application Form together with payment for the shares being applied for to the receiving agents not later than 5.00pm on 27th November, 2015. Qualifying Shareholders choosing this option must complete Sections A and B, whilst each named renounee(s) under Section B must complete a copy of Section C of the Application Form in accordance with the instructions set out under the Guide to Completing the Application Form. Should Qualifying Shareholders want to renounce their rights in favour of more than one person, they should state the number of shares to be allotted to each Renounee on a separate row in Section B of the Application Form.
- f. **Take no action:** Qualifying Shareholders who choose not to apply for shares under this Offer, or who fail to make payment for the shares they have applied for under this Offer, or who fail to meet the deadline of 5.00pm on 27th November, 2015 for returning the Application Form and making payment to the receiving agents, may be deemed to have not taken any action under this Offer. Qualifying Shareholders who take no action under these terms empower the Directors of MAC to allot such unsubscribed rights under the Private Placement.

7.2.2 *Application under the Private Placement*

A Qualifying Applicant who wishes to apply for shares under the Private Placement may complete Section D of the Application Form and return it, together with payment for the shares applied for to any of the receiving agents not later than 5.00pm on 27th November, 2015.

7.3 Offer to Purchase Shares

- a. As an Applicant, you offer to subscribe to the number of shares indicated on your Application Form under the terms and conditions of this Offer and on the basis of the information set out in this Document and subject to the Regulations of MAC.
- b. You agree that your application to acquire shares cannot be revoked after 27th November, 2015 or such later date as the Directors and Advisors may agree, and promise that any cheque, banker's draft or money or postal order will be honoured on first presentation and that this paragraph constitutes an agreement between you and MAC. It becomes binding when your application is posted, or in the case of delivery by hand, received by the Receiving Agents. However, the Bank will not be held liable if you use a wrong address in posting. You must pay all bank commissions, transfers and other bank charges related to your application.
- c. A thumb print on an Application Form will be accepted instead of a signature thereon only if it is duly certified in accordance with the Laws of Ghana.
- d. If your Application Form is not completed correctly or is amended, or if any cheque, banker's draft, money or postal order is found to be less than the amount stated on your Application Form, it may still be treated as valid. In such a case, MAC's decision as to whether to treat the application as valid, and how to construe, amend or complete it shall be final. You will not, however, be treated as having applied to purchase a number of shares which, when multiplied by the offer price, gives a value greater than the amount remitted.
- e. An application may be rejected in whole or in part at the discretion of the Advisors and Management of MAC if the application is incomplete or illegible, or if it is determined that the applicant is not eligible to participate in this offer.

7.4 Acceptance of Offer

- a. Acceptance of your Offer will be made if your application is received, valid, processed and not rejected.
- b. The acceptance may be of the whole or any part thereof and in the latter event the number of shares you offer to purchase may be scaled down.
- c. If your application to purchase shares is accepted (in whole or in part), there will be a binding contract under which you will be required to purchase the shares in respect of which your application has been accepted and has not been terminated.

7.5 Payment for Shares

- a. You undertake to pay the purchase price for the shares in respect of which your application is accepted. The cheque or bankers' draft or other remittances may be presented for payment before acceptance of your application, but this will not constitute acceptance of your application, either in whole or in part.
- b. 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 shares or if the circumstances described in paragraph 7.3 (d) do not occur prior to the dates respectively specified therein, 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.

- c. If the remittances are not honoured on first presentation, then at any time until the Company has received cleared funds in respect of the share offer, MAC Board, may terminate the agreement to purchase that share.
- d. The MAC Board will convert payment received in a currency other than the Ghana Cedi at the prevailing inter-bank rate at the time value is given.

7.6 Renunciation

- a. The right to subscribe to the Offer may be renounced in whole or in part only by completing the Application Form in accordance with the instructions therein, or by taking no action.
- b. Qualifying Shareholders who wish to exercise some of their rights and to renounce the remainder in favour of a different person or persons, may complete Sections A and B of the Application Form in accordance with the instructions provided in the Guide to Completing the Application Form.

Qualifying Shareholders who fully or partially renounce their rights will have their holding in the Company diluted. Shareholders who do not renounce their rights to other qualified applicants may trade their rights for value on the GSE through the sponsoring broker or a licensed dealing member of the GSE.

The Application Form must then be lodged with any of the Receiving Agents, together with payment for the shares to be received not later than 5.00pm on 27th November, 2015.

7.7 Procedure in Respect of Rights not Taken up or Renounced

If a properly completed Application Form and payment in full is not received by 27th November, 2015 the Rights will be deemed to have been declined by the shareholders. These shares will then be available to Qualifying Shareholders applying for extra shares and Qualifying Applicants applying for shares under the Private Placement.

7.8 Warranties

You warrant and represent that:

- a. You are qualified to apply;
- b. The applicant on whose behalf you are applying is qualified to apply;
- c. You will submit a complete application including all supporting documents required under the terms of the Offer;
- d. In making your application you are not relying on any information or representation concerning the Company not contained in this Circular. You agree that no person responsible for the Offer Document or any part of it will have liability for any such other information or representation;
- e. If any person signing, or making a thumb print on the Application Form is not the applicant, that person warrants that he/she has authority to do so on behalf of the applicant and that this authority is vested in him or her; and

- f. If the applicant is other than a natural person, the person signing the Application Form warrants that he/she has authority to do so on behalf of the applicant.

7.9 Supply and Disclosure of Information

MAC, the Board of MAC, the Sponsoring Broker and their agents shall have full access to all information relating to, or deriving from, the cheque or banker's draft or other remittance accompanying your application and its processing. If the Board of MAC or their agents request any information about your application you must promptly disclose it to them.

7.10 Miscellaneous

- a. The rights and remedies of the Company and the Management, under these terms and conditions are in addition to the rights and remedies, which would otherwise be available to each of them, and the exercise or partial exercise of one will not prevent the exercise of others.
- b. If you deliver your Application Form to the Company, you authorize the Company to send any money returnable to you in the same manner. You also authorise the Company to send to you notification for the number of shares for which your application is accepted by registered mail, posted to the address provided on the application form or to be collected by you at the office of the Company.
- c. All documents and monies sent or delivered by you will be sent or delivered at your own risk. Any cheque will be made payable to you (or first person named in any joint application).
- d. You agree to be bound by the Regulations of the Company once the shares you have agreed to purchase have been transferred to you.
- e. Your application and the acceptance of that application and the contract resulting there from will be governed by, and construed in accordance with the Laws of Ghana. You irrevocably submit to the jurisdiction of the Ghanaian courts in respect of the matters relating to this transaction. This does not prevent an action being taken against you in any other jurisdiction.
- f. Words defined in the Offer Circular and not defined in these terms and conditions have the same meaning in these terms and conditions, in your Application Form and in the guide to the Application Form. In the case of joint applicants, references to an applicant in these terms and conditions are to each of the joint applicants and their liability is joint and several.

PART 8 –LEGAL COMPLIANCE CERTIFICATE



M159s3

20-Aug-15

The Director-General
Securities and Exchange Commission
No. 30 3rd Circular Road, Cantonments
P.O. Box CT 6181
Accra

The Managing Director
Ghana Stock Exchange
5th Floor, Cedi House
Accra

Dear Sirs,

MEGA AFRICAN CAPITAL LIMITED: RIGHTS ISSUE AND PRIVATE PLACEMENT AND AN ADDITIONAL LISTING OF SHARES ON THE GHANA STOCK EXCHANGE

1 INTRODUCTION

1.1 Basis of instructions

We have acted as legal advisors to Mega African Capital Limited (**MAC**) in connection with its proposed rights issue and private placement to raise up to GHC16 million (the **Capital Raising**) and an additional listing of the new issued shares on the Ghana Stock Exchange (the **Capital Raising and Additional Listing**).

1.2 Documents examined

For the purpose of giving this opinion we have examined originals or copies certified to our satisfaction of the following documents (the **Documents** and each a **Document**):

- (i) the Regulations of MAC adopted by a special resolution of shareholders on October 30, 2012 (the **Regulations**);
- (ii) an extract of the minutes of a meeting of the shareholders of MAC held on April 16, 2015, during which the Capital Raising and Additional Listing was approved by the shareholders of MAC;
- (iii) an extract of the minutes of a meeting of the board of directors of MAC held on March 12, 2015, during which the Capital Raising and Additional Listing was approved by the board of directors of MAC; and
- (iv) the draft offer circular to be issued by MAC in connection with the Capital Raising (the **Offer Circular**).

LEX MUNDI

Kojo Bentsi-Enchill
D. K. D. Letsa
Ace Anon Ankamah
Seth Asamo
Rosa Kudoudzi

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In association with

Lex Mundi
Lex Africa
Udo Uitema & Belo-Osagie

LEXAfrica

LEGAL PRACTITIONERS, NOTARIES PUBLIC & TRADEMARK AGENTS

In addition, 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

This opinion is limited to matters of the law of Ghana 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.

This opinion is given on the basis of the assumptions set out in the Schedule to this opinion.

2 OPINION

We are of the opinion that:

2.1 Incorporation

MAC is a public limited liability company duly incorporated under the Companies Act, 1963 (Act 179) as amended (the **Companies Act**).

2.2 Corporate Approvals

MAC has obtained all the corporate authorisations necessary or advisable for the Capital Raising and Additional Listing.

2.3 Offer Circular

The Offer Circular substantially complies with the requirements of the Fifth Schedule of the Securities and Exchange Commission Regulations, 2003 (L.I. 1728) and the Seventh Schedule of the Companies Act.

2.4 Contractual Obligations

To the best of our knowledge and upon due and careful enquiry, there are no contractual agreements, obligations or undertakings preventing MAC from undertaking the Capital Raising and Additional Listing.

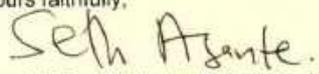
2.5 The Regulations

2.5.1 The Regulations comply with all legal requirements on the contents of the regulations of a public company.

2.5.2 The Regulations comply with the requirements of Part V of the Listing Rules of the GSE.

2.5.3 The proposed Additional Listing does not contravene any provision of the Regulations.

Yours faithfully,


Seth Asante.

Bentsi-Enchill, Letsa & Ankomah

Schedule A

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 authorising resolutions of MAC were duly passed at properly convened meetings of MAC's shareholders and board of directors; and
3. all disclosures made to us by MAC and its officers as reflected in the Offer Circular 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 9 – ESCROW BANK

Standard Chartered Bank Ghana Ltd

High Street

P. O. Box 59, Accra

Tel: +233 302 668029

Fax: +233 302 667751

Contact Person: Beverly O. Frimpong

PART 10 – RECEIVING AGENTS

Databank Brokerage Limited
No.61 Barnes Road, Adabraka, Accra
Tel: +233 (0) 302 610 610
Contact Person: Armah I. J. Akotey

<p>African Alliance Securities Ghana Limited 2nd Floor, Heritage Towers, 6th Avenue Ridge Ambassadorial Enclave PMB 45 Ministries, Accra Tel: +233 (0) 302 679761/2 Email: securities.gh@africanalliance.com</p>	<p>Bullion Securities Limited No. 8 Quarthey Papafio Avenue Airport Residential Area P. O. Box CT10027, Cantonments Tel: +233 (0) 544 312 462 Email: info@bullion.com.gh</p>	<p>CAL Brokers Limited 6th Floor, World Trade Centre Building Ambassadorial Enclave, Ridge Accra P.O. Box AN14596, Accra North Tel: +233 (0) 302 680 051/ 680 061-9 Email: info@calbrokersghana.com</p>
<p>CDH Securities Limited 36 Independence Avenue, North Ridge P.O. Box AN14911, Accra North Tel: +233 (0) 302 667 426/671050 Email: info@cdhgroup.com</p>	<p>Chapel Hill Dunham Suite 2, Labone Office Park N. Sithole Street, Labone PMB CT 384, Cantonments, Accra Tel: +233 (0) 302 766 865 Email: info@chapelhilldenham.com</p>	<p>EDC Stockbrokers Limited No.22, Ambassador Re-Development Area Valco Trust House, Ridge Accra P.O. Box AN16746, Accra North Tel: +233 (0) 302 251 720/4/9 Email: edc@ecobank.com</p>
<p>First Atlantic Brokers Limited No. C1000/3, Dr. Isert Road, North Ridge Accra P.O. Box CT1620, Cantonments, Accra, Tel: +233 (0) 302 200116/218037 Email: brokers@firstatlanticbank.com.gh</p>	<p>Gold Coast Brokerage Limited 2nd Floor, C625/3 Farrar Street Asylum Down, Accra P. O. Box AN5879, Accra North Tel: +233 (0) 302 978838/9 Email : info@gcbrokerageghana.com</p>	<p>HFC Brokerage Services Limited No.48A Sixth Avenue, North Ridge P.O. Box: CT 4603, Cantonments, Accra, Tel; +233 (0) 302 664203/664214 Email: info@hfcinvestments.com</p>
<p>Liberty Securities Limited Chez Julie Plaza, 30 Paa Grant Street, Comm.10, Tema P.O. Box CS 8876 Tel : +233 (0) 303 301 486 Email: securities@libertygh.com</p>	<p>UMB Stockbrokers Limited Seth Plaza, 123 Kwame Nkrumah Avenue, Accra P.O. Box 401, Accra Tel: +233 (0) 302 226112/220952 Email : stockbrokers@myumbank.com</p>	<p>NewWorld Securities Ltd 2nd Floor, Heritage Tower, Ambassadorial Enclave, Off Liberia Road, Accra P.O. Box CT 2868, Cantonments, Accra Tel: +233 (0) 302 660 163/ 676 979 Email: Service@newworldgh.com</p>
<p>NTHC Securities Limited Martco House, Okai-Mensah Link, Adabraka, Accra P.O. Box KIA 9563, Airport, Accra Tel: +233 (0) 302 238 492 /3, 235 814 -6 Email: info@nthcghana.com</p>	<p>Prudential Securities Limited No.8, Nima Avenue, Kanda Ring Road Central, Accra P.O. Box CT 628 Cantonments, Accra Tel: +233 (0) 302 771 284/770 936 Email: info@prudentialsecuritiesgh.com.gh</p>	<p>SIC Brokerage Limited No. 67 A&B Switchback Road. Cantonments, Accra P.O. Box PMB CT314, Cantonments Tel: +233 (0)302 767 051/767123 Email: sicbrokerage@sic-fsl.com</p>
<p>SBG Securities (Gh) Ltd 215 South Liberation Link Airport City, Accra P.O. Box CT 2344, Cantonments, Accra Tel : +233 (0) 302 687670-8 Email: Brokerage@stanbic.com.gh</p>	<p>Strategic African Securities Limited 14th Floor, World Trade Centre, Accra P.O. Box KIA 16446, Airport, Accra Tel: +233 (0) 302 661770-2 Email: info@sasghana.com</p>	<p>Worldwide Securities Limited No.80, Ringway Link, Ringway Estates, Accra P.O. Box O1072, Osu, Accra Tel : +233 (0) 30256 001/2, 764578/9 Email: info@worldwidesecurities-gh.com</p>

PART 11 – APPLICATION GUIDELINES AND APPLICATION FORMS

It is important that this Application Form be correctly completed. Applicants in doubt should consult the Receiving Agents in section 10 for assistance. The Offer is open from 09.00am on 2nd November, 2015 and closes at 5.00pm on 27th November, 2015. Applications received after the Offer has closed may not be considered.

11.1 General Instructions for Completing the Application Form

Please read the instructions carefully before completing the relevant Sections of the Application Form.

- a. There are various Sections to this Application Form. Please ensure you complete all the relevant and appropriate sections in accordance with your choices, and return the completed Form together with payment for your subscription to the receiving agents by 5.00pm on 27th November, 2015.
- b. Use BLOCK letters in completing the Application Form
- c. Applicants (people over 18 years of age) can buy shares in their own name. Shares may be bought for a child by a parent, grandparent or guardian who has been named as a renounee. The said adult may complete another application to buy shares in his/her own name if he/she is an existing shareholder / renounee.
- d. Power(s) of attorney must be enclosed if anyone is signing on behalf of an applicant other than a minor.
- e. Photocopies of Application Forms will be accepted only when they are clear and legible. The submission of a photocopied Application Form presumes that the applicant understands and accepts the terms and conditions of this offer.

11.2 Sections of the Application Form

The Application Form has the following sections:

- a. Section A: To be completed by all Qualifying Shareholders partaking in the Offer. The enclosed Letter of Allotment gives each Qualifying Shareholder's entitlement in this Offer. Each shareholder must provide their depository account details, contact information and indicate their preferred option.
- b. Section B: To be completed by all Qualifying Shareholders renouncing part or all their rights and provide details of the renounee(s). Qualifying Shareholders who want to sell their rights to this Offer for value should contact Databank Brokerage Limited using 0302-610610 or their own stockbrokers.
- c. Section C: A copy of this section to be completed by each renounee named in Section B.
- d. Section D: To be completed by Qualifying Applicants who wish to apply for shares under the Private Placement.

11.3 Guide to Completing the Application Form for Qualifying Shareholders

- a. Provisional Allotment

The Directors of MAC have provisionally allotted to you the number of new ordinary shares set out under the enclosed Letter of Allotment. Your allotment is in the proportion of one (1) new ordinary share for every ten (10) ordinary shares registered in your name at the close of business on 21st October, 2015.

You may accept all or any number of the new ordinary shares offered you, or renounce your rights in favour of another person(s), or take no action.

If you do not wish to partake in this offer, you do not have to do anything. Kindly note that all Qualifying Shareholders who do not submit a duly completed Application Form by 5.00pm GMT on 27th November, 2015, will be deemed to have elected not to participate in this Offer. The Directors of MAC will allot the shares declined by such Qualifying Shareholders as they deem fit.

b. Available options if you wish to participate in the offer:

You may do ONLY ONE of the following:

- i. Accept only, all the new shares allotted to you. If you elect this option, kindly complete Section A of the Application Form.
- ii. Accept all the new shares offered you and apply for more shares. If you elect this option, kindly complete Section A of the Application Form.
- iii. Accept part of the new shares offered you and renounce the remainder in favour of another party. If you elect this option, kindly complete Sections A and B of the Application Form. Have each renounee named under Section B complete a copy of Section C of the Application Form.
- iv. Renounce all the new shares offered you in favour of another party. If you elect this option, kindly complete Sections A and B of the Application Form. Every renounee named under Section B must complete a copy of Section C of the Application Form.

11.4 Guide to Completing the Application Form for Renounees

If a Qualifying Shareholder has renounced a portion or all of his rights in your favour under this Offer by naming you in Section B of the Application Form, you must complete a copy of Section C of the Application Form. General instructions for completing Section C of the Application Form are as follows:

- a. **Depository Account and Number of Shares:**
Provide details of your depository account i.e. the depository participant code and depository account number. Indicate the number of shares renounced in your favour and write the amount payable in figures for the total number of shares you have applied for in section (a). Renounees must then fill in the name and address of the Renouncer.
- b. **Personal Details:**
Provide your surname (i.e. family name)/company name, all your forenames (i.e. first/other names) and the title by which you are addressed. Also fill in your date of birth or incorporation, your nationality and country of residence.
- c. **ID Type, ID Number/Company Registration Number:**

Applicants must provide a valid ID. For the purposes of this Offer, a valid ID includes a passport, national ID, driver's license or NHIS card for individuals, and registration documents, Registrar General's Form A or Form 3 or a duly executed resolution from the organisation for un-registered institutions, clubs and other bodies.

d. Address:

Provide information with your full residential (if applicable) and postal address. The address must be current and reliable and in case of any change in address you should immediately inform Central Securities Depository of your new address.

e. Declaration:

Please read the declaration carefully before signing (or thumb printing) on the line and dating the form in the space provided.

The Application Form may be signed by someone else on your behalf if he/she is duly authorised to do so. An agent must enclose the original power of attorney appointing him/her (or copy certified by a notary public) unless he/she is a selling agent or financial intermediary and states the capacity in which he/she signs.

11.5 Guide to Completing the Application Form for Investors who are not Renounees

Section D of the Application Form must to be completed by Qualifying Applicants who wish to apply for shares under the Private Placement.

General instructions for completing Section D are similar to those provided in section 11.4 above. Qualifying Applicants who intend to participate in this offer must have a central securities depository (CSD) account or must see their stockbroker with the required KYC documentation to set-up a CSD account.

11.6 Payment for Shares and Delivery of Application Form

Applicants who are resident in Ghana may pay by cash, cheque, postal or money order, or electronic funds transfer, which should be presented at the offices of any of the named Receiving Agents where the Application Form is lodged. All cheques, postal or money orders should be crossed "MAC RIGHTS OFFER" and endorsed Commission to Drawer's Account. This endorsement must be signed by the drawer. Bank commissions and transfer charges on application monies must be paid by the applicant.

Applicants not resident in Ghana may purchase shares under this Offer in local currency and for this purpose, MAC allows payment for shares in Ghana Cedis (GH¢) only. Funds should be remitted for the benefit of "MAC RIGHTS OFFER" by bank transfer to Databank Brokerage Limited or an appointed receiving agent. Foreign currency will be converted to Ghana Cedis by the receiving bank at the day's prevailing market rate.

Any application from a person not resident in Ghana, which is not received in a form which will realise cleared funds for the full amount payable on the application by 5.00pm GMT on 27th November, 2015, may be treated as invalid. Bank commissions and transfer charges on application monies must be paid by the applicant. Applications, in respect of which cheques are returned unpaid, for any reason whatsoever, will be rejected.

All Applicants resident in Ghana must deliver or lodge their duly completed Application Form at the offices of the Receiving Agents named below in this Offer Circular by 5.00 pm on 27th November, 2015.

Applicants not resident in Ghana must deliver or lodge their duly completed Application Form with Databank Brokerage Limited or the other receiving agents, whose contact details are provided below.

Applicants who choose to mail their Application Form to the receiving agents are advised to use registered mail services. However, all documents mailed to the receiving agents by applicants will be at the applicant's own risk, and MAC may treat applications not received by 5.00pm on 27th November, 2015 as invalid.

Applicants are to note that Application Forms must be lodged at the same receiving agent office where payment is made for the shares applied for. The receiving agent will acknowledge receipt of application form and funds from each applicant.

SECTION A (To Be Completed By Qualifying Shareholders Only)

Depository Participant Code

Client Account Code

SHAREHOLDER DETAILS UPDATE (All MAC shareholders should kindly provide an update of their contact details):

Surname/Company Name	
Title	First Name
Middle Name	
Address (Physical Address/Postal Box)	
Telephone	Email

SUBSCRIPTION INSTRUCTIONS (Please choose only one of the options stated below):

Option 1

I/We wish to subscribe fully for my/our Rights only

I/We make payment of GH¢ covering my rights

Option 2

I/We, wish to subscribe fully for my Rights and apply for extra shares under the Private Placement

If you ticked Yes, please put in the number of extra shares you wish to apply for and amount payable covering your total application below:

I/We make payment of GH¢ covering my rights

I/We wish to subscribe for extra shares in addition to my allotted Rights under the Private Placement

I/We make payment of GH¢ covering my rights and additional shares under the Private Placement

I/We understand and accept that receiving these additional shares depends upon the number of unsubscribed shares available after the closure of the Offer and will be at the discretion of the Directors of MAC.

Option 3

I/We, wish to partially subscribe for my Rights and renounce the remainder in favour of others

Kindly sign this form and complete and attach Section B to this form. Each renouncee must also complete a copy of Section C of this form.

Option 4

I/We wish to fully renounce my Rights in favour of others

Kindly sign this form and complete and attach Section B to this form. Each renouncee must also complete a copy of Section C of this form.

DECLARATION

I/We hereby apply for shares of Aluworks under the terms and conditions set out in the Offer Circular.

I/We certify that all statements made in this application to enable me take-up/reject/split my rights in the MAC Rights Issue are correct and the responses are my own.

.....
Shareholder's Signature

.....
Date

.....
Receiving Agent's Stamp/Signature



To be completed by the Receiving Agent and then signed and retained by applicant as evidence of application
MAC SHARE OFFER (RIGHT ISSUE AND PRIVATE PLACEMENT) CENTER FOIL

Applicant's Name & Address	Applicant's Signature or Thumbprint	Receiving Agent's Stamp/Signature/Date
Name:		
Address:		
No. of Shares Applied For:	Amount Paid (GH¢)	

SECTION B (To Be Completed ONLY By Qualifying Shareholders renouncing some or all of their rights)

i. I/We wish to take up shares under my Rights

ii. I/We wish to renounce the remaining shares in favour of the following persons:

	Name	Number of Shares	Amount Payable (GHe)
	Total		

.....
Shareholder's Signature

.....
Date

.....
Receiving Agent's Stamp/Signature

