



To a Future With More Cheers

**ACCRA
BREWERY
PLC**

RIGHTS ISSUE PROSPECTUS



ACCRA BREWERY PLC

(Complied with mandatory re-registration of companies and was incorporated as a public limited liability company in the Republic of Ghana under registration number "PL000082017")

CIRCULAR TO SHAREHOLDERS

in respect of

the Non-Renounceable Rights issue of **1,125,000,000 ordinary shares** of no-par value at **GHS 0.20 per share** in a ratio of **1 new share for every 0.2217 shares currently held** by a Qualifying Shareholder.

Offer opens: 20th October 2022
Offer closes: 27th October 2022

ADVISORS

Lead Manager & Sponsoring Broker



Legal Adviser



Escrow Account Bank



Reporting Accountants



This Circular is dated 13th September 2022

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Accra Brewery Plc (“**ABPLC**”, the “**Company**” or the “**Issuer**”) is a public limited liability company incorporated under the Companies Act of Ghana, 1963 (repealed by the Companies Act, 2019 (Act 992) the “**Companies Act**”) with 3,000,000,000 authorised shares.

ABLPLC intends to undertake the Rights Issue (as defined), under which it will issue the Shares on Offer (as defined) at **GHS 0.20 per share** in a ratio of **1 new share for every 0.2217 shares currently held** by a Qualifying Shareholder (as defined). All terms for the Rights Issue as well as a description of ABL and its business activities have been set out in this offer circular (the “**Offer Circular**” or **Offer Document**” or “**Circular**”).

This Circular has been reviewed and approved by the Securities and Exchange Commission (“SEC”) in accordance with section 3(k) of the Securities Industry Act, 2016 (Act 929) (the “Securities Industry Act”) and the Securities and Exchange Commission Regulations, 2003 (LI 1728) (the “SEC Regulations”). In its review, the SEC examined the contents of the Circular to ensure that adequate disclosures have been made.

To ascertain the financial soundness or value of the securities on offer, investors are advised to consult a dealer, investment adviser, or other professionals duly authorised under the Securities Industry Act for appropriate advice.

A copy of this document has been delivered to the Registrar of Companies (the “Companies Registry”) for filing in accordance with section 308 of the Companies Act.

1. GENERAL INFORMATION

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

To the best of the knowledge and belief of the Lead Manager, the Sponsoring Broker, the Reporting Accountant and the Legal Advisor (or any of their respective directors, affiliates, advisors or agents), the Circular constitutes full and fair disclosure of all material facts about the Rights Issue and the Issuer.

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

No person is authorised to give any information or make any representation not contained in this Circular in connection with the Rights Issue, and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Lead Manager.

The distribution of this Circular and the Offer in certain jurisdictions may be restricted by law. Neither the Issuer nor the Lead Manager represents that this Circular may be lawfully distributed, or that the Shares on Offer may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer which is intended to permit an offering of the shares or distribution of this Circular in any jurisdiction where action for that purpose is required. Accordingly, no Shares on Offer may be offered or sold, directly or indirectly, and neither this Circular nor any advertisement or other offering material may be distributed or published, in any jurisdiction, except in circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Circular comes are advised to inform themselves about, and observe any such restriction, on the distribution of this Circular and the Offer.

Neither the delivery of this Circular nor any sale of the Shares on Offer shall, under any circumstances, create any impression that there has been no change in the affairs of the Issuer since the date hereof or that the information contained herein is correct as of anytime subsequent to this date. Any material change (relevant to the Rights Issue) in the affairs of the Issuer during the Offer Period (as defined) will be communicated to the SEC and the investing public.

This Circular does not constitute an offer and may not be used for the purpose of an offer to 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 Issuer accepts no responsibility for any violation by any person of any such restrictions.

Before deciding whether to apply for the Shares on Offer, you should consider whether the Shares on Offer are a suitable investment for you. Their value can go down as well as up. Past performance is not necessarily indicative of future performance. If you need advice, you should consult a suitable professional adviser.

The contents of this Circular do not constitute and are not to be construed as legal, business or tax advice. Each Qualifying Applicant (as defined) should consult his/her/its own legal advisor, financial advisor or tax advisor for legal, financial and tax advice. **To ascertain the financial soundness, investors are advised to consult a dealer, investment advisor or other professional for appropriate advice.**

2. ADVISORS

SBG Securities Ghana Limited (“**SBG**”) is acting as Sponsoring Broker and Financial Advisor for the Issuer in respect of the Rights Issue and consents to act in the capacity stated and to its name being stated in this Circular.

Zoe Lexfields (“**ZL**”) is acting as Legal Advisor to the Issuer in respect of the Rights Issue and consents to act in the capacity stated and to its name being stated in this Circular.

Baker Tilly Andah and Andah (“**BTA+A**”) is acting as the Reporting Accountant to the Issuer in respect of the Rights Issue and consents to act in the capacity stated and to its name being stated in the Circular. Reports issued by BTA+A on the historical information extracted from the signed financial statements for the five years ended 31st December 2020 and the financial projections for the five years ending 31st December 2020, 2021, 2022, 2023 and 2024 are set out in the Circular.

Declaration of Interests by Advisors

As at the date of this Circular:

- a. SBG does not hold any ABLPLC Shares. No employee or principal of the company holds any interest in ABL Shares.
- b. ZL does not hold ABLPLC Shares. No employee or partner of the firm or any of its associated persons holds or has any interest in ABLPLC Shares.
- c. BTA+A does not hold any ABLPLC Shares. No employee or partner of the firm or any of its associated persons holds or has any interest in ABLPLC Shares.

3. FORWARD-LOOKING STATEMENTS

This Circular includes forward looking statements that reflect ABL's intentions, beliefs or current expectations and projections about ABL's future results, operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans, opportunities, trends and the market in which ABL operates. These forward-looking statements are based on numerous assumptions regarding ABL's present and future business and the environment in which the Company expects to operate in the future. Forward looking statements are subject to known and unknown risks, uncertainties and assumptions and other factors that could cause ABL's actual results, operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans or opportunities, as well as those of the markets ABL serves or intends to serve, to differ materially from those expressed in, or suggested by, forward looking statements contained in this Circular.

The Company undertakes no obligation to revise or update any forward-looking statement contained in this document, regardless of whether those statements are affected as a result of new information, future events or otherwise.

4. ROUNDING

Some numerical figures included in this Circular may have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain figures may not be an arithmetic aggregation of the figures that precede them.

5. MARKET SHARE AND INDUSTRY INFORMATION

It is difficult to obtain precise industry and market information on the Ghanaian beverage industry. Generally, information as to the market and competitive position data included in this Circular has been obtained from published financial information and surveys or studies conducted by third-party sources that are believed to be reliable.

No assurance can be given, however, as to the accuracy and completeness of such information, and such market and position data has not been independently verified. The Issuer accepts responsibility only for the correct reproduction of this information.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Issuer and its Directors accept responsibility for the information contained in this Circular.

This Circular has been seen and approved by the Directors, who, collectively and individually, accept full responsibility for the accuracy of the information given and, after making all reasonable inquiries and to the best of their knowledge and belief, there are no facts the omission of which would make any statement in this Circular misleading. The profit forecast of the Issuer contained in this Prospectus has been reviewed and approved by the ABL Board after making all reasonable inquiries.

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



Signature



Signature

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CORPORATE INFORMATION ON ACCRA BREWERY PLC

Issuer: Accra Brewery PLC
22 Graphic Road
Accra, Ghana
Tel: +233 30 268 8853

Directors: Dr. Charles Mensa (*Chairman*)
Mr. Galo Rivera (*Country Director*) (Appointed -1/02/2020)
Mr. Shaun Raposo (*Country Director*) Resigned (31/01/2020)
Mr. Michael Daramola (*Non-Executive Director*) (Resigned (31/03/2020)
Mr. Paul Asamoah (*Executive Director*)

Company Secretary: Lennap and Company
1st Floor, PKF Building
20 Farrar Avenue
P. O. Box GP 1219
Accra, Ghana
Contact: Mary Dodoo

Auditors: Pricewaterhouse Coopers
PwC Tower
A4 Rangoon Lane
Cantonments City
PMB CT 42
Accra, Ghana

Registrars: UMB Bank Limited
Registrars Department
123 Kwame Nkrumah Avenue
Sethi Plaza
Adabraka – Accra

Bankers: Stanbic Bank Ghana Limited
Ecobank Ghana Limited
Standard Chartered Bank Ghana Limited
Absa Bank Ghana Limited
Societe Generale Ghana Limited

Solicitors Jan Chambers
Elsie Court
17 Homowo Avenue
P. O. Box AN 6466
Accra

ADVISORS TO THE TRANSACTION

Lead Manager and Sponsoring Broker: **SBG Securities Ghana Limited**
Stanbic Heights, 215 South Liberation Link, Airport City
P. O. Box CT 2344, Cantonments, Accra, Ghana
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Contact: Fouad Idun-Ogde
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Legal Advisors: **Zoe Lexfields**
No 2 Dei Street
Off Okine Avenue Link
East Legon, Accra

Reporting Accountant: **Baker Tilly Andah + Andah**
Nyanyo Lane, Asylum Down
P. O. Box CT 5443, Cantonments
Accra, Ghana
Tel: +233 302 252 372
Contact: Samuel Abiaw/Emmanuel Adusei
Email: samuel.abiaw@bakertillygh.com

DEFINITIONS

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

Term	Definition
“ABPLC” or the “Company”	Accra Brewery PLC
“ABL Shares”	All issued ordinary shares of ABPLC and Shares on Offer to be issued pursuant to the Offer
“Act 929”	Securities Industry Act, 2016
“Advisors”	SBG Securities Ghana Limited; Baker Tilly Andah + Andah and Zoe Lexfields
“AGM”	An Annual General Meeting of Accra Brewery Plc
“Applicable Laws”	Any constitution, statute, law, rule, regulation, ordinance, judgment, order, decree, consent of a governmental authority, or any published directive, guideline, requirement or other governmental restriction that has the force of law, or any determination by, or interpretation of any of the foregoing by, any judicial authority, that is binding on ABL whether in effect as of the date hereof or as of any date thereafter.
“Application Form”	Application form for the Non-Renounceable Rights Issue
“Application Funds”	Capital raised from subscription to the Rights
“BTA+A”	Baker Tilly Andah & Andah, which is acting as Reporting Accountant to ABPLC in respect of the Rights Issue
“Board” or “Board of Directors”	The board of directors of ABPLC
“BoG”	Bank of Ghana
“Book Closure Date”	The time period when ABPLC will not handle adjustments to the Register of Members, or requests to transfer shares
“Business Days”	A day (other than a Saturday or Sunday of official public holiday) on which commercial banks and foreign exchange markets settle payments and are open for general business in Ghana.
“Companies Act”	Means the Companies Act, 2019 (Act 929) of Ghana or any statutory remodification or re-enactment thereof
“CSD”	Central Securities Depository (GH) Limited
“CSD Account”	An electronic account held with the CSD where a successful applicant’s new ABPLC Shares will be deposited
“Director”	A member of the Board or Board of Directors
“Escrow Account”	A temporary account set up with Stanbic Bank Ghana Limited where all Application Funds collected will be deposited until paid into ABL’s account after the close of the Rights Issue

“Escrow Account Agreement”	A written agreement between ABPLC, SBG and Stanbic Bank Ghana Limited regarding the movement of Application Funds in the Escrow Account during the Offer Period and at the close of the Offer Period
“Extra Shares”	Additional shares over and above those that each Qualifying ABPLC Shareholder is entitled to under the Offer
“FMCGs”	Fast Moving Consumer Goods
“GDP”	Gross Domestic Product
“Ghana”	The Republic of Ghana
“GHS”	Ghana Cedi
“IFRS”	International Financial Reporting Standards
“Offer Closure Date”	The closing date of the Offer, being 27 th October 2022
“Offer Commencement Date”	The opening date of the Offer, being 20 th October 2022
“Offer Period”	The period from the Offer Commencement Date to the Offer Closure Date
“Offer Price”	GHS 0.20 per share under this Offer
“P/E Ratio”	Price/Earnings ratio
“Qualifying Applicant”	Any natural person who is 18 years or over, or a corporation, partnership or other unincorporated associations who are resident/incorporated in Ghana or some other state, or country (and including a Qualifying ABPLC Shareholder) provided that the offer to and acceptance by such an applicant of the Offer is not in contravention of the laws of either that state or country
“Qualifying ABL Shareholder” or “Qualifying Shareholder”	ABL shareholders on the register of shareholders as at the Qualifying Date, and who have no legal restrictions barring them from partaking in the Offer
“Receiving Agent”	SBG Securities or Stanbic Bank Ghana Limited branches who will be receiving applications and payments from Qualifying Applicants under the Offer.
“Register of Members”	The register held by the Registrar that records the names and addresses of the shareholders of ABPLC
“Registrar”	UMB being the registrar of ABPLC at the date of this Circular
“Regulations”	The regulations of ABPLC
“Rights”	The legal and financial right of Qualifying ABPLC Shareholders to partake in the Offer.
“SBG”	SBG Securities Ghana Limited, which is acting as Lead Manager and Sponsoring Broker to ABPLC in respect of the Offer

“SEC”	Securities and Exchange Commission
“SSNIT”	Social Security and National Insurance Trust
“Shares on Offer”	Up to 3,000,000,000 new ordinary shares of ABPLC to be issued pursuant to the Rights Issue in accordance with the terms of the Offer
“ZL”	Zoe Lexfields, a firm of legal practitioners licensed by the General Legal Council operating in Ghana and acting as Legal Advisors in respect of the Rights Issue

KEY MILESTONES AND INDICATIVE TIMELINES

Activity	Date	Time
Offer Commencement Date	20 th October 2022	9:00 a.m. GMT
Offer Closure Date	27 th October 2022	4:00 p.m. GMT
Allotment Begins	28 th October 2022	4.00 p.m. GMT
Allotment Ends	28 th October 2022	4:00 p.m. GMT
Submission of Offer results to the SEC	31 st October 2022	4:00 p.m. GMT

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

PART 1 – THE RIGHTS ISSUE

1.1 Legal Basis for the Rights Issue

At the 46th AGM of ABPLC held on 22nd October 2021, shareholders of ABPLC approved amongst others, a resolution to issue additional shares through a non-renounceable rights issue to raise up to GHS 225 million in accordance with the Regulations, the Companies Act and other relevant laws and regulations and subject to applicable regulatory approvals.

1.2 Rationale for the Right Issue

The rationale of the Rights Issue being undertaken is to raise up to GHS 225 million to enable ABPLC attain an optimal capital structure. Thus, funds raised will be used to reduce ABPLC's intercompany debt. The intercompany debt is the loan from Overseas Breweries to ABPLC used to fund the capital expenditure and investments in ABPLC's growth.

The Company is a subsidiary of Overseas Breweries Limited, a company incorporated in Switzerland. The ultimate holding company is Anheuser-Busch InBev (ABInBev), a company incorporated in Belgium.

1.3 Use of the Proceeds

The Rights Issue is expected to raise up to GHS 225 million. The proceeds shall be utilized as follows:

Expense Item	Amount (GHS)
Reduction in intercompany debt	225,000,000.00
Total	225,000,000.00

1.4 Number of Shares on Offer

The shares on offer comprises 1,125,000,000 ordinary shares.

The Offer comprises a non-renounceable Rights Issue of 1 ordinary share at GHS 0.20 per share to Qualifying Shareholders in a ratio of 1 new share for every 0.2217 existing ordinary shares held.

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

The shares to be issued under the offer will rank pari passu with the ordinary shares of ABPLC already in issue.

1.5 Pricing of the Shares

Following its delisting in 2011, ABPLC's trading price has been confirmed to be GHS 0.14 by UMB Broker Services and has remained unchanged since the company delisted. There has been very limited trading in ABPLC's shares on the over the counter (OTC) market over the years.

In May 2022, ABPLC made an offer to all existing shareholders to purchase all outstanding shares in ABPLC not currently owned by Overseas Breweries Limited being a total of 8,474,907 ordinary shares at an offer price of GHS0.23p to provide an exit mechanism for the shareholding in ABPLC.

The Lead Manager undertook a valuation exercise to determine the fair value of ABPLC for this purpose. The valuation of ABPLC was determined using the following valuation techniques:

- Discounted cashflow valuation and
- Comparable companies' valuation

This offer is priced at GHS0.20p per share which represents a 15% discount to ABPLC's recent Tender Offer price of GHS0.23. If all the shares on offer are fully subscribed for, ABLPLC would raise a total of GHS225,000,000.00.

1.6 Minimum amount to be Raised

The minimum aggregate amount to be raised for the Offer to be declared successful is GHS 45,000,000.00.

1.7 Oversubscription

The Directors shall not issue additional shares of ABPLC to satisfy the excess amount applied for. Any monies received in respect of applications which are not allotted shares, will be returned to the applicants within 10 Business Days of the allotments. Refunds after this period will attract interest at the prevailing Bank of Ghana policy rate until the refund is made unless the Issuer can prove that the default in the repayment was not due to any misconduct or negligence on its part.

1.8 Qualifying Date and Distribution of this Circular

The Shares on Offer will be offered to the ABPLC shareholders whose names appear in the Register of Members as at the Qualifying Date. The Registrar has sent a provisional letter of allotment containing the allotment details and where to obtain copies of the Offer Circular through the post to shareholders of ABPLC on record on the Qualifying Date. Shareholders can obtain copies of the Circular from the offices of SBG Securities and the Registrar.

1.9 Form of the Shares on Offer

The Shares on Offer will, when issued, be held in a physical form. Qualifying Shareholders would receive letters of allotment by the registrar of the company.

1.10 Application

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

1.11 Qualifying Shareholders

Shareholders wishing to take-up their Rights must complete the appropriate sections of the accompanying Application Form in order to exercise their Rights.

1.12 Payment

Payment for the Offer must be in full on application. Payment by installments will not be accepted. SBG reserves the right to reject multiple applications, applications not paid for in full or to be paid by installments.

Payments must be made in GHS. Non-resident shareholders, who execute their rights in United States Dollars, Euros, British Pound Sterling, or a combination of any of these, will have their Rights allocated to them using the prevailing exchange rate specified to them at the date of application. In this regard, the GHS equivalent of the amount being paid by the applicant and the corresponding number of shares being acquired under the Offer will be communicated to the applicant at the point of application.

Payment may be made in cash and by cheque or money order. Cheques and money orders, which will be presented for payment, should be made payable to **ABPLC RIGHTS ISSUE** and should be crossed and marked “**COMMISSION TO DRAWER’S ACCOUNT**”. This endorsement must be signed by the drawer. Applications in respect of which cheques are returned unpaid will be rejected. Bank commissions and the transfer charges on application monies must be paid by the applicant.

1.13 Lodgement of Completed Application Forms

All Qualifying Applicants resident in Ghana must deliver or lodge their duly completed Application Forms at the offices of the Receiving Agents by 4.00pm GMT on the Offer Closure Date.

Qualifying Applicants not resident in Ghana must deliver or lodge their duly completed Application Forms by scanning and emailing them to the Receiving Broker at brokerage@stanbic.com.gh by 4.00pm on the Offer Closure Date. Original completed Application Forms should then be mailed to SBG through a registered mail service.

Applicants who choose to mail their Application Forms to the Receiving Agents are advised to use registered mail services. However, all documents mailed to the Receiving Agents by applicants will be at the applicant’s own risk, and ABPLC may treat applications not received by 4.00pm on the Offer Closure Date as invalid. Applicants are to note that Application Forms must be lodged at the same Receiving Agent office where payment is made for the shares applied for. The Receiving Agent will acknowledge receipt of Application Forms and funds from Qualifying Applicants.

1.14 Escrow Accounts

The details of the Escrow Account are shown below:

Stanbic Bank Ghana Limited.
Head Office, Stanbic Heights
Plot 215 South Liberation Link
Airport City, Accra.

Branch – Airport City
Branch Code – 190100

Account Name	Account Type	Currency	Account Number
ABPLC Escrow Account	GHS	GHS	9040009741601
ABPLC Escrow Account	USD	USD	9040009741628

A copy of the Escrow Account Agreement has been lodged with the SEC and it is one of the documents available for inspection under this offer.

1.15 Allotment

The ABPLC Board will be responsible for the allotment of all Shares on Offer. The Directors reserve the right to accept or reject any application in whole or in part for any reason whatsoever, including for reasons given under Part 6, Additional Terms of the Offer and Guidelines for Completing the Application Form.

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

- a. satisfy all duly completed applications from Qualifying Applicants as pertains to Qualifying Applicants' Rights.

1.16 Cost of the offer

The total cost of the offer is not anticipated to exceed 5% of the amount being raised. ABPLC will pay all fees out of the proceeds of the Rights Issue. Below are the summarized details of the cost of the Rights Offer:

Expense Team	Amount (GHS)	% of Amount to be raised
Professional and Advisory Fees	3,322,703.19	1.48%
<i>Legal Advisory</i>	660,745.53	0.29%
<i>Reporting Accountant</i>	261,957.66	0.12%
<i>Financial Advisory & Brokerage Commission</i>	2,400,000.00	1.07%
Regulatory Fees	1,237,500.00	0.55%
<i>SEC Fees</i>	130,500.00	0.058%
<i>Registrar of Companies</i>	1,125,000.00	0.50%
Other Fees	318,751.76	0.14%
Registrars	22,500.00	0.01%
Media Publicity, Marketing, Printing etc.	292,500.00	0.13%
Total Estimated Cost	4,896,954.95	2.17%

1.17 Offer Statistics

Key details of the offer are:

Authorized Shares	3,000,000,000
Issued Shares	249,446,664
Price per share (GHS)	0.20
Ordinary Shares to be issued under the Offer	1,125,000,000
Expected Shares outstanding after Offer	1,374,446,664
Expected proceeds from the Offer (GHS)	225,000,000

1.18 Documents Available for Inspection

Copies of the following documents in respect of the business and affairs of ABPLC and the Offer may be inspected at the registered office of ABPLC during normal business hours of any working day during the Offer period.

- a. The resolution of the Board of Directors dated 22nd October 2021, authorizing the Rights Issue.
- b. The extract of minutes of the AGM of ABPLC which was held on 23rd July 2021 authorizing the Rights Issue;
- c. ABPLC's audited annual reports for the last five years.

- d. The Circular; and the Escrow Account Agreement.

PART 2 – INFORMATION ON ACCRA BREWERY PLC

2.1 Corporate History and Background

The story of Accra Brewery PLC is one of resilience and triumph that began when Overseas Breweries Limited, a Swiss company, purchased a parcel of land overlooking Aggbloshie in Accra. Maybe the company knew the construction of a brewery in then Gold Coast would make it the first of its kind in the West African sub-region; maybe it knew the construction would kick start the country's manufacturing industry. What they possibly could not have fully conceptualized was the gem of a brewery that would be polished, the tradition that would be nurtured, the bonds that would be forged, and the invaluable moments that would be created decade after decade after decade.

The Nathan Institute of Zurich, Switzerland, was contracted to see to the general supervision of all construction works, installation of plant and machinery, and brewery technology. The building contract, meanwhile, was awarded to Turner & Schilling, a local firm who, with the assistance of over 500 workers, completed all the buildings for the official opening. The Governor of the Gold Coast, Sir Shenton Thomas, inaugurated the brewery, setting it up as the country's first non-traditional manufacturing company.

The 1930's were characterized by events that threatened to derail ABPLC's fortunes. For one, its flagship brand, CLUB Beer, faced tremendous competition from a variety of imported beers. Then there was the recession of the 1930s which impacted industries throughout the world; the very low price earned by the Gold Coast for her cocoa; the scarcity of money for such 'luxuries' as beer; and the subsequent outbreak of World War II which made the constant flow of raw materials, spares, and others, very difficult. An indomitable spirit and a fierce willingness to succeed despite the odds, was required of ABPLC's leadership. To Sir Shenton Thomas, ABPLC represented hope.

In a speech by Sir Shenton Thomas on the occasion of the inauguration of Overseas Breweries Limited, he stated that "the past two years have been the worst that we have ever known, and a man might well shrink in venturing out in such a storm but what do we see here? Begun in the slump, continued in the slump and completed in the slump, a building which is to create a new industry in this country. Is not that an example of courage and example of faith?"

Ghanaians embraced CLUB Beer after World War II, necessitating that production keep pace with demand. Factory buildings were, therefore, enlarged, and new machinery and equipment were installed, bringing ABPLC to current standards of brewery technology. In the early 60's, the capacity of the fermenting hall was also enlarged with the installation of 20 new fermenting vessels. Another key achievement was the construction of a new bottling plant, which was equipped with a new bottling line comprising a bottle-washing machine, a filler/corker unit, pasteurizer, and a labelling machine.

In the 60s, ABPLC embarked upon a 4-Phase expansion programme that would have more than doubled its production capacity. While general economic constraints prevented that from happening, ABPLC succeeded in completing Phase 1 which involved the installation of a new 700,000 hectoliter brew house.

ABPLC's ownership was revised in 1975 following the passage of an Investment Law leading to the local registration of ABPLC to take over the assets of Overseas Breweries Limited in Ghana. Consequently, Overseas Breweries Limited acquired 45% shares, the Government of Ghana bought 40% shares, and the remaining 15% shares were floated to the Ghanaian public. In view of this new arrangement, Sekar Limited was brought in as Technical Management, formally heralding the new and current identity as ABPLC.

In 2022, an offer was made to all shareholders of ABPLC to purchase all outstanding shares in ABPLC not currently owned by Overseas Breweries Limited being a total of 8,474,907 ordinary shares at an offer price of GHS 0.23. After the offer a total number of shares from valid applications tendered was 127,239 with an amount of GHS 29,264.97 to be paid to the respective shareholders.

2.2 Related Party Term Loan Facility

ABPLC has two main loan facilities, both from related parties.

- i. ABPLC obtained an unsecured facility of US\$38.5 million in 2012 from Overseas Breweries Limited to pay off trade debts. The facility is an interest free debt with no stated maturity date and is repayable on demand.
- ii. ABPLC obtained an unsecured facility of US\$93 million in 2015 from ABI Africa BV, a related entity.

2.3 As Accra Brewery Limited

In spite of its initial successes and strides, ABPLC was still saddled with the problem of Import License acquisition. Favourable government policies in the mid-80s, however, would considerably improve its fortunes, resulting in increased production levels to meet consumer demand. ABPLC was also able to continue the stalled 4-Phase programme, which consisted of the installation of a new Bottling Plant and Warehouse with a 100% production target. On the occasion of its 60th milestone, ABPLC financed the construction of a new bottling hall and warehouse from its own resources through re-investment of earned profit.

2.4 As a Subsidiary of SABMiller PLC

In 1997, SABMiller PLC (then South African Breweries (SAB)) acquired controlling shares of ABPLC through its acquisition of Overseas Breweries Limited. The acquisition and subsequent infusion of capital, and expertise propelled ABPLC into the new millennium. ABL's product range expanded with the introduction of Castle Milk Stout, and fairly recently, Beta malt and Eagle Extra Stout onto the Ghanaian market. Capping this era is the USD135 million expansion project that has resulted in the construction and installation of three new packaging lines; warehouse with hard stand and loading area; electricity substation; two additional power generators; ten new beer tanks; two additional water storage tanks; a water treatment plant; an effluent treatment plant, sidewalks for location road; and a new entrance with gate house and offices. The expansion was necessary and urgent as a result of the increasing need to meet consumer demands.

2.4 As a proud part of ABInBev

In October 2016, ABPLC became a proud member of the ABInBev family when its parent company, SABMiller PLC, was acquired by the world's leading brewer, ABInBev. In compliance with the requirements of the Companies Act, 2019 (Act 992), we changed our name to Accra Brewery PLC in 2020.

2.5 Capital Structure of ABPLC

Class of Shares	Authorised Shares	Issued Shares	Stated Capital GHS
Ordinary Shares	1,000,000,000	249,446,664	7,332,000

2.6 Share Capital History

The share capital history of ABPLC is as follows:

	2019	2020	2021
Authorised Shares	1,000,000,000	1,000,000,000	1,000,000,000
Issues Shares	249,446,664	249,446,664	249,446,664
Stated Capital (GHS)	7,332,000.00	7,332,000.00	7,332,000.00

2.7 Market Position, Niche and Image

ABPLC is on a par with key brewing companies in Ghana in terms of brand performance and operational facilities with about 50.9%* market share (2021). The prominence given to customer service in its wide distribution network makes large sections of people consume its products relative to other brewing companies. The products of the Company are of extremely high quality, distinctive flavour and assortment. The Company has distinguished itself through excellent customer service, addition to its flagship brand, CLUB Premium Lager.

2.8 Portfolio of products

2.8.1 CLUB Premium Lager

First brewed in 1931, CLUB has become a truly national icon through the consistent use of adinkra symbols, national flag, timeless tagline, “Beer dee enoaa ne CLUB” and adoption of “Charlie” which cements its continuing presence throughout different occasions and generations, making it a brand that brings friends together and is undoubtedly Ghana’s quintessential beer. CLUB has been brewed with the same dedication to quality since 1931 and has been Ghana’s number one selling beer for most of that period. Made from barley malt, maize, hops and water with an ABV of 5%, CLUB Lager is sold in 330ml, 625ml bottles, draught and 500ml cans.

2.8.2 CLUB Shandy

Affectionately referred to as Bosoe (enjoyment), CLUB Shandy has been refreshing consumers since its introduction in the early 1990s. This light, easy drinking beer with natural lemon extract delivers longer lasting refreshment whilst redefining daytime adult refreshment for making memories and relishing life’s little pleasures. CLUB Shandy has an ABV of 2% and sold in 330ml and 500ml bottles

2.8.3 EAGLE Lager

Brewed from locally sourced maize and cassava, Eagle Lager continues to reward the everyday efforts of hard-working Ghanaians across the country whilst making a significant difference to rural communities by enhancing the capacity of small-scale farmers through the Eagle Farmer Project. Eagle Lager is sold in 375ml and 500ml bottles.

2.8.4 Eagle Extra Stout

Eagle Extra Stout is brewed using locally grown maize and cassava with roasted barley giving it its rich, dark offering look. This is a full-flavored, great-tasting, and easier drinking stout which seeks to reward the Ghanaian youth for their hard work by offering a product of the highest quality at an affordable price and sold in 375ml bottles.

* Source - Frontline Research Group

2.8.5 Stella Artois

Stella Artois is a pilsner beer, with more than 600 years brewing heritage with its roots in Leuven, Belgium. Stella Artois is a global brand with 5 per cent ABV and is sold in other countries like the UK, Ireland, Canada and Australia among others. A subsidiary of ABInBev, ABPLC was the first African subsidiary outside South Africa to launch Stella Artois. It is sold in 330ml bottles and in 30L kegs.

2.8.6 Budweiser

Budweiser is an American-style pale lager beer with an ABV of 5 percent, first produced in 1876. Budweiser has become one of the biggest selling beers in the world and is renowned for its exclusive beechwood aging process. ABL imports and markets Budweiser in 30L draught and 355ml non-returnable bottles on the Ghana Market.

2.8.7 BETA Malt

Debuted in 2015, Beta Malt is a nourishing non-alcoholic true malt with fortifying vitamins, minerals, and nutrients for a good boost, which makes it a perfect complement for on-the-go occasions. Sold in 330ml PET bottles and 330ml returnable glass bottles.

2.9 Ownership and Board

The Company's authorized share capital is currently 1,000,000,000 ordinary shares of no-par value out of which 249,446,664 shares have been issued and fully paid. There are no shares in treasury and no calls or instalments unpaid on the shares issued.

The Company had 3,028 ordinary shareholders at 30 June 2021 with equal voting rights distributed as follows:

Holding	No. of Holders	Holders %	No. of Shares	% of Holding
1 – 1000	2,181	72.03	754,239	0.30
1,001 – 5000	653	21.56	1,440,851	0.58
5,001 – 10,000	109	3.60	815,318	0.33
10,001 – and over	85	2.81	246,436,256	98.79
	3,028	100	249,446,664	100.00

2.10 Top 20 Shareholders

As at 31 December 2021, the 20 largest holders of ABPLC's ordinary share capital were:

	Shareholder	Number of Shares	% Holding
1	OVERSEAS BREWERIES LIMITED	241,098,996	96.65
2	STARLIFE ASSURANCE CO LTD	1,920,000	0.77
3	HERMAN HOTZ	369,884	0.15
4	GIDEON AMENUVOR	303,262	0.12
5	FRANCIS THOMPSON GAMBRAH	267,000	0.11
6	STAR ASSURANCE COMPANY LIMITED	184,980	0.07
7	UNIQUE TRUST FINANCIAL SERVICE	176,000	0.07
8	TONESAN AMISSAH-FURBERT	162,930	0.07
9	YAW ABOA DJIN	100,000	0.04
10	OBED ERNEST ANDOH	97,220	0.04
11	EMMANUEL KWAME YEBOAH	91,616	0.04
12	ESTHER VICTORIA SAWYERR	75,000	0.03
13	SAMUEL OKAI QUARSHIE	74,175	0.03
14	THEOPHILUS ERNEST ANIN	69,000	0.03
15	ALEXANDER RANSFORD ABABIO	50,000	0.02
16	EMMANUEL HERMAN ASIEDU	46,000	0.02
17	ROBERT YEMPEW KWAKYE	46,000	0.02
18	ELIZABETH QUANSAH	46,000	0.02
19	JOSEPH KWESI AGYEMANG	43,329	0.02
20	EDWARD NAABOMO GANDAA	41,400	0.02
	Top 20 Shareholding	245,262,792	98.32
	Others	4,183,872	1.68
	Total Shareholding	249,446,664	100.00

2.11 Organization

The structure of the company is decentralized with managers heading the respective departments. The chains of command and span of control in the Company are very clearly defined with detailed job descriptions for all categories of staff. The various departments of the Company are manned by qualified and experienced personnel.

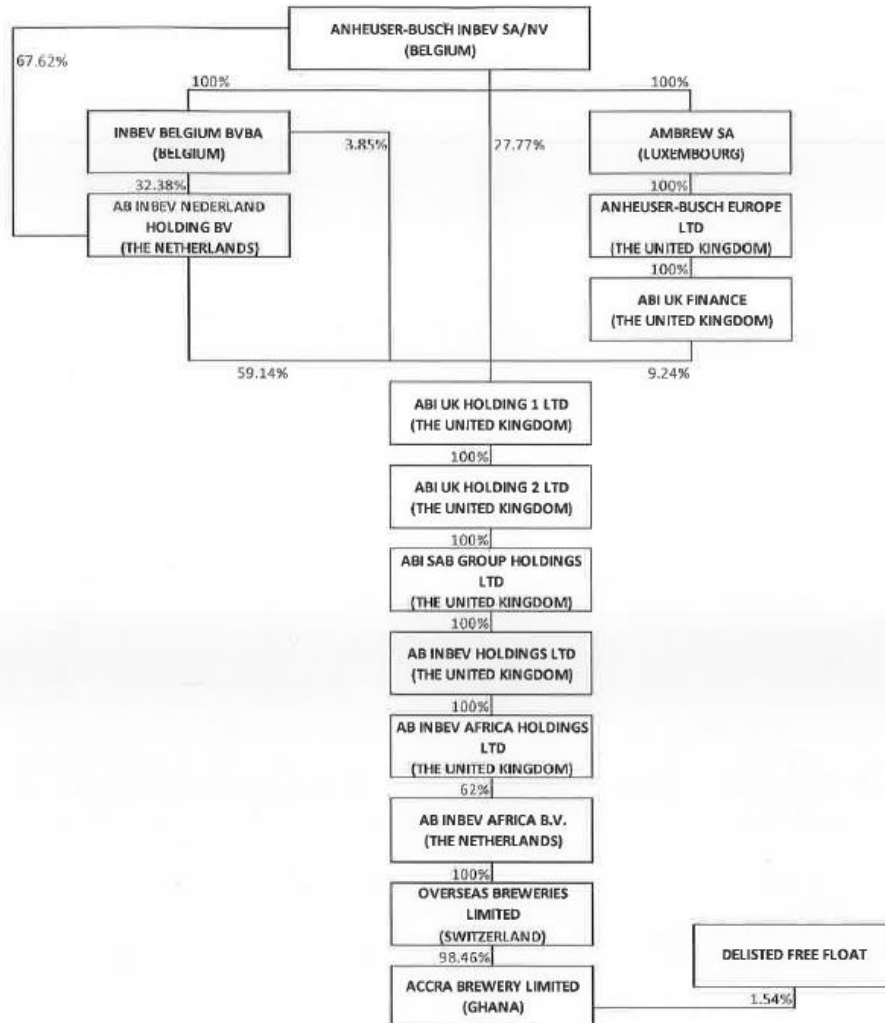
2.12 Board of Directors and Corporate Governance Structures

The Company is currently under the direction of a three-member Board of Directors. The responsibility of good corporate governance is placed in the hands of the Board of Directors and the executive management team. The Directors are knowledgeable individuals with experience in the brewing industry as well as in their fields of discipline.

Board Committee

ABPLC currently does not have any board committees.

2.13 Group Structure



2.14 Profiles of Board Members

2.14.1 Dr. Charles Mensa, Ghanaian (63) - Board Chairman; Non-Executive Director BA and MBA in Finance and Investment (George Washington University in Washington D.C.); PhD Economics (George Mason University in Fairfax, Virginia, USA)

Dr. Mensa was appointed to the Board on 13th March 2008. Dr. Mensa founded the Institute of Economic Affairs (IEA) in 1989. He is also the board chairman of Fan Milk Ghana Limited, and a director of Fan Milk Limited in Liberia, both subsidiaries of Fan Milk International in Denmark.

He is the immediate past Chief Executive Officer of the Volta Aluminium Company in Ghana. He is also the past president of the Ghana Employers Association and former vice president of the Association of Ghana Industries.

2.14.2 Mr. Galo Rivera, Ecuadorian (39); Executive Director

Galo Rivera holds a master's degree in Business Management from the University "Teconologico de Monterrey" in Mexico and bachelor's degrees in both Economics and Business Management from "UEES University" in Ecuador. He began his career in the beer industry in 2009 in South America, Ecuador. He joined the Route to Market team, after that he was promoted as Sales District Manager, where he was awarded gold medal at the "MD Award" in 2011 as the best District Manager.

In 2015, Galo was promoted to the Africa zone to lead Cold & Draught Strategy for the Africa Head Quarters. In 2017, he was promoted to Trade Marketing Director of Southern Africa responsible for Mozambique, Zambia, Botswana and Namibia. He held this role until 31st of January, 2020.

He assumed the role of Country Director of ABL in February, 2020.

2.14.3 Mr. Paul Asamoah, Ghanaian (37); Executive Director

Paul Boadu Asamoah holds a Bachelor of Science (B.Sc.) degree in Administration (Accounting Option), from the University of Ghana Business School; and a Bachelor of Laws (LL. B) degree from the Ghana Institute of Management and Public Administration (GIMPA) Law School. He is also a Chartered Accountant and a member of the Association of Chartered Certified Accountants (ACCA); the Institute of Chartered Accountants, Ghana (ICA, Ghana); and the Chartered Institute of Taxation, Ghana (CIT, Ghana).

Paul worked with PricewaterhouseCoopers Ghana Ltd. (PWC) prior to joining Accra Brewery PLC in January 2013 as Tax & Risk Lead, before becoming our BU Tax Manager, West Africa. He assumed the role of Country Finance Lead in December 2018 and is responsible for the Finance Function, as well as the overall tax strategy for West Africa.

2.15 Executive Management

ABPLC is managed by a management team of eight namely, the Country Director, Country Finance Lead, Plant Manager, Legal and Corporate Affairs Lead, Country People Lead, Marketing Lead, Country Procurement Lead and Country Logistics Lead.

The management team has proven experience in the brewing industry as well as in their fields of discipline. They have worked in various capacities connected with their current positions and their effectiveness and efficiency have resulted in the Company being in the top tier of the brewing industry.

2.16 Profiles of Executive Management

2.14.1 Galo Rivera (39)

Country Director

Galo Rivera holds a master's degree in Business Management from the University "Teconologico de Monterrey" in Mexico and bachelor's degrees in both Economics and Business Management from "UEES University" in Ecuador. He began his career in the beer industry in 2009 in South America, Ecuador. He joined the Route To Market team, after that he was promoted as Sales District Manager, where he was awarded gold medal at the "MD Awards" in 2011 as the best District Manager.

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He assumed the role of Country Director of ABL in February 2020.

2.14.2 Richard Eghan (53)

Plant Manager

Richard Eghan is ABL's Plant Manager. Richard holds a Bachelor of Science Degree in Biochemistry, from the Kwame Nkrumah University of Science and Technology, Kumasi. He began his career in the beverage industry as a Shift/Team Leader in Brewing and Packaging, progressing to Acting Brewing Manager at Guinness Ghana Limited. Richard then served in numerous capacities at Coca Cola Bottling Company of Ghana in 1997, such as Assistant Production Manager; Production Manager, Kumasi; and Technical Manager, Sierra Leone, playing a crucial role in helping the company achieve the Gold Division President Award 3 consecutive times. Richard has also worked for Voltic (GH) Limited as Technical Manager, for SABMiller's Kenya- Crown Beverages Limited. (CBL) as Technical Director, and independently as a Production Consultant.

He joined ABL in 2015 as Packaging Manager, and was appointed Plant Manager, responsible for the supply process, in March 2017.

2.14.3 Nana Antwiwaa Asante (50)

Country People Lead

Nana Antwiwaa Asante is ABL's Country People Lead. Antwiwaa holds a Bachelor of Science Degree in Agricultural Science (Hons.) from the Kwame Nkrumah University of Science and Technology; a Juris Doctorate from the Moritz College of Law, Ohio State University; and a Qualifying Certificate in Law from the Ghana School of Law. Nana Antwiwaa joined ABL in 2015 as Legal and Regulatory Affairs Manager, prior to which she worked as a lawyer at Jan Chambers, a law firm, and as Employee Relations Manager, West Africa, for Standard

Chartered Bank. She is a member of the Ghana Bar Association and was appointed our Chief People Lead in April 2017.

2.14.4 Chuka Nnaobi (28)

Country Marketing Lead

Chuka Nnaobi is our Country Marketing Lead. Chuka is Certified Marketer (CM1) General Assembly and is studying for an M.Sc. Research & Public Policy with the University of Lagos. He holds a B.Sc. Computer Science from University of Nsukka. He joined us from our sister company, International Breweries PLC, where he worked as a Consumer Connections Manager. Prior to this he held the role of Innovations Manager at International Breweries PLC. He has also worked in different capacities at Procter & Gamble, The Turbo Group, Seamfix, and McCann Erickson in Nigeria.

2.14.5 Maxwell Emmanuel Tawiah (36)

Country Procurement Lead

Maxwell is our Country Procurement Lead. In this role, he also supports our BU West strategic sustainability projects. He holds a master's degree in Accounting and Taxation from the Ghana Institute of Management and Public Administration and a Bachelor of Commerce (BCom) from the University of Cape Coast. He is a member of the Institute of Chartered Accountants, Ghana (ICA, Ghana) and the Chartered Institute of Taxation, Ghana (CIT, Ghana). Maxwell joined ABL in 2013 as the Accounts Payable Manager and was promoted to Country Tax Manager in 2017. He assumed his current role in November 2019. Prior to joining ABL he worked as a Principal Internal Auditor at Ghana Highways Authority.

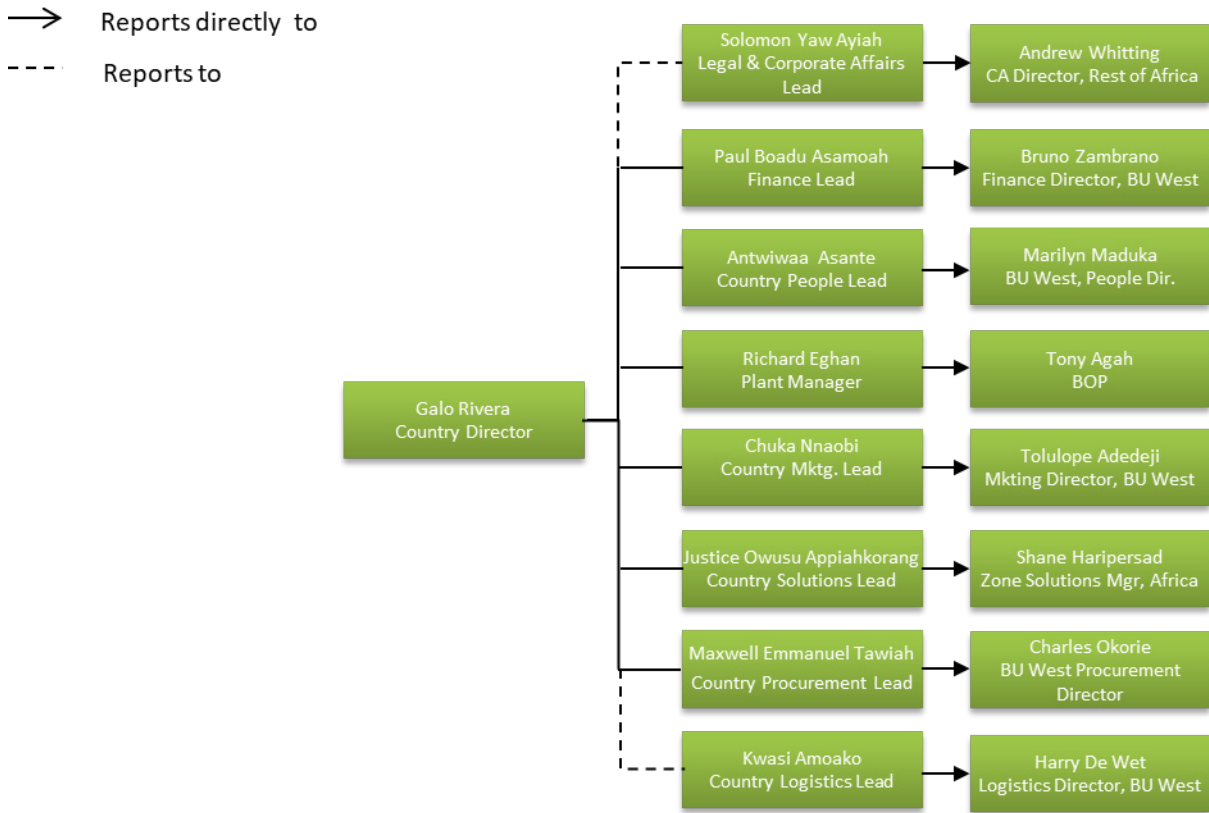
2.14.6 Kwasi Amoako (48)

Country Logistics Lead

Kwasi Amoako is our Country Logistics Lead. He holds an MBA in Marketing from the University of Education, Winneba, an MBA in Organisational Management from the Cambridge International College, United Kingdom, and a BBA in Management from the University of Education, Winneba. He also holds a Third Level Diploma in Public relations from the LCCI, United Kingdom and is currently a PhD Candidate, Marketing at the Universidad Empresario De Costa Rica.

Kwasi joined ABL as a Trade Marketing Representative in 2004 from where he rose through the ranks, holding several roles including Sales Manager, Channel Execution Manager, Trade Marketing Manager, Commercial Manager and District Manager. Before his appointment as Country Logistics Lead, he worked as our National Route to Market Manager. Prior to joining our business, Kwasi worked with the Judicial Service of Ghana, Bono Region as a Registrar and Court Manager. He has past experience in radio with Sky FM Sunyani.

2.17 Organisational Structure of ABL



2.18 Employee Headcount

	2021	2020
Permanent Staff	438	486
Contract Staff	5	3
Nation Service Personnel (NSP)	56	50

2.19 Compensation Schemes

ABL operates a three-tiered pension scheme under the National Pensions Act, 2008 (Act 766) for its employees. These are:

a. Tier 1

ABL is required to deduct, from the monthly salary of each of its employees, an amount equal to 5.5% of the employee’s salary. ABL is also required to pay, in respect of each employee, a matching monthly contribution of 13% of the employee’s salary.

Out of the total contribution of 18.5%, ABL is required to remit 13.5% to SSNIT, within 14 days from the end of each month, on behalf of each employee.

b. Tier 2 Pension Scheme

ABL is required to remit 5% of the total pension contribution of 18.5% to the custodian appointed under this scheme, GT Bank (UPT is Trustee), within 14 days from the end of each month, on behalf of each employee.

c. Tier 3 Pension Scheme (Provident Fund)

ABPLC has a provident fund scheme for staff under which ABPLC contributes 7.5% of staff basic salary for junior staff and senior staff. The obligation under the pension fund scheme is limited to the relevant contribution.

2.20 Remuneration of Directors

As at the date of this Circular and the most recently available audited financials of ABPLC, the annual aggregate remuneration of all the Directors is as follows:

Financial Year	Aggregate Remuneration (GHS)
2015	460,000
2016	553,000
2017	448,000
2018	419,000
2019	512,000
2020	1,307,000
2021	1,413,856

2.21 Litigation

As at the date of this Circular, ABPLC has a number of legal proceedings pending. In our opinion, the results of these pending litigations will not have a material adverse effect on the financial position, profitability or operations of ABPLC.

MATTER TITLE	STATUS OF CLAIM	TYPE OF LITIGATION	AMOUNT (GHS)
DR. LORD E. ASAMOAH vs. ACCRA BREWERY LIMITED	The Plaintiff is suing ABL for general and special damages for ingestion of unwholesome and contaminated club beer mini.	Damages for negligence	GHS 650,000.00
EMMANUEL SARPONG vs. ACCRA BREWERY LIMITED	Statement of Defence filed and Plaintiff has not continued with court processes. Dormant	Damages for defective products	Not Determined
ST. KPAKPOS LIMITED vs. ACCRA BREWERY LIMITED	Parties are to file their addresses for judgement to be awarded. Court to resume in October.	Debt recovery	Not Determined
SIMON OHENE vs. ACCRA BREWERY LIMITED	Parties are to file their addresses for judgement to be awarded. Court to resume in October.	Payment of employee entitlement & Damages	GHS 263,773.80
ELIZABETH AGBENOXEVIE vs. ACCRA BREWERY LIMITED	High Court ordered ABL to conduct the disciplinary hearing again in the presence of the plaintiffs lawyers. Costs of GHS5000.00 was awarded to the Plaintiff. ABL invited the Plaintiff to the fresh hearing but she refused to attend after the preliminary hearing. No cost outstanding.	Enforcement of human rights & Damages	GHS 5,000.00

EBENEZER HOLM GRAVES vrs. ACCRA BREWERY LIMITED.	Dormant for over 3 years	Damages	Not Determined
ABPLC vrs. AKOSUA INVESTMENTS LIMITED	ABL has paid for Arbitration pending at Ghana Arbitration Centre.	Damages	Not Determined
ABL vrs. JOSAK ENTERPRISE	Writ of Summons and Statement of Claim has been filed	Debt recovery	GHS 93,500.87
ABL vrs. GEN X TRADING LIMITED	Writ of Summons and Statement of Claim has been filed	Debt recovery	GHS 2,785,754.72
ABL vrs. YOOMART LIMITED	Writ of Summons and Statement of Claim has been filed	Debt recovery	GHS 214,279.9
ABL vrs. WHITE GRANDE ENTERPRISE	Writ of Summons and Statement of Claim has been filed	Debt recovery	GHS 106,134.18
ABL vrs. TIGURA BABILE	Writ of Summons and Statement of Claim has been filed	Debt recovery	GHS 1,912,260.9
ABL vrs. KALGASTON LIMITED	Writ of Summons and Statement of Claim has been filed	Debt recovery	GHS 1,892,983.6
ABL vrs. CHAKAN GLOBAL LIMITED	Writ of Summons and Statement of Claim has been filed	Debt recovery	GHS 284,795.48
ABL vrs. ABSAAB LIMITED	Writ of Summons and Statement of Claim has been filed	Debt recovery	GHS 108,433.7
ABL vrs. JOKOPAP DISTRIBUTION	Writ of Summons and Statement of Claim has been filed	Debt recovery	GHS 3,358,975.16
ABL vrs. WEST AFRICAN RETAIL CHAIN LIMITED	Writ of Summons and Statement of Claim has been filed	Debt recovery	GHS 264,486.39
ABL vrs. DETITA VENTURES LIMITED	Writ of Summons and Statement of Claim has been filed	Debt recovery	GHS 239,912.21
ABL vrs. FIRST KOBIIIS	Writ re-issued twice already. Defendant cannot be located for service.	Dormant. Debt recovery	GHS 713,448.11
ABL vrs. FRENZIA	Writ re-issued twice already. Defendant cannot be located for service.	Dormant. Debt recovery	GHS 673,278.34

2.22 Material Contracts

ABPLC's material contracts are as follows:

- i. ABPLC and Premium Foods Limited ("Premium Foods") dated June 1, 2020 for the supply of non-genetically modified white or yellow maize grits. This agreement is valid till December 31, 2021 and ABPLC has an option to renew upon the expiration of this term for a further period of 1 year and 6 months. There is no evidence that this agreement has been stamped in accordance with the Stamp Duty Act
- ii. ABPLC and Yedent Agro Bulk Processing Company ("Yedent Agro") dated June 1, 2020 for the supply of non-genetically modified white or yellow maize grits. This agreement is valid till December 31, 2021 and ABPLC has an option to renew upon expiration of this term for a further

period of 1 year and 6 months. There is no evidence that this agreement has been stamped in accordance with the Stamp Duty Act

- iii. ABPLC and Skylink Agro Solutions (“Skylink”) dated September 4, 2020 for the supply and delivery of cassava flour. This agreement is valid till August 31, 2022 and ABPLC has an option to renew upon expiration of this term for a further period of 1 year. This agreement has only been signed by ABPLC. There is no evidence that this agreement has been stamped in accordance with the Stamp Duty Act
- iv. ABPLC and Air Liquide Ghana Limited dated May 1, 2021 for the supply of carbon dioxide (CO₂). This agreement is valid till April 30, 2022 and ABPLC has 17 an option to renew upon expiration of this term for a further period of 1 year. There is no evidence that this agreement has been stamped in accordance with the Stamp Duty Act
- v. ABPLC and Jayyness Ann Enterprises (“Jayyness”) dated September 1, 2018 for the supply of cassava flour. This agreement expired on August 31, 2019 and is no longer in force; and
- vi. ABPLC and Vankharis Enterprises (“Vankharis”) dated September 1, 2020 for the supply of cassava flour. This agreement is valid till August 31, 2022 and ABPLC has an option to renew upon expiration of this term for a further period of 1 year. This agreement has only been signed by ABPLC. There is no evidence that this agreement has been stamped in accordance with the Stamp Duty Act.

2.23 Disclosure of Interests by Directors

The Directors do not have any interests to disclose.

2.24 Dividend History

There has been no dividend paid since 2012.

PART 3 – INDUSTRY OVERVIEW

3.1 Overview of the Beverage Industry

Africa has become an increasingly attractive investment market for the global drinks industry, as large populations, positive demographic developments, increasing urbanisation and higher disposable income improve the market potential in a largely underdeveloped industry. Increased investment has also been encouraged by governmental initiatives across the continent as governments make a concerted effort to clamp down on the production and consumption of illegal, unregulated alcohol.

As wealth increases, consumption of regulated alcoholic products generally increases and in Africa, there is a huge opportunity for consumers to move from participation in the informal segment or home. It is expected that a strong macroeconomic outlook and healthy consumer spending momentum will drive growth in Ghana's beer industry. As a result, Ghana is expected to re-establish itself as one of the stronger opportunities for the beer industry across Sub-Saharan Africa over the forecast period. From 14.5 litres in 2017, per capita consumption of commercial beer is expected to grow to 17.1 litres by 2021. A strong volume growth outlook reflects a wider macroeconomic view, particularly as more middle-class consumers will be able to purchase commercial beer, and in greater volumes.

With this in mind, key alcoholic drinks players, such as Diageo-owned Guinness Ghana Plc Limited and ABInBev- owned Accra Brewery, will very likely increase spending in Ghana, particularly on capacity expansion and marketing/advertising. While premiumisation is hugely important across the continent for beer companies, there is a lot of growth still to be realised by getting consumers to transition from informal to branded beer, and it is in that regard where the improving economy will help most, even if inflation remains in double-digit territory. Bringing the rate of inflation down would provide further momentum to the beer sector, as well as other food and drink categories.

Upside risks in particular for volume growth, include the degree to which brewers invest in affordable beer. This type of investment in the West Africa region has lagged behind East Africa, where ABInBev is pioneering low-cost beer. Multinationals operating in West Africa have largely focused their attention on the premium end of the market, which to some extent explains the continued strength of the informal brewing industry. The advent of affordable cassava beer will present strong opportunities for commercial beer consumption over the medium-to-long term. In 2012, Guinness Ghana Breweries introduced Ghana's first cassava beer. Subsequently, in 2016, ABInBev introduced Eagle beer at 70% of mainstream beer price as part of a strategy to attract consumers in the home brew segment. This beer type has been successful since it was first launched by SABMiller in Mozambique in 2011, according to ABInBev; the beer has sold over 100mn bottles since its launch as of January 2016. It is believed that affordable cassava beer will boost per capita consumption of beer in Ghana.

3.2 Review sliding scale of excise duty on beer and malt

To provide an incentive for brewery companies to use local raw materials for the production of beer and malt, a sliding scale excise duty was introduced for brewery companies that substitute local raw materials for imported ones.

Under the Excise Duty Act, 2014 (Act 878) (as amended by the Excise Duty (Amendment) (No. 2) Act, 2015 (Act 903)), non-indigenous beer attracts excise duty rate of 10% - 47.5% of the ex-factory price of the beer, depending on the proportion of local raw materials to total materials used in the production of the beer. In the case of malt drinks, excise duty of 7.5% - 17.5% is payable on the ex-factory price of the drinks.

3.3 Soft Drinks Market in Ghana

Among some of the core food and drink segments, soft drinks (principally carbonates) have a uniquely strong history in Sub-Saharan Africa. With disposable incomes generally low, carbonates have been able to serve as affordable indulgences and thirst quenchers. The latter is particularly true given the scarcity of drinkable water and the fact that, assisted by the distributional and marketing practices adopted by The Coca-Cola Company and PepsiCo and their franchise bottlers, kiosks have been able to stock refrigerated soft drinks.

Sources: Ghana Food and Drink Report

3.4 Regulatory Bodies in the Beverage Sector

3.4.1 The Food and Drugs Authority (FDA)

The FDA is the statutory body responsible for the administration and enforcement of the Public Health Act 2012 (Act 851) (the “Public Health Act”). The FDA regulates the manufacture, importation, exportation and distribution of food (including beverages), drugs, cosmetics, medical devices and household chemicals in Ghana within the requirements of the Public Health Act. It also issues guidelines and procedures for manufacturers, importers and other players and stakeholders in the food and drug industry.

The FDA registers the Company’s products and production facilities and also approves the product advertisements.

3.4.2 Ghana Standards Authority (GSA)

The GSA is the statutory body responsible for the administration and enforcement of the Standards Authority Act, 1973 (NRCD 173), the Ghana Standards Board (Food, Drugs and Other Goods) General Labelling Rules, 1992 (L. I. 1541) and the Ghana Standards (Certification Mark) Rules, 1970 (L. I. 662). The GSA regulates standards for applicable products in Ghana.

The GSA licenses the Company to use the “Ghana Standards Certification Mark” on its products.

3.4.3 The Environmental Protection Agency (EPA)

The EPA is the statutory body responsible for the administration and enforcement of the Environmental Protection Agency Act, 1994 (Act 490) and the Environmental Assessment Regulations, 1999 (L. I. 1652). Its core mandate is to protect the environment and regulate environmental management in Ghana.

The EPA conducts routine inspections of the Company’s production facilities and issues environmental permits to the Company in respect of the production facilities.

3.4.4 The Ghana Revenue Authority (GRA)

The Customs Division of the GRA is responsible for monitoring, supervising, coordinating and collection of import and export duties, import vat, petroleum tax, import excise duties and other taxes. The Customs Division also ensures licensing and registration of manufacturers of goods (including excisable goods), takes account of all dutiable goods manufactured and collects the assessed duties. In addition to these functions, the Customs Division is also responsible for enforcing laws on import and export restrictions and prohibitions as well as the collection of the revenues indicated.

3.4.5 The Department of Factories Inspectorate

The Department of Factories Inspectorate is the body responsible for occupational health and safety regulation in Ghana pursuant to the Factories, Offices and Shops Act, 1970 (Act 328). It routinely inspects the production facilities of the Company and certifies the facilities as fit and proper for work in accordance with the law.

3.4.6 The Ghana Investment Promotion Centre (GIPC)

The Ghana Investment Promotion Centre (GIPC) is a Government agency, established under the GIPC Act, 2013 (Act 865): to encourage and promote investments in Ghana, to provide for the creation of an attractive incentive framework and a transparent, predictable and facilitating environment for investments in Ghana.

3.4.7 The Registrar of Companies

The Department's mission is to ensure efficient and effective administration of entities inter-alia the registration of Businesses, Industrial Property, Marriages, Administration of Estates and Public Trust, provide services and accurate data for national and economic development.

PART 4 – THE ECONOMY OF GHANA

4.1 Overview of the Ghanaian Economy

Ghana is the second largest economy in West Africa by Gross Domestic Product (GDP) with a current GDP of GHS 459.13 billion (USD 60.31 billion) in 2021. The economy expanded at an average growth rate of 4.9% from 2014 to 2021, with a high peak of 8.1% in 2017. Overall real GDP growth for 2021 was 5.4% and is forecasted to grow at 3.1% in 2022, down from the initial estimated growth rate of 6.2%, largely on the back of global inflationary pressures and the tight external financing options, which will greatly impact the Ghana Government's FX reserves. The discovery of oil and gas and the resultant extraction since late 2010 has significantly boosted Ghana's appeal as a destination for foreign direct investments with a positive impact on the country's growth prospects. The country currently has an estimated population of 31.2 million for 2021 (Ghana Statistical Service) with over 50.5% of the population living in urban areas and 38.8% of the population being youth.

Ghana recorded modest success in reducing poverty levels in the previous decade as the country climbed into the lower middle-income status by 2010. However, the economy continues to rely heavily on the predominant informal agriculture and natural resources sector for exports, with little to no value addition. The Government estimates that (in 2015) the informal sector employed approximately 90% of the country's workforce while the Ghana Statistical Service (GSS) estimated the share of the informal sector in Ghana's GDP at 27% in 2019. The rate of poverty reduction has slowed in recent years because the extractive sector, which accounts for a significant part of economic growth, is largely foreign-owned, capital intensive and generates fewer local jobs. The Government has embarked on an ambitious economic transformation agenda centred on human capital development, digitalisation, economic diversification and industrialisation, resulting in shared growth, job creation and social protection for the economically vulnerable. The Ghanaian economy is still vulnerable to significant domestic and external shocks which could potentially slow down economic growth.

4.2 Political Background

Ghana is a unitary state governed by its 1992 Constitution. The President and members of Parliament are elected by universal adult suffrage. The President serves a maximum of two four-year terms. The governance system also includes a well-structured local government system purposely set up to ensure decentralization of governance and allocation of resources. The most recent presidential and parliamentary elections took place on December 7, 2020 which saw the New Patriotic Party maintain power and continue for a second term in Government. Nana Addo Dankwa Akufo-Addo was re-elected as the 5th President of the Fourth Republic and was sworn into office for a second term on 7th January, 2021.

Executive authority rests with the President, in conjunction with the Council of State (a body that deliberates and makes recommendations on any matter being considered or dealt with by the President or any other authority in respect of any appointment enshrined in the Ghanaian Constitution). The President is Head of State, Head of Government, and Commander-in-Chief of the Armed Forces of Ghana, and is elected by the direct vote of the eligible and registered populace for a 4-year term and may be re-elected only once.

Parliament which consists of a unicameral body of 275 members is responsible for legislative functions. Members of Parliament must be elected by their constituents for a 4-year term in single-seat constituencies. The basic function of Parliament is to deliberate on issues which can result in the passage of resolutions. For a bill to become law, legislation must have the support of the majority of the Members of Parliament present through voting along with the assent of the President, who has a

qualified veto over all bills except those to which a vote of urgency is attached. The President's veto can be overridden by a vote of two-thirds of the Members of Parliament.

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

PART 5 – RISK FACTORS

GENERAL RISKS FACTORS

5.1 Financial Risk Management

ABPLC's activities expose it to a variety of financial risks: market risk (mainly foreign exchange risk and interest rate risk), credit risk and liquidity risk.

Financial risk management is carried out by the finance department under ABInBev policies approved by the Board of Directors. The finance department identifies and evaluates financial risks but does not hedge any risks. The Board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

5.2 Market Risk

Market risk is the risk that movements in market rates, foreign exchange rates, interest rates, and commodity prices will reduce the Company's income. The management of market risk is undertaken using policies approved by the Board of Directors.

i. Foreign Exchange Risk

ABPLC seeks to reduce its foreign currency exposure through a policy of matching, as far as possible, assets and liabilities denominated in foreign currencies. ABPLC imports raw materials from overseas and therefore is exposed to foreign exchange risk arising from Euro, South African Rand (ZAR) and US dollar (USD) exposures. Currency exposure arising from liabilities denominated in foreign currencies is managed primarily through the holding of bank balances in the relevant foreign currencies and also making payment to suppliers as soon as possible.

ii. Interest Rate Risk

ABLPLC's exposure to the risk of changes in market interest rates relates primarily to its long-term obligations with a floating interest rate. To manage this risk, the ABPLC's policy is to contract for best interest rate in borrowing from banks and related parties. ABPLC's regularly monitors financing options available to ensure optimum and attractive interest rates are obtained.

The sensitivity analysis for interest rate risk shows how changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates at the reporting date.

5.3 Political Risk

Potential political unrest is a risk to the operations of any company operating in Ghana including ABPLC as it could adversely impact its sales targets. However, Ghana has successfully conducted peaceful elections since the beginning of the fourth Republic in 1992. The democratic process prevailing in the country reduces the risk of significant political unrest. That notwithstanding, any adverse changes in policies i.e. rejection or reversal of reform policies in favour of privatization, industrial restructuring, administrative and regulatory reform may have adverse effects on the economy.

5.4 Economic Risk

The operational results and income of ABPLC may depend to an extent on the stability of Ghana's macro-economy environment. ABPLC like all entities operating within the borders of Ghana is exposed to economic risks associated with the country. The Company's experienced and qualified management team ensures that procedures and systems are in place to minimise the Company's exposure to adverse economic conditions. However, this cannot provide an assurance that adverse economic conditions will not hamper ABPLC's performance.

5.5 Credit Risk

Credit risk is the risk that financial loss arises from the failure of a customer or counterparty to meet its obligations under a contract. This can be a significant component of the general economic environment as well as the general level of business activities and easy access to credit facilities and interest rate. The Company has dedicated policies and procedures to control and monitor all such risks. Although the Company is potentially exposed to credit loss in the event of non-performance by counterparties, such credit risk is controlled through credit control policy whereby credit sales are only made to institutional distributors to take advantage of market opportunities. Sales to other customers are mainly on cash basis.

5.6 Liquidity Risk

Liquidity risk is the risk that the issuer will encounter difficulty in meeting obligations associated with financial liabilities. The issuer maintains a strong liquidity position and manages the liquidity profile of its assets, liabilities and commitments so that cash flows are appropriately balanced and all funding obligations are met when due.

The company's overdraft facilities with its bankers which an option to maintaining liquidity and continuity in funding. The company evaluates its ability to meet its obligations on an ongoing basis. Based on these evaluations, the company implements strategies to manage its liquidity risk.

Prudent liquidity risk management implies that sufficient cash is maintained, and that sufficient funding is available through an adequate amount of committed credit facilities.

5.7 Capital Management

The primary objectives of the Company's capital management are to ensure that the Company is able to meet its debt as they fall due and to maximise shareholder value. The Company's capital is primarily the shareholders' funds. No changes were made in the objectives, policies and processes from previous years. The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents (excluding overdrafts).

5.8 Dilution Risk

A Qualifying ABPLC Shareholder who chooses not to participate or partially participate in the Offer may have his/her/its shareholding diluted if his/her/its unsubscribed rights are allotted to other shareholders of ABPLC.

5.9 Operational Risk

The operations of ABPLC are dependent on the ability of third parties to deliver critical services that enable ABPLC produce its products. ABPLC and its competitors within the brewery industry are exposed to the risk of utility shortfalls such as water supply from their third-party providers. The insufficient provision of utility services may adversely impact the operational efficiencies and income of ABPLC. The Company has recognised the importance of these utilities to its operations and has

taken steps to invest in systems and procedures which help to minimise the impact of utility shortfalls from third parties.

5.10 Share Liquidity Risk

ABPLC shares are traded over the counter (OTC) to enable trading in the ABPLC shares. However, it is possible that there could be inadequate liquidity in ABPLC shares at certain periods, meaning that investors may not be able to sell or buy ABPLC shares whenever they want to and at their desired price.

SPECIFIC RISKS FACTORS

5.11 Changes in Consumer Preferences

Consumer tastes and behaviors are constantly evolving and at an increasing rapid rate and this can bring market position under pressure, lower top-line growth rates and profitability.

The risks of changes in consumer preferences is mitigated by continuous evaluation of the company's brand portfolio in every market to ensure that they target current and future opportunities for profitable growth and also having a deeper understanding of the changing consumer and industry dynamics in key markets, enabling management to respond appropriately to issues which may impact our business performance.

5.12 Regulatory Changes

With increasing and high-profile debates over alcohol consumption in many markets, the alcohol industry is coming under increasing pressure from national and international regulators, NGO's and tax authorities. Regulation places increasing restrictions on the availability and marketing of beer, tax and excise charges causing pressure on pricing.

The risk is mitigated by rigorous adherence to the principle of self-regulation backed by appropriate policies and management review. Management has been engaging the government and all external stakeholders on alcohol-related issues in a more constructive manner and undertake investment to improve the economic and social impact of the company's business in local communities.

5.13 Energy Shortages

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

5.14 Termination of relationships with key suppliers

Our business is dependent on third party suppliers that are integrated into our network, some of which are critical to the operation of our business. Any significant disruption or other adverse events affecting our relationship with our major suppliers could have a material adverse effect on our business operations and strategy. Replacement of our major suppliers will impact the business cost structures. We may face risks and costs associated with transfer of operations. In addition, a failure to replace

any of our major suppliers in a timely manner and on commercially reasonable terms, or at all, could have a material adverse effect on our business, financial conditions, results of operations and prospects. If any of these critical relationships is terminated or a material supplier fails to provide key services or equipment and we are unable to reach suitable alternative arrangements in a timely manner and on commercially reasonable terms, or at all, we may experience significant additional costs and/or may not be able to provide certain services to customers, which could in turn have a material adverse effect on our business, financial conditions, results of operations and prospects.



5.15 Legal and Regulatory Risks

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

5.16 Fluctuations in Rates

Our finance costs are highly sensitive to many factors beyond our control, including the interest rate, exchange rate and other monetary policies of governments and central banks in the jurisdictions in which we operate. Also, the floating rate portion of our borrowings is subject to interest rate risk resulting from fluctuations in the relevant reference rates underlying such debt. Consequently, because a portion of our debt is subject to floating interest rates, any increase in such reference rates will result in an increase in our interest rate expense and may have a material effect on our financial condition, results of operations and prospects. Any future unhedged interest rate risk may result in an increase in our interest expense and may have a material adverse effect on our business, our financial condition and results of operations. There is ongoing monitoring of the financial and costing systems to ensure there is a clear strategy towards cost savings but there is no assurance that these measures will be adequate to minimise such risks.

PART 6 – LEGAL COMPLIANCE LETTER FROM LEGAL ADVISER



ZOE LEXFIELDS
Barristers & Solicitors | Consultants | Notaries
September 15, 2022

BCB Legacy House 1, Nii Amugi Street (Behind Holy Spirit Cathedral), Adabraka, Accra.
Tel: [02353792963/0244528297](tel:02353792963)
info@woodandmarshall.com
www.zoelexfields.com

The Director- General
Securities and Exchange
CommissionCantonments, Accra

Dear Sir,

ACCRA BREWERY PLC (“ABPLC”) – LEGAL ADVISORS’ COMPLIANCE CERTIFICATE

1. INTRODUCTION

1.1 Basis of Instructions

We have acted as legal advisors to ABPLC in connection with its’ proposed Rights Issue.

1.2 Documents Examined

We submit this opinion on the strength of documents made available to and reviewed by us and responses to enquiries made by us to the company and statutory regulators. In particular, we mention the following documents as constituting the basis of the opinion expressed by us herein:

- Certificate of Incorporation
- Certificate to commence
- businessABPLC Profile
- ABPLC Regulations
- Register of
- MembersGIPC
- Certificate
- Minute Books for Annual General Meetings and Directors’ Meetings
- Environmental Certificate

- Food and Drugs Authority Product Registration Certificates
- Food and Drugs Authority Certificate of Conformity – Hazard Analysis and Critical Control Point System
- Food and Drugs Authority Food Manufacturing Facility Licenses
- Receipts for Renewal of Accra Metropolitan Assembly Business Operating Permits (Warehouse -unbounded and Industrial establishment)
- VAT Certificate
- GRA Tax Clearance
- CertificateManufacturing
- License
- Ghana Standards Authority Licenses for Products
- Receipt for Ghana Standards Authority Import
- LicenseGhana National Fire Service Fire Certificate
- Hollard Insurance Certificates and other related documentsCredit Facilities involving ABPLC
- Agreements involving
- ABPLCTrademark
- Certificates
- Collective Bargaining Agreements
- Land Title Certificates and Lease Agreements
- Search Reports from statutory regulators
- Shareholders Resolution authorizing rights issueCopy of Rights Issue

1.3 Scope and Basis of Opinion

The opinion is limited to matters of the law of Ghana as in force and applied at the date of this opinion. We have not investigated the laws of any other country other than Ghana and we express no opinion on the laws of other jurisdictions. The assumptions upon which this opinion is given are set out on the basis of the Schedule below.

2. OPINION

We are of the opinion that:

2.1. Incorporation

ABPLC is a public limited liability company duly incorporated under the laws of Ghana

2.2. Authorization to Manufacture Food

ABPLC is duly licensed as a company to engage in the manufacture food under the laws of Ghana and has complied with all regulatory requirements necessary or advisable for the conduct of its business.

2.3. Corporate Authorizations

ABPLC has obtained all the corporate authorizations necessary or advisable in connection with the Rights Issue.

2.4. Directors and Management

We have reviewed the Regulations of ABPLC and have made appropriate and necessary enquiries and investigations concerning the directorship and management of ABPLC and we express the opinion that the Board of ABPLC meets the competence, character, and integrity criteria contained in the Regulations of ABPLC and the Companies Act, 2019 Act 992.

2.5. Material Contracts

All the material contracts of ABPLC, necessary for the conduct of its business are in proper legal form under the Contract Act, 1960 (Act 25) for the particular matters to which they are related.

2.6. Investigation by Regulatory Bodies

ABPLC is not the subject matter of any investigation by any regulatory body.

2.7. The Regulations

The Regulations of ABPLC comply with all legal requirements on the contents of the regulations of a public limited liability company and further, the proposed Rights Issue does contravene any provisions of the regulations of ABPLC.

2.8. Registrations and Filing Requirements

All statutory or regulatory registration or filing requirements necessary or advisable in relation to or in connection with the Rights Issue have been complied with.

2.9. The Rights Issue

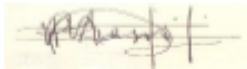
To the best of our knowledge and upon due enquiry, there are no contractual obligations, agreements or undertakings preventing ABPLC from undertaking the proposed Rights Issue. ABPLC has obtained all regulatory and statutory approvals and consents necessary or advisable in connection with the Rights Issue.

3. SCHEDULE OF ASSUMPTIONS

We have relied on information and documents obtained from ABPLC and this opinion has been tendered on the assumption and basis that:

1. The answers given to questions or queries raised by us were correctly and accurately given;
2. All the documents supplied or shown to us were complete, authentic and current and all copy documents supplied or shown to us were complete and conformed to the original;
3. The person or persons who signed the documents had the authority to do so; and
4. The authorizing resolution was duly passed by a quorum of ABPLC shareholders at a properly convened general meeting.

Yours Faithfully,



.....
ZOE LEXFIELDS

PART 7 – REPORTING ACCOUNTANTS REPORT ON HISTORICAL FINANCIAL STATEMENTS



AUDIT • TAX • PAYROLL • ADVISORY

The Board of Directors
Accra Brewery Limited
Ghana

Dear Sirs,

Independent Reporting Accountant's Report on the Historical Financial Statements of Accra Brewery Limited for the Period Ended 30th June 2021.

We have reviewed the accompanying financial statements of Accra Brewery Limited, which comprise the statement of financial position as at 31st December 2016, 2017, 2018, 2019, 2020 and 30th June 2021 and the statement of comprehensive income, statement of cash flows and statement of changes in equity for the periods then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRS), 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.

Reporting Accountant's Responsibility

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

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.



AUDIT • TAX • FINANCE • ADVISORY

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Accra Brewery Limited as at 31st December 2016, 2017, 2018, 2019, 2020 and 30th June 2021 and of its financial performance and cash flows for the periods then ended, in accordance with the International Financial Reporting Standards.

A handwritten signature in blue ink that reads 'Baker Tilly Andah + Andah'.

K. B. ANDAH (ICAG/P/1098)
Baker Tilly Andah + Andah (ICAG/F/2021/122)
C726/3, Nyanyo Lane, Asylum Down
Chartered Accountants
Accra

A handwritten date in blue ink that reads '11th November, 2021'.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDING 2016 TO DECEMBER 2021

	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18	31-Dec-17
	GHS'000	GHS'000	GHS'000	GHS'000	GHS'000
Revenue	588,336	520,798	497,058	478,511	424,819
Cost of Sales	(349,944)	(283,596)	(279,513)	(228,169)	(214,076)
Gross Profit	238,392	237,202	217,545	250,342	210,743
Distribution Expenses	(43,887)	(35,363)	(53,595)	(48,133)	(44,608)
Administrative Expenses	(99,223)	(135,675)	(101,680)	(87,438)	(101,914)
Other Expenses	(8,898)	(9,179)	(7,281)	(21,149)	(17,468)
Other Income	3,517	860	2,740	3,549	-
Operating Profit	84,490	57,845	57,729	97,171	46,753
Finance Income	-	356	1,143	-	88
Finance Costs	(44,067)	(23,701)	(118,090)	(56,371)	(37,114)
Profit/(loss) before income tax and national fiscal stabilisation levy	40,423	34,500	(59,218)	40,800	9,727
National fiscal stabilisation levy	(2,021)	(1,725)	-	(2,557)	-
Income tax (expense)/credit	(14,064)	(16,846)	(17,864)	(23,352)	(12,679)
Profit/(loss) for the year	24,338	15,929	(77,082)	14,891	(2,952)
Other Comprehensive Income					
Total Comprehensive Income	24,338	15,929	(77,082)	14,891	(2,952)

Statements of Financial Position at 31 December 2017 – December 2021

	31-Dec-21 GHS'000	31-Dec-20 GHS'000	31-Dec-19 GHS'000	31-Dec-18 GHS'000	31-Dec-17 GHS'000
ASSETS					
Non - Current Assets					
Property, Plant and Equipment	725,259	676,048	712,583	666,335	609,722
Right-of-use assets	1,070	496	1,269	-	-
Trade and other receivables	3,835	5,292	5,022	5,187	4,409
Deferred income tax assets	-	-	-	-	2,932
	730,164	681,836	718,874	671,522	617,063
Current Assets					
Inventories	53,745	44,841	47,621	64,432	40,219
Trade and other receivables	20,162	55,813	151,653	132,839	101,265
Current income tax assets	29,223	16,702	5,657	-	11,860
Cash and Cash Equivalents	195,926	138,104	13,500	16,479	5,414
	302,530	255,460	218,431	213,750	158,758
Total Assets	1,032,694	937,296	937,305	885,272	775,821
EQUITY					
Stated Capital	7,332	7,332	7,332	7,332	7,332
Income Surplus Account - (deficit)	(54,792)	(79,129)	(95,058)	(17,976)	(32,867)
Total Equity	(47,460)	(71,797)	(87,726)	(10,644)	(25,535)
LIABILITIES					
Current Liabilities					
Trade and other payables	252,017	200,613	181,513	211,410	175,313
Current income tax liabilities	-	-	-	1,480	-
Borrowings	238,528	240,991	294,462	219,232	205,661
Lease liabilities	-	265	357	-	-
	490,545	441,869	476,332	432,122	380,974
Non - Current Liabilities					
Borrowings	574,779	543,913	530,780	456,714	420,382
Lease liabilities	-	65	838	-	-
Deferred income tax assets	14,829	23,246	17,081	7,080	-
	589,608	567,224	548,699	463,794	420,382
Total Liabilities	1,080,154	1,009,093	1,025,031	895,916	801,356
Total Equity and Liabilities	1,032,693	937,296	937,305	885,272	775,821

Cash flow Statements for the years ending 31 Dec 2016 – Dec 2021

	31Dec21	31-Dec-20	31-Dec-19	31-Dec-18	31-Dec-17	31-Dec-16
	GHS'000	GHS'000	GHS'000	GHS'000	GHS'000	GHS'000
Cash flows from operating activities						
Cash generated from/(used in) operations	263,556	263,423	103,117	163,469	188,902	69,383
Interest received		-		-	88	105
Interest paid	(392)	(4,975)	(13,094)	(4,961)	(4,783)	(3,810)
National Fiscal Stabilisation Levy Paid	(2,840)	(1,308)	(1,000)	(3,176)	(1,453)	-
Tax paid	(35,002)	(21,726)	(15,000)	-	(2,662)	(3,205)
Net Cash Generated From/(Used In) Operating Activities	225,322	235,414	74,023	155,332	180,092	62,473
Cash flow from investing activities						
Purchase of property, plant and equipment	(151,411)	(51,782)	(122,286)	(143,502)	(180,970)	(86,956)
Proceeds from sale of property, plant and equipment	6	65	272	742	440	416
Net Cash Used In Investing Activities	(151,405)	(51,717)	(122,014)	(142,760)	(180,530)	(86,540)
Cash flow from financing activities						
Repayment of term loan				-	-	-
Drawdown of term loan				-	-	-
Drawdown of related party loan				-	-	41,332
Repayment of related party loan				-	-	(6,585)
Principal element of lease payments	(823)	(529)	(624)	-	-	-
Net Cash Generated From Financing Activities	(823)	(529)	(624)	-	-	34,747
Net Increase (decrease) in cash and cash equivalents	73,094	183,168	(48,615)	12,572	(438)	10,680
Effects of Currency Translation on Cash and Bank Balances		356	1,143			
Cash and Cash equivalents at the beginning of the year	122,832	(60,693)	(13,221)	(25,793)	(25,355)	(36,035)
Cash and Cash equivalents at end of year	195,926	122,831	(60,693)	(13,221)	(25,793)	(25,355)

PART 8 – REPORTING ACCOUNTANTS REPORT ON FORECASTS



AUDIT • TAX • PAYROLL • ADVISORY

The Board of Directors
Accra Brewery Limited
Ghana

Dear Sirs,

Independent Reporting Accountant's Limited Assurance Report on Forecast Financial Information of Accra Brewery Limited

We have examined the Forecast Financial Statements of Accra Brewery Limited which comprise the statement of financial position, the Statement of Comprehensive Income and the Statement of Cash Flows for the period 2021 to 2025. These forecast financial statements have been prepared for inclusion in the prospectus of Accra Brewery Limited for the purpose of a non-renounceable rights issue of equity shares.

These forecast financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS).

Directors' Responsibility

The Directors of Accra Brewery Limited are responsible for the forecast financial information, including the assumptions as set out in *section 1.4 Part two* of this document on which it is based. This responsibility includes determining whether the assumptions, barring unforeseen circumstances, provide a reasonable basis for the preparation of the forecast, whether the forecasts have been properly compiled on the basis stated and whether the financial forecasts are presented on a basis consistent with the accounting policies of Accra Brewery Limited.

Reporting Accountant's Responsibility

Our responsibility is to provide a limited assurance report on the forecast prepared for the purpose of complying with the accounting policies of Accra Brewery Limited. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3400 *The Examination of Prospective Financial Information*. This standard requires us to obtain sufficient appropriate evidence as to whether:

- Management's best-estimate assumptions on which the forecast is based are not unreasonable and are consistent with the purpose of the information;
- The forecast is properly prepared on the basis of the assumptions;
- The forecast is properly presented and all material assumptions are adequately disclosed; and
- The forecast is prepared and presented on a basis consistent with the historical financial statements, using appropriate accounting principles.

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

The forecast has been prepared using a set of assumptions. Consequently, readers are cautioned that these assumptions may not be appropriate for the purpose other than for inclusion in the prospectus.

Projected Statement of Comprehensive Income for the Periods ending December 31, 2020-2025

	31-Dec-20	31-Dec-21	31-Dec-22	31-Dec-23	31-Dec-24	31-Dec-25
	GHS'000	GHS'000	GHS'000	GHS'000	GHS'000	GHS'000
Revenue	520,797	646,696	744,994	859,723	992,120	1,144,907
Cost of Sales	(283,596)	(348,532)	(401,509)	(463,341)	(534,696)	(617,039)
Gross Profit	237,201	298,164	343,485	396,382	457,424	527,868
Distribution Expenses	(35,363)	(59,156)	(70,076)	(78,110)	(87,189)	(97,459)
Administrative Expenses	(135,675)	(147,479)	(159,572)	(172,976)	(187,506)	(203,257)
Other Expenses	(9,179)	(9,978)	(9,200)	(10,616)	(12,251)	(14,138)
Other Income	860					
Operating Profit	57,844	81,551	104,637	134,680	170,478	213,014
Finance Income	356					
Finance Costs	(23,701)	(12,763)	(37,258)	(29,048)	(18,074)	(8,986)
national fiscal stabilisation levy	34,499	68,788	67,379	105,632	152,404	204,028
National fiscal stabilisation levy		(3,439)	(3,369)	(5,282)	(7,620)	(10,201)
Income tax (expense)/credit	(18,571)	(21,023)	(28,638)	(39,981)	(53,758)	(69,068)
Profit/(loss) for the year	15,928	44,326	35,372	60,369	91,026	124,759
Other Comprehensive Income						
Total Comprehensive Income	15,928	44,326	35,372	60,369	91,026	124,759
Retained Earnings						
Opening Balance	(95,058)	(79,130)	(34,804)	568	60,937	151,963
Profit/(Loss) for the Year	15,928	44,326	35,372	60,369	91,026	124,759
Closing Balance	(79,130)	(34,804)	568	60,937	151,963	276,722

Statements of Financial Position at 31 December 2020 – 2025

	31-Dec-20	31-Dec-21	31-Dec-22	31-Dec-23	31-Dec-24	31-Dec-25
	GHS'000	GHS'000	GHS'000	GHS'000	GHS'000	GHS'000
ASSETS						
Non - Current Assets						
Property, Plant and Equipment	676,048	723,060	772,640	819,400	861,427	898,336
Right-of-use assets	496	354	252	180	128	91
Trade and other receivables	5,292	6,534	7,527	8,686	10,024	11,567
Deferred income tax assets	-	-	-	-	-	-
	681,836	729,948	780,419	828,266	871,579	909,994
Current Assets						
Inventories	44,841	47,083	48,024	48,985	54,863	57,606
Trade and other receivables	55,813	196,961	226,900	261,842	302,166	348,700
Current income tax assets	16,702	15,918	-	-	-	-
Cash and Cash Equivalents	138,103	44,893	103,065	194,726	322,693	502,258
	255,459	304,855	377,989	505,553	679,722	908,564
Total Assets	937,295	1,034,803	1,158,408	1,333,819	1,551,301	1,818,558
EQUITY AND LIABILITIES						
EQUITY						
Stated Capital	7,332	233,051	233,051	233,051	233,051	233,051
Income Surplus Account - (deficit)	(79,130)	(34,804)	568	60,937	151,963	276,722
Total Equity	(71,798)	198,247	233,619	293,988	385,014	509,773
LIABILITIES						
Non - Current Liabilities						
Borrowings	543,913	555,800	592,048	619,931	636,661	644,096
Lease Liabilities	65	65	65	65	65	65
Deferred income tax liabilities	23,246	44,269	48,924	46,972	44,858	42,768
	567,224	600,134	641,037	666,968	681,584	686,929
Current Liabilities						
Trade and other payables	200,613	236,157	272,053	313,949	362,297	418,091
Current Income Tax Liability	-	-	11,434	58,649	122,141	203,500
Borrowings	240,991	-	-	-	-	-
Lease Liabilities	265	265	265	265	265	265
	441,869	236,422	283,752	372,863	484,703	621,856
Total Liabilities	1,009,093	836,556	924,789	1,039,831	1,166,287	1,308,785
Total Equity and Liabilities	937,295	1,034,803	1,158,408	1,333,819	1,551,301	1,818,558

Cash flow Statements for the years ending 31 Dec 2020 – 2025

	31-Dec-20	31-Dec-21	31-Dec-22	31-Dec-23	31-Dec-24	31-Dec-25
	GHS'000	GHS'000	GHS'000	GHS'000	GHS'000	GHS'000
Cash Generated From/(Used In) Operations						
Profit/(loss) before income tax	34,499.00	68,788.00	67,379.00	105,632.00	152,404.00	204,028.00
Adjustments for:						
Depreciation	87,817.00	91,147.00	92,647.00	95,422.00	96,973.00	97,187.00
Depreciation of right-of-use assets	294.00	142.00	102.00	72.00	52.00	37.00
Finance cost	23,701.00	12,763.00	37,258.00	29,048.00	18,074.00	8,986.00
Finance income	(356.00)	-	-	-	-	-
(Profit)/loss on disposal of property, plant and equipment	318.00					
Impairment and Write off of property, plant & equipment	116.00					
Container write offs						
Changes in working capital:						
Decrease/(increase) in inventories	2,780.00	(2,242.00)	(941.00)	(961.00)	(5,878.00)	(2,743.00)
Decrease/(increase) in trade and other receivables	95,153.00	(145,045.00)	(30,932.00)	(36,101.00)	(41,662.00)	(48,077.00)
Increase in trade and other payables	19,100.00	35,544.00	35,896.00	41,896.00	48,348.00	55,794.00
Cash Generated From/(Used In) Operations	263,422.00	61,097.00	201,409.00	235,008.00	268,311.00	315,212.00
Cash flows from operating activities						
Cash generated from/(used in) operations	263,422.00	61,097.00	201,409.00	235,008.00	268,311.00	315,212.00
Interest received						
Interest paid	(4,975.00)	(876.00)	(1,010.00)	(1,165.00)	(1,344.00)	(1,551.00)
National Fiscal Stabilisation Levy Paid	(1,308.00)	-	-	-	-	-
Tax paid	(21,726.00)	-	-	-	-	-
Net Cash Generated From/(Used In) Operating Activities	235,413.00	60,221.00	200,399.00	233,843.00	266,967.00	313,661.00
Cash flow from investing activities						
Purchase of property, plant and equipment	(51,781.00)	(138,159.00)	(142,227.00)	(142,182.00)	(139,000.00)	(134,096.00)
Proceeds from sale of property, plant and equipment	65.00					
Net Cash Used In Investing Activities	(51,716.00)	(138,159.00)	(142,227.00)	(142,182.00)	(139,000.00)	(134,096.00)
Cash flow from financing activities						
Issue of Shares						
Repayment of term loan						
Drawdown of term loan						
Drawdown of related party loan						
Repayment of related party loan						
Principal element of lease payments	(529.00)	-	-	-	-	-
Net Cash Generated From Financing Activities	(529.00)	-	-	-	-	-
Net Increase (decrease) in cash and cash equivalents	183,168.00	(77,938.00)	58,172.00	91,661.00	127,967.00	179,565.00
Effects of Currency Translation on Cash and Bank Balances	356.00					
Cash and Cash equivalents at the beginning of the year	(60,693.00)	122,831.00	44,893.00	103,065.00	194,726.00	322,693.00
Cash and Cash equivalents at end of year	122,831.00	44,893.00	103,065.00	194,726.00	322,693.00	502,258.00
Cash and Cash equivalents include the following for the purposes of the statement of cash flows.						
Cash on Hand	13,500.00	138,103.00	44,893.00	103,065.00	194,726.00	322,693.00
Bank overdrafts	(74,193.00)	(15,272.00)	-	-	-	-
	(60,693.00)	122,831.00	44,893.00	103,065.00	194,726.00	502,258.00

PART 9 – ADDITIONAL TERMS OF THE OFFER

9.1 Options Available to a Qualifying Applicant

Qualifying Shareholders are entitled to subscribe for 1 new ordinary share for every 0.2217 ordinary shares registered in their name as at the close of business on the Qualifying Date under the Offer. Qualifying Shareholders may take any one or more of the following actions under the offer:

- a. **Fully or partially subscribe for their Rights:** A Qualifying Shareholder wishing to exercise this option must complete the relevant section of Application Form, pay the full amount due and return same to a Receiving Agent not later than 16h30 GMT on the Offer Closure Date.

Please refer to - Guidelines for completing the Application Form for specific instructions on how to do this.

- b. **Take no action:** Qualifying Shareholders who choose not to apply for shares under the Offer, or who fail to make payment for the shares they have applied for under the Offer, or who fail to meet the deadline of 16h30 GMT on the Offer Closure Date for returning the Application Form and making payment to a Receiving Agent may be deemed to have not taken any action under the Offer.

Qualifying Shareholders who take no action under these terms empower the Directors of ABPLC to allot such unsubscribed Rights as the Directors deem fit.

9.2 Key Conditions of the Offer

As an applicant:

- a. You offer to subscribe for the number of shares indicated on your Application Form, on these terms and conditions set out in this Circular and subject to the Regulations.
- b. You agree that your application cannot be revoked after the Offer Closure Date or such later date as the Directors and Lead Manager may agree, and promise that any cheque or banker's draft will be honoured on first presentation and that this paragraph constitutes an agreement between you and ABPLC. It becomes binding when your application is posted or in the case of delivery by hand as received by a Receiving Agent. However, ABPLC will not be held liable if you use a wrong address in posting. You must pay all bank commissions, transfers and other bank charges.
- c. A thumb print on an Application Form will be accepted instead of a signature thereon only if it is duly certified in accordance with the Applicable Laws.
- d. If your Application Form is not completed correctly or is amended, or if any cheque or banker's draft is found to be less than the amount stated on your Application Form, it may still be treated as valid. In such cases, the Lead Manager's decision as to whether to treat the application as valid, and how to construe, amend or complete it shall be final. You will not, however, be treated as having applied to purchase a number of shares which, when multiplied by the offer price, is more than the amount of remittance upon allotment of shares.
- e. An application may be rejected in whole or in part at the discretion of the Lead Manager and the Board for applications which are incomplete, illegible, or if it is determined that the applicant is not eligible to participate in this rights issue.

9.3 Acceptance of Offer

- a. Acceptance of your application will be made (if your application is received, valid, processed and not rejected) by notifying the SEC of the basis of allotment and by notifying acceptance to the Receiving Agents.
- b. Acceptance may be of the whole or any part thereof.
- c. If your application is accepted (in whole or in part), there will be a binding contract under which you will be required to subscribe for the shares in respect of which your offer has been accepted.

9.4 Payment for ABL Shares on Offer

- a. You undertake to pay the subscription price for the Shares on Offer in respect of which your offer is accepted. The cheque or banker's draft or other remittances may be presented for payment before acceptance of your offer, but this will not constitute acceptance of your offer, either in whole or in part.
- b. If the application is invalid, rejected or not accepted in full, or if the amount of the application divided by the offer price does not result in a whole number of shares, then the proceeds of the cheque or other remittances or the unused balance of those proceeds (as the case may be) will be refunded to you without interest.
- c. If the remittances are not honoured on first presentation, then at any time until ABPLC has received cleared funds in respect of the offer, the Lead Manager, on behalf of ABL may terminate the agreement to subscribe to that share. The termination will be effected by notifying the Receiving Agent to whom you submitted your application.

9.5 Procedure in respect of Rights not taken up

If a properly completed Application Form and payment in full is not received by 16h30 GMT on the Offer Closure Date, the Rights will be deemed to have been declined by the shareholder. These shares will then be available and allotted by the Directors as they deem fit.

9.6 Warranties

You warrant that:

- a. you are qualified to apply;
- b. in making your application you are not relying on any information or representation concerning ABL and/or other offers not contained in this document. You agree that no person responsible for this document or any part of it will have liability for any such other information or representation;
- c. if any person signing, or making a thumb print on the Application Form is not the applicant, that person warrants that he/she has authority to do so on behalf of the applicant and that this authority is vested in him or her by virtue of a power of attorney which (or a copy of which certified by a solicitor) accompanies the application;
- d. if the applicant is other than a natural person, the person signing the Application Form warrants that he/she has authority to do so on behalf of the applicant.

9.7 Supply and Disclosure of Information

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

9.8 Exchange Controls

The Foreign Exchange Act, 2006 (Act 723) allows foreigners to hold shares of a listed company without any restrictions. It also assures full and free remittance of foreign exchange in the form of original capital or principal amounts, any gains, dividends or interest payments and related earnings and refunds in respect of investments made by external residents in such securities.

9.9 Taxation

a. Withholding Tax on Dividend

Under the current Ghanaian tax legislation, dividend payments by companies attract a final dividend withholding tax rate of 8%. No further tax is payable on dividends received.

b. Tax on Capital Gains

The Income Tax Amendment Bill, 2022 will exempt tax on capital gains for listed shares on the Ghana Stock exchange (GSE)

c. Stamp Duty

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

d. Corporate Tax

The Income Tax Act, 2015 (Act 896), prescribes a corporate tax of 25% for all beverage manufacturing companies.

9.10 Miscellaneous

- a. The rights and remedies of ABPLC and its Advisors, under these terms and conditions are in addition to any rights and remedies, which would otherwise be available to each of them, and the exercise or partial exercise of one will not prevent the exercise of others.
- b. If any application is not accepted or is accepted for a smaller number of shares than applied for, ABPLC will return the balance of the amount paid on application to the Receiving Agent for onwards distribution to applicants. ABPLC will announce such refunds through a national daily newspaper with wide circulation within three (3) business days of the making of such refunds.
- c. A Qualifying Applicant's depository account will be credited with the shares.
- d. You authorise ABLPLC to send money returnable to you through the Receiving Agent you submit your application to.
- e. All documents and monies sent or delivered to or by you will be sent or delivered at your own risk. Any cheque will be made payable to you (or first person named in any joint application).

- f. Your application and the acceptance of that application and the contract resulting therefrom will be governed by and construed in accordance with the laws of Ghana. You irrevocably submit to the jurisdiction of the Ghanaian courts in respect of the matters relating to this transaction. This does not prevent an action being taken against you in any other jurisdiction.

APPENDIX A – APPLICATION GUIDELINES

1 General instructions for completing the Application Form

- a. Please read these instructions carefully before completing the relevant parts of the Application Form.
- b. The Application Form has various sections (A – E). Once you have made a decision after carefully evaluating your options, kindly ensure that you complete all relevant sections with the required details and return together with payment for your subscription to a Receiving Agent.
- c. Use capital letters in completing the Form and return together with payment for your subscription to a Receiving Agent by the Offer Closure Date.
- d. Only persons over 18 years of age can buy shares in their own name. Shares may be bought in trust for a child by a parent, grandparent or guardian of the child.
- e. Power(s) of attorney must be enclosed if anyone is signing on behalf of a Qualifying Applicant other than a minor.
- f. Photocopies of Application Forms will be accepted only when they are clear and legible. The submission of a photocopied Application Form presumes that the applicant understands and accepts the terms and conditions of the Offer.

1. Qualifying Applicant's options and actions

A Qualifying Applicant who wishes to:

a. Apply fully or partially for their rights

Should kindly complete SECTIONS A, B, C, D and E of the Application Form and sign the relevant portion accordingly.

2. Specific Instructions for Completing the Application Forms

a. SECTIONS A and B

SECTIONS A & B are mandatory sections and MUST be completed by all Qualifying Applicants. It requires applicants to insert their full name, valid phone number and a functional email address. Number of shares held and Rights should be disclosed in the spaces provided.

b. SECTION C

Applicants are required to indicate the number of extra shares applied for.

c. SECTION D

Applicants should kindly sum up the number of shares applied for and total amounts due in SECTIONS D. You must ensure that the total amount paid tallies with the total number of shares subscribed for multiplied by the price of a share.

