

**PRE-LISTING STATEMENT  
PESEWA ONE PLC LISTING  
BY INTRODUCTION OF  
5,000,000 SHARES @ 60p PER SHARE**

LEAD MANAGER  
CDH SECURITIES

REPORTING ACCOUNTANT  
VT CONSULT

LEGAL ADVISOR  
LEX PREMIER & ASSOCIATES

**PRE-LISTING  
STATEMENT**

**LISTING BY  
INTRODUCTION**

**5,000,000  
ORDINARY  
SHARES OF  
PESEWA ONE  
PLC AT 60p PER  
SHARE**



**Building Africa's Economy**

## **PRE-LISTING STATEMENT**

### **LISTING BY INTRODUCTION OF 5,000,000 ORDINARY SHARES OF PESEWA ONE PLC AT 60p PER SHARE**

***This Document is dated: 20<sup>th</sup> May, 2020***

*The information contained in this document and attachments give details of the primary listing by introduction of the issued shares of Pesewa ONE PLC (or the “Company”) on the Ghana Alternative Market (“GAX”) of the Ghana Stock Exchange (“GSE”).*

This document provides a description of the Company and its business activities. Responsibility for the accuracy of the information in this document lies with the Directors of the Company. To the best of the knowledge and belief of the directors, having taken all reasonable care, the information in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

An application is being made to the GSE for the listing of the shares of the Company (Pesewa ONE Shares) through a primary listing. The GSE and the Securities and Exchange Commission (“SEC”) assumes no responsibility for the correctness of any of the statements made, opinions expressed and reports presented in this document. Admission to the GAX is not to be taken as an indication of the merits of the Company or of the shares of the Company.

The Company has not authorised any person to give any information or to make any representation in relation to the Transaction other than those contained in this document, and if given or made, such information or representation must not be relied upon as having been authorised.

This document has been reviewed and approved by SEC in accordance with the Securities Industry Act 2016 (Act 929) (the “Securities Industry Act”) and the Securities and Exchange Commission Regulations 2003 (L.I. 1728) (the “SEC Regulations”). To ascertain the financial soundness or value of this Transaction, the investing public is advised to consult a dealer, investment advisor or other professionals duly authorised under the Securities Industry Law.

The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by the Company to inform themselves about, and observe any such restriction. This document does not constitute an offer and may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer or solicitation is not authorised or is unlawful.

The Company accepts no responsibility for any violation by any person of any such restrictions. Other than in Ghana, no action has been or will be taken in any jurisdiction that would permit any public offering of the Company's Shares or possession or distribution of this document where action for that purpose would be required. Investors should rely exclusively on the information contained in this document. The information contained in this document is accurate only as of the date of the document, regardless of the time of delivery of this document or any offering or sale of the Company's Shares.

The Shares will only be traded on the GAX of GSE in Dematerialised or Uncertificated Form. Accordingly, all holders of Shares ("Shareholders") who hold their Shares in Certificated Form will have to dematerialise their Shares should they wish to trade on the GAX of GSE. No Shares have been marketed or offered to, nor are any available for purchase, in whole or in part, to any person in any jurisdiction in connection with the Admission. This Pre-listing Statement does not constitute an offer or invitation to any person to purchase any Shares in the Company in any jurisdiction including an offer to the public or section of the public in any jurisdiction, and is issued in compliance with the GSE Listings Requirements, for the purposes of providing information to PESEWA ONE PLC Shareholders with regard to the Company.

CDH Securities Limited ("CDH") are acting as Sponsoring Broker and Lead Managers to the Listing. CDH Securities Limited have relied on information provided by the Company and accordingly, do not provide any assurance of the accuracy of the information contained in this document and do not accept any responsibility or liability for the inaccuracy of the information contained in the document. The Sponsoring Brokers do however confirm that to the best of their knowledge, this document constitutes a full and fair disclosure of all material facts about the Company as required by the Securities Industry Act 2016 (Act 929) and the Securities and Exchange Commission Regulations 2003 (L.I. 1728) and the Ghana Stock Exchange Listing Rules.

Lex Premier & Associates is acting as legal advisor to the Company in 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 document. Lex Premier & Associates has relied on information provided by the Company. Accordingly, Lex Premier & Associates does not provide any assurance of the accuracy of the information contained in this document and does not accept any responsibility or liability for the inaccuracy of the information contained in the document. Lex Premier & Associates does however confirm that to the best of its knowledge, this document constitutes a full and fair disclosure of all material facts about the Company as required by the Securities Industry Act 2016 (Act 929) and the Securities and Exchange Commission Regulations 2003 (L.I. 1728) and the GAX Listing Rules. Lex Premier & Associates consents to act in the capacity stated and to its name being stated in this document.

This Document has been seen and approved by us the Directors of the Issuer 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 document have been stated by the Directors of the Company after due and careful enquiry.

## **FORWARD LOOKING STATEMENTS**

This document includes statements that are, or may be deemed to be “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include, but are not limited to, statements regarding the Company’s intentions, beliefs or current expectations concerning, amongst other things, PESEWA ONE PLC’s results of operations, financial condition, liquidity, prospects, growth, strategies and its industry.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of PESEWA ONE PLC’s operations, financial condition and liquidity, and the development of the markets and the industry in which the Company operates may differ materially from those described in, or suggested by, the forward-looking statements contained in this document. In addition, even if the results of operations, financial condition and liquidity, and the development of the markets and the industry in which the Company operates are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, the factors discussed in the sections headed Risk Factors.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document reflect PESEWA ONE PLCs current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company’s operations, results of operations, growth strategy and liquidity. Investors should specifically consider the factors identified in this

document which could cause actual results to differ before making an investment decision. Subject to the requirements of the Listing Rules, the Company undertakes no obligation publicly to release the result of any revisions to any forward-looking statements in this document that may occur due to any change in the Company's expectations or to reflect events or circumstances after the date of this document.

#### **Declaration of Interests by Advisers/Experts**

- As at the date of this Statement, neither CDH Securities nor its affiliates held any shares in Pesewa ONE PLC. No principal of any of the firms held or had interest in any Pesewa ONE PLC shares.
  
- As at the date of this Statement, neither Lex Premier & Associates nor its affiliates held any shares in Pesewa ONE PLC. No principal of any of the firms held or had interest in any Pesewa ONE PLC shares.
  
- As at the date of this Statement, neither VT Consult nor its affiliates held any shares in Pesewa ONE PLC. No principal of any of the firms held or had interest in any Pesewa ONE PLC shares.

#### **Mandatory Declarations**

- The directors herein, in respect of the information relating to Pesewa ONE PLC and, having made all reasonable enquiries, confirm that:
  - i. this Statement contains all information with regard to the Company which is material in the context of the listing of its shares;
  - ii. the information contained in this Statement is true and accurate in all material respects and is not misleading;
  - iii. the Company's profit forecast has been stated after due and careful consideration;
  - iv. the opinions and intentions expressed herein are honestly held; and
  - v. there are no other facts, the omission of which makes this Statement as a whole or any of such information or the expression of any such opinions or intentions misleading.
  
- The promoters, directors and members of management of Pesewa ONE PLC may realize or transfer part of their interests in the issue within a period of two years of the date of this Statement.
  
- To the best knowledge of the Sponsoring Broker, this Statement constitutes a full

and fair disclosure of all material facts about Pesewa ONE PLC and its listing, but the Sponsoring Broker will not be held responsible for any inaccuracies or omissions of material facts as all information given herein was obtained from Pesewa ONE PLC.

- This Statement has been seen and approved by us the directors of Pesewa ONE PLC and we collectively and individually accept full responsibility for the accuracy of the information given and that after making all reasonable enquiries and to the best of our knowledge and belief that there are no facts the omission of which would make any statement in the document referred to above misleading.

#### **KEY MILESTONE AND EXPECTED TIME TABLE**

<b>Activity</b>	<b>Date</b>
Submission of Application Documents to the GAX	June, 2020
Approval for Listing Received	October, 2020
Shares of Pesewa ONE credited in the Central Securities Depository	October, 2020
Listing of all Pesewa ONE Shares. First day of trading on GAX.	October, 2020

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## OFFER STATISTICS

Price	GHC 0.60
Number of Ordinary Shares listed by Introduction	5,000,000
Market capitalisation at Listing Price	GHC 3,000,000

## POST LISTING SHAREHOLDING STRUCTURE

Shareholding	Percentage Holding
Existing shareholders	100.00%

Shareholder	No of Shares	Percentage Shareholding
Prince Abbey	1,877,500.00	37.55%
Anita Abbey	1,250,000.00	25.00%
Osei Yaw Adjei	500,000.00	10.00%
Eben Asamoah Bediako	500,000.00	10.00%
Green Vine Ventures Fund	150,000.00	3.00%
Abdul Jaleel Hussein	125,000.00	2.50%
Dr Leslie Ofori	125,000.00	2.50%
Emmanuel Asare	100,000.00	2.00%
Anita Addo	75,000.00	1.50%
Ruth Owusu Ansah	55,000.00	1.10%
Francis Sosu	45,000.00	0.90%
Alexander Tetteh	25,000.00	0.50%
Carlotta Sefakor Boadu	25,000.00	0.50%
Abass Adams	25,000.00	0.50%
Clement Abeyinga	25,000.00	0.50%
Clement Anyarkoh	25,000.00	0.50%
Emmanuel Dogbey	25,000.00	0.50%
Richard Atror	15,000.00	0.30%
Kofi Mensah Eyeson	5,000.00	0.10%
Maame Efe Adjei-Asiedu	5,000.00	0.10%
Solomon Tetteh	5,000.00	0.10%
Richard Tetteh	5,000.00	0.10%
Bright Afriyie	5,000.00	0.10%
Delight Geli	5,000.00	0.10%
Victor Easmon	2,500.00	0.05%
	5,000,000.00	100%

## SHARE SYMBOL

PESEWA ONE PLC has chosen to use “POP” as its symbol. The company's securities shall be quoted as such on the GAX.

## PESEWA ONE PLC

### GENERAL INFORMATION

Registered Office:	9 Liberty Street New Akuyea Addy Lane Adabraka, Accra - Ghana
Sponsoring Brokers & Lead Managers	CDH Securities Limited CDH House Ridge Accra
Reporting Accountants:	VT Consult P.O.Box OS 153 Osu-Accra
Auditors:	Tanda and Associate Partners Labanon Zone 3 Azuma St. Ashaiman P. O. Box AS 272 Ashaiman, Accra - Ghana
Registrars:	Central Securities Depository
Bankers:	Fidelity Bank Limited
Company Secretary:	Kojo Asare-Boateng P. O. Box GP 21500 Accra
Legal Advisors:	Lex Premier & Associates 89 Star Oil Filling Station Building Baatsonaa - Spintex Road, Accra

April 30, 2020

The Chairman of GAX  
Ghana Stock Exchange  
Cedi House, Accra.



Dear Sir,

**SPONSOR'S CERTIFICATE: LISTING OF PESEWA ONE PLC**

We have acted as the sponsoring brokers and advisors of Pesewa One PLC with respect to the listing of its shares by introduction on the Ghana Alternative Market (GAX) of the Ghana Stock Exchange. Our responsibility as sponsoring brokers and advisors are limited to ensuring that the company meets the listing requirements of the Ghana Stock Exchange.

We have undertaken these tasks together with the reporting accountants, VT Consult and the legal advisors, Lex Premier Associates. Based on the information provided by the management and the board of Pesewa One PLC, and having also examined all required documents for this purpose, in accordance with the Securities Industry Act, 2016 (Act 929), Securities and Exchange Regulation, 2003 (L.I 1728), Listing Rules (GSE Rule Book 2006) and the GAX Rules 2013, we are of the opinion that Pesewa One PLC meets the listing requirements for listing on the GAX of the Ghana Stock Exchange.

We therefore recommend Pesewa One PLC for approval and listing on the Ghana Alternative Market (GAX).

Counting on your usual cooperation.

Yours faithfully,  
For and on behalf of CDH Securities Limited

A handwritten signature in black ink, appearing to read 'Charles Amoako-Atta', written over a horizontal line.

Charles AMOAKO-ATTA  
(Executive Director)

**CDH Securities Limited**

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P. O. Box 14914, Accra  
Tel: +233 (0) 30 267 1050  
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Website: securities.cdhgroup.co

\_\_\_\_\_  
A CDH Company



Barristers, Solicitors, Arbitration, Insurance & Tax Attorneys  
Tel: +233 (0) 204 052 940 / +233 (0) 209 040 938  
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Email: lexpremierassociates@gmail.com  
Loc: 2nd floor H/No. 89 Star Oil Filling Station Building Baatsonaa-Spintex Road, Accra.

20<sup>th</sup> March 2020

THE DIRECTOR-GENERAL  
SECURITIES AND EXCHANGE COMMISSION  
30, 3<sup>RD</sup> CIRCULAR ROAD  
CANTONMENTS, ACCRA

MANAGING DIRECTOR  
GHANA STOCK EXCHANGE  
5<sup>TH</sup> FLOOR, CEDI HOUSE  
LIBERIA ROAD  
ACCRA

Dear Sir/Madam,

LEGAL COMPLIANCE

PESEWA ONE PLC: LISTING BY INTRODUCTION ON THE GHANA ALTERNATIVE MARKET (GAX)

We have acted as Legal Advisors to Pesewa ONE PLC (Company), a company registered under the laws of Ghana, with respect to the proposed listing on the Ghana Alternative Market (GAX) of the Company's shares.

We have examined and verified regulations of the Company, resolutions of the Board of Directors and Shareholders of the Company authorizing the listing on the GAX and the Pre-Listing Statement of the Company.

We have also examined such other documents and certificates and have made such investigation of fact and law as we consider necessary or appropriate to give the opinions set forth below. In making such examination, we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of documents submitted to us as originals or certified copies, the conformity to original documents of all documents submitted to us as facsimile, electronic, certified or photostatic copies, and the authenticity of the originals of such copies.

We do not express an opinion as to matters governed by any law other than the laws of Ghana.

Based upon and subject to the foregoing, we are of the opinion that:

1. The Company validly exists as a corporate entity in good standing under the laws of Ghana;
2. The Company has the corporate power to own, lease and operate its properties and to conduct its business as described in the Pre-Listing Statement. The regulations of the Company comply with all the legal requirements on the contents of the regulations of a public company;
3. The proposed listing comply with the requirements for listing on the GAX and do not contravene any regulations of the Company;
4. The Company has complied with all the regulatory requirements as are necessary for its operations;
5. The Company has obtained all the relevant authorization from the Board of Directors and Shareholders. In addition, all regulatory, statutory approvals or authorization of any regulatory body of government institution(s) needed for the listing on the GAX have been made or obtained;
6. The Pre-Listing Statement complies with all statutory or regulatory requirements.

We are not passing on and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Pre-Listing Statement, and our judgements as to materiality are, to the extent we deem appropriate, based in part, upon the views of the officers and other representatives of the Company. In the course of preparation of the Pre-Listing Statement, we participated in conference with certain officers of the Company, the transaction advisors and the independent auditors relating to certain matters contained in the Pre-Listing Statement. The purpose of the professional engagement was not to establish or confirm factual matters set forth in the Pre-Listing Statement and we have not undertaken to verify independently any such factual matters.

KOJO ASARE-BOATENG  
Solicitor & Barrister of  
the Supreme Court of Ghana  
P.O. Box 111, Accra  
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KOJO ASARE-BOATENG ESQ.

FOR LEX PREMIER AND ASSOCIATES

## **PART I: SUMMARY INFORMATION**

### **1.1 Information on Pesewa ONE PLC**

Pesewa ONE PLC is a Business Incubator located in Adabraka. The genesis of the Pesewa brand was in the launch of Pesewa Global and Pesewa Investment Club in 2018 to invest in innovative young start-up businesses. The Pesewa Investment Club has since grown into Pesewa ONE PLC with fifty-five (55) start-up ideas and businesses currently under the Incubator.

The vision of Pesewa ONE PLC is to *build Ghanaian businesses that can go global*. This informs the variety of businesses Pesewa ONE currently incubates including enterprises in industries such as Technology, Education, Professional Services, Media, Advertising and Finance.

The premise for the vision of Pesewa ONE is that Africa's economy has the greatest potential for growth in the world. Africa is however lacking in the areas of ensuring a platform for young entrepreneurs, employment opportunities for students and the youth, service platforms that link start-ups with major companies and the inculcation of the informal sector into the formal economy. Pesewa ONE has over the past two years developed platforms to overcome these bottlenecks and inspire young Ghanaian entrepreneurs to begin their journeys of creating wealth and jobs.

In terms of its business model, Pesewa ONE owns 30% shares in each of the businesses under the Incubator and receives dividends when any of these businesses make a profit and declare dividends. Pesewa ONE also realises capital gains upon sale of any of these businesses. Pesewa ONE is also entitled to management fees for services provided to each business for the first 5 years of the business' existence. Finally, Pesewa ONE owns and monetizes all the data from its activities and those of the incubatee businesses through its website; [www.pesewaone.com](http://www.pesewaone.com).

#### **Criteria for Choosing Incubatee Businesses**

The criteria for selecting businesses into the Incubator is based on our 3EM model. 3EM stands for Easy, Engaging, Everywhere and Mass.

First, the prospective business must solve a problem with a focus on making things easier for other businesses or their target market. Secondly, their business model must be engaging and exciting (especially targeted to more youthful customers) as opposed to a passive, routine or professional business model.

The prospective business must also have a high probability of success in most places or be

workable in most geographical areas in Ghana and Africa. Finally, we focus on businesses with mass market products rather than businesses targeting narrow and niche markets.

### **Processes for Choosing Incubatee Businesses**

This involves a 3-step process;

1. Development of the Business Model Canvas
2. Development of a Go-To-Market Strategy
3. Resources Allocation & Funding

Every prospective entrepreneur must go through the development of a Business Model for his or her business idea. This is done with the assistance of the Management Team. By the conclusion of this exercise, the entrepreneur will understand the key activities, key resources, partnerships, customer segments and relationships, and cost structure needed to deliver value and revenues for his or her business idea. The Management Team will also at this stage be able to determine if the business idea fits into our 3EM model.

Business ideas that prove viable after the development of their Business Model Canvases then proceed to the stage of developing their Go-To-Market strategies. This is done in collaboration with all the Team Leaders and Entrepreneur-Managers. This is to ensure transparency in the decision making processes and to guarantee one key innovation of the Pesewa ONE Incubator which is to engender synergy among all its Incubatee businesses.

Once a clear Go-To-Market strategy has been identified, the business idea is supported initially with existing resources such as office space, accommodation (if necessary), IT resources and training & mentorship. The business also gets access to our direct sales teams made up of interns and jobbers.

Where specific funding is required for any business, a Concept Paper/Business Plan is presented to the Finance Committee (acting as the Investment Committee) of the Board of Directors. The Board makes the final decision on the allocation and approval of such funds.

Over the past two years, Pesewa ONE PLC has built the right infrastructure to support its incubatee businesses and this sets up the company for sustainable growth in the coming years. These include;

1. **A Robust IT Infrastructure** – Pesewa ONE has over the past two years built a website and IT infrastructure to provide both front and back end platforms for its incubatee businesses. The website provides the businesses with a customer interface (including ecommerce), employee/intern management system, investor relations platform and a comprehensive back-end management system. All our entrepreneurs and team leaders can work remotely, monitor activities and results of their employees and interns in real time and access all the

- management services provided by Pesewa ONE from their accounts on the website.
2. **A Pool of Labour** – Pesewa ONE currently has recruited more than 2,000 students under its virtual internship programme. These tertiary students undertake monthly marketing and direct sales tasks for the various business in the incubator. This helps the businesses with their go-to-market strategies very early on and gives them an opportunity to have a nationwide presence.
  3. **Management Structures** – Every business under the Pesewa ONE incubator benefits from a management structure that has been built over two years. This means that our entrepreneurs, once they are set with a ready-to-market product or service have a full functioning administrative structure in place – further augmented by technology through the Pesewa ONE website. This means our entrepreneurs can focus on execution and ensure they are able to go faster to market than other start-ups.
  4. **Support for Entrepreneurs** – The Company understands that entrepreneurs need basic survival support as they build their businesses and therefore we have acquired housing facilities to assist our entrepreneurs who need shelter while they sacrifice for a year or two to grow their businesses to profitability.

Due to the foundation laid over the past two years, the businesses under the incubator have this year secured service contracts with the likes of **iPay/Ecobank** for the roll out of their Universal QR Code to 40,000 shops across Ghana; **Dalex Capital** for the penetration of Asset Management services into the informal sector and the **Grant Foundation** for their Scratch, Dial & Donate Project. These contracts are valued in excess of GHC 550,000 in revenues to Pesewa ONE in 2020 and are renewable annually. Pesewa ONE, as part of its Corporate Social Responsibility has also launched **InfoU** – a project for the informal sector – to help formalise 100,000 informal sector businesses. Currently, there are about 2,500 informal businesses already registered on to the project

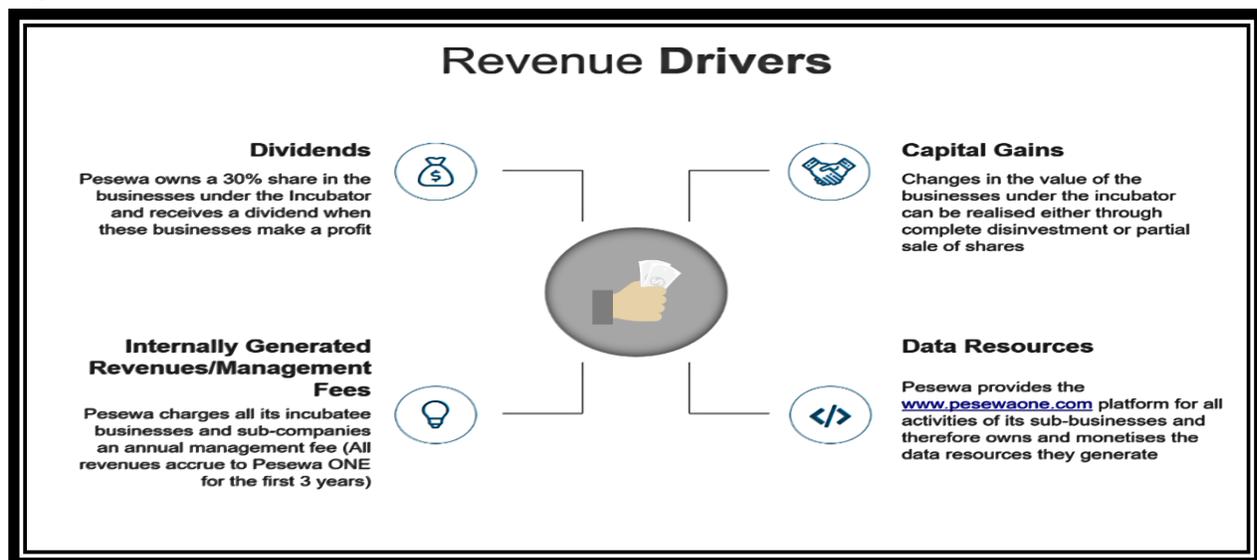


Figure 1: Revenue Drivers of Pesewa ONE

The enterprises under Pesewa ONE include some businesses built by young Ghanaian entrepreneurs over a number of years and then invested into by the Pesewa Investment Club, as well as start-ups that originated from the Incubator. The table below list the current businesses and start-ups under the Pesewa ONE Business Incubator Programme;

<b>PESEWA ONE BUSINESSES</b>	
<b>BUSINESS SERVICES</b>	<b>DESIGN, PRINT &amp; MEDIA SERVICES</b>
Pesewa CoINS	Analysis Media
Pesewa Link	Knowledge Café
BizCorp Office Services	Brown Pixels
Go Africa Mobile Marketing	Pesewa TV
Pesewa Mapping	The Business Intellectual
ONE Professionals Platform (OPP)	ABBCO Publishers
Pesewa Franchises	Dream Lenz
IB Page Solutions	<b>TECHNOLOGY SERVICES</b>
E-Registrar	QR Squared
<b>EDUCATION SERVICES</b>	Cart & Hurry
Pesewa Club	CODEX
The Open School	Pesewa BroadCast
Pesewa Enterprise School	Pesewa Bookings
Pesewa Talents	IG Page Solutions
Pesewa Virtual Internships	<b>MONEY &amp; FINANCE SERVICES</b>
Pesewa CEOs Summit	Stock King
Pesewa Education	Pesewa House
KnowledgeFest	General Partners BookKeeping
<b>MARKETS &amp; ADVERTISING SERVICES</b>	Mconnect
Adanfopa Marketplace	Metro Taxi Club
Stock Masters	Prosperous Commodities
Metro Ads	Pro Market JV
Deals & Discounts	Pesewa Cashback
Pesewa QR	<b>PROFESSIONAL SERVICES</b>
Pesewa Shop Merchants	Find Fix Professionals & Repairs
Adanfopa PetCare	Pesewa Homes
Mr Pesewa	Pesewa Health
Provisions for Professionals	Government-In-A-Box
Pesewa Clothing	Re-Homes
Pesewa Foods	
Business-as-ONE	

Table 1: Pesewa ONE Businesses & Start Ups

The Incubatee Businesses operate from the business address and offices of Pesewa ONE PLC at 9 Liberty Street, New Akuyea Addy Lane, Adabraka. As noted above, per agreement Pesewa ONE PLC will own 30% of the shares in the businesses once they reach the stage of incorporation and currently supervision of the Incubatees is under the Board of Directors of Pesewa ONE PLC. Below are further details on the Incubatee businesses.

<b>Business</b>	<b>Description</b>	<b>Founder/ Entrepreneur</b>	<b>Stage</b>
Adanfopa Marketplace	ADANFOPA MARKETPLACE exist to provide a single market for African products everywhere. It provides this service to farmers, manufacturers of products, importers, exporters, wholesalers, retailers, bulk buyers and individual consumers.	Emmanuel Asare	Feasibility Study & Go-to-Market Strategy Ready
Adanfopa PetCare	ADANFOPA PETCARE is one of the most trusted brands in the Ghanaian pet shop industry. The company offers credible pet advice, sells dogs, dog food and accessories to clients both inside and outside Ghana.	Emmanuel Asare	Fully Operational & Revenue Generating
Stock King	STOCK KING is a training programme for Africa's next generation of wealth advisors. The three weeks intensive course is a top up on the Ghana Stock Exchange Training Course and prepares the student for real world investment marketing and advisory	Prince Abbey	Faculty & Syllabus being finalised
Pesewa House	PESEWA HOUSE is an open platform for investors to provide financing and for businesses to raise funding for growth. Using the concepts of crowdfunding and over-the-counter transactions, Pesewa House seeks to create a dynamic market for the funding of African businesses	Osei Yaw Adjei	Fully Operational & Revenue Generating
Pesewa Enterprise School	PESEWA ENTERPRISE SCHOOL seeks to train Africa's next crop of entrepreneurs through teaching cutting-edge knowledge on business growth and management.	Paul Appiah Konadu	Have run training programmes for in-house entrepreneurs since 2018. Seeking accreditation to run certificate programmes for

			the public
Pesewa CEOs Summit	PESEWA CEOs SUMMIT is an annual conference event and mentorship programme for upstart entrepreneurs across Africa. Mentorship and speakership at the Pesewa CEOs Summit is handled by the very best and experienced African CEOs	Isaac Owusu Boateng	First Summit planned for early next year
ABBCO Publishers	ABBCO PUBLISHERS publishes, prints and markets books and other educational material in Ghana.	Francis Ennuson	First 3 books published and ready for sale
One Professionals Platform	OPP (ONE PROFESSIONAL PLATFORM) is a professional services aggregator providing available and affordable financial, legal, health and education services to homes and individuals	Prince Abbey	Work on going on database of service providers
Deals & Discounts	DEALS & DISCOUNTS provides businesses with the opportunity to reach a wider customer base through special offers and promotions on various platforms. We also provide customers with monthly freebies and deals per subscription.	Delight Geli	Launched with businesses such as X-Men and First Choice Beauty Salon
Metro Taxi Club	METRO TAXI CLUB provides facilitation support for drivers of taxis and 'trotros' in Ghana. This includes daily fuel support, maintenance and repairs. The focus is to develop valuable and mutually beneficial relationships within the transport sector in Africa.	Joshua Archer	Presence in 3 Taxi Ranks in Accra. Fully Operational & Revenue Generating
Metro Ads	Metro Ads is an advertising platform on Ghana's transportation network employing the use of classifieds and videos to put products and brands before millions of consumers with captured attention.	Joshua Archer	Presence in 3 Taxi Ranks in Accra. Fully Operational & Revenue Generating
Cart & Hurry	CART AND HURRY is a bespoke delivery platform that mobilises spare capacity of commuters, drivers and motorists to deliver goods quickly, effectively and at low prices.	Alexander Tetteh	Feasibility Study & Go-to-Market Strategy Ready
BizCorp	BIZCORP provides a complete range of stationary solutions including traditional office supplies such as stationary, furniture, sanitary supplies, branded corporate materials, souvenirs and	Anita Addo	Printed BizCorp branded notepads for schools and offices.

	aesthetics; as well as unique services including office management services, grocery deliveries to office professionals, office wear and laundry and professional photo and video services.		Operational & Revenue Generating
Pesewa Club	PESEWA CLUB is a campus based organisation for students to enable them achieve success in life through various programmes and activities. The flagship programme of the PESEWA CLUB is the Entrepreneur Manager Trainee Program which seeks to raise Africa's greatest generation of entrepreneurs.	Kwamina Amoasi Forson	Started on 3 tertiary campuses
QR Squared	QR SQUARED is a networking platform offering services to businesses and individuals; with the particular focus of developing cross platform solutions for mass use in Africa.	Ruth Owusu-Ansah	Platform developed
Go Africa	GO AFRICA seeks to be Africa's leading social media marketing organisation. Through its reasonably priced and innovative subscription offers, GO AFRICA is looking to present the brands of thousands of African businesses to the world.	Graham Portuphy	Operational & Revenue Generating
Knowledge Café	KNOWLEDGE CAFE is a speaking platform for African entrepreneurs to tell their stories and reach out to a captive audience at cafes and meeting places during the very early stages of their growth. This platform takes the 'elevator pitch' to prospective customers and investors and helps create a community for the products and services offered by young entrepreneurs	Gideon Owusu	First Knowledge Café event held in March
KnowledgeFest	KnowledgeFest is an annual event that showcases the best in knowledge resources available in Ghana.	Gideon Owusu	First Event planned for early next year
General Partners Bookkeeping	General Partners Bookkeeping focuses on providing record-keeping, book-keeping and accounting services to small and medium scale businesses, especially in the informal sector.	Ishmael Azaglo	Operational & Revenue Generating
Pesewa TV	PESEWA TV offers exciting programming, events, advertising and shows on its online	Richard Tetteh	Operational & Revenue

	channel on Youtube and other social media platforms.		Generating
Brown Pixels	BROWN PIXELS is a cutting edge, young and vibrant photography and video outfit. They also offer audio-visual packages for events and programmes.	Bright Afriyie	Operational & Revenue Generating
The Open School	THE OPEN SCHOOL is a platform for training programmes and tutorials in a typically nonacademic setting. It seeks to emphasise the creativity and contribution of the learner in acquiring relevant knowledge. Current courses include Coding for Beginners, Piano lessons, Accounting Software Training, Search Engine Optimisation and Graphic Designing.	Gideon Owusu	Operational & Revenue Generating
FindFix	FINDFIX is in the business of training, managing and deploying professionals and repairers for homes, businesses and centers. It seeks to have a FindFix Professional present in every community in Africa and to be the lead reference for home and office professional services.	Gabriel Asem	Training programmes started
MConnect	MCONNECT is a payments services platform involved in Direct Debit, Direct Credit and Direct Pay. It is an enabler for businesses and individuals seeking a much broader range of payment solutions compared to the current dominant payment platforms in Africa such as Mobile Money and Bank Payments.	Andrew Palm	Feasibility Study & Go-to-Market Strategy Ready
Stock Masters	STOCK MASTERS provides stock up and bulk buy services for shops and businesses in the informal sector. Its vision is to become the middle-man in Africa's commercial sector, bringing together manufacturers of products and retailers.	Clement Abeyinga	Operational & Revenue Generating
Prosperous Commodities	Prosperous Commodities is a single platform business for the entire value chain in agricultural commodities. We provide funding support, extension services, mechanization, warehousing, sales and financial receipting.	Abass Adams	Feasibility Study & Go-to-Market Strategy Ready
Pesewa Homes	Pesewa Homes provides the following services to homes; House-keeping, Home	Emmanuel Dogbey	Feasibility Study & Go-to-Market

	schooling, Cleaning, Gardening, Electricals, Plumbing, Painting, Carpentry, Catering and Nursing Care.		Strategy Ready
ANALYSIS	ANALYSIS is an alternative newspaper focusing on articles and opinions from experts and significant stakeholders on the issues of the day.	Clement Anyarkho	First editions of newspaper launched last year
Pesewa Health	Pesewa Health provides a user-friendly model that ensures you have your health and lifestyle issues regularly addressed. A qualified health professional regularly reviews records of your health and helps manages the health of clients.	Ruth Mensah	Platform launched
Pesewa Education	Pesewa Education develops educational material for children of all ages in 'stuff' such as Entrepreneurship, coding, cooking, poetry, writing and art.	Gloria Henyo	Concepts developed and ready for launch
Pesewa Mapping	Pesewa Mapping provides location services for small businesses to enable them to be found on map solutions such as Google Maps and Ghana PostGPS.	Margaret Tetteh	Rolled out since 2018. Have registered 950 businesses
Government-In-A-Box	Government-In-A-Box helps you access government services easier. They have developed systems to better explain, direct and assist you in your various dealings with government services and agencies.	Ruth Owusu-Ansah	Feasibility Study & Go-to-Market Strategy Ready
ProMarket JV	ProMarket JV offers the full services of stocking, bookkeeping, savings support, credit facilitation and strategic planning for market operations and traders in Africa	Dr Leslie Ofori	Feasibility Study & Go-to-Market Strategy Ready
Business Intellectual	The mantra of the Business Intellectual magazine is to put out you and your business in the most shareable and viral way possible. Our catchy designs are well done and pack a punch.	Richard Tetteh	First edition launched
Pesewa Foods	Pesewa Foods delivers quality food at affordable prices based on your choice, health needs and income. We offer meal and food stuff plans for individuals, families and corporate organisations.	Joseph Danquah	Feasibility Study & Go-to-Market Strategy Ready
Pesewa QR	Pesewa QR provides QR Code Services for Shops and Businesses to help them with their Receipting, Bookkeeping, Feedback and Promotion Services. Also look out for	Ruth Owusu-Ansah	Stickers ready for Launch

	our QR stickers the next time you visit any shop.		
CODEX	CODEX wants passionate young people to train, equip and collaborate with to deliver great technological solutions for Africa.	Ruth Owusu-Ansah	Operational & Revenue Generating
Pesewa Franchises	Pesewa Franchises are managers for relevant and emerging brands in Ghana.	Ruby Abbey	Working currently with Rubee Cosmetics
Pesewa Shop Merchants	Pesewa Shop Merchants is a network of individuals and shops who market great brands and goods and receive commissions on every sale.	Antoinette Mensah	Operational & Revenue Generating
Mr Pesewa	Mr. Pesewa has a range of household products and confectionaries. It has a unique brand and a total service experience.	Samuel Ofori	Operational & Revenue Generating
IB Solutions	IB Solutions seeks to build businesses and provide them with the resources they need to succeed including a pool of skilled labour, a crowdfunding platform and administrative support.	Francis Duku	Operational & Revenue Generating
Pesewa Virtual Internship	Pesewa Virtual Internship seeks to grant corporate bodies across Africa the opportunity to offer internship to tertiary students outside company premises. This is a monthly project-based opportunity in which tertiary students will work remotely for a company to apply what they learn in their degree programs and gain practical, field-related work experience. These internships take place all year round and equip students with the requisite skills needed for the job market.	David Osabutey	Operational & Revenue Generating
Pesewa CoINS	Pesewa CoINS is an employment management platform for businesses.	Nicholas Arkaah	Platform developed
Dream Lenz	Dream Lenz provides great frames for pictures and takes the presentation of photography to the next level.	Anita Addo	Operational & Revenue Generating
Provisions 4 Professionals	Provisions 4 Professionals provides delivery of a variety of provisions to customers at competitive prices.	Sheeba Yusuf	Feasibility Study & Go-to-Market Strategy Ready
Pesewa Clothing	Pesewa Clothing provides clothing to middle income families.	Japhet Budu	Feasibility Study & Go-to-Market Strategy Ready
Pesewa	Pesewa Talents is a managing house for	Sarpong Kofi Boadu	Feasibility Study

Talents	Africa's talents.		& Go-to-Market Strategy Ready
Pesewa LiNK	Pesewa LiNK is an ecommerce platform for businesses in Africa.	Nicholas Arkaah	Launched in 2018 providing a platform for a 1,000 businesses
Pesewa BroadCast	Pesewa Broadcast provides timely emergency warnings and updates on mobile.	Emmanuel Vuvor	Platform Launched
Pesewa Bookings	Pesewa Bookings is an easy to use booking service for your travel, holiday, events and other services.	Abass Adams	Feasibility Study & Go-to-Market Strategy Ready
E-Registrar	E-Registrar helps businesses meet regulatory requirements professionally.	Ruth Owusu-Ansah	Platform developed
Pesewa Cashback	Pesewa Cashback provides shops with the platform to offer cashback services to their customers.	Lawrence Gyimah	Launched in 2017 with about a 100 shops
Re-Homes	Re-Homes offer quality rooms and homes for rent and sale at affordable rates.	Francis Ennuson	Feasibility Study & Go-to-Market Strategy Ready
IG Page Solutions	IG Page Solutions provides groups with the platform to organise and succeed.	Isaac Quarshie	Platform developed
Business-As-ONE	Business-As-ONE aggregates retail buyers for suppliers of industrial products in Ghana	Dennis Tetteh	Feasibility Study & Go-to-Market Strategy Ready

Table 2: Description of Pesewa ONE Businesses

### **Summary of Products and Services of Pesewa ONE PLC**

Pesewa ONE PLC provides Business Incubation & Management Services, Business Support Services, Technological Platforms & Data Services and Jobs/Internships.

#### ***Business Incubation & Management Services***

This targets young entrepreneurs with viable business ideas. The company supports the development of their businesses from the idea stage to the growth stage; providing them with the resources, funding and management support required.

#### ***Business Support Services***

Pesewa ONE PLC also provides business support services to other enterprises outside the incubator; especially focused on businesses in the large Ghanaian informal sector.

### ***Technological Platforms and Data Services***

Pesewa ONE acquires and processes data through its technological platforms to gain market insights and analytics which it provides as a paid service to interested institutions.

### ***Jobs/Internships***

The company provides full-time and part-time jobs in its incubatee businesses and facilitates the acquisition of skilled personnel for partner organisations. The company also runs the Virtual Internship and the Entrepreneur Management programmes for students who want to acquire job experience while in school and during vacations; as well as develop their entrepreneurial skills.

## **1.2 Summary & Reasons for Listing of Pesewa ONE PLC**

Pesewa ONE PLC is listing 5,000,000 issued shares on the GAX by Introduction. There is no offer for subscription of the shares at the moment. The reason for the listing is to provide liquidity for current shareholders and to provide an avenue for raising funds from the market when the need arises in order to invest in more subsidiary businesses.

## **PART II: KEY INFORMATION ON LISTING**

### **2.1 Incorporation Status & Information about the Company**

Pesewa ONE PLC was incorporated on 29<sup>th</sup> August, 2019 (having formerly operated as Pesewa Global and Pesewa Investment Club) with 25 shareholders who raised a total capital of GHC 366,000 to invest in 55 businesses over a period of about 2 years now.

### **2.2 Core Activities of the Company**

Pesewa ONE PLC provides Business Incubation & Management Services, Business Support Services, Technological Platforms & Data Services and Jobs/Internships.

### **2.3 The Legal Basis of the Transaction**

On the 30<sup>th</sup> of January, 2020 at a Board Meeting and Shareholders Annual General Meeting, the Board of Directors and Shareholders of Pesewa ONE PLC respectively gave approval for the Company to apply to the Ghana Alternative Market (GAX) to list the shares of the company on the market by Introduction. They also approved at these meetings the Financial Statements of the Company (including the financial report of the Pesewa Investment Club for the full year)

### **2.4 Stated Capital**

The stated capital of the Company is GHC 366,000.

### **2.5 Valuation of Pesewa ONE PLC**

The valuation is performed on the basis of Pesewa ONE being a going concern and the standard of value is fair value. Fair value under such circumstances is defined by the Financial Accounting Standards Board (FASB) as follows:

*“The amount at which an asset (or liability) could be bought (or incurred) or sold (or settled) in a current transaction between willing parties, that is, other than in a forced or liquidation sale”. The International Accounting Standards also defines fair value as “the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm’s- length transaction”*

#### **Assumptions Underlying Valuation**

The valuation is based on the following assumptions, among others (full details of the projected financials are in the appendix of the document)

- Revenue for the next 3 years are based on contracts signed and will average a cumulative growth rate of 114%
- Estimated discount rate at 30% with a premium on the GOG 3-year bond rate of 20.75% for investors due to the stage of growth of Pesewa ONE PLC

- Estimated average GDP growth rate of 5% during the projection period
- Relatively stable economic and operating environment during the projection period

### Valuation Methodology

The approach adopted in valuing Pesewa ONE is to determine an estimate of value that would be a fair and reasonable return on investment to an investor or owner, in view of the facts available at this time. The valuation is based on, among other things, the possible and probable growth scenarios for Pesewa ONE; estimates of the risks facing Pesewa ONE and the return on investment and duration that would be required on alternative investments with similar risk levels. The methodology chosen was the Discounted Cash Flow Methodology.

The Market Multiple or Relative Valuation method was also considered but was not used due to the limited number of companies currently listed on the GAX and the inability to find an appropriate fit in terms of nature of the business and Pesewa ONE PLC's stage of growth, which is an important limitation of this method of valuation.

### Discounted Cash flow Methodology

In using the DCF methodology to value an entity, non-cash items such as depreciation and amortization are added back to the projected net income. The resulting figures are adjusted by subtracting capital expenditure and change in working capital to arrive at the projected free cash flows over the projection period. The third year figure, in this case, is then used to compute a terminal value using appropriate growth and discount rates. This stream of cash flows is then discounted to the present time using the estimated discount rate. The DCF is widely regarded as a preferred valuation method because it derives from the inherent value of future cash flows to stakeholders of a company.

### Pesewa ONE: Valuation Based on Discounted Free Cash Flow to Equity as at 31/12/2019

VALUATION			
FREE CASH FLOW (FCF) FOR FIRM	2020E	2021E	2022E
PAT	198,769	421,760	1,091,992
Add Depreciation	12,465	22,465	51,192
Add Amortization	7,692	7,692	7,692
Less CNWC	65,491	73,490	115,584
Less Capex	(35,000.00)	(50,000.00)	(150,000.00)
Free Cash Flow	249,417.00	475,407.00	1,116,460.00
Terminal Value			4,689,132.00
Total	249,417.00	475,407.00	5,805,592.00
<b>Enterprise Value:</b>			
	GHC		GHC
PV of FCF and Terminal Value	3,115,674.02		3,115,674.02

Add back initial cash	14,746
Asset Value/Market Value	3,130,420.02
Subtract Year 0 debt	(148,564.00)
Equity Value	2,981,856.02
Issued Shares	5,000,000.00
<b>Price Per Share</b>	<b>0.60</b>

Table 3: Pesewa ONE PLC Valuation

The result of the discounted cash flow analysis suggests that the value of Pesewa ONE's equity as at March 31, 2020 is GH¢2,981,856.02 which translates to a per share price of GH¢0.60.

## 2.6 Floatation Expenses

Legal Advisory Fees	Waived
Reporting Accountant Fees	GHC 14,175.00
Sponsoring Brokers Fees	GHC 10,000
GSE Fees	Waived
SEC Fees	Waived
Printing & Logistics	GHC 80
Registrar General Fees	GHC 150
<b>TOTAL</b>	<b>GHC 24,405</b>

## **PART III: ECONOMIC, REGULATORY & INDUSTRIAL BACKGROUND**

### **3.1 Overview of the Ghanaian Economy**

The Ghanaian economy showed a firm growth for 2019 compared to 2018, although at a relatively slower pace. GDP growth outturn for the first three quarters of 2019 averaged 6.0 percent, almost unchanged from the 6.1 percent recorded in the same period of 2018. Similarly, non-oil GDP growth averaged 5.0 percent against 5.9 percent over the same comparative periods. Overall, GDP growth for 2019 is projected to be close to the target of 7.0 percent (Source: MPC Report, March, 2020).

According to the Report, the latest inflation reading for February 2020 is estimated at 7.8 percent, unchanged from January 2020. The forecast for inflation is expected to remain within the target band for the next quarter.

Headline inflation has remained in single digits since June 2018 and more recently remained steady around the central path of 8.0 percent. Inflation increased to 8.2 percent in November from 7.7 percent in October 2019 due to upward adjustment in some administrative prices. However, it declined to 7.9 percent in December 2019 on the back of lower food prices amidst stable non-food prices. Alongside these trends, the various measures of underlying inflation remained well-contained and the Bank's core inflation (defined to exclude energy and utility) has declined since June 2019, supported by well-anchored inflation expectations.

Growth in the key monetary aggregates firmed up in 2019, driven largely by increased accumulation of net foreign assets by the Bank of Ghana. Broad money supply (M2+) recorded an annual growth of 21.6 percent in December 2019 compared with 15.4 percent a year ago. The increase was mainly reflected in increased deposits, signifying deposit flight to quality, as the clean-up process boosted a return to confidence in the banking sector.

DMBs' credit to the private and public sectors rebounded strongly in 2019. Private sector credit grew by 18.3 percent year-on-year to GH¢44.5 billion in December 2019, compared with 10.6 percent in December 2018. In real terms, private sector credit growth was 9.7 percent. Distribution of the credit was broad based and almost all the key economic sectors recorded higher credit growth in 2019 relative to what was observed in 2018. The major sector beneficiaries were Services with 24.1 percent, Commerce and Finance with 20.9 percent, and Manufacturing with 10.9 percent.

The international commodities market remained buoyant, despite intermittent volatilities in the course of the year. Crude oil prices increased by 13.0 percent year-on-year, driven by OPEC

production cuts and other geopolitical factors. Crude oil closed the year at an average of US\$65.2 per barrel. Gold prices averaged US\$1,481.3 per fine ounce, recording a year-on-year growth of 18.4 percent. The surge in gold prices was attributed mainly to the global economic slowdown and the low interest rate environment in major advanced countries. Cocoa prices averaged US\$2,215.4 per tonne in 2019, an increase of 11.6 percent, due to the dry weather conditions which posed some threat to the quality of the bean.

These price movements in the country's key export commodities, together with increased export volumes, impacted positively on the external sector. In 2019, total exports increased by 4.6 percent year-on-year to US\$15.6 billion, driven mainly by 14.6 percent growth in gold exports and 8.6 percent growth in cocoa beans and products. Imports, on the other hand, grew at a slower pace of 1.5 percent to US\$13.3 billion on account of a 4.2 percent growth in non-oil imports, while oil and gas imports contracted by 9.2 percent. These developments resulted in a trade surplus of US\$2.3 billion (3.4 percent of GDP) in 2019, compared with US\$1.8 billion (2.8 percent of GDP) in the same period of 2018.

The trade surplus, together with improvements in net current transfers, especially remittances, resulted in further narrowing of the current account deficit to US\$1.7 billion (2.5 percent of GDP) in 2019, compared to a deficit of US\$2.0 billion (3.1 percent of GDP) a year ago. The current account deficit was financed by significant inflows into the financial account, driven in large part by foreign direct investments and portfolio investments. Consequently, the overall balance of payments recorded a surplus of US\$1.3 billion (2.0 percent of GDP) over the review period, compared with a deficit of US\$671.5 million in 2018.

Gross International Reserves at the end of December 2019 was US\$8.4 billion, providing cover for 4.0 months of imports of goods and services. The reserve level compares with a position of US\$7.0 billion, equivalent to 3.6 months of import cover recorded at the end of December 2018. 14. The Ghana cedi depreciated by 12.9 percent against the US dollar in 2019, compared with 8.4 percent depreciation in 2018. Against the British pound and Euro, the Ghana cedi cumulatively depreciated by 15.7 and 11.2 percent respectively, compared with 3.3 and 3.9 percent over the same period in 2018. By January 29, 2020, the Ghana cedi had recovered, appreciating by 0.3 percent compared with a depreciation of 2.5 percent in the same period of 2019.

Provisional budget estimates from January to December 2019 indicated that total revenue and grants amounted to GH¢52.97 billion (15.3 percent of GDP) compared with the projected target of GH¢54.56 billion (15.8 percent of GDP). Total expenditures, including arrears clearance was GH¢67.67 billion (19.6 percent of GDP), below the target of GH¢70.19 billion (20.3 percent of GDP). These developments resulted in an overall fiscal deficit (on a cash basis) of 4.8 percent

of GDP, slightly above the target of 4.7 percent of GDP but below the 5.0 percent fiscal rule.

In line with these developments, the provisional estimates indicate that the stock of public debt rose to 62.1 percent of GDP (GH¢214.9 billion), at the end of November 2019 compared with 57.9 percent of GDP (GH¢172.9 billion) at the end of November 2018. Of the total debt stock, domestic debt was GH¢102.9 billion, while external debt was GH¢111.9 billion with a share of 52.1 percent in the total public debt.

Interest rates on the money market increased slightly across the various maturities of the yield curve. The 91-day Treasury bill rate inched up to 14.7 percent in December 2019 compared with 14.6 percent a year ago. Interest rates on the 182-day instrument also moved up to 15.2 percent, from 15.0 percent over the same period a year ago. In contrast, rates on the secondary bond market broadly declined. Yields on the 7 and 15-year bonds marginally declined to 21.0 and 19.9 percent in December 2019, from respective 21.0 and 21.4 percent in December 2018. The yield on the 10-year bond, however edged up slightly to 21.3 percent from 21.2 percent over the same review period.

The weighted average interbank lending rate declined to 15.2 percent in December 2019, from 16.1 percent in the same period a year earlier. In a similar trend, average lending rates compiled from the banking sector marginally declined to 23.6 percent in December 2019, from 23.9 percent in December 2018.

### **Prospects for the Global & Ghanaian Economy**

According to the Monetary Policy Committee of the Bank of Ghana, the synchronised slowdown in the global economy had started showing some modest signs of recovery. The signing of the Phase I trade deal between the US and China and a successful UK election in December 2019 contributed significantly to dampen the uncertain policy environment.

However, the impact of the Coronavirus (COVID-19) epidemic has spread beyond China to almost every country in the world, and the World Health Organisation has declared it a pandemic.

These conditions have significantly heightened uncertainty in global financial markets, causing a sharp downturn of global stock prices and a steep rise in emerging markets' sovereign bond spreads. These unfolding developments have further worsened the pre-existing weaknesses in global growth and caused major disruptions to global supply chains with adverse implications for the global economy. An initial assessment by the Organisation of Economic Co-operation and Development suggests that global growth could slow by about 0.5 percent this year, given

the scale of disruptions to current economic activity. The slowdown could be deeper in a worst-case scenario, especially if the pandemic is not effectively contained in the near-term. The potential adverse effects of COVID-19 on growth, along with the sharp fall in commodity prices, will weigh heavily on economic activity in emerging market and frontier economies (Source: MPC Report, March, 2020).

On the domestic economy, the Bank of Ghana's internal assessment shows that the pandemic could impact Ghana through a number of channels. First, the dampened global demand could significantly impact Ghana's crude oil export earnings with major implications for foreign inflows and tax revenues. There is also a likelihood of export restrictions from advanced economies and other emerging market economies which could create supply chain shortages for Ghanaian businesses, with significant impact on imports of intermediate and capital goods, as well as consumption goods. This is expected to negatively affect inputs in the domestic production channels with severe consequences for growth and tax revenues which could become more pronounced by the second or third quarter. In addition, crude oil prices have declined sharply to historically low levels, and already creating negative shocks on exports, albeit with some offsetting effects from rising gold and cocoa prices.

In the assessment of the Bank, the negative impact of COVID-19 on exports, imports, taxes, and foreign exchange receipts will culminate in a slowdown in economic activity. GDP growth is forecasted to decline to 5.0 percent in a baseline scenario. In the worst case scenario, GDP growth estimates could be halved to about 2.5 percent in 2020 (Source: MPC Report, March, 2020).

### **3.2 Overview of the Ghana Stock Exchange**

The Ghana Stock Exchange officially commenced trading on November 12, 1990 and in April 1994 the status of the exchange was changed from a private company limited by guarantee to a public company limited by guarantee. The Exchange commenced operations with three brokerage firms and 11 listed companies in 1990

The Ghana stock exchange has two categories of membership namely licensed dealing members and 23 associate members. Licensed dealing member are corporate bodies licensed by the exchange to trade on the exchange while associate members are individuals or corporate bodies who want to associate their names with the Stock exchange, however, they do not have license to trade. Other stakeholders on the exchange are the listed companies, registrars, custodians and fixed income traders.

As at December 2019, there were a total of 33 listed companies on the main bourse, 22 licensed

dealing members and 23 associate members. The council acts as the board of directors with representation from members, listed companies and the general public. The Ghana stock exchange was automated in 2009 and started electronic trading same year. In 2016 the two depository systems that were in operation in Ghana's capital market, one belonging to the Ghana stock exchange and the other for the Bank of Ghana were merged into one depository platform for Ghana's securities market. This was additional effort by the exchange to conform to international best practices and also improve market liquidity and efficiency.

In 2014, another parallel market was established by the Ghana Stock Exchange called the Ghana Alternative Market (GAX) to provide a platform for small and medium size enterprises to raise capital from the market. By the end of 2019, the GAX had listed five (5) companies.

Again in 2017, the Exchange created another market called Ghana Fixed Income Market (GFIM) to facilitate the listing and trading of fixed income securities in Ghana. In all, the Ghana stock exchange now has three separate markets namely: the main board for trading equities, the alternative market for SMEs (GAX) and fixed income market (GFIM) for trading fixed income securities. The exchange has two indices namely: the Ghana Stock Exchange Composite Index (GSE-CI) previously the Ghana Stock Exchange All-Share Index (GSE-ASI) which was reconstructed and the base year changed in 2011 and the Ghana Stock Exchange Financial Stock Index (GSE-FSI) constructed in the same year.

In terms of governance, the exchange has a management team as well as a nine-member governing council. The Ghana stock exchange is regulated by the Securities and Exchange Commission which is the apex body for regulating Ghana's capital market under the securities industry act 2016, At 929.

Some of the significant listings on the market are: the listing of AngloGold Ashanti, Tullow Plc, and MTN Ghana which concluded an IPO to raise an amount of about 3.5 billion cedis but succeeded in raising about 1.1 billion cedis and subsequently listed its shares on the 5th of September 2018. This amount raised by MTN Ghana is the single largest equity capital ever raised on the Ghana Stock Exchange. It is important to also note that the 1.1 billion cedis raised by MTN Ghana represents about 40% of the total equity capital raised on the Ghana Stock Exchange since inception from 1990 to 2017.

The market started with 11 companies in 1990 with a total market capitalization of GHS3.05 million while trading was conducted on few specific days within the week and settlement of transactions occurred on T+10 but now trading is done every day in the week with settlement occurring on T+3. The market value of the Ghana Stock Exchange increased by about 20 times from 9.65 million cedis in 1993 to 1.97 billion cedis in 1994 which was significantly due to the

listing of AngloGold Ashanti previously named Ashanti Gold Fields. Also, the market capitalization increased by about 8 times from 1.26 billion cedis in 2003 to 9.76 billion in 2004 due to the listing of four new companies and rights issues from two companies. Again, the market capitalization more than doubled from 20.17 billion cedis in 2010 to 47.35 billion cedis in 2011 significantly because Tullow Oil Plc was admitted to the market. In terms of market performance, the GSE recorded its best in 1993, 1994 and 2003 when the market returns were 113.74%, 124.34% and 154.67% respectively while the worse market returns were recorded in 2005, 2009 and 2016 with (29.85%), (46.58%) and (15.33%) respectively.

Since its inception in November 1990 to 2019, the market has recorded trades of about 8.2 billion shares amounting to GHS4.6 billion. Also, about GHS5 billion cedis equity capital has been raised through the exchange. As at 2019, there were a total of 33 listed equities on the main board with a total market capitalization of GHS56.8 billion cedis.

The graph below shows the performance of the Ghana Stock Exchange since inception:

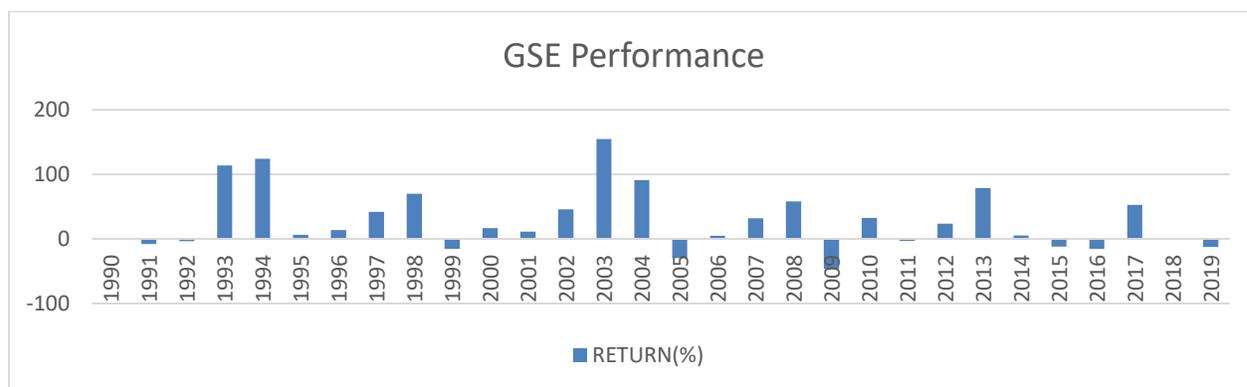


Figure 2: Performance of GSE Since Inception

### THE GHANA ALTERNATIVE EXCHANGE (GAX)

The GAX is a parallel market focused on Small and Medium Scale (SME) businesses with potential for growth. The GAX accommodates companies at various stages of their development; including start-ups and existing enterprises. The GAX serves as an avenue for SMEs to raise long term capital for growth and future expansion, at a relatively lower cost. To assist SME's with the initial costs of listing, the GAX-SME Listing Support Fund (GLF), has been set up to pre-finance the preparations towards the capital raising exercise. The GLF is a revolving fund that pre-finances all pre-listing costs. The funds are refunded once the capital is raised. The mandatory underwriting of the minimum offer, directly or indirectly by the sponsors, guarantees successful IPOs. As at December 2019, the GAX had listed five (5) companies.

### **3.3 Industry Competition & Our Unique Proposition**

Funding of business is a financing activity under corporate finance which covers different categories of business organizations including companies, and micro, small, medium enterprises (MSMEs). All start-up businesses fall under the MSMEs. There are different financing options that are suitable to particular business types due to the risk associated with them. Businesses that are incorporated as companies are normally and easily financed through commercial banks or initial public offerings (IPOs) or private placement. However, SMEs and start-ups find it difficult to get funding through these same medium, especially start-up businesses. In Africa and Ghana, this SME sector of the economy is more informal and also contributes significantly to the economy in terms of GDP, employment and family support. However, in spite of its significance to the economy, they find it difficult sourcing funding for their operations. As a result, businesses like start-ups have specialized financing vehicles in the form of venture capital funds, angel investors, crowd funding and other business incubators or entrepreneurship support programmes.

This overview focuses on venture capital and business incubating programmes as financing options for start-ups in Ghana. Venture capital is a form of business usually set up as a private equity firm or a state company that provides funds to early stage, emerging companies with high growth potential, in exchange for equity or an ownership stake. Venture capitalists take the risk of investing in start-up companies, with the hope that they will earn significant returns when the companies become successful. Factors that are usually considered when choosing a company to invest in are: the company's growth potential, the strength of its management team, the uniqueness of its products or services.

Private equity has been prevalent in Ghana since the early 1990s. In the late 1991, USAID sponsored a venture capital fund in Ghana, along with the Commonwealth Development Corporation (CDC), to invest in private sector companies in Ghana with the potential to achieve high growth and profit. The initiative set up two companies, the Ghana Venture Capital Fund and the Venture Fund Management Company, which were incorporated in Ghana and started operating in November 1992 but those two companies could not produce the desired result.

In 2004, The Venture Capital Trust Fund (VCTF) was established through an Act of Parliament (VCTF Act 680). The Fund was intended to provide low cost financing to small and medium enterprises so as to enable them expand, create wealth and jobs. This is done by providing credit and equity financing to eligible Venture Capital Finance Companies to support SMEs and the provision of monies to support the activities and programmes for the promotion of venture capital financing. Venture Capital Trust Fund (VCTF) funding comes from the government and funds from its partnership with some foreign Development Finance Institutions. The Fund is a

revolving fund that operates in priority sectors such as agriculture, pharmaceuticals, ICT, tourism and energy with the exception of imports to sell. The Fund started with a seed funding of GHC 22.4 million from the Government of Ghana. The Fund monies are made available to investee companies through intermediary institutions called Venture Capital Finance Companies (VCFC), which are tax-exempted. The Venture Capital Finance Companies (VCFCs) take monies from the Venture Capital Trust Fund (VCTF) in the form of debt, equity or both.

### **Major Players (companies) in Venture Capital Industry in Ghana**

The Venture Capital Finance Companies (VCFCs) are established in partnership with private companies and some other government institutions. These VCFCs are headed by Fund Managers who are basically investment bankers and advisory service providers licensed by the Securities Exchange Commission (SEC). The Venture Capital Finance Companies (VCFCs) include

- Bedrock Venture Capital Finance Limited, which is a partnership between National Investment Bank and SIC Insurance Company Limited.
- Gold Venture Capital Limited.
- Fidelity Equity Fund II, which emerged from partnership with SSNIT, Fidelity Capital Partners, FINNFUND, SOVEC, OIKOCREDIT, SIFEM and FMO.
- Ebankese Fund Limited, partnership of HFC Bank (now Republic Bank), Ghana Union Assurance, WDBI and Oasis Capital.
- Activity Venture Finance Company, partnership between ADB and GCB.

### **Requirement(s) for accessing funds from the Venture Capital Finance Companies (VCFCs) by businesses**

A minimum of 51% equity contribution from the business owner (not necessarily cash) is required to access the funds from the VCFCs. VCTF does not require any collateral for accessing the funds. A good and viable project is main requirement stated for accessing venture capital funds in Ghana.

Apart from the venture capital industry, the business incubator industry in Ghana is also a growing one with a few significant players;

The ***Meltwater Entrepreneurial School of Technology (MEST)*** and the MEST incubator program provide training, investment and mentoring for aspiring technology entrepreneurs with the goal of creating globally successful companies that create jobs and wealth in Africa.

The ***Ghana Centre for Entrepreneurship, Employment, and Innovation (GCEEI)*** provides budding entrepreneurs with the prerequisite training needed to build successful global and

local businesses.

**Ghana StartUp Capital Fund** provides businesses and startup incubators to assist entrepreneurs and businesses to become established and sustainable during their startup phase.

**ServLed** is an incubator whose goal is to become the primary hub for growing world-class African businesses that are sustainable, are socially responsible and operate with integrity and above reproach.

**Reach for Change (R4C)** run innovation competitions, accelerators and incubators that enable social entrepreneurs, with innovations that solve pressing issues facing children, youth and women to scale nationally and regionally in Ghana. R4C are based in Accra supporting social entrepreneurs across the country and also have operations in six other African countries: Senegal, DR Congo, Chad, Rwanda, Tanzania and Ethiopia.

However, the uniqueness of the **Pesewa Model** is its use of Entrepreneur-Managers. Unlike the traditional incubators that usually invest in externally cultivated ideas and projects, Pesewa ONE has developed a team of motivated and high achieving young managers who lead and own their businesses. These new breed of in-house Entrepreneur-Managers ensures synergy among Pesewa ONE's businesses and reduces the risks associated with starting these ventures. Every new business of Pesewa ONE therefore has the benefits of the brand and administrative structure of the other businesses; while minimizing costs and the need to employ too many people at the start of their enterprises.

Pesewa ONE's Entrepreneur-Managers are also exceptional individuals who run their various businesses independently ensuring that Pesewa ONE can remain a lean organisation despite having a number of enterprises as a part of its business incubator.

## PART IV: INFORMATION ON PESEWA ONE PLC

### 4.1 Information on Shareholders

The current number of authorized shares is 10,000,000 ordinary shares of no par value of which 5,000,000 shares have been issued. The current shareholding is as follows:

Shareholder	No of Shares	Percentage Shareholding
Prince Abbey	1,877,500.00	37.55%
Anita Abbey	1,250,000.00	25.00%
Osei Yaw Adjei	500,000.00	10.00%
Eben Asamoah Bediako	500,000.00	10.00%
Green Vine Ventures Fund	150,000.00	3.00%
Abdul Jaleel Hussein	125,000.00	2.50%
Dr Leslie Ofori	125,000.00	2.50%
Emmanuel Asare	100,000.00	2.00%
Anita Addo	75,000.00	1.50%
Ruth Owusu Ansah	55,000.00	1.10%
Francis Sosu	45,000.00	0.90%
Alexander Tetteh	25,000.00	0.50%
Carlotta Sefakor Boadu	25,000.00	0.50%
Abass Adams	25,000.00	0.50%
Clement Abeyinga	25,000.00	0.50%
Clement Anyarkoh	25,000.00	0.50%
Emmanuel Dogbey	25,000.00	0.50%
Richard Atror	15,000.00	0.30%
Kofi Mensah Eyeson	5,000.00	0.10%
Maame Efe Adjei-Asiedu	5,000.00	0.10%
Solomon Tetteh	5,000.00	0.10%
Richard Tetteh	5,000.00	0.10%
Bright Afriyie	5,000.00	0.10%
Delight Geli	5,000.00	0.10%
Victor Easmon	2,500.00	0.05%
	5,000,000.00	

Table 4: Shareholder Profile

## 4.2 Shareholding Analysis

The shareholding distribution is as below

Category	No of holders	No of shares	% of Shareholding
1-1,000	0	0	0.00%
1,001-5,000	7	32,500.00	0.65%
5,001-10,000	0	0	0.00%
10,000,-50,000	8	210,000.00	4.20%
Over 50,000	10	4,757,500.00	95.15%

Table 5: Shareholding Analysis

## 4.3 Issued Share Capital

The number of issued shares is 5,000,000 ordinary shares of no par value.

## 4.4 Information on Directors & Management

Pesewa ONE has a six (6) member Board of Directors as the apex body that formulates policies and strategies and sets targets for the Company's performance. There are no relations among the members of the Board.

Name	Nationality	Age	Qualification	Profession	Position	Other Directorship	Date of appointment
Franklin Owusu Karikari	Ghanaian	38	BCom, Cert. Expert (SME Finance)	Public Servant	Chairman (Independent)	E-Juice Co. Ltd., F&J Partners	29 <sup>th</sup> August, 2019
Dr. Prince Abbey	Ghanaian	37	PhD	Entrepreneur	Chief Executive Officer	Slateboard Limited	29 <sup>th</sup> August, 2019
Osei Yaw Adjei	Ghanaian	43	MA	Marketing Consultant	Executive Director	Wealth Stream Consult	29 <sup>th</sup> August, 2019
Araba Twiba Ahorbo	Ghanaian	39	MA	Entrepreneur	Independent Director	Martx Innovations Limited	29 <sup>th</sup> August, 2019
Abdul Jaleel Hussein	Ghanaian	38	MSc, CFA	Banker	Non-Executive Director	Plankton Partners Limited, Pent Solutions, NIH Consulting	15 <sup>th</sup> May, 2020
Vak Stephens	Ghanaian	38	MBA, FCCA	Finance & Management Consultant	Independent Director		Proposed

Table 6: Board of Directors

**Franklin Owusu-Karikari** is a TEEP1000 PAN African Entrepreneur, a Business Coach, Author, Speaker, certified trainer in Entrepreneurship Development and a Certified Expert SME Finance. Franklin is currently the Director of Business Support for the National Entrepreneurship and Innovation Plan under the Office of the President in Ghana and the Executive Director of Eunifrank Consult (an Accounting and Management Consulting Firm). Franklin is a former Managing Director of a 21-branch Financial Institution and a former General Manager of a private Television company in Ghana. Franklin is an IBA Accelerator and a mentor. He currently trains thousands of young professionals in Ghana and across Africa to build sustainable businesses to compete on the global stage.

Franklin enjoys training start-ups and SME's on how to build businesses from scratch, developing blue prints for start-ups, fundraising for start-ups and SME's, Business Management skills and building strong corporate governance systems. He is a top class SME Consultant and sits on many Business Panel pitches across Ghana and Africa. He is currently part of the Negotiation Team on the Ghana Economic Transformation programme with the World Bank.

**Dr. Prince Abbey** is the CEO & Entrepreneur-in-Residence at Pesewa ONE. Dr. Abbey is an entrepreneur and a well-rounded finance professional with a strong academic background. He holds a PhD in Economics and Industrial Governance from the University of Bath, UK, a Masters in Economic Competitiveness and International Business with the University of Birmingham, UK and a BSc. in Banking & Finance from the University of Ghana Business School. He is a published scholar and a reviewer with the Journal of Global Business and Political Economy (Competitiveness & Change).

Dr. Abbey's career background of 15 years of experience in Ghana's financial industry includes corporate analysis on over 300 firms listed on stock markets across Africa and advisory services to various Ghanaian businesses including rural banks and prospective enterprises under the 'President's Special Initiative' programme in 2004. He was the Coordinator for the West Africa Capital Market School from 2008-2010 and founded the DUES Clubs Wealth Creation Programme which set up 50 Tertiary Investment Clubs and signed up over 20,000 Ghanaians to various investment products. Dr. Abbey has worked with Databank Financial Services, CDH Financial Holdings and, as a part of his PhD, taught Business Strategy for four years at the University of Bath.

He has been a part of many start-up companies including LIFEX Microfinance, IMONDE Limited (UK), Sellers Club of Ghana, Faune House and currently Pesewa ONE. His vision at Pesewa ONE is to Organise Africa's Economy and double the GDP of the continent in 5 years.

**Osei Yaw Adjei** is an Executive Director of Pesewa ONE, an entrepreneur and currently the CEO of Wealthstream Consult; a sales and marketing consultancy firm. He is also a managing partner of iService; an automobile service center in Kumasi, Ghana. He holds a Masters Degree in Marketing from Paris Graduate School of Management and a Postgraduate Diploma in Management Studies from the International Professional Managers Association. He is a finalist of the Chartered Institute of Marketing UK.

Osei has over 15 years experience in financial services sales and marketing. He worked with the Databank Group and rose to the level of Senior Investment Analyst in charge of Sales and Marketing in Kumasi and the Northern regions. During his tenure at Databank, Osei designed and initiated a lot of informal sector programmes and was the main intermediary between the informal sector clients and the investment bank. He was integrally involved in identifying institutional clients, especially rural banks in the Ashanti, Brong Ahafo and the Western regions in Ghana.

He has served on the boards of several financial institutions. Currently he is a director of ASK Micro Credit services, which focuses on providing financial support to small scale entrepreneurs. He is married to Esther Adwoa Adjei with 2 children.

**Araba Twiba Ahorbo** is a seasoned entrepreneur and currently a director with Twine Stitches, Abede Food Processing, Martx Innovations and Manifest Theatre. Mrs. Ahorbo is a seasoned multitasking manager with various background experience in banking, pensions, research, international trade, marketing and financial analysis.

She has held various managerial positions in banking, pensions and consulting services including Branch Manager of several banks branches in Zenith Bank and UMB, CEO of Haven Trust Pensions Ltd. and Business Development Manager of Zenith Bank Ghana Custodians.

She holds a Bachelor of Arts degree in Sociology from University of Ghana and an Executive Master's degree in International Business from Paris Graduate School of Management. Twiba has over 14 years of banking experience and she currently runs her own businesses.

**Vak Stephens** is a New York based finance professional with over 14 years of combined banking, finance, and management consulting experience across multiple geographies and cross-functional areas including corporate finance, international trade, corporate and investment banking, and structured finance. He holds an in-depth knowledge of the evolving global financial services industry, and has contributed significantly to industry thought leadership content on the future of finance.

His management consulting experience covers corporate strategy, finance transformation, performance improvement and management, process reengineering, MIS implementation, commercial due diligence, post-merger integration, data management strategy, operating model assessment, market wallet sizing, regulatory reporting, and banking software migration, all across multiple countries working with cross-functional teams.

His transaction experience includes structuring financing solutions for cross-border and international trade transactions in commodities, power distribution, power generation, utilities, manufacturing, and energy.

He is a Chartered Certified Accountant (ACCA), and holds a degree in Business Administration from the University of Cape Coast, and an MBA from the University of Virginia Darden School of Business (USA).

**Abdul-Jaleel Hussein, CFA**, is an accomplished financial analyst and banker with extensive experience in delivering financial services to large local corporates and medium-sized businesses. He has rich experience gained in the areas of project management, project finance, credit risk management, training, customer development, portfolio management, product development, product management and trade finance. He has over 12 years' experience working in various roles across two international banks. Prior to his current role as Head of Commercial at Stanbic Bank, where he is responsible for the Commercial Banking business of the bank, he has held roles in credit risk management, product management and development as well as Agribusiness across the banks he has worked.

Jaleel has experience in environment management systems and in designing work procedures for a manufacturing firm. He played a pivotal role in leading a cement manufacturing company to an ISO 14001 certification, providing internal environmental management system audits, safety audits and training for the staff of the company.

Jaleel is a charterholder of the prestigious Chartered Financial Analyst (CFA®) and holds a first-class degree in Chemical Engineering from the Kwame Nkrumah University of Science and Technology. He has a masters' degree in Development Finance from the University of Ghana. He is a certified Environment Management Systems (ISO 14001) internal auditor and holds executive certificates in marketing strategy and entrepreneurship from the London Business School.

Married with 2 daughters, he enjoys watching movies and football.

#### 4.5 Disclosure of Interests by Directors

As at the date of this statement, the following Directors held directly or indirectly relevant interests in ordinary shares of Pesewa ONE as follows:

Name of Director	No. of Shares	% Holding
Prince Abbey	1,877,500.00	37.55%
Osei Yaw Adjei	500,000.00	10.00%
Abdul Jaleel Hussein	125,000.00	2.50%

Table 7: Shareholding of Directors

#### 4.6 Other Director Disclosures

No petition under any bankruptcy laws in any jurisdiction has been filed against any Director or any persons nominated to become directors or any partnership in which he was a partner or any corporation of which he was a director or chief executive officer.

No Director or persons nominated to become Directors has been convicted of fraud, misappropriation or breach of trust or any other similar offence.

No Director or persons nominated to become Directors has been the subject of any order, judgment or ruling of any court of competent jurisdiction or administrative body enjoining him from acting as an investment adviser, dealer's representative, investment representative, a director of a financial institution.

#### 4.7 Senior Management

Name	Nationality	Qualification	Position
Dr. Prince Abbey	Ghanaian	PhD, Industrial Economics	CEO
Osei Yaw Adjei	Ghanaian	MA, Marketing	Executive Director
Dr. Leslie Ofori	Ghanaian	MD, CBB	Head, Businesses Strategy
Emmanuel Asare	Ghanaian	BSc. Environ. Science	Deputy CEO & Head, Operations
Anita Addo	Ghanaian	BSc, Finance	Head, Administration
Ruth Owusu-Ansah	Ghanaian	HND, Computer Science	Head, Technology
Francis Ennuson	Ghanaian	BSc. Accounting	Head, Media & Logistics

Table 8: Senior Management

**Dr. Prince Abbey** is the CEO & Entrepreneur-in-Residence at Pesewa ONE. Dr. Abbey is an entrepreneur and a well-rounded finance professional with a strong academic background. He holds a PhD in Economics and Industrial Governance from the University of Bath, UK, a Masters in Economic Competitiveness and International Business with the University of Birmingham, UK and a BSc. in Banking & Finance from the University of Ghana Business School. He is a published scholar and a reviewer with the Journal of Global Business and Political Economy (Competitiveness & Change).

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He has been a part of many start-up companies including LIFEX Microfinance, IMONDE Limited (UK), Sellers Club of Ghana, Faune House and currently Pesewa ONE. His vision at Pesewa ONE is to Organise Africa's Economy and double the GDP of the continent in 5 years.

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He has served on the boards of several financial institutions. Currently he is a director of ASK

Micro Credit services, which focuses on providing financial support to small scale entrepreneurs. He is married to Esther Adwoa Adjei with 2 children.

**Dr. Leslie Ofori** is Head of Businesses Strategy at Pesewa ONE. Leslie is a U.S trained medical doctor, business broker and entrepreneur. He started his high school education at St. Augustine's in Cape Coast but relocated to Atlanta, Georgia where he completed high school at Norcross High. From there he started his pre-med curriculum at Rutgers University in New Jersey and completed college with his biology degree at University of Georgia (UGA) in Athens, Georgia. After UGA he completed his medical degree at Medical College of Georgia in Augusta, Georgia and completed his Internal Medicine Internship at Mercer University. He then spent the rest of his career in the U.S.A as a healthcare business executive until his return to Ghana in 2018 where now practices as a medical doctor as well as a business executive.

Leslie's interest in business and entrepreneurship spans back to his childhood but his professional business career primarily involved the business of healthcare where he served as the co-owner of a healthcare company that owned 2 clinics in the U.S. He later became a certified business broker and business consultant specializing the buying and selling of health related businesses as well as consulting with owners on optimizing the businesses in lieu acquisitions or dispositions of such businesses. He is also an investor and advisor to several startup and small businesses spanning U.S. , U.K, Ghana and Liberia

**Emmanuel Asare** is Deputy CEO in charge of Operations. Prior to joining Pesewa ONE, Emmanuel had created an enviable reputation in investment marketing and product development while working at Databank Financial Services and OmniBank. He pioneered and led teams in product development and direct sales across the country over a 10 year period as New Business & Product Manager.

He is also a member of the Chartered Institute of Marketing and a fellow of JA Ghana Alumni where he volunteers his time mentoring the next generation of Ghanaian youth on Entrepreneurship and Financial literacy through the JA Company Program. He holds a BSc in Biological Science (Environmental Sciences) from University of Cape Coast.

**Anita Addo** is Head of Administration at Pesewa ONE PLC. She is also CEO of Dream Lenz, a business she started 3 years ago in corporate and event photography which is now a part of the Pesewa ONE Incubator. Anita has a degree in Banking & Finance from the University of Professional Studies and has worked at the University of Professional Studies, Access Bank,

Multichoice Ghana and Evergreen Multimedia.

She has a background in Business Administration, Marketing, Events Organisation and Corporate Relations. Anita's goal in the next five years is to be at the forefront of corporate services in Africa; and enjoys working with well-motivated young people.

**Ruth Owusu-Ansah** is the Head of Technology for Pesewa One PLC; managing software projects, our digital space and teams to help build enterprise solutions for our in-house businesses. Ruth holds an HND in Computer Science from the Kumasi Technical University and is currently pursuing a BSc. In Computer Science degree at the Accra Institute of Technology.

She has certifications with Google, Andela and IBM and has 4 years of experience as a project manager on a number of IT projects involving Data Analysis, Software Development, UI/UX Design, Digital Skills Marketing, Web Design & Development and Database Design and Development (MySQL). Ruth's goal is to build a platform to manage a team of about 1,000 young programmers and digital marketers across the continent to provide technological resources for young entrepreneurs.

**Francis Ennuson** is a trained accountant with Baah and Associates Chartered Accountants. He holds a BSc. Degree in accounting from the Central University. His work experience prior to joining Pesewa ONE PLC includes Innovare Ghana Limited, Kosmos Energy Ghana, MTN Ghana, Electoral Commission of Ghana and Baah and Associates.

Francis has a keen understanding of accounting principles and practices, internal controls measures, logistics management and risk assessment. He is also well conversant with media outreach and provides such support to the Management Team of Pesewa ONE PLC.

#### **4.8 General Staff Profile**

The Company currently has a permanent staff strength of 10 with a breakdown as follows;

Category	Number
Management	7
Team Leaders	3

Table 9: General Staff Profile

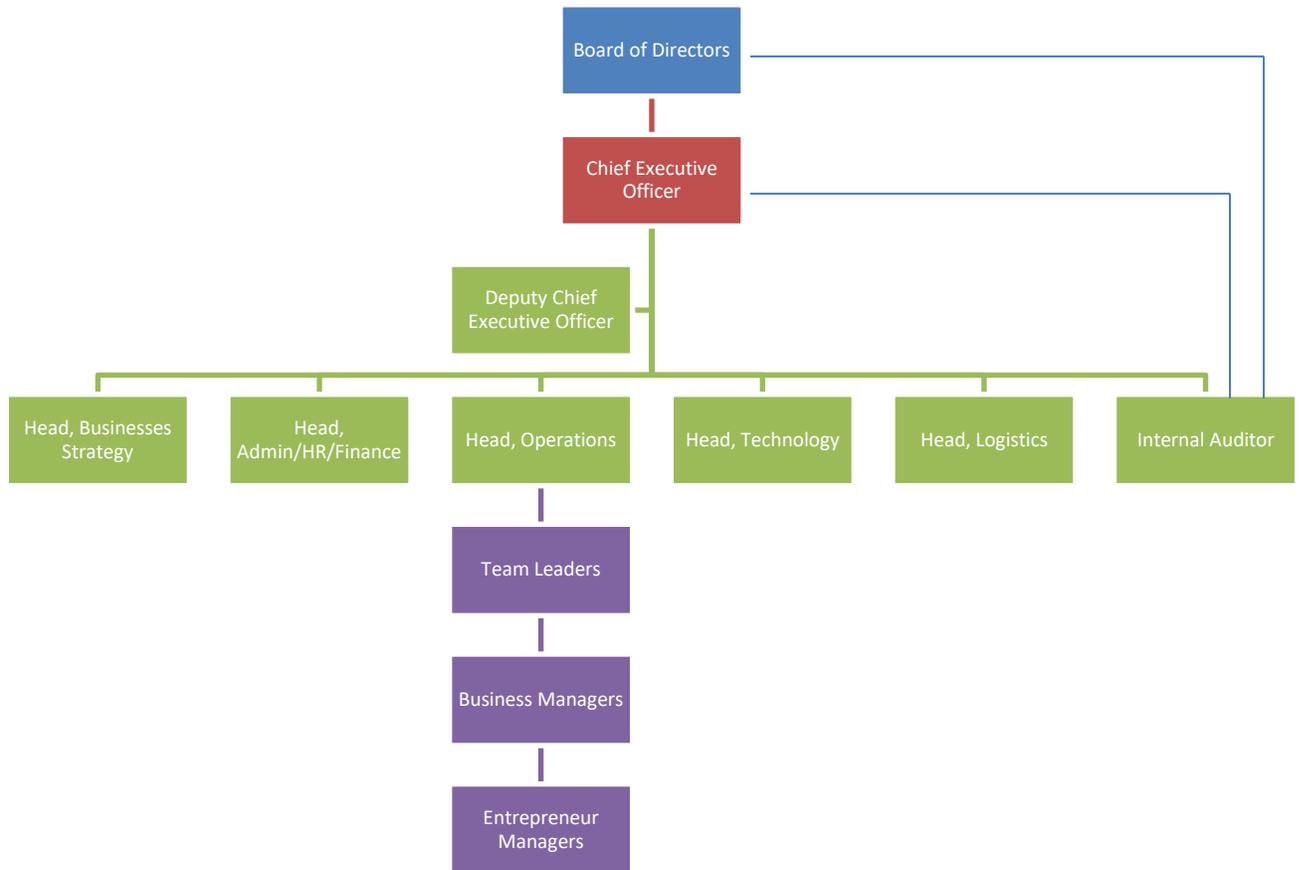


Figure 3: Organisational Chart of Pesewa ONE PLC

The Company also works with 35 Business and Entrepreneur Managers and 2,300 Jobbers and Virtual Interns.

#### 4.9 Vision, Mission & Objectives

The vision of Pesewa ONE PLC is to *build Ghanaian businesses that can go global*. This is informed by the mission of the company to *Organise Africa's Economy* through people, technology and data.

The values of Pesewa ONE PLC revolves around four Adinkra symbols namely;

- **Nyame Nti** – Dependence on God's grace
- **Nkinkyim** – Ingenuity

- **Nyansapo** – Wisdom & Patience
- **Bese Saka** – Abundance

The corporate objectives of the company are;

1. To build 100 authentic African businesses under the Incubator
2. To provide entrepreneurial and job opportunities for 100,000 African youth
3. To build an innovative technological and media platform to sustain the development of young entrepreneurs and the informal sector in Africa on [www.pesewaone.com](http://www.pesewaone.com)

#### **4.10 Corporate Governance**

The Board has established a Finance Committee, Audit Committee and Human Resource Committee. Ad-hoc committees may be set up by the Board to consider specific issues when the need arises.

##### **Finance Committee:**

The duties of this committee are to;

- Develop financial regulations for the Company;
- collaborate with management in managing the Company's funds;
- review quarterly operational results to ensure that targets are met;
- examine proposals for recurrent revenue and expenditure budgets and make recommendations to the board of directors;
- examine proposals for capital and investment budgets and make recommendations to the board of directors;
- recommend for approval all major capital and investment expenditure;
- develop an investment policy for the Company and monitor its implementation;
- examine management reports as well as audited accounts and make recommendations to the board of directors; and
- undertake any other relevant budgetary and financial assignment that the board may refer to from time to time.

The members of the Finance Committee are Franklin Owusu-Karikari, Osei Yaw Adjei and Prince Abbey.

##### **Audit Committee**

The function of the committee includes;

- overseeing the process relating to Pesewa ONE's financial risk
- overseeing internal control

- examine management judgements and accounting estimates applied in financial reporting
- confer with both management and the external auditor about the financial statement

The members of the Audit Committee are Abdul Jaleel Hussein, Vak Stephens and Osei Yaw Adjei.

### **Human Resource Committee**

The specific duties of this committee are to:

- assist in the recruitment and selection of managerial personnel of the Company;
- examine proposals for manpower needs and staff recruitment;
- examine proposals for conditions of service of Management and Staff and make recommendations to the Board;
- ensure that code of conduct and ethics are clearly defined and implemented; and
- perform any other related matters to be referred to it by the board of directors

The members of the Human Resource Committee are Twiba Ahorbo, Vak Stephens and Franklin Owusu-Karikari.

### **4.11 Risk Factors**

Any investment in Pesewa ONE shares is subject to a number of risks. “A prospective investor should be aware of the risks of investing and should make the decision to invest only after careful consideration and consultation with a professional financial advisor.”

1. There is a risk if Pesewa ONE is not successful in its strategy of creating more businesses in Ghana and Africa. As part of its business strategy and growth plan, Pesewa ONE plans to expand significantly the number of businesses it starts up in the country and across Africa. Pesewa ONE may incur substantial costs in creating these businesses. Pesewa ONE will also be working with a huge number of entrepreneurs across different countries and cultures and this raises issues of culture fit and inadequate human resource. The strategy of creating a number of businesses could also result in cases of significant losses when dealing with unscrupulous persons who pose as willing entrepreneurs but will rather engage in incidents of embezzlement or misappropriation of funds.
2. The various businesses started by Pesewa ONE operate in very competitive industries and, if they are unable to compete successfully, they will eventually fold up. The Company’s

ability to generate attractive returns for its shareholders depends to a large extent, on the management fees and dividends from its incubatee businesses. Also, some competition exists in the business incubator space currently but this is expected to increase as the entrepreneurship potential among young Africans grow and it begins to attract global players such as the Y Combinator and IdeaLab who have more funds for investment as compared to Pesewa ONE.

3. If Pesewa ONE fails to comply with laws and regulations or faces litigation or liability, it may incur costs and expenditures, face potential business interruption and/or regulatory enforcement. Stricter regulatory policies could result in substantial costs and liabilities for Pesewa ONE. Compliance with these laws could result in significant capital expenditures, as well as other costs, thereby potentially harming Pesewa ONE's business, financial condition and results of operations. This risk also extends to all the businesses under the incubator and any issues in relation to this regulatory environment will have a significant effect on the business and profits of Pesewa ONE.

#### **4.12 Dividend Policy**

The Directors intend to adopt a progressive dividend policy, which will reflect the long-term re-investment outlook of Pesewa ONE into growing more businesses in the Incubator, whilst maintaining an appropriate level of dividend cover.

It is expected that the company will pay its first dividend in 2023 and will be about 20% of the profit for the year. This is expected to increase by 10% every year till it reaches 40% of profit. Subsequent decisions will be made on the dividend policy of the company based on performance, growth potentials and any foreseen risks.

#### **4.13 Statement on Indebtedness**

Pesewa ONE PLC currently owes a debt of GHC 148,564 to its Directors. This loan is interest-free.

#### **Documents Attached to the Statement**

Copies of the following documents in respect to the business and affairs of Pesewa ONE PLC and the Listing has been attached to this Statement:

- a. Pesewa ONE's Financials as at 31<sup>st</sup> December, 2019
- b. Reporting Accountant's Report on Projected Financial Statements
- c. Financials for the Company as at Half Year 2020



## VT CONSULT (CHARTERED ACCOUNTANTS)

P.O. BOX 05 153 OSU, ACCRA • 0302 936567 • 0302 936568 • vtconsult\_1@yahoo.com

March 10, 2020.

The Board of Directors  
Pesewa One PLC  
Accra.

Dear Sir,

### **REPORT OF THE INDEPENDENT ACCOUNTANT ON THE SUMMARISED HISTORICAL FINANCIAL STATEMENTS OF PESEWA ONE PLC FOR THE FOUR MONTHS PERIOD ENDING 31<sup>ST</sup> DECEMBER 2019.**

We have reviewed the summarised historic financial statements of Pesewa One PLC for the four-month period ended 31<sup>st</sup> December 2019. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on whether the historic financial information is consistent in all material respects, with the financial statements from which they were derived.

Tanda and Associate Partners have acted as auditors of Pesewa One PLC throughout the period covered by our review. The auditors did not issue a qualified opinion for the financial statements of Pesewa One PLC for the period under review.

We conducted our review in accordance with the International Standard on Review Engagement 2400 (ISRE) as well as the International Standard on Assurance Engagements (ISAE) 3000 "Prospectuses and the Reporting Accountant". This standard and guideline require that we plan and perform our work to obtain moderate assurance as to whether the financial statements are free of material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures apply to financial data and thus provide less assurance than an audit. We have not performed a full scope audit, and accordingly, **we do not express an audit opinion.**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements for the four - month period ended 31<sup>st</sup> December 2019 do not give a true and fair view (or are not presented fairly, in all material respects) in accordance with International Reporting Standards and in a manner required by the Companies Act, 2019 (Act 992).

Yours faithfully,

**VICTOR TETTEH**  
Practicing Certificate: Licence No. ICAG/ P/1086

**VT CONSULT**  
Chartered Accountants  
Accra-Ghana  
Licence Number: ICAG/F /2020/131

# **PESEWA ONE PLC**

## **REPORTS AND FINANCIAL STATEMENTS FOR THE FOUR-MONTH PERIOD ENDED 31<sup>ST</sup> DECEMBER 2019**

PESEWA ONE PLC

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**PESEWA ONE PLC**

**CORPORATE INFORMATION**

Board of Directors:

Franklin Karikari  
Prince Abbey  
Osei Yaw Adjei  
Twiba Ahorbo

Secretary:

Kojo Asare-Boateng  
P. O. Box GP 21500  
Accra

Registered Office:

9 Liberty Street  
New Akuyea Addy Lane  
Adabraka,  
Accra - Ghana

Auditors:

Tanda and Associate Partners  
Labanon Zone 3  
Azuma St. Ashaiman  
P. O. Box AS 272  
Ashaiman, Accra - Ghana

Bankers:

Fidelity Bank Limited

Solicitor:

Lex Premier & Associates  
89 Star Oil Filling Station Building  
Baatsonaa - Spintex Road, Accra

**REPORT OF THE DIRECTORS  
TO THE MEMBERS OF PESEWA ONE PLC**

The Directors of the Company present their report and the audited financial statements for the four-month period ended 31<sup>st</sup> December 2019.

**NATURE OF BUSINESS**

The Company has been registered to carry on the following activities:

- a) Incubating & Supporting Start-up businesses;
- b) Providing Service Platforms for Companies and Start-Ups; and
- c) Gathering and Providing Data to Institutions & Organisations.

**FINANCIAL STATEMENTS AND DIVIDENDS**

The results for the period are as set out in the attached Financial Statements.

The Directors consider the state of affairs of the Company to be satisfactory.

The Directors do not recommend the payment of a dividend.

**AUDITORS**

Tanda and Associate Partners have indicated their willingness to continue in office as external auditors of the Company in accordance with Section 137 of the Companies Act 2019, (Act 992).



.....) )



) **DIRECTORS**

.....)  
**ACCRA**

.....1<sup>st</sup> March..... **2020**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PESEWA ONE PLC**

### **Opinion**

We have audited the financial statements of Pesewa One PLC, which comprise the statement of financial position as at 31 December 2019, statement of comprehensive income, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Pesewa One PLC for the four month period ended 31 December 2019, and of its financial performance and its cash flows for the period in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs)

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Codes. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Report and the directors' report, as required by the company Act 2019 (Act 992) but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Board directors for the financial statements.**

The Board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of directors is responsible for overseeing the company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of directors, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify our audit.

#### **REPORT ON OTHER LEGAL REQUIREMENTS**

The Companies Act, 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
- iii) the company's statement of financial position and the statement of comprehensive income and retained earnings are in agreement with the books of account.

*Tanda and Associates Partners*

Signed by: Daniel Quampah (ICAG/P/1075)

for and on behalf of:

Tanda & Associate Partners (ICAG/E/2020/369)

Labanon Zone 3  
Azuma St. Ashaiman

P. O. Box AS 272

Ashaiman, Accra – Ghana

*March 1<sup>st</sup>*  
.....2020

**PESEWA ONE PLC**  
**STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS**  
**FOR THE FOUR-MONTH PERIOD ENDED 31<sup>ST</sup> DECEMBER, 2019**

	Note	2019 GH¢
Revenue		60,478
Operating Cost	4	(19,098)
		----- 41,380
Other Income	5	11
		----- 41,391
Selling, Administrative & General Expenses	6	(148,066)
<b>(Loss) before Interest &amp; Taxation</b>		<b>(106,675)</b>
Interest		(4,830)
Taxation	7	0
		-----
<b>(Loss) after Taxation Transferred to Retained Earnings Account</b>		<b>(111,505)</b>
		=====
Balance at 1 <sup>st</sup> September		0
(Loss) after Taxation Transferred from Income Statement		(111,505)
		-----
<b>Balance as at 31<sup>st</sup> December</b>		<b>(111,505)</b>
		=====

The notes on pages 11 to 21 forms an integral part of the financial statements

**PESEWA ONE PLC**  
**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2019**

	Note	2019 GH¢
<b>NON-CURRENT ASSETS</b>	<b>8</b>	<b>21,861</b>
<b>INTANGIBLE ASSETS</b>	<b>9</b>	<b>30,768</b>
<b>CURRENT ASSETS</b>		
Investments	10	231,094
Other Receivables	11	125,590
Cash & Bank	12	14,746
		-----
		<b>371,430</b>
		-----
<b>TOTAL ASSETS</b>		<b>424,059</b>
		=====
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY:</b>		
Stated Capital	13	366,000
Retained Earnings		(111,505)
		-----
<b>TOTAL EQUITY</b>		<b>254,495</b>
		-----
<b>LONG-TERM LIABILITIES</b>		
Loan From Directors	14	148,564
		-----
<b>CURRENT LIABILITIES</b>		
Incubatee Businesses	15	13,000
Other Payables	16	8,000
		-----
<b>TOTAL CURRENT LIABILITIES</b>		<b>21,000</b>
		-----
<b>TOTAL LIABILITIES</b>		<b>169,564</b>
		-----
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>424,059</b>
		=====

The financial statements on pages 7 to 9 were approved by the Board of Directors on 1<sup>st</sup> March, 2020  
And signed on its behalf by



.....

**Director**



.....

**Director**

**PESEWA ONE PLC**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FOUR-MONTH PERIOD ENDED 31<sup>ST</sup> DECEMBER, 2019**

	<b>Stated Capital GH¢</b>	<b>Retained Earnings GH¢</b>	<b>Total GH¢</b>
At 1/09/2019	0	0	0
Capital Injection	366,000	0	366,000
(Loss) for the Period	0	(111,505)	(111,505)
<b>Balance at 31/12/2019</b>	<b>----- 366,000 =====</b>	<b>----- (111,505) =====</b>	<b>----- 254,495 =====</b>

The notes on pages 11 to 21 forms an integral part of the financial statements

**PESEWA ONE PLC**  
**CASH FLOW STATEMENT**  
**FOR THE FOUR-MONTH PERIOD ENDED 31<sup>ST</sup> DECEMBER 2019**

	<b>2019</b> <b>GH¢</b>
<b>OPERATING ACTIVITIES</b>	(106,675)
Operating (Loss) (before Interest and Tax)	
<b>Add /(Less):</b>	
Depreciation	5,465
Amortisation of intangible assets	7,692
Other receivables	(125,590)
Other payables	8,000
Short-term investment	(231,094)
Incubatee companies	13,000
	-----
<b>Net Cash (Outflow) from Operating Activities</b>	<b>(429,202)</b>
<b>Servicing of Financing</b>	
Loan interest	(4,830)
<b>Taxation</b>	
Tax paid	0
<b>Investing Activities</b>	
Purchase of fixed assets	(27,326)
Purchase of intangible assets	(38,460)
	-----
<b>Net Cash (Outflow) before Financing</b>	<b>(499,818)</b>
<b>Financing</b>	
Stated capital	366,000
Directors loan	148,564
	-----
Increase in Cash and Cash Equivalents	14,746
Opening Cash and Bank Balance	0
	-----
<b>Closing Cash &amp; Bank Balance</b>	<b>14,746</b>
	=====

The notes on pages 11 to 21 forms an integral part of the financial statements

**PESEWA ONE PLC**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE FOUR-MONTH PERIOD ENDED 31<sup>ST</sup> DECEMBER, 2019**

**1. CORPORATE INFORMATION**

**1.1 Nature of Company**

Pesewa One PLC is a publicly owned limited liability company incorporated in Ghana under the Companies Act 2019, (Act 992) It operates in Ghana at its registered office at House No. 9 Liberty Street , New Akuyea Addy Lane, Adabraka. Its main operations are carried out at Adabraka.

**2. BASIS OF ACCOUNTING**

These Financial Statements have been prepared under the historical cost basis, except for financial assets and liabilities held at fair values that have been measured at fair value initially and/or subsequently.

**3. ACCOUNTING POLICIES**

The following Accounting Policies adopted have been consistently applied in dealing with items, which are considered material in relation to the Company's Financial Statements.

**A. Depreciation**

Depreciation is provided for on a straight-line basis at rates calculated to write off the cost of each Fixed Asset over its estimated useful economic life. The carrying amounts of the Fixed Assets are assessed whether they are recoverable in the form of future economic benefits. If the recoverable amount of any asset has declined below its carrying amount, an impairment loss is recognised to reduce the value of the asset to its recoverable amount.

The annual rates generally in use are as follows:

Office Equipment	-	20%
Furniture and Fittings	-	20%
Computers and Printers	-	20%

Gains and losses on disposal of Fixed Assets are determined by comparing proceeds from disposal with the carrying amount of Fixed Assets and are recognised in the Income Statement as other income.

**B. Trade Account Receivables:**

Debtors are stated after providing for impairment losses. Specific allowances are made for receivables considered to be doubtful, general allowances for doubtful debts are recorded for the remaining receivables taking into account past experiences.

**C. Foreign Currencies:**

Transactions denominated in foreign currencies are translated into Ghana Cedis and recorded at the rate of exchange ruling at the date of the transactions. Balances denominated in foreign currencies are translated into Ghana Cedis and recorded at the rate of exchange ruling at period end. All differences arising on translation are dealt with in the Income Statement.

**D. Cash and Cash Equivalent:**

Cash and Cash Equivalent comprises cash on hand and bank balances and are carried at amortised cost.

**E. Employee Benefits**

**(i) Defined Contribution Plan**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution to a separate entity and will have no legal or contractual obligation to pay future amounts. Obligations for contributions to defined contribution schemes are recognised as an expense in the income statement when they are due.

**(ii) Short-term Benefits**

Short-term employee benefits are amounts payable to employees that fall due within twelve months after the end of the period in which the employee rendered the related service.

The said benefits are recognised as an expense in the period when the economic benefit is given as an employment cost. Unpaid short-term benefits at the period end are recognised as an accrued expense and any short-term benefits paid in advance are recognised as prepayments.

**F. Revenue**

These are measured at the fair value of the consideration received or receivable and net of discount. Revenue is recognised when significant risks and rewards of ownership have been transferred to the borrower and recovery of the consideration is probable.

**G. Finance Income and Costs**

Finance income comprises interest received on bank balances, funds invested and interest charged to customers on overdue receivables and discounted cheques. Interest income is recognised using the effective interest method in the income statement.

Finance costs comprise interest expense on borrowings and interests charged by the bank. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the income statement using the effective interest method.

**H. Income Tax**

Income tax comprises of only current income tax which is expected to be tax payable on taxable income for the period using the current tax rates applicable and any adjustment to tax payable in respect of previous periods.

	<b>2019 GH¢</b>
<b>4. OPERATING COST</b>	
T-Shirts & Flyers etc.	4,950
Pesewa Cashbook – Printing	10,000
USSD Registration	600
P-Club Handbook	2,500
Prospectus & Envelopes	1,000
Consumables	48
	-----
	<b>19,098</b>
	=====

**5. OTHER INCOME**

Bank Interest Received	11
	==

**6.**

**SELLING, ADMINISTRATIVE AND GENERAL EXPENSES**

	<b>2019 GH¢</b>
Directors remuneration	0
Executive meeting expenses	1,211
Allowances	18,040
Utilities	3,364
Telephone & postage	2,655
Staff training	11,500
Audit fees	8,000
Travelling & transport	29,674
Bank charges	110
Depreciation	5,465
Medical insurance	15,975
Printing & stationery	3,651
Rent	19,200
Lunch/canteen	17,064
Cleaning/sanitation	1,810
Repairs & maintenance	420
Amortisation of networking/software	7,692
Publicity	620

Licences & permits	405
Hotel accommodation	90
Donations & awards	350
Miscellaneous expenses	770
	-----
	<b>148,066</b>
	=====

<b>7. TAXATION</b>	<b>Balance at</b>	<b>Payments</b>	<b>Charge to</b>	<b>Balance at</b>
	<b>01/09/2019</b>		<b>P/L A/C</b>	<b>31/12/2019</b>
<b>Corporate Tax</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
2019	0	0	0	0
	---	---	---	---
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	==	==	==	==

All tax liabilities are subject to the agreement of the GRA (Domestic Tax Division).

<b>8. NON-CURRENT ASSETS</b>				
	<b>Furniture &amp; Fitting</b>	<b>Computers &amp; Printers</b>	<b>Other Office Equipment</b>	<b>Totals</b>
<b>COST</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
At 1/9/2019	0	0	0	0
Additions	13,711	6,365	7,250	27,326
	-----	-----	-----	-----
<b>At 31/12/2019</b>	<b>13,711</b>	<b>6,365</b>	<b>7,250</b>	<b>27,326</b>
	=====	=====	=====	=====
<b>DEPRECIATION</b>				
At 1/9/2019	0	0	0	0
Charge for the Period	2,742	1,273	1,450	5,465
	-----	-----	-----	-----
<b>At 31/12/2019</b>	<b>2,742</b>	<b>1,273</b>	<b>1,450</b>	<b>5,465</b>
	=====	=====	=====	=====
<b>NET BOOK VALUE</b>				

	<b>At 31/12/2019</b>	<b>10,969</b>	<b>5,092</b>	<b>5,800</b>	<b>21,861</b>
		=====	=====	=====	=====
<b>9.</b>	<b>INTANGIBLE ASSETS</b>				
			<b>Mobile Application Software GH¢</b>		<b>Total GH¢</b>
	<b>COST</b>				
	At 1/9/2019		0		0
	Additions		38,460		38,460
			-----		-----
	<b>At 31/12/2019</b>		<b>38,460</b>		<b>38,460</b>
			=====		=====
	<b>AMORTISATION</b>				
	At 1/9/2019		0		0
	Charge for the Period		7,692		7,692
			-----		-----
	<b>At 31/12/2019</b>		<b>7,692</b>		<b>7,692</b>
			=====		=====
	<b>NET BOOK VALUE</b>				
	<b>At 31/12/2019</b>		<b>30,768</b>		<b>30,768</b>
			=====		=====
					<b>2019 GH¢</b>
<b>10.</b>	<b>INVESTMENTS</b>				
	Incubatee Companies				<b>231,094</b>
					=====
<b>11.</b>	<b>OTHER RECEIVABLES</b>				
	Prepayment (Rent)				<b>125,590</b>
					=====
<b>12.</b>	<b>CASH AND BANK</b>				
	Cash-in-Hand				12,645
	Cash-at-Bank				2,101
					-----
					<b>14,746</b>
					=====

<b>13. STATED CAPITAL</b>	<b>No. of Shares 2019 '000</b>	<b>Proceeds 2019 GH¢</b>
<b>AUTHORISED</b> Ordinary Shares		
Of no par value	10,000 =====	0 ==
 ISSUED		
For Cash Consideration	<b>5,000</b> =====	<b>366,000</b> =====

There is no share in treasury and no call or instalment unpaid on any share.

	<b>2019 GH¢</b>
<b>14. DIRECTORS ACCOUNT</b>	<b>148,564</b> =====
These are Long-Term Interest free loans granted the Company for which the Directors do not have any immediate intentions in calling for repayment	
<b>15. INCUBATEE BUSINESSES</b>	
Pesewa House	<b>13,000</b> =====
<b>16. OTHER PAYABLES</b>	
Accruals	<b>8,000</b> =====
<b>17. CONTINGENT LIABILITIES</b>	

There were no contingent liabilities at the balance sheet date.

**18. CAPITAL COMMITMENTS**

There were no commitments for capital expenditure not provided for in the financial statements at the balance sheet date.

**19. EXCHANGE CONTROL**

All remittances from Ghana are subject to the approval of the Exchange Control Authorities.

**20. COMPARATIVE FIGURES**

There were no comparative figures since this is the first set of accounts.

**Schedule I  
PESEWA ONE PLC**

**STATEMENT OF AFFAIRS AS AT 31ST AUGUST 2019**

	<b>DR GH¢</b>	<b>CR GH¢</b>
Revenue		45,477.50
Bank Interest		10.24
T-Shirt & Flyers	4,950.00	
Pesewa Cashback printing	10,000.00	
Company Registration	405.00	
USSD Registration	600.00	
Prospectus & Envelopes	1,000.00	
P-Club Handbook	2,500.00	
Consumables	48.00	
Cleaning and general expenses	1,264.00	
Communication/Internet	2,655.00	
Allowances/Commission	13,940.00	
Repairs	420.00	
Transportation	4,674.00	
Medicals	13,768.33	
Loan Interest	4,830.00	
Rent	12,800.00	
Corporate Social Responsibility	2,300.00	
Lunch	13,454.00	
Publicity & Advertisement	620.00	
Accommodation	90.00	

Utility Bills	1,050.00	
Stationery & Printing	3,354.00	
Miscellaneous	1,980.00	
Audit Fees	7,000.00	
Bank Charges	110.00	
Depreciation	3,643.47	
Office Supplies	250.00	
Amortisation	5,128.00	
Deposit for Shares		367,500.00
Directors Loan		138,564.10
Accruals		7,000.00
Prepayment	134,196.67	
Cash in Hand	100.34	
Cash at Bank	38,312.50	
Equipment	7,250.00	
Furniture	13,711.00	
Computers	6,365.00	
Mobile Applications	38,460.00	
Investments	216,094.00	
Accumulated Depreciation: Equipment		966.67
Accumulated Depreciation: Furniture		1,828.13
Accumulated Depreciation: Computers		848.67
Accumulated Amortisation: Mobile Apps		5,128.00
	-----	-----
	<b>567,323.31</b>	<b>567,323.31</b>
	=====	=====

**PESEWA ONE PLC  
TAX COMPUTATION FOR 2019**

		<b>GH¢</b>
(Loss) before tax		(111,505)
<u>Add back</u>		
Depreciation	5,465	
Donations	350	
	-----	
		5,765
		-----
Adjusted (Loss)		(105,740)
Less Capital Allowances		
Balance b/fwd	0	
Depreciation Allowance	6,738	
	-----	
	6,738	
Less Utilised	0	
	-----	
<b>Balance c/fwd</b>	<b>6,738</b>	<b>0</b>
	=====	-----
Chargeable Income		Nil
<b>Tax thereon @ 25%</b>		<b>Nil</b>

**PESEWA ONE PLC  
CAPITAL ALLOWANCES COMPUTATION  
FOR THE FOUR-MONTH PERIOD ENDED 31ST DECEMBER 2019**

	<b>CLASS RATE</b>	<b>EQUIPMENT</b>	<b>OFFICE FURNITURE</b>	<b>COMPUTERS &amp; PRINTERS</b>	<b>TOTAL</b>
		<b>4</b>	<b>4</b>	<b>1</b>	
		<b>20%</b>	<b>20%</b>	<b>20%</b>	
		<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
WDV b/d		0	0	0	0
Additions		7,250	13,711	6,365	27,326
		-----	-----	-----	-----
		<b>7,250</b>	<b>13,711</b>	<b>6,365</b>	<b>27,326</b>
	DA	1,450	2,742	2,546	6,738
		-----	-----	-----	-----
<b>WDV c/d</b>		<b>5,800</b>	<b>10,969</b>	<b>3,819</b>	<b>20,588</b>
		=====	=====	=====	=====



March 10, 2020.

The Board of Directors  
Pesewa One PLC  
Accra.

Dear Sir,

**REPORT OF THE INDEPENDENT ACCOUNTANT ON THE PROJECTED FINANCIAL STATEMENTS OF PESEWA ONE PLC FOR THE FIVE YEARS ENDING 31<sup>ST</sup> DECEMBER 2020, 31<sup>ST</sup> DECEMBER 2021, 31<sup>ST</sup> DECEMBER 2022, 31<sup>ST</sup> DECEMBER 2023, 31<sup>ST</sup> DECEMBER 2024.**

We have examined the accompanying financial projections of Pesewa One PLC for the years ending 31<sup>st</sup> December 2020 through to 2024 as set out on pages 65 to 67 of this document in accordance with the Listing Rules of the Ghana Stock Exchange (GSE) 2006, the Companies Act, 2019 (Act 992), the Securities and Exchange Commission Regulation (L.I. 1728) of the Securities and Exchange Commission and the International Standard on Assurance Engagements 3400 (ISAE), applicable to the examination of the prospective financial information. The Directors are responsible for the projected financial information and the assumptions on which they are based as set out on pages 65 to 67.

The projections have been prepared for inclusion in this Circular to prospective investor(s) for the purpose of listing by introduction of Pesewa One PLC on the Ghana Alternative Market of the Ghana Stock Exchange. These projections have been prepared using a set of assumptions that include hypotheses about future events and management's actions that may not necessarily occur in fact. Consequently, readers are cautioned that these assumptions may not be appropriate for the purposes other than those described above.

Based on our examination of the evidence supporting the assumptions including a review of the long term marketing plan of the company designed to achieve the targets set by the projections, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the projections. In our opinion, the forecast financial statements, so far as the accounting policies and calculations are concerned, have been properly compiled on the basis of the assumptions made by the management of Pesewa One PLC and are presented on a basis consistent with the accounting policies normally adopted by the company. Additionally, we emphasise that the projected financial information is not intended to, and do not, provide all the information and disclosures necessary to give a fair presentation in accordance with International Financial Reporting Standards (IFRS).

We do not warrant that the actual results for the projected period will approximate the projection itself because events and circumstances do not frequently occur as expected, and those differences may be material in the appropriate context.

Yours faithfully,

**VICTOR TETTEH**,  
Practicing Certificate: Licence No. ICAG/P/1086

**VT CONSULT**  
Chartered Accountants  
Accra-Ghana  
Licence Number: ICAG/F/2020/131

## FORECAST INCOME STATEMENT

	2020F	2021F	2022F
	GH¢	GH¢	GH¢
<b>INCOME STATEMENT</b>			
Operating Income	526,159	1,052,317	2,104,634
Advertising Income	-	-	300,000
	-----	-----	-----
<b>Total Income</b>	<b>526,159</b>	<b>1,052,317</b>	<b>2,404,634</b>
Direct Operating Cost	(52,616)	(105,232)	(210,463)
	-----	-----	-----
<b>Gross Profit</b>	<b>473,543</b>	<b>947,085</b>	<b>2,194,171</b>
General Administrative & Selling Expenses	(209,402)	(377,250)	(721,672)
	-----	-----	-----
<b>Profit Before Tax</b>	<b>264,140</b>	<b>569,836</b>	<b>1,472,499</b>
Taxation	(65,372)	(148,075)	(380,507)
	-----	-----	-----
<b>Profit After Taxation</b>	<b>198,769</b>	<b>421,760</b>	<b>1,091,992</b>
	=====	=====	=====
	2020F	2021F	2022F
	GH¢	GH¢	GH¢
<b>RETAINED EARNINGS</b>			
Balance as at 1 <sup>st</sup> January	(111,505)	87,264	509,024
Profit for the Year	198,769	421,760	1,091,992
	-----	-----	-----
<b>Balance as at 31st December</b>	<b>87,264</b>	<b>509,024</b>	<b>1,601,016</b>
	=====	=====	=====

## FORECAST FINANCIAL POSITION

	2020F	2021F	2022F
	GH¢	GH¢	GH¢
<b>ASSETS</b>			
Property, Plant & Equipment	44,396	71,931	170,738
Intangible Assets	23,076	15,384	7,692
Long-Term Investments	311,094	611,094	1,211,094
<b>Current Assets</b>			
Other Receivables	94,193	62,795	31,398
Cash and Cash Balances	249,534	507,645	1,256,536
	-----	-----	-----
<b>Total Current Assets</b>	<b>343,727</b>	<b>570,440</b>	<b>1,287,934</b>
	-----	-----	-----
<b>Total Assets</b>	<b>722,292</b>	<b>1,268,848</b>	<b>2,677,458</b>
<b>Equities</b>			
Stated Capital	366,000	366,000	366,000
Retain Earnings	87,264	509,024	1,601,016
	-----	-----	-----
<b>Total Equity</b>	<b>453,264</b>	<b>875,024</b>	<b>1,967,016</b>
<b>Non-Current Liabilities</b>			
Directors Long-Term Loan	148,564	148,564	148,564
	-----	-----	-----
<b>Total Non-Current Liabilities</b>	<b>148,564</b>	<b>148,564</b>	<b>148,564</b>
<b>Current Liabilities</b>			
Incubatee Companies	13,000	13,000	13,000
Other Accounts Payables	42,093	84,185	168,371
Taxation	65,372	148,075	380,507
	-----	-----	-----
<b>Total Current Liabilities</b>	<b>120,465</b>	<b>245,260</b>	<b>561,878</b>
	-----	-----	-----
<b>Total Liabilities</b>	<b>269,029</b>	<b>393,824</b>	<b>710,442</b>
	-----	-----	-----
<b>Total Equity and Liabilities</b>	<b>722,292</b>	<b>1,268,848</b>	<b>2,677,458</b>
	=====	=====	=====

## FORECAST CASH FLOW STATEMENTS

	<b>2020F</b>	<b>2021F</b>	<b>2022F</b>
	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
<b>OPERATING ACTIVITIES</b>			
Operating Profit (before Interest and Tax)	264,140	569,836	1,472,499
Add /(Less):			
Depreciation	12,465	22,465	51,192
Amortisation of Intangible Assets	7,692	7,692	7,692
Other Account Receivables	31,398	31,398	31,398
Other Account Payables	34,093	42,092	84,186
Incubatee Companies	0	0	0
	-----	-----	-----
<b>Net Cash Inflow from Operating Activities</b>	<b>349,788</b>	<b>673,483</b>	<b>1,646,967</b>
<b>TAXATION</b>			
Tax paid	0	(65,372)	(148,075)
<b>Investing Activities</b>			
Purchase of Fixed Assets	(35,000)	(50,000)	(150,000)
Long-Term Investments	(80,000)	(300,000)	(600,000)
	-----	-----	-----
<b>Net Cash Inflow before Financing</b>	<b>234,788</b>	<b>258,111</b>	<b>748,892</b>
<b>Financing</b>			
Stated Capital	0	0	0
Directors' Long-Term Loan	0	0	0
	-----	-----	-----
<b>Increase in Cash and Cash Equivalents</b>	<b>234,788</b>	<b>258,111</b>	<b>748,892</b>
Opening Cash and Bank Balance	14,746	249,534	507,645
	-----	-----	-----
<b>Closing Cash &amp; Bank Balance</b>	<b>249,534</b>	<b>507,645</b>	<b>1,256,537</b>
	=====	=====	=====

## FINANCIAL FORECAST ASSUMPTIONS

FINANCIAL FORECAST ASSUMPTIONS			
ITEMS	2020E	2021E	2022E
INCUBATEE (NO. OF START-UPS)	55	75	100
REVENUE GROWTH (CAGR-%)	114		
PBT MARGINS (%)	50	46	39
RECEIVABLES (% REVENUE)	18	6	1
PAYABLES (% OF EXPENSES EXC. DEPR.& AMORT.)	10	10	10
DEPRECIATION (%)	20	20	20
CAPEX(GHS)	35,000	50,000	150,000
LOANS(GHS)	148,564	0	0
INTEREST (%)	0	0	0
LONG TERM INVESTMENT (GHS)	80,000	300,000	600,000
DIVIDEND (GHS)	0	0	0
DISINVESTMENT (GHS)	0	0	0
TAXATION (%)	25	25	25
<b>NOTE:</b>			
1. NO DIVIDENDS ARE EXPECTED IN THE NEXT 3 YEARS TO ENABLE PLOUGHING BACK OF PROFIT			
2. AFTER 5 YEARS, MANAGEMENT SHALL EXIT ITS EQUITY INTEREST ON AVERAGE TWO INCUBATEES BY LISTING THEM ON THE GAX.			
3. DIRECTORS HAVE PROVIDED A NON-INTEREST PAYING LOAN FOR 3 YEARS			

## MANAGEMENT ACCOUNTS FOR THE HALF YEAR 2020

### INCOME STATEMENT

	<b>Six Months to June 2020</b>
	<b>GH¢</b>
<b>INCOME STATEMENT</b>	
Operating Income <span style="float: right;">Note 1</span>	100,829
Advertising Income	-
	-----
<b>Total Income</b>	<b>100,829</b>
Direct Cost	(79,733)
	-----
<b>Gross Profit</b>	<b>21,097</b>
General Administrative & Selling Expenses <span style="float: right;">Note 2</span>	(19,439)
	-----
<b>Profit Before Interest &amp; Tax</b>	<b>1,658</b>
Interest	(1,000)
Taxation	(2,150)
	-----
<b>Loss After Taxation</b>	<b>(1,493)</b>
	=====
	<b>GH¢</b>
<b>RETAINED EARNINGS</b>	
Balance as at 1 <sup>st</sup> January	(111,505)
Loss for Six Months to June	(1,493)
	-----
<b>Balance as at 30<sup>th</sup> June</b>	<b>(112,998)</b>
	=====

**NB: Income from our Contracts with iPay, Dalex Capital and Grant Foundation was impacted by the COVID-19 pandemic**

## FINANCIAL POSITION

	<b>Six Months to June 2020</b>
	<b>GH¢</b>
<b>ASSETS</b>	
Property, Plant & Equipment	21,861
Intangible Assets	30,768
Long-Term Investments <b>Note 3</b>	270,251
<b>Current Assets</b>	
Other Receivables <b>Note 4</b>	119,590
Cash and Cash Balances	5,222
	-----
<b>Total Current Assets</b>	<b>125,172</b>
	-----
<b>Total Assets</b>	<b>447,692</b>
<b>Equities</b>	
Stated Capital	366,000
Retained Earnings	(112,998)
	-----
<b>Total Equity</b>	<b>253,003</b>
<b>Non-Current Liabilities</b>	
Directors Long-Term Loan	162,359
	-----
<b>Total Non-Current Liabilities</b>	<b>162,359</b>
<b>Current Liabilities</b>	
Incubatee Companies	20,000
Other Accounts Payables <b>Note 5</b>	12,330
Taxation	-
	-----
<b>Total Current Liabilities</b>	<b>32,330</b>
	-----
<b>Total Liabilities</b>	<b>194,689</b>
	-----
<b>Total Equity and Liabilities</b>	<b>447,692</b>
	=====

## CASH FLOW STATEMENT

	<b>Six Months to June 2020</b>
	<b>GH¢</b>
<b>OPERATING ACTIVITIES</b>	
Cash Receipts from Operating Activities	100,829
Cash Payments from Operating Activities	(102,322)
	-----
<b>Net Cash Flow from Operating Activities</b>	<b>(1,493)</b>
<b>INVESTMENT ACTIVITIES</b>	
Cash Receipts from Investment Activities	-
Cash Payments from Investment Activities	(39,157)
	-----
<b>Net Cash Flow from Investment Activities</b>	<b>(39,157)</b>
<b>FINANCING ACTIVITIES</b>	
Cash Receipts from Financing Activities	31,125
Cash Payments from Financing Activities	-
	-----
<b>Net Cash Flow from Financing Activities</b>	<b>31,125</b>
Increase in Cash and Cash Equivalents	<b>(9,524)</b>
Opening Cash and Bank Balance	14,746
	-----
<b>Closing Cash &amp; Bank Balance</b>	<b>5,222</b>
	=====

## NOTES

June 2020  
GH¢

### 1. OPERATING REVENUE

Revenue from Incubatee Businesses	100,829
	-----
	<b>100,829</b>
	=====

2.

### ADMINISTRATIVE AND GENERAL EXPENSES

June 2020  
GH¢

Rent	2,000
Imprest	2,138
Utilities	330
T & T	340
Stationary	105
Maintenance	590
IT Expenses	305
Printing	630
SSNIT	2,202
Auditors Fees	2,000
Registrar General Fees	150
AMA Registration Fees	100
Re-imburements	8,550
	-----
	<b>19,439</b>
	=====

June 2020  
GH¢

### 3. INVESTMENTS

Incubatee Companies	<b>270,251</b>
	=====

### 4. OTHER RECEIVABLES

Prepayment (Rent)	<b>119,590</b>
	=====

**5. OTHER PAYABLES**

Short term loan

6,330

Accruals

6,000

=====

**12,330**

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