



SG-SSB LIMITED

CIRCULAR TO SHAREHOLDERS

A RENOUNCEABLE RIGHTS ISSUE

of

57,500,000 ordinary shares of no par value at GH¢0.40 (40 pesewas) per share
in a ratio of one (1) new share for every five (5) shares held

FINANCIAL ADVISORS AND SPONSORING BROKERS

SAS

STRATEGIC AFRICAN SECURITIES LIMITED

This Document is dated: **October 19, 2009**

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Offering Circular (the “Circular”) has been sent to all SG-SSB Limited shareholders on the register of members as at **September 25, 2009**.

If you have sold or otherwise transferred all your shares in SG-SSB Limited, please send this Circular as soon as possible to the purchaser or transferee, or to the stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.

No person is authorised to give any information or to make any representation not contained in this Circular and any information not contained in this Circular must not be relied upon as having been authorised by SG-SSB Limited, Strategic African Securities Ltd, or any of SG-SSB Limited’s advisors. Neither the delivery of this Circular, nor any sale made hereunder, will under any circumstances, create any impression that there has been no change in the affairs of the Company since the date hereof or that the information contained in this document is correct as at any time subsequent to its date. Any material change, relevant to the Offer, in the affairs of the Company during the Offer period will be communicated to the Securities & Exchange Commission (SEC) and the investing public.

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

This Circular has been reviewed and approved by the SEC in accordance with Section 9 of the Securities Industry Act, 1993 (P.N.D.C. Law 333) as amended, and Regulation 51(1) and Schedule 5 of the Securities and Exchange Commission Regulations 2003 (L.I.1728). In its review, the SEC examined the contents of the Circular to ensure that adequate disclosures have been made.

The distribution of this Circular and the offering of the shares in certain jurisdictions may be restricted by law. The Company requires persons into whose possession this Circular comes to inform themselves about, and observe, any such restrictions. This Circular does not constitute an Offer and may not be used for the purpose of an Offer or solicitation by anyone in any jurisdiction or in any circumstances in which such an Offer or solicitation is not authorised or is unlawful.

Before deciding whether to apply for shares, you should consider whether shares are a suitable investment for you. Their values can either go down or up. Past performance is not necessarily indicative of its future performance. If you need advice, you should consult a suitable professional advisor.

To ascertain the financial soundness or value of this Offer, SG-SSB Limited shareholders are advised to consult a dealer, investment advisor or other professionals for appropriate advice.

This Circular has been seen and approved by the Directors of SG-SSB Limited. We, the Directors, collectively and individually accept full responsibility for the accuracy of the information given and affirm that after making all reasonable inquiries and to the best of our knowledge and belief there are no facts the omission of which would make any statement in the Circular misleading.

SG-SSB LIMITED

(Incorporated in Ghana as a limited liability company under the Companies Code, 1963 (Act 179) with Registered No. C-7522)

CIRCULAR TO SHAREHOLDERS

REGARDING

**A RENOUNCEABLE RIGHTS ISSUE OF 57,500,000 ORDINARY SHARES OF
NO PAR VALUE AT GH¢0.40 (40 PESEWAS) PER SHARE**

Sponsored by

STRATEGIC AFRICAN SECURITIES LIMITED

Dated: October 19, 2009

Strategic African Securities Limited (SAS) is acting as financial advisors, manager and sponsor to SG-SSB Limited for this renounceable rights issue. SAS has relied on information provided by SG-SSB Limited and its advisors and accordingly, they do not provide any assurance of the accuracy of the information contained in this Circular. SAS do however confirm that to the best of their knowledge, this Circular constitutes a full and fair disclosure of all material facts about SG-SSB Limited and the Offer.

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KEY MILESTONES AND TIME TABLE

Activity	Date	Time
Ex-Rights Date	23 September	1.00pm
Qualifying Date	25 September	5.00pm
Books Closure Date	28-30 September	8.00am
Commencement of Offer	19 October	10.00am
Commencement of Trading in the Rights	19 October	10.00am
Closure of Trading in the Rights	2 November	1.00 pm
Deadline for Acceptance of Applications	6 November	5.00pm
End of Offer	6 November	5.00pm
Allotment Begins	13 November	8.00am
Allotment Ends,	20 November	5.00pm
Results of the Offer Submitted to SEC & GSE	24 November	5.00pm
Crediting of Depository Accounts / Issue of letters of Allotment	30-November	5.00pm
Listing and Commencement of Trading in the New Shares	1 December	9.30am

All dates provided are subject to change by the Managers of the Offer in consultation with the Directors of SG-SSB Limited (subject to obtaining the necessary regulatory approvals). Any amendment will be published in a national daily newspaper not later than 72 hours after receipt of regulatory approvals.

CORPORATE INFORMATION ON SG-SSB LTD

Directors:	Bernard David – Chairman Alain Bellissard – Managing Director Alain Hourcade – Deputy Managing Director Gilles Louvel – Director, Risk & Legal Michel Miaille Kofi Ampim Kwaku Osafo Pierre Wolmarans Teresa Ntim Ambassador Fritz Kwabena Poku Patrick Le Buffe
Registered Office:	C796 A/3 Asylum Down Ring Road Central, Accra P.O. Box 13119 Accra - Ghana
Auditors:	Ernst & Young Chartered Accountants G 15 White Avenue Airport Residential Area P.O. Box KA 16009 Airport, Accra - Ghana
Company Secretary:	Angela Nanansaa Bonsu SG-SSB Limited P. O. Box 13119 Accra - Ghana
Registrars:	NTHC Ltd Martco House PO Box 9563 Airport, Accra, Ghana Tel: +233 (0)21 235817
Holding Company:	SG Financial Services Holding, France
Ultimate Holding Company:	Société Générale, incorporated in France

ADVISORS TO THE ISSUE

Financial Advisors & Sponsoring Broker:

Strategic African Securities Limited
2nd Ridge Link, North Ridge
PO Box KA 16446
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Tel/Fax: +233 21 251546 – 7, 9 ; +233 21 251548
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Mr. Kwasi Prempeh-Eck
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Mr Samuel Abiaw
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Receiving Agents:

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2nd Ridge Link, North Ridge
Tel : +233 21 251546-7,9
Fax : +233 21 251548
Email: info@sasghana.com
Website: www.sasghana.com

All SG-SSB Limited Branches

DEFINITIONS

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

“Board”	The Board of Directors of SG-SSB Ltd
“BOG”	Bank of Ghana
“Companies Code”	The Ghana Companies Code 1963 (Act 179) as amended
“Circular” or “Document”	This Offering Circular dated October 19, 2009
“Ghana”	The Republic of Ghana
“GSE” or “the Exchange”	Ghana Stock Exchange
“The Manager”	Refers to Strategic African Securities Ltd., who are sponsoring and managing the Offer
“New shares”	The 57,500,000 new ordinary shares of SG-SSB to be issued pursuant to the Rights Issue, in accordance with the terms of the Offer.
“Qualifying Date”	The date, September 25, 2009 , on which persons whose names appear on the register of SG-SSB members, qualify for this Offer.
“Qualifying SG-SSB Shareholder”/ “Qualifying Applicant”	Any natural person who is 18 years or over, or a corporation, partnership or other unincorporated associations who is resident/incorporated in Ghana or in some other state or country, provided that he/she/it is an SG-SSB shareholder on the register of shareholders as at the qualifying date, and who has no legal restrictions to partaking in this Offer.
“Receiving Agent”	Strategic African Securities (SAS) and all SG-SSB branches will be receiving applications and payments from qualifying applicants under this Offer. Full contact details of the receiving agents can be found on pages 56, 57 & 58 of this Document.
“Renouncee”	A person in favour of whom a qualifying shareholder has renounced his/her rights.
“Renouncer”	A qualifying SG-SSB shareholder who renounces some or all of his/her rights in favour of another person(s).

“Rights”	The legal and financial right of qualifying SG-SSB shareholders to partake in this Offer, which right could be traded to other persons for value, in which case the right is traded on the GSE or which right could be renounced in favour of another person(s).
“SAS”	Strategic African Securities Ltd, who is acting as financial advisors and sponsor for the SG-SSB rights issue
“SEC”	Securities & Exchange Commission
“SG-SSB” or “the Company”	SG-SSB Limited
“SG-SSB Board”, “SG-SSB Directors” or “Directors”	The Directors of SG-SSB
“SG-SSB shares”	Ordinary Shares of SG-SSB
“the Offer” or “the Rights Issue”	The Offer of 57,500,000 new ordinary shares of SG-SSB at a price of GH¢0.40 (40 pesewas) in this renounceable Offer to the existing shareholders in a ratio of one (1) new share for every five (5) shares held as at the qualifying date.



PARTNERS: ALEXANDER WILLIAMS & HENRY PREMPEH-ECK

Office Address:

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Accra, Ghana
Tel:021 925025; 028 9550351

Postal Address:

P.O. Box CT 3556
Cantonments
Accra-Ghana

October 5, 2009

The Director-General
Securities and Exchange Commission
Cantonments, Accra

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

Dear Sirs,

SG-SSB LIMITED'S RIGHTS ISSUE - LEGAL ADVISORS' COMPLIANCE CERTIFICATE

1. INTRODUCTION

1.1 *Basis of Instructions*

We have acted as legal advisors to SG-SSB Limited in connection with the company's 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. In particular, we mention the following documents as constituting the basis of the opinion expressed by us herein:

- i) Copy of the Certificate of Incorporation of SG-SSB Limited
- ii) Copy of Certificate to Commence Business
- iii) Copy of Licence to Operate Business of Banking issued by the Bank of Ghana under the Banking Act, 2004 Act 673
- iv) Copy of Regulations of SG-SSB Limited (a Public Limited Liability Company listed on the Ghana Stock Exchange)
- v) 2008 Annual Report of SG-SSB

- vi) Employee Handbook: Rules and Conditions of Service and other related documents
- vii) Documents covering some leases and tenancies taken by the company
- viii) Some agreements involving SG-SSB
- ix) Receipts evidencing payment of municipal levies
- x) Certificates evidencing tax and SSNIT compliance
- xi) Board Resolutions on Compliance with Bank of Ghana Directive on Minimum Capital Requirement
- xii) Board Resolution to allocate renounced shares to interested parties and to list the shares on the Ghana Stock Exchange
- xiii) Shareholders' Resolution authorising the Rights Issue
- xiv) Copy of Rights Issue Circular

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. In offering this opinion, we have not investigated the laws of any other country other than Ghana and we express no opinion on the laws of any other jurisdiction. 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*

SG-SSB is a public limited liability company duly incorporated under the laws of Ghana.

2.2 *Authorisation to do Business as a Bank*

SG-SSB is duly licensed as a bank by the Bank of Ghana and has complied with all regulatory requirements necessary or advisable for the conduct of its business.

2.3 *Corporate Authorisations*

SG-SSB has obtained all the corporate authorisations necessary or advisable in connection with the Rights Issue.

2.4 *Directors and Management*

We have looked at the Regulations of SG-SSB, the relevant portions of the 2008 Annual Report and have also made appropriate and necessary enquiries and investigations concerning the directorship and management of SG-SSB and we express the opinion that the Board of SG-SSB meets the competence, character, and integrity criteria contained in the Regulations of the company, the Companies Act, 1963 Act 179 and the Banking Act, 2004 as amended.

2.5 *Material Contracts*

All the material contracts of SG-SSB necessary for the conduct of its business are in proper legal form for the particular matters to which they are related and are enforceable under the laws of Ghana.

2.6 *Investigation by Regulatory Bodies*

SG-SSB is not the subject matter of any investigation by any regulatory body.

2.7 *The Regulations*

- 2.7.1 The Regulations of SG-SSB comply with all legal requirements on the contents of the regulations of a public limited liability company.
- 2.7.2 The Regulations comply with the requirements of Part V of the Ghana Stock Exchange Listing Rules for a listed company
- 2.7.3 The proposed Rights Issue does not contravene any provision of the Regulations

2.8 *Registrations and Filings*

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*

- 2.9.1 To the best of our knowledge and upon due enquiry, there are no contractual agreements, obligations or undertakings preventing SG-SSB from undertaking the Rights Issue
- 2.9.2 The Rights Issue complies with the Ghana Stock Exchange Listing Rules as well as the Securities and Exchange Commission Regulations (L.I.1728)
- 2.9.3 SG-SSB has obtained all the regulatory and statutory approvals and consents that are necessary or advisable in connection with the Rights Issue and GSE listing.

SCHEDULE OF ASSUMPTIONS

We have relied on information and documents obtained from SG-SSB 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 that 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
- 4. The authorising resolution was duly passed by a quorum of SG-SSB's shareholders at a properly convened general meeting.

Yours faithfully,



Alexander Williams
Partner
LEX-ECK CONSULT



Henry Prempeh-Eck
Partner
LEX-ECK CONSULT

PART 1 – THE RIGHTS ISSUE

1 Legal Basis for the Rights Issue

The Shareholders of SG-SSB Limited at its 29th Annual General Meeting held on Wednesday, March 25, 2009 passed the following Special Resolutions:-

- a) That the Company in accordance with its Regulations increases its stated capital to meet the minimum capital requirement of GH¢60 million set by the Bank of Ghana through a Bonus and Rights Issue, i.e.
 - i) That the Company transfers GH¢35,836,000 from its Income Surplus Account to Stated Capital.

Thereafter:-

- ii) The Company increase the issued stated share capital to meet the minimum capital requirement of GH¢60 million, through a rights issue by the offer of such number of ordinary shares as may be required by up to GH¢23 million to the Company's members on its register of members as at the close of day on a date to be determined by the Directors in proportion as nearly the circumstances admit, to the number of shares that they are entitled to at the appropriate market determinable price as at the time of the offer payable in full. The Directors were authorized, subject to the prior approval of the Ghana Stock Exchange, to issue renounceable letters of allotment and to deal with the issue generally.

2 Reasons for the Rights Issue

The Bank of Ghana recently fixed a new minimum stated capital requirement of GH¢60 million expected to be met by various categories of banks within specified time periods. The increase in the minimum stated capital is in accordance with BASEL II accords which require banks to maintain sufficient capital reserves to support their risk appetite as defined by the capital adequacy ratio. This is also meant to strengthen the capital base of the banks to enable them engage in higher volumes of financial transactions and thereby deepen the financial system. SG-SSB Ltd, having a foreign majority share ownership is therefore expected to meet the minimum capital requirement by December 31, 2009 as directed by the Bank of Ghana.

The proposed new recapitalization policy is expected to make it possible for banks to undertake syndications and also increase the depth of financial services in Ghana. It is also expected to firmly position the banks in a way that will enable them to take advantage of the huge opportunities expected with the recent discovery of oil off the country's shores, and the complexities in demands of customers.

As a result of these developments, SG-SSB Limited, a key player in the banking industry and a listed company on the Ghana Stock Exchange (GSE), with its Board and Management intend to raise more capital through the issuance of additional shares and subsequently list these new shares on the GSE. The Board and Management of SG-SSB recognise that the Ghanaian banking industry has become extremely competitive in the last half decade, and recognise the added value the injection of additional capital could provide by enhancing its ability to improve its loan base among other things. This new issue is expected to raise funds to meet the new minimum capital requirement, enhance its competitive edge, deal with new challenges, and take advantage of the expectant growth in the economy, among other things.

3 Key Terms and Conditions / Details of Offer

a) Number of Shares

The Offer comprises a Renounceable Rights Issue of 57,500,000 new ordinary shares at GH¢0.40 (40 pesewas) per share to qualifying shareholders in a ratio of one (1) new share for every five (5) ordinary shares held. The shares to be issued under this Offer will rank *pari passu* with the ordinary shares of SG-SSB already in issue and listed on the GSE.

b) Pricing of the Shares

The Offer is priced at **GH¢0.40 (40 pesewas)** per share, representing a 33% discount to SG-SSB's market price of GH¢0.60 on September 9, 2009, the last practicable date before the printing of this document. If all the shares on offer are fully subscribed for, SG-SSB would raise a total of GH¢23,000,000.

c) Minimum Amount to be Raised Under the Offer

The minimum amount to be raised for the Offer to be declared successful is GH¢17,164,000.

d) Oversubscription

To the extent that applications for extra shares received are more than the available number of shares under the offer, the Directors of the company in consultation with its Advisors, and subject to clearance from the relevant regulatory authorities, shall determine an appropriate allotment strategy. SG-SSB will refund excess monies received in accordance with the refund policy stated in this document (*page 7*).

4 Additional Offer Details

a) Dealings

The GSE has granted permission to list up to 57,500,000 new ordinary SG-SSB shares to be issued under the Rights Issue on the First Official List of the GSE, alongside the existing 285,000,000 ordinary shares listed. It is expected that trading in the additional shares will commence alongside the existing shares on the GSE on **December 1, 2009**.

b) Qualifying Date & Distribution of the Offer Circular

The shares on offer under this Rights Issue will be offered to the shareholders of SG-SSB whose names appear in the Register of Members at the close of business on **September 25, 2009**.

The Registrar of SG-SSB has sent a copy of this Circular containing the allotment details and the Application Form through the post to shareholders on record on the qualifying date. Shareholders who do not receive copies of the Circular by **September 25, 2009** may contact the offices of the Registrar, Sponsoring Broker or Receiving Agents for a copy of the Circular (subject to availability of extra copies of the Circular).

c) Trading in the Rights

The rights to this Offer (*rights*) may only be traded on the GSE from **October 19, 2009** to **November 2, 2009**. Shareholders who desire to sell all or some (partial renunciation) of their *rights* on the GSE should contact their Brokers or the Sponsoring Broker at the address below:

Strategic African Securities Ltd
2nd Ridge Link, North Ridge, Accra
PO Box KA 16446
Accra, Ghana
Tel: +233 21 251546-7, 9
Fax: +233 21 251548
E-mail: info@sasghana.com
Website : www.sasghana.com

5 Application

All applications for shares under this Offer must be in whole numbers and no purported application for fractions of a share will be accepted. In completing the application form, the applicant should note the following:

a) Shareholders and Renounees

Shareholders wishing to take-up some or all of their rights must complete the appropriate sections of the accompanying Application Form in order to exercise their rights. Shareholders are allowed to apply for shares in excess of their rights (extra shares). This can be done under Section A of the Application Form.

Shareholders are allowed to renounce in part or in full their rights in favour of a third party at their own option by completing Sections A and B of the Application Form. Renounees should complete Section C of the Application Form and submit it, together with Sections A and B completed by the Renouncer, to the receiving agents.

Should a shareholder desire to renounce his rights in favour of more than one person, he or she should list the names of the persons, stating the number of shares renounced in favour of each renounee in Section B of the Application Form. Each renounee must then complete a copy of Section C of the Application Form and submit same, together with payment for the shares applied for, to a receiving agent.

b) Non-shareholders

Non-shareholders **cannot** apply for SG-SSB shares under this Offer unless they have been named as renounees. The Directors of SG-SSB will allot any shares not taken up by existing shareholders under this Offer as they deem fit, and the Directors may allot such shares to qualified applicants / named renounees.

6 Escrow Account

All application monies collected will be deposited into the Escrow Account with Account Name “**SG-SSB Rights Issue**” and Account Number **1011130034100** at Ghana Commercial Bank Limited, High Street, Accra. A copy of the Escrow Account Agreement has been lodged with the Securities & Exchange Commission.

7 Allotment

The allotment of shares to applicants will be:

- a. first to satisfy all duly completed applications from qualifying shareholders and their renounees as pertains to qualifying shareholders' rights in the Offer; then to
- b. satisfy all duly completed applications from qualifying shareholders and renounees for extra shares, pro-rating where necessary.

To the extent that applications for extra shares received are more than the available number of shares under the offer, the Directors of the company in consultation with its Advisors, and subject to clearance from the relevant regulatory authorities, shall determine an appropriate allotment strategy. SG-SSB and its advisors will communicate the final results and make the necessary refunds.

8 Refund

If any application is not accepted or is accepted for a smaller number of shares than applied for, the balance of the amount paid on application will be returned to receiving agents not later than November 6, 2009 for onward distribution to applicants. SG-SSB will announce such refunds through a national daily newspaper with wide circulation within 72 hours of the making of such refunds.

If SG-SSB does not make refunds of extra application monies to the receiving agents by November 6, 2009, SG-SSB will pay to investors, interest on the unpaid amounts from November 9, 2009 at the prevailing Bank of Ghana prime rate for each day of default until the refund is made to receiving agents.

9 Payment

For applicants resident in Ghana, payment may be made by cash, cheque, postal order or money order, which should be presented at the office of SAS or any SG-SSB branch where the Application Form is to be lodged. All such cheques, postal orders or money orders should be crossed **SG-SSB Rights Issue** and endorsed **Commission to Drawer's Account**. This endorsement must be signed by the drawer. Bank commissions and transfer charges on application monies must be paid by the applicant. Applications in respect of which cheques are returned unpaid for any reason whatsoever or for which funds do not clear for the full amount payable on the application by 5 pm on **November 6, 2009** may be treated as invalid.

Qualifying applicants not resident in Ghana may purchase shares under this Offer in local currency and for this purpose, SG-SSB allows payment for shares in Ghana cedis (GH¢) only. Funds should be remitted for the benefit of SG-SSB Rights Issue by bank transfer to SAS or any SG-SSB branch. Foreign currency will be converted to Ghana cedis by the receiving bank at the day's prevailing market rate

Any application from a person not resident in Ghana, which is not received in a form which will realise cleared funds for the full amount payable on the application by 5pm on **November 6, 2009**, may be treated as invalid. Bank commissions and transfer charges on application monies must be paid by the applicant. Applications, in respect of which cheques are returned unpaid, for any reason whatsoever, will be rejected.

10 Lodgement of Duly Completed Application Forms

All qualifying applicants must deliver or lodge their duly completed Application Forms at the offices of Strategic African Securities Ltd (SAS) or any SG-SSB branch in Ghana by 5 pm on November 6, 2009.

Applicants who choose to mail their Application Forms to either SAS or any SG-SSB branch are advised to use registered mail services. However, all documents mailed to a receiving agent by applicants will be at the applicants' own risk, and SG-SSB may treat applications not received by 5 pm on November 6, 2009 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 except in the case of applications by non-residents who transfer funds to the designated Ghana Commercial Bank account. Such applicants should send their application forms and evidence of transfer of funds to Strategic African Securities Ltd (SAS). SAS will acknowledge receipt of application forms and funds from applicants.

11 Cost of the Offering

The total cost of the offering is not anticipated to exceed 2.99% of the amount to be raised. SG-SSB will pay all fees out of the proceeds of the issue. Below are summarised details of the cost of the offering:

Item	Amount GH¢	% of Amt to be Raised
Professional and Advisory Fees (legal due diligence, accounting due diligence, financial advisory, management advisory, public relations services, etc)	272,702	1.19
Regulatory Fees (GSE, SEC Registrar General)	71,048	0.31
Direct Publicity, Administration, Taxes and Logistics (Media publicity, marketing, printing, logistics, VAT, etc)	343,284	1.49
Total Estimated Cost	687,033	2.99

12 Offer Statistics and Timetable

a) Details of the Offer

Key details of the Offer are:

Authorised Shares	500,000,000
Issued Shares	285,000,000
Authorised and Un-issued Shares	215,000,000
Ordinary Shares on Offer Under Rights Issue	57,500,000
Offer Price per Share (GH¢)	0.40
Outstanding Shares After Offer	342,500,000
Expected Proceeds from the Offer (GH¢)	23,000,000

Offer Timetable

Activity	Date	Time
Ex-Rights Date	23 September	1.00pm
Qualifying Date	25 September	5.00pm
Books Closure Date	28-30 September	8.00am
Commencement of Offer	19 October	10.00am
Commencement of Trading in the Rights	19 October	10.00am
Closure of Trading in the Rights	2 November	1.00 pm
Deadline for Acceptance of Applications	6 November	5.00pm
End of Offer	6 November	5.00pm
Allotment Begins	13 November	8.00am
Allotment Ends	20-November	5.00pm
Results of the Offer Submitted to SEC & GSE	24-November	5.00pm
Crediting of Depository Accounts / Issue of Letters of Allotment	30-November	5.00pm
Commencement of Trading in the Shares	1 December	9.30am

All dates provided are subject to change by the Managers of the Offer in consultation with the Directors of SG-SSB (subject to obtaining the necessary regulatory approvals). Any amendment will be published in a national daily newspaper not later than 72 hours after receipt of regulatory approvals.

Part 2 – THE GHANAIAN BANKING INDUSTRY

1 Introduction

The banking industry in Ghana has evolved significantly over the years through the combined effects of structural reforms and the country's good macro-economic performance. The industry is currently one of the most buoyant and competitive yet profitable sectors of the economy; a look at the profit and loss statements of new entrants showed that majority had already began posting profits by the end of 2007 (barely two years in operation), despite the intense competition within the industry.

The industry was formerly categorised by the various services provided by the banks i.e. commercial, merchant, and development banks. Currently, banks provide virtually the same banking services due to the new universal licences, introduced by the Bank of Ghana (BoG) that permits them to play all these roles. All banks in Ghana currently possess universal licenses and are permitted to operate as such.

Major developments in the banking industry in the last 6 years include:

Year	Key developments
2003	Maintenance, transaction, and transfer fees charged by commercial banks abolished
2003	Universal Banking Licence was introduced for banks with ₵70 billion (GH₵7 million) in capital
2004	The Banking Act 2004 (Act 673) replaced the Banking Law 1989 (PNDC Law 225)
2006	Secondary deposit reserves requirement (15%) abolished
2006	Foreign Exchange Act 2006 (Act 723) and Whistle Blowers Act 2006 (Act 720) came into effect
2007	Credit Reporting Act (Act 726) and Banking (Amendment) Act 2007 (Act 738) passed
2007	National Reconstruction Levy abolished
2007	Redenomination of the cedi
2008	Introduction of E-zwich, the biometric smart card
2008	BOG's notice for requirement of minimum stated capital of GH₵60 million to maintain Class 1 banking status

Source: Ghana Banking Survey, PWC

With regards to the new minimum capital requirement set by the Bank of Ghana, banks with majority foreign holding have until the end of 2009 to meet this requirement. However, banks with majority local holding have until the end of 2010 to obtain a stated capital of GH₵25 million and until the end of 2012 to obtain GH₵60 million.

2 Regulatory Environment

The Bank of Ghana (BoG) has overall supervisory and regulatory authority in all matters relating to banking and non banking financial businesses in the country. BoG was established in 1957 (after independence) as an independent central bank with primary functions being:

- The issuance of currency
- Serving as banker and fiscal agent of Government
- Regulation of the financial system, and
- Setting the framework for independent monetary management to achieve monetary stability

The Central Bank through its Banking Supervision Department (BSD), has overall supervisory authority in all matters relating to the business of banking in Ghana. BSD examines the affairs of every bank at least once a year, placing particular emphasis on capital adequacy, solvency, asset quality and management. Other areas also examined include the soundness of borrowing and lending operations, and the funding of long-term commitments. The Bank of Ghana has operated as an autonomous institution under the Bank of Ghana Act since September 2002.

The industry is also regulated by the following:

- Bank of Ghana Act 2002 (Act 612)
- Banking Act, 2004 (Act 673)
- Banking (Amendment) Act, 2007 (Act 738)
- Companies Act 1963 (Act 179)
- Bank of Ghana Notices / Directives / Circulars / Regulations

3 Market Participants

The banking sector currently comprises twenty-six (26) banks, with approximately six hundred and seventy-nine (679) branches nationwide. Six (6) of the banks, namely: CAL Bank Ltd, Ecobank Ghana Ltd, Ghana Commercial Bank Ltd, HFC Bank Ltd, Standard Chartered Bank Ltd, and SG-SSB Limited are listed on the Ghana Stock Exchange. In addition to the 26 banks is ARB Apex Bank, which acts as a central bank for about a hundred and twenty-nine (129) rural and community banks also operating in the system. The table below shows the banks currently operating in Ghana:

Bank	Type	Founded	Number of Branches
Standard Chartered Bank Ghana Ltd (SCB)	Universal	1896	21
Barclays Bank (GH) Ltd (BBG)	Universal	1917	94
Ghana Commercial Bank Ltd (GCB)	Universal	1953	151
National Investment Bank Ltd (NIB)	Universal	1963	26
Agricultural Development Bank Ltd (ADB)	Universal	1965	50
Merchant Bank (GH) Ltd (MBG)	Universal	1971	20
SG-SSB Ltd (SG-SSB)	Universal	1977	38
CAL Bank Ltd (CAL)	Universal	1990	13
Ecobank (GH) Ltd (EBG)	Universal	1990	44
The Trust Bank Ltd (TTB)	Universal	1992	19
UT Bank Ltd (UTB)*	Universal	1996	10
First Atlantic Merchant Bank Ltd (FAMB)	Universal	1996	6
Prudential Bank Ltd (PBL)	Universal	1996	22
International Commercial Bank Ltd (ICB)	Universal	1996	12
Stanbic Bank of Ghana Ltd (SBG)	Universal	1999	21
Amalgamated Bank Ltd (AMAL)	Universal	1999	12
Unibank Ltd (UNI)	Universal	2000	13
HFC Bank Ltd (HFC)	Universal	2003	19
United Bank for Africa (Ghana) Ltd (UBA)	Universal	2004	26
Zenith Bank (Ghana) Ltd (ZBG)	Universal	2005	13
Guaranty Trust Bank Ltd (GTB)	Universal	2006	12
Fidelity Bank Ltd (FBL)	Universal	2006	14
Intercontinental Bank Ltd (IBL)	Universal	2006	20
Banqué Sahélo-Saharienne Pour L'Investissement et Le Commerce (BSIC)	Universal	2008	1
Bank of Baroda (Ghana) Ltd (BOB)	Universal	2008	1
Access Bank (Ghana) Ltd	Universal	2009	1
TOTAL			679

**UT Bank was established as a result of an acquisition of BPI Bank Ltd by UT Holdings.*

4 SG-SSB and Competition in the Banking Industry

The banking industry is one of the fastest growing and profitable industries in the country. In the last four years, the industry's assets have nearly tripled from GH¢3,709 million in 2005 to GH¢10,530 million at the end of 2008; which represents a compound annual growth rate (CAGR) of 42%. The industry's earnings have equally grown significantly, rising from GH¢115 million in 2005 to GH¢227 million representing a CAGR of 25%. As at the end of the financial year 2008, the industry had registered a net profit margin of 20%.

The table below highlights the performance of the banking industry in the last four years:

GHANA'S BANKING INDUSTRY	2005	2006	2007	2008	CAGR
Total Assets (GH¢'m)	3,709	5,217	7,842	10,530	42%
Loans and Advances (GH¢'m)	1,594	2,324	3,914	5,471	51%
Deposits and Current Accounts (GH¢'m)	2,511	3,521	5,199	6,934	40%
Profit after Tax (GH¢'m)	115	155	105	227	25%
Loan to Deposit (%)	63.5	66.0	75.3	78.9	
Net Interest Margin (%)	72.0	72.3	66.4	61.6	
Net Profit Margin (%)	25.2	27.4	13.3	20.3	
SG-SSB Limited	2005	2006	2007	2008	CAGR
Total Assets (GH¢'m)	291	365	418	437	14%
Loans and Advances (GH¢'m)	99	142	212	287	43%
Deposits and Current Accounts (GH¢'m)	179	237	280	299	19%
Profit after Tax (GH¢'m)	9	10	12	16	21%
Loan to Deposit (%)	55	60	76	96	
Net Interest Margin (%)	78	79	82	85	
Net Profit Margin (%)	26	25	27	33	
P/E ratio (x)	11	9	15	12	
Price to Total Assets (x)	0.4	0.2	0.4	0.4	

*** Source: SAS Banking Industry Analysis 2008

As at December 2008, the largest bank in the country, by total assets, was Ghana Commercial Bank (GCB) which accounted for 15% of the industry's total assets. It was followed by Barclays Bank Ghana (BBG) which obtained that title the previous year for the first time due to its large expansion drive. BBG accounted for 13% of the industry's total assets in 2008.

SG-SSB emerged as the eighth (8th) largest bank in terms of assets with total assets of GH¢436.77 million. The bank also ranked ninth (9th) and eighth (8th) in terms of deposits and loans & advances respectively. Its deposits amounted to GH¢298.86 million representing 4.3% of the industry total, whilst loans and advances amounted to GH¢329.17 million, representing 4.8% of the industry total.

Below is a summary of some selected banking industry statistics for 2008:

Bank	Total Assets (Market Share)	Rank	Deposits (Market Share)	Rank	Net Loans & Advance (Market Share)	Rank
GCB	15.7%	1	14.9%	1	19.2%	1
BBG	13.2%	2	13.3%	2	14.0%	2
SCB	9.4%	3	10.7%	3	7.3%	4
EBG	8.7%	4	9.8%	4	7.7%	3
ADB	5.9%	5	5.3%	7	6.7%	5
MBG	5.1%	6	4.6%	8	4.9%	7
SBG	4.4%	7	5.3%	5	5.0%	6
SG-SSB	4.1%	8	4.3%	9	4.8%	8
ZBG	3.7%	9	4.8%	6	2.5%	14
FAMB	3.7%	10	30.4%	12	3.8%	9

*** Source: SAS Banking Industry Analysis 2008

5 Outlook

The Ghanaian banking system is poised for much stiffer competition in the years ahead. The healthy competition is also expected to generate more attention on small and medium scale enterprises, which were previously neglected.

The recent discovery of oil in commercial quantities is expected to rekindle business activities. This is also expected to bring along larger volumes of transactions from the various multinational firms which have begun relocating here in Ghana to tap on the oil benefits. These multinationals' transactions require huge financial outlays, and the recapitalisation of the banks in Ghana would enable them to handle some of these transactions. It is estimated that the exploration of oil in Ghana would bring in some additional US\$3 billion per annum to government revenues which will help boost the economy.

Meanwhile, a number of other banks operating in Ghana are making plans in the near future to embark on various financing strategies to raise funds to boost their stated capital requirement in order to meet the Bank of Ghana's deadline.

Part 3 – SG-SSB LIMITED

1 History and Background

SG-SSB Limited (SG-SSB), formerly SSB Bank, was incorporated on February 7, 1975 as “Security Guarantee Trust Limited”. It was founded in 1975 as a private limited liability company to provide banking services for the Ghanaian market, with SSNIT as its sole shareholder. In 1976, the name was changed to “Social Security Bank Limited” or “SSB” and received a licence to operate as a bank in that same year. It began banking operations in 1977.

In 1994, as part of the restructuring of the banking system, SSB Bank and the “National Savings and Credit Bank”, a small commercial bank jointly owned by Government and BOG were merged; the consideration being the issue by SSB of new shares representing 7.6% of its issued shares. The following year, the Government of Ghana divested its 21% stake in the bank and it was converted to a public limited liability company as part of its preparations toward the Company’s Initial Public Offer (IPO). The company subsequently listed on the Ghana Stock Exchange on October 13, 1995.

The bank’s name was changed to SSB Bank Ltd in 1998. In March 2003, Société Générale of France acquired a controlling interest in SSB Bank Ltd. On March 31st, 2004, the Company’s name was changed to SG-SSB Limited to reflect the new strategic focus being pursued by the Company.

SG-SSB’s mission is to create the preferred banking institution, which employs professionalism, team spirit and innovation, and to provide quality products and services that best satisfy the needs of its customers.

2 Share Issue History

- i. 3rd May, 1994, the Bank successfully merged with the National Savings and Credit Bank still maintaining the name Social Security Bank Ltd.
- ii. July 1995, the bank made a public offer of 30% of its shares. SSNIT divested 20% of its shareholding in the bank.
- iii. In October 1995, the bank listed on the Ghana Stock Exchange.
- iv. In 1997, Strategic Investor, a consortium made up of Blakeney Management Corporation UK, Morgan Stanley, Quantum (Soros) Emerging Market Investment Corporation and others bought 52% of SSB Bank’s issued shares. Meanwhile, Allied Irish Banks PLC was appointed Technical partner.
- v. Commonwealth Development Corporation (CDC) in December 1999, acquired 20% stake in the Bank.
- vi. The ownership structure of SSB Bank changed in March, 2003. Société Générale, one of the largest banks in the world acquired controlling shares in SSB Bank thus making SSB Bank its subsidiary. However, it officially became SG-SSB on March 31, 2004.
- vii. In June 2005, the company undertook a bonus issue of 1:1
- viii. As part of its plans to increase its minimum stated capital to meet BOG’s requirement, SG-SSB undertook a bonus issue of 1:1 in May 2009 which was backed by a transfer from income surplus.

3 Dividend History

Over the last five years, the average dividend payout ratio has been 67% of Net Income and 15% of Shareholders funds (Net Assets). No dividend was declared for the full year ended December 31, 2008 due

to the special resolution passed on March 25, 2009 by shareholders of the Bank to increase its stated capital to meet the minimum capital requirement of GH¢60 million. The table below summarises the key statistics.

	2004 GH¢	2005 GH¢	2006 GH¢	2007 GH¢	2008 GH¢
Total Dividend	6,412,500	6,412,500	6,412,500	8,550,000	-
Total issued shares	142,500,000	142,500,000	142,500,000	142,500,000	142,500,000
Dividend per share (GH¢)	0.045	0.045	0.045	0.060	-

4 Products

The company is authorised and licensed to carry out the business of banking to corporate customers, individuals, and small and medium scale enterprises. It primarily provides retail banking, and business banking products and services. Other services include corporate banking, investment banking, specialised financing activities such as leasing and consumer credits as well as other financial intermediaries.

Retail Banking

The Retail Banking division of SG-SSB has extensive understanding of the needs of her large customer base and develops and delivers a wide range of products and services to satisfy the needs of their clients in the different consumer segments. Its main product division include credits, money remittance, placement, and services. Their product range includes Loans & Overdrafts, Money Transfer Services, Current and Savings Accounts, Privilege Banking and Cards services.

Business Banking

The Business Banking Division of SG-SSB applies experience and pooling expertise from the Société Générale network to help businesses achieve their objectives through the bank's diverse range of products. The division comprises of three main departments, namely:

- *The Corporate Banking Department* which ensures dedicated services to corporate customers in a timely manner. It reviews needs spanning credit requests, cash management, investments and treasury placements in all major international currencies.

The Small and Medium Scale Enterprises (SME) Department is specially structured to meet the banking needs of Small and Medium Scale businesses. A team of professionals spread countrywide are available to provide flexible solutions to meet clients banking requirements, applying experience and pooling resources from the Société Générale network.

- *The Business Credit Administration [BCA] Department* provides loans for credit worthy customers/ businesses to cater for a variety of needs including purchase of new equipment, stock up on inventory, increasing working capital, expansion works, or to generally overcome liquidity problems. This credit source exists in several forms and includes cash credit, overdraft, demand loan, export packing credit, term loan, or purchase of commercial bills etc.

The ranges of products and services provided by the departments in the Business Banking division are offered through all its branches and divisions across Ghana.

5 Directors

The Board comprises eleven (11) directors who assume complete responsibility for activities of SG-SSB.

Bernard David (57 yrs), Chairman: He joined the Board of Directors on May 29th, 2008 as Chairman. He holds a Bachelors Degree in Economic Sciences and a Masters in Economic Sciences obtained in 1976 from the Economy & Finance Section of the Institute d' Etudes Politiques, Paris, France. His career with Société Générale spans over 30 years serving in different capacities in the Inspection Division, Individual Customers & Securities Division, Retail Banking division, Products & Markets Division, Private Banking and International Retail Banking Division. He is currently the Deputy Head of the International Retail Banking Division (BFHM).

Alain Bellissard (62 yrs), Managing Director: He is the Managing Director of the Bank. Alain graduated from the Institute of Politics de Grenoble and has awards from Chevalier de l'Ordre National de Mérite and Conseiller de Commerce Extérieur de la France. Mr. Bellissard has 33 years of banking experience in the Société Générale Group. He is an eminent Banker and has held various positions in France, Nigeria, Cameroon, the Republic of Congo, Japan, Korea, and Honk Kong. Mr. Bellissard was Chairman of the Korea Foreign Banks Association, Chairman of the European Chamber of Commerce, Board Member of the French Chamber of Commerce (Hong Kong) and Vice-Chairman of the French Chamber of Commerce in Cameroon. He joined the Board of Directors of the Bank on November 13th, 2006.

Alain Hourcade (52 yrs), Deputy Managing Director: He is the Deputy Managing Director of the Bank. He holds a Masters in Law. He joined Société Générale in 1981 and has worked in different branches in France and abroad in various positions ranging from Account Manager, Corporate Supervisor & Commercial. He joined the Board of Directors on January 23rd, 2006.

Gilles Louvel (58 yrs), Director, Risk & Legal: He is the Director for Risk and Legal Division of the Bank. He holds a Masters in Economics. He joined Société Générale in 1973 and worked in the Credit Department and International Division of Société Générale. He also held the following positions: Deputy Manager– Société Générale, Manama, State of Bahrain; Deputy Head of Corporate Banking– Société Générale, La Havre, France; Head of Corporate Banking– Société Générale, Rueil Malmaison France; and Head of Corporate Banking– Société Générale, Paris, La Défense, France. He joined the Board of Directors on September 17th, 2007.

Michel Miaille (65 yrs), Member: He holds a Bachelor's degree in Law. He joined Société Générale in 1971. He was until recently the Managing Director of Société Générale de Banques Cote d'Ivoire. He joined the Board of Directors on March 26th, 2003.

Kofi Ampim (63 yrs), Member: He holds a BBA Degree and a Masters in International Business and Finance. He is an Investment Banker and a Director of Total Oil Company. He is also the Chairman for Pan African Resources Development Company Limited, Accra and New York. He joined the Board of Directors on March 26th, 2003.

Dr. Kwaku Osafo (66 yrs), Member: He holds a PhD in applied Economics, a Masters in Economics, an MBA in Finance, an MSc. in Irrigation and Water Resources and, a BSc. in Agricultural Engineering. He is an experienced engineer, economist, financial analyst and management specialist with over thirty year's international experience. He was a World Bank Expert and an Economic Advisor to the nineteen member countries of the Common Market for Eastern and Southern Africa (COMESA). He joined the Board of Directors on June 26th, 2003.

Pierre Wolmarans (50 yrs), Member: He holds an LLM & B Com (Law, Economics and Accountancy 3A) and is an Attorney by profession. He joined Société Générale in 1990. He is presently the Chief Executive for Société Générale Corporate and Investment Bank, Southern Africa and Indian Ocean Region, Johannesburg. He joined the Board of Directors on February 7th, 2005.

Teresa Ntim (Mrs) (65 yrs), Member: She holds a BSc. and MSc. in Agricultural Economics. Her career spans over thirty-three (33) years with the Bank of Ghana, serving in different capacities in the Research, Rural Finance, Development Finance and Foreign Operations Departments. She was the Head of Treasury from 1993 to 1997 and also served as Special Advisor to the Governor of the Bank of Ghana when she later retired in 2004.

Ambassador Fritz Kwabena Poku (64 yrs), Member: He is a Barrister at Law and holds a BA (Hons) French and a Certificat des Etudes Francaises respectively from the Universities of Ghana and Abidjan. In addition he holds a Diploma in Public Administration and Management. A retired Career Diplomat with over 36 year's experience. He is the Chief Executive Officer of GDAS Consult, a consulting business on governmental relations, investment and diplomatic advisory services. He is currently the Chairman of the Board of Directors of FOCOS (Ghana). He joined the Bank's Board of Directors on February 26th, 2007.

Patrick Le Buffe (57 yrs), Member: He holds a Professional Banking Certificate and his career spans over 14 years with Société Générale serving in different capacities as an Inspector, Head of Back Office, Société Générale at SG Morocco, and Managing Director of Société Générale de Banque aux Antilles (French West Indies). He is currently assigned as a Director of African, Mediterranean and Overseas Region at the Retail International Banking Division (BHFM). He joined the Board of Directors on May 29th, 2008.

6 Senior Management

SG-SSB is managed by a team of competent managers made up of professionals who have demonstrated outstanding capabilities and experience in the field of business. We present below a brief profile of the Senior Management Team of SG-SSB Limited:

Alain Bellissard (Managing Director): *Please see section under Board of Directors.*

Alain Hourcade (Deputy Managing Director): *Please see section under Board of Directors.*

Gilles Louvel (Director Risk & Legal): *Please see section under Board of Directors.*

Serge Le Quentrec (46 yrs), General Manager Finance & Administration Division: He holds a Masters Degree in Information Technology, Accounting and Finance and an additional Masters degree in Science (Mathematical, Physics and Chemistry) from University of Orsay in France (University Paris 11 in France). He worked with Credit Agricole in the Head Office Capital Market Division as Project Manager from 1988 to 1993 prior to joining Société Générale. Within the SG Groupe he worked as at the Head Office of the International Division as Organisation and IT Project Manager for SG Investment Banking Foreign Subsidiary, on IT implementation systems in new Société General subsidiaries start-ups world wide from 1993 to 1997; Thereafter IT Project Manager in charge of large projects i.e. EMU Automatic Clearing for SGBA (French West Indies) from 1997 to 2002. He worked with SGBC Cameroon as General Manager from 2002 to 2007 before joining SG-SSB Ghana.

Norbert Conges (59 yrs), General Manager Retail Banking Division: He holds a Masters in Philosophy and German. Norbert joined the Société Générale Groupe in 1973 and has worked in different capacities including Accounting, Foreign Services, Recoveries, Customer Services and Branch Management, Business

Credit Administration in the following countries French Polynesia, Australia, Cameroon, Equatorial Guinea and Chad. He joined SG-SSB in September 2005.

Joel Favriaud (63 yrs), General Manager Inspection Division: He holds a Baccalaureate Mathematics and technics certificate; and a certificate of studies for first of Second Degree; He has 41 years seniority within the Société Générale Groupe having joined in 1968. He worked in various capacities as General Manager Organisation and Chief Inspector Indonesia; Head Office HRM Division in charge of SG expatriates management; Nigeria SGBN as Management Controller and Chief Inspector; SGBC Ivory Coast as Chief Inspector and Corporate Secretary; and within other SG subsidiaries as General Manager Administration; Project Manager for the Delta Project; and Deputy General Inspector.

Irene Owiredu Akrofi (48 yrs), General Manager Treasury Department: She holds an EMBA Finance and a BSc Administration from the University of Ghana and two professional qualifications (ACIB) from the Chartered Institute of Bankers in London and (ACI) Association Cambiste Internationale based in Paris. Over her eighteen year career she has built experience and expertise in banking covering many areas including branch retail banking, product development, card payment systems (issuer and acquirer), operational risk management and control, project management, treasury business development and sales, and executive management. She is charged with responsibility for managing the Bank's Assets and Liabilities.

Ben Berko (51 yrs), Head Business Banking Department: Ben Berko is an eminent Banker and holds a BA Honours degree in Political Science & Philosophy from the University of Ghana, Legon; a Diploma in Advance Economics of Banking [Fin Africa in 1990], and a Master of Business Administration [Finance option] obtained from University of Ghana in 1997. He has over 24 years experience in Banking and Finance having joined the industry in 1984. Over the period, he has held Branch Manager position at various outlets in the network, with responsibility for Branch operations and business development. Between 2001 and 2005, Ben joined the Business Banking Division and was a Relationship Manager in charge of a portfolio of corporate customers of the bank, developing and maintaining profitable relationships for mutual benefit. Ben is currently Head of Business Banking Division which comprise Corporate Banking, SME Business and Business Credit Administration & Finance Leasing.

Edmund Wireko Brobbey (61 yrs), Managing Director's Advisor: Edmund holds a Master of Business Administration (Finance) second degree from the Fordham University, New York USA and a BSc (Management) first degree from the New York Institute of Technology New York USA. He joined the Bank in 1981 and has served in different capacities holding the following positions Head Corporate and Marketing Department; Head Business Development; Head Priority Banking Service; Head Privilege Banking Unit; Head Retail Sales Department and Head Development and Bank Strategy Division. He has over 25 years Banking experience.

Kwame Ofori-Gyau (44 yrs), Head Human Resources Management: Kwame is a professionally qualified member of good standing with the Chartered Institute of Personnel and Development UK. He holds a Master's degree in Human Resource Management, a Post Graduate Diploma in Personnel Management, a Graduate Diploma all from the Thames Valley University, United Kingdom. He holds a BSc Development Planning degree from the University of Science and Technology, Kumasi. Kwame has worked in various capacities and has over 17 years experience in Generalist and Specialist Role in Human Resource Management.

Obed A Hoyah (43 yrs), Head Risk Department: He holds an MSc from University of Maryland Co Graduate School of Management & Technology; a BSc (Accounting) from the Rhode Island College Providence. Obed has worked in different capacities as the Head of Pre Recoveries and Head of SME

Department. Obed manages the activities of the Risk Department. He steers the Operational Risk and Credit Risk Committee meetings and is responsible for producing the BHFMRisk Report. He is also responsible for monitoring and controlling Operational Risk. He has over 12 years experience in this industry.

Angela Nanansaa Bonsu (43 yrs), Company Secretary and Head of Compliance Monitoring: She is a professionally qualified member of good standing with the Institute of Directors, Ghana. Angela holds a Master of Business Administration (Strategy) degree from the Middlesex University Business School and an Honours Degree in Law from the University of London, United Kingdom. Angela is richly experienced in Company Secretarial Practice, Compliance, Corporate Governance, Business Integration, Global Employee Share Ownership Programmes, Legal Administration, Human Resource and Project Management with over 17 years experience working in various capacities. As head of Compliance Monitoring, Angela is charged with ensuring that non compliance risks are identified and the appropriate preventative measures implemented.

7 Remuneration and Compensation

The total amount of all remuneration and compensation paid to the directors and senior management of SG-SSB Ltd for the full year ended December 31, 2008 is GH¢1,722,984.19. The breakdown is as follows:

	GH¢
Directors Fees	92,574.00
Directors Expenses	60,874.00
Executive Directors Salaries	807,107.00
General Managers Salaries	762,429.19
Total	1,722,984.19

8 Corporate Governance and Board Practices

SG-SSB recognises the importance of good corporate governance to sustain the long-term viability of the business. This entails the adoption of standard accounting practices, sound internal controls and transparency of information that gives assurance to the reliability of the financial statements while respecting the rights of all stake holders. The continuing Listing Requirements of the Stock Exchange, the Securities and Exchange Commission Regulations and the Banking Act provide SG-SSB with a regulatory framework. The Board and Management are thus committed to good corporate governance practices.

Role of the Board

The responsibility of good corporate governance is placed in the hands of the Board of Directors of SG-SSB. They are charged with strategic guidance of the company, effective monitoring of management and accountability to the company and shareholders. The Board also formulates policies and ensures that these are implemented.

Additionally, the Board is responsible for the system of internal control, approval of capital expenditure, ratification of credit approvals, approval of annual operating budgets; determination of strategies and plans, nomination of directors' appointment and removal of auditors; recommendation and approval of interim and/or final dividend, and the approval of financial statements.

The Board holds annual meetings every month of March to deliberate on issues that underpin strategic development and proper governance of the company.

Board Committees

SG-SSB has three (3) committees, namely Audit Committee, Credit Committee and Nomination & Compensation Committee.

Audit Committee

In line with its corporate governance principles, the audit sub-committee is made up of five (5) non-executive directors responsible for monitoring the adequacy and effectiveness of internal controls. The committee reviews and makes recommendations to the Board on all aspects of the audit and financial reporting processes. The following are the members of the audit committee:

Name	Role
Dr Kwaku Osafo	Chairman
Michel Miaille	Member
Teresa Ntim	Member
Kofi Ampim	Member
Ambassador Fritz Kwabena Poku	Member

Credit Committee

The credit committee is responsible for taking credit decisions above the limits of EUR 1,000,000 for up to 18 months and EUR 500,000 for duration up to 7 years. Below these limits, the Managing Director has the discretion to dispense credit as authorized by the Board of Directors. The managing director has no approving authority however for some specific segments of customers and certain credit facilities. Below are the members of the credit sub-committee:

Name	Role
Mr. Bernard David	Chairman
Mr. Alain Bellissard	Member
Mr. Alain Hourcade	Member
Mr. Gilles Louvel	Member
Mr. Patrick Le Buffe	Member

Nomination and Compensation Committee

The primary objective of the nomination and compensation committee in accordance with good corporate governance is to ensure that the bank has a board of competent and effective composition and is adequately charged to carry out its responsibility in the best interest of the bank and its shareholders. It also serves to advice the board in respect of succession plans, appointments and competitive compensation packages for Management officers of the Bank. The committee is made up of:

Name	Role
Mr. Kofi Ampim	Chairman
Mr. Alain Bellissard	Member
Mr. Michel Miaille	Member
Ambassador Fritz Kwabena Poku	Member

Changes in Management /Board of Directors

During the year 2008, Mr Philippe Vigue stepped down as Chairman of the Board on retiring from Société Générale. Also Mr Gerald Lacaze resigned from the Board. Messrs David Bernard and Patrick Le Buffe on the recommendation of the Directors and with the approval of the Bank of Ghana were appointed as Directors of the Bank on May 29, 2008.

9 Employees

The table below shows a breakdown of SG-SSB's staff strength since December 2006.

Category	2006	2007	2008
Management	479	530	540
Clerks	184	161	138
Total	663	691	678

10 Share Ownership

Directors Shareholdings

The holdings of some Directors in SG-SSB Limited (as at December 31, 2008) are presented below:

Mrs. Teresa Ntim	-	720 Shares
Ambassador Fritz Poku	-	1,100 Shares

11 Shareholders

The table below shows the Top 20 shareholders of SG-SSB as at December 31, 2008:

	Shareholders	No. of Shares	Holdings (%)
1.	SG Financial Services Holding	72,675,000	51.00
2.	Social Security & National Insurance Trust	30,795,118	21.61
3.	Daniel Ofori	11,119,521	7.8
4.	BBGB Re Epack Investment Fund Ltd	3,911,601	2.74
5.	SSNIT SOS Fund	1,353,392	0.95
6.	STD Bank Nom. (Tul) (Pty) Ltd	1,030,000	0.72
7.	SAS/ Amenuvor Gideon	856,484	0.60
8.	Sam Esson Jonah	500,000	0.35
9.	BBGN/ELAC Shareholders Fund	410,794	0.29
10.	Teachers' Fund	400,200	0.28
11.	BBGN/Unilever Gh Managers Pension Fund	400,000	0.28
12.	BBGN/SSB Eaton Vance	370,000	0.26
13.	Strategic African Securities	297,162	0.21
14.	BBGN ELAC Shareholders Fund	297,032	0.21
15.	State Insurance Corporation	285,000	0.20
16.	MIHL/Boachie Adjei Oheneba H.	264,050	0.19
17.	Ghana Reinsurance Organisation	250,000	0.18
18.	BBGN/Unilever Gh. Provident Fund	240,090	0.17
19.	Equity Focus	213,367	0.15
	Wienco Ghana Limited	200,000	0.14
	Total	125,868,811	88.33

12 Branch Offices

SG-SSB currently operates 38 fully networked branches that are spread out across all the regions; Upper East, Upper West, Northern, Brong Ahafo, Volta, Ashanti, Eastern, Western, Greater Accra, and Central Region. It has one of the biggest banking networks in Ghana. The main branch is located at Ring Road

Central, Accra; Post Office Box 13119, Accra, Ghana. *Please refer to pages 56 & 57 for a list of all the branches.*

13 Risk Factors

Every investment undertaking comes along with some risk. Prospective investors in the additional shares of SG-SSB should carefully consider the following potential risks:

Financial Risk: SG-SSB's core business exposes it to various financial risks including credit risk, liquidity risk, interest rate risk and foreign exchange risk. SG-SSB's management, through its efficient risk management systems has been able to keep these risks under control.

Dilution: Shareholders who do not exercise their rights to purchase additional shares will have their shareholding diluted.

Political Risks: The continued growth of Ghana's economy is contingent upon the nation continuing to enjoy the kind of political stability that it has enjoyed over the past years. The peaceful election and political transition in 2008/2009 can be held as evidence of the country's political stability.

Economic Risks: The economy provides the framework for the financial services industry. Adverse economic conditions could affect SG-SSB's performance and their ability to meet its set targets.

Competition: The financial industry is one of the most competitive industries in the country. SG-SSB is however poised to withstand this competition and continue to pull out new and innovative ways to attract and keep clients.

Fraud: Fraudulent practices by customers and employees can adversely affect the operations of the bank. The bank keeps this risk under control through the adoption of various verification and reporting systems.

Computer Systems Failure: The failure of SG-SSB's technology at any point in time can adversely affect the company's operations. The bank mitigates this through the proper monitoring and maintenance of its equipments.

14 Documents Available for Inspection

Copies of the following documents in respect of the business and affairs of SG-SSB and the Rights Issue may be inspected at the registered office of SG-SSB during normal business hours of any working day during the Offer period:

- i. The Resolution passed by shareholders at the Annual General Meeting held on March 25, 2009
- ii. The Resolution passed by the Board of Directors dated February 13th 2009 to commence the process of raising equity capital through a rights issue & bonus issue, in Compliance with Bank of Ghana's directive on minimum capital requirement. Notice No. BG/GOV/SEC/2008/3.
- iii. The Company Regulations of SG-SSB.
- iv. A copy of SG-SSB's Certificate of Incorporation.
- v. Copies of the Company's audited annual reports for the past five (5) years.
- vi. A copy of the Rights Issue Circular.
- vii. The Escrow Account Agreement with Ghana Commercial Bank Limited.

15 Audited Historical Financial Statements

a) Independent Reporting Accountants Report on Historical Financial Statements



The Board of Directors
SG-SSB Limited
C796 A/3 Asylum Down
Ring Road Central, Accra
P.O. Box 13119
Accra

October 5, 2009

Dear Sir,

Accountants' Report on Historical Financial Information Derived From The Audited Financial Statements of SG-SSB Limited for the Five Years ended December 31st, 2008

We have reviewed the summarised historical financial information set out in this report.

The information has been prepared for inclusion in the offer circular of SG-SSB Limited (the Bank) in respect of a renounceable rights issue to be undertaken to increase its stated capital to meet the minimum capital requirement of GH¢60 million set by the Bank of Ghana.

The financial information is based on the audited financial statements of SG-SSB Limited for the five (5) years ended December 31st 2008, after making such reclassifications, as we considered necessary.

Preparations of the financial statements are the responsibility of the management of the Bank and were audited by Ernst and Young Chartered Accountants of Accra. The Directors of the Bank are also responsible for the contents of the offer circular in which this report is included. It is our responsibility to compile the financial information and report our opinion to you.

In our opinion the accompanying summarised financial statements are consistent, in all material respects, with the financial statements from which they were derived.

For a better understanding of the Bank's financial position as at December 31st, 2008, the results of its operations for the five years then ended and of the scope of our review, the summarised financial statements should be read in conjunction with the audited financial statements, from which the summarised financial statements were derived, and the respective audit reports thereon.

Yours faithfully

Andah & Andah
Chartered Accountants

b) Historical Income Statements of SG-SSB Limited from 2004 to 2008
Income Statements for the Five Years to December 31st, 2008

	2008 GH¢	2007 GH¢	2006 GH¢	2005 GH¢	2004 GH¢
Revenue	78,294,344	64,976,372	59,127,755	52,322,000	47,990,700
Interest Income	47,533,284	42,351,021	39,908,800	36,272,100	31,714,700
Interest & Similar Charges	(7,001,987)	(7,740,093)	(8,378,026)	(7,874,900)	(7,141,600)
Net Interest Income	40,531,297	34,610,928	31,530,774	28,397,200	24,573,100
Fees & Commission Income	28,379,807	18,400,555	17,762,555	14,576,300	12,706,500
Net gains and losses on Financial Assets & Liabilities	-	-	78,850	-	-
Other operating Income	2,441,253	4,812,288	2,366,300	1,473,600	3,569,500
Total Operating Income	71,352,357	57,823,771	51,738,479	44,447,100	40,849,100
Credit Loss Expenses	(6,393,070)	(5,448,705)	(3,715,035)	(461,800)	(313,000)
Net Operating Income	64,959,287	52,375,066	48,023,444	43,985,300	40,536,100
Total Operating Expenses	(43,091,899)	(36,798,272)	(33,703,089)	(29,174,500)	(23,669,100)
Profit before tax	21,867,388	15,576,794	14,320,355	14,810,800	16,867,000
Income tax Expenses	(6,345,691)	(3,987,678)	(3,630,020)	(4,216,900)	(4,338,000)
National Reconstruction Levy	-	-	(790,029)	(1,308,200)	(1,914,100)
Profit after tax	15,521,697	11,589,116	9,900,306	9,285,700	10,614,900

Income Surplus Account for the Five Years to December 31st 2008

	2008 GH¢	2007 GH¢	2006 GH¢	2005 GH¢	2004 GH¢
Balance at January 1	27,309,242	27,694,740	18,870,900	23,484,900	20,609,400
Profit for the year	15,521,697	11,589,116	9,900,306	9,285,700	10,614,900
Dividend Paid	(4,275,000)	(10,525,974)	(6,388,074)	(6,412,500)	(6,412,500)
Transfer to Statutory Reserve	(1,940,212)	(1,448,640)	(1,243,000)	(1,160,700)	(1,326,900)
IFRS Transition adjustments	-	-	6,554,608	-	-
Transfer to Stated Capital	-	-	-	(6,326,500)	-
Balance at December 31	36,615,727	27,309,242	27,694,740	18,870,900	23,484,900

Historical Balance Sheets of SG-SSB Limited for the Five Year Period (2004 - 2008)

Balance Sheets as at December 31st

	2008	2007	2006	2005	2004
	GH¢	GH¢	GH¢	GH¢	GH¢
Assets					
Cash on Hand and Cash Balances with Bank of Ghana	46,905,469	36,237,220	33,651,063	28,117,700	24,593,200
Due from Banks & Other Financial Institutions	34,178,882	57,937,231	64,713,026	26,003,000	41,245,000
Financial Investments (Gov.Securities)	42,050,881	83,237,133	102,362,042	98,336,200	87,869,100
Loans & Advances	287,120,110	212,444,163	141,648,623	124,100,300	74,461,700
Investment in Subsidiaries	-	-	-	51,100	52,800
Investment in Other Securities/ Available for Sale	288,514	18,514	51,040	227,300	227,900
Other Assets	2,974,376	9,145,849	3,637,117	2,312,200	2,305,200
Current Tax-Assets	817,575	-	649,300	560,600	2,739,100
Property, Plant & Equipment	20,519,035	18,422,727	19,120,751	11,744,200	10,422,600
Intangible Assets	1,910,288	413,990	277,376	-	-
Total Assets	436,765,130	417,856,827	366,110,338	291,452,600	243,916,600
Liabilities					
Customer Deposits	298,858,563	279,740,749	236,604,626	178,725,000	157,992,300
Due to Banks & Other Financial Institutions	40,543,718	48,141,379	48,329,367	44,620,500	24,193,100
Interest Payables & Other Liabilities	25,831,761	30,515,047	22,570,257	27,834,000	24,331,300
Current tax-Liabilities	-	69,105	-	-	-
Deferred tax-Liabilities	1,859,761	965,917	537,700	557,300	557,300
National Reconstruction Levy	-	-	706,900	-	-
Total Liabilities	367,093,803	359,432,197	308,748,850	251,736,800	207,074,000
Equity					
Stated Capital	7,000,000	7,000,000	7,000,000	7,000,000	673,500
Share Deals Account	2,943,755	2,943,755	2,943,755	2,943,800	2,943,800
Capital Surplus	9,232,693	9,232,693	9,232,693	1,653,800	1,653,800
Income Surplus	36,615,727	27,309,242	27,694,740	18,870,900	23,484,900
Statutory Reserve Fund	13,879,152	11,938,940	10,490,300	9,247,300	8,086,600
Total Equity	69,671,327	58,424,630	57,361,488	39,715,800	36,842,600
Total Equity and Liabilities	436,765,130	417,856,827	366,110,338	291,452,600	243,916,600

c) Historical Cash Flow Statement for the Five Year Period (2004 - 2008)
Cash flow Statements to December 31, 2008

	2008	2007	2006	2005	2004
	GH¢	GH¢	GH¢	GH¢	GH¢
Operating Activities					
Profit before Taxation	21,867,388	15,576,794	14,320,355	14,810,800	16,867,000
Adjustment for:					
Depreciation Charges	2,764,100	2,599,131	2,401,226	2,057,800	2,038,400
Amortization	337,507	148,837	87,174	-	-
Dividend from Investments	(42,052)	-	(2,800)	(22,000)	(24,400)
Profit from sale of Investments	-	-	(9,900)	(168,000)	(1,558,000)
Profit from sale of Property, Plant and Equipment	(15,405)	(8,467)	(909,900)	(153,700)	(70,000)
Other Non-cash Movements	-	1,879,458	19,208	-	-
Operating Cash Flows before Working Capital Changes	24,911,538	20,195,753	15,905,363	16,524,900	17,253,000
Decrease/(Increase) in Other Assets	6,171,473	(5,508,732)	(1,321,800)	(7,100)	(135,400)
Decrease/(Increase) in Other Liabilities	(3,934,645)	7,961,944	1,633,300	3,265,400	(3,749,700)
Increase in Customer Deposits	19,117,814	43,136,123	58,046,000	20,732,800	31,671,300
Increase in Loans and Advances to Customers	(74,675,947)	(72,692,152)	(17,548,400)	(49,638,600)	166,000
Decrease in Government Securities/Borrowings	41,186,252	19,124,909	3,708,800	20,427,400	1,358,000
Decrease in amount due to banks and Other Financial Institutions	(7,597,661)	(187,988)	-	-	-
Cash from Operations	5,178,824	12,029,857	60,423,263	11,304,800	46,563,200
Income Tax Paid	(7,086,532)	(2,841,056)	(3,280,600)	(2,771,000)	(3,123,000)
National Reconstruction Levy	-	(706,900)	(540,800)	(575,600)	(1,444,300)
Net Cash from Operating Activities	(1,907,708)	8,481,901	56,601,863	7,958,200	41,995,900
Investing Activities					
Purchase of Property, Plant & Equipment	(4,910,120)	(1,906,192)	(3,211,000)	(3,508,600)	(4,653,900)
Purchase of Intangible Assets	(1,833,805)	(285,449)	-	(76,727)	(57,667)
Proceeds from Sale of Property, Plant & Equipment	64,481	13,550	1,554,600	282,900	72,700
Increase in Investments and Government Securities	(270,000)	32,526	(3,798,500)	(10,465,300)	(27,247,900)
Proceeds from Sale of Investments	-	-	10,000	168,500	1,716,600
Dividend Received	42,052	-	2,800	22,000	24,400
Net Cash Used in Investing Activities	(6,907,392)	(2,145,565)	(5,442,100)	(13,577,227)	(30,145,767)
Financing Activities					
Dividend Paid	(4,275,000)	(10,525,974)	(6,916,374)	(6,175,200)	(4,952,900)
Net Cash Used in Financing Activities	(4,275,000)	(10,525,974)	(6,916,374)	(6,175,200)	(4,952,900)
Decrease in Cash & Cash Equivalents	(13,090,100)	(4,189,638)	44,243,389	(11,717,500)	6,954,900
Cash and Cash Equivalent as at January 1	94,174,451	98,364,089	54,120,700	65,838,200	58,883,300
Cash and Cash Equivalent as at December 1	81,084,351	94,174,451	98,364,089	54,120,700	65,838,200

PART 4 – USE OF FUNDS & BUSINESS OUTLOOK

1 Introduction

The Bank of Ghana recently fixed new minimum capital requirements of GH¢60 million expected to be met by various categories of banks within specified time periods. This is meant to strengthen the capital base of the banks to enable them engage in higher volumes of financial transactions and thereby deepen the financial system. The increase in stated capital is in accordance with BASEL II accords which require banks to maintain sufficient capital reserves to support their risk appetite as defined by the capital adequacy ratio.

SG-SSB Ltd, having a foreign majority share ownership is therefore expected to meet the minimum capital requirement of BOG by December 31, 2009. The proposed new recapitalization policy is expected to enable banks to undertake syndications and also deepen the depth of financial services. It is also expected to firmly position the banks in a way that will enable them to take advantage of the huge opportunities expected with the recent discovery of oil off the country's shores, and the complexities in demands of customers.

As a result of these developments, SG-SSB Ghana Limited, a key player in the banking industry and a listed company on the Ghana Stock Exchange (GSE), intends to raise more capital through the issue of additional shares and subsequently list these new shares on the GSE. The Board and Management of SG-SSB recognise that the Ghanaian banking industry has become extremely competitive in the last half decade, and recognise the added value the additional funds could provide by enhancing its ability to undertake bigger transactions. This new offer is expected to, among other things, raise funds to meet the new capital requirement, enhance its competitive edge, deal with new challenges, and take advantage of the expectant growth in the economy.

2 Business Strategy

SG-SSB's strategy in the short to medium term is to make the bank a profitable one, known for its high level of professionalism in key areas such as Foreign Operations, Corporate, Business Banking and Treasury. The bank also plans to improve its technology infrastructure to better meet the needs of its cherished customers, to make sound loans available to all types of customers and to ultimately increase its market share.

In pursuance of the bank's strategy as outlined above, its board and management have identified the following key areas as critical in achieving its strategy:

- Continuous provision of high quality and competitive products and services to customers to grow both its deposits and loans base
- Empowerment of staff to contribute to the company's overall vision and goals
- Refurbishment and expansion of Branch network, to create a welcoming environment for all customers
- Improvement of technology infrastructure to better manage its diverse customers
- Improvement of the bank's customer service relations
- Reinforcement of the bank's risk control measures
- Aggressively target Small and Medium Sized Enterprises (SME's) with the aim of providing them with services specially designed to meet their needs

3 Business Outlook

SG-SSB is very optimistic of its future efficiency and profitability. It anticipates that measures outlined above, among others, will enable the Bank utilise its resources to take advantage of opportunities and minimise the effects of threats by managing the identified constraints. This would enable the bank increase and stabilise its deposit base, increase its assets and improve shareholder value.

These measures will also open opportunities for increased lending and thus compensate for the decline in investment income. Eventually, the improvement of products and services, the continuous growth in deposits, control of expenses, cost reduction and the satisfaction of customer needs would enable achievement of the objectives, sustain the bank's competitive advantage and enhance the long term viability of the Bank.

PART 5 – FINANCIAL FORECASTS

1. Reporting Accountants' Report on Forecast and Projections



The Board of Directors
SG-SSB Limited
C796 A/3 Asylum Down
Ring Road Central, Accra.
P.O. Box 13119
Accra

October 5th 2009

Dear Sir

Accountants' Report on Forecast Financial Information

We have reviewed the projected balance sheets from December 2009 to December 2013 and the Income Statements and Cash flow statements of SG-SSB Limited for each of the five years ending 31st December 2009, 2010, 2011, 2012 and 2013.

We have reviewed the accounting policies and calculations for the financial forecast as well as the bases and assumptions underlying the financial projections and found them to be reasonable and sound.

We emphasize that the financial projections, for which the directors are responsible relate to future events and are based on assumptions, which may not remain valid for the whole of the period.

In our opinion the financial projections, for which the Directors are solely responsible, so far as the accounting policies and calculations are concerned, have been properly compiled using the assumptions made by the Directors of the company as set out on page 31 of this report and is presented on a basis consistent with the accounting policies currently adopted by the company.

Yours faithfully

Andah & Andah
Chartered Accountants

2. Principal Assumptions Underlying Forecasts (2009 – 2013)

The following constitute the principal assumptions underlying the forecasts:

- i) The overall economic climate will continue to improve during the projected period
- ii) The current stable political climate in the country will remain unchanged in the foreseeable future
- iii) No material changes in government regulations affecting labour costs and operating expenses will be introduced besides those already in force
- iv) The base rate has been estimated to average 18.68% per annum over the forecast period
- v) The prime rate has been estimated to average 16.70% per annum over the forecast period
- vi) The average market share of the Bank is expected to be 5.27%
- vii) No new regulations that will adversely affect the profitability of the banking industry in a material way will be passed
- viii) No industrial dispute and /or disruption of operations are envisaged in the near future
- ix) The impact of inflation rate on forecast is assumed to average 13.20%
- x) Net interest income is expected to grow at an average rate of 13%, 30%, 19%, 25% and 30% respectively during the five year period
- xi) Net banking income is expected to grow at an average rate of 14%, 25%, 19%, 22% and 26% respectively during the five year period
- xii) Earnings per share and dividend per share is calculated based on the total number of issued shares after this offer
- xiii) It is expected that the new banking software will provide added advantage
- xiv) A corporate tax of 25% is forecasted
- xv) That irrespective of the credit crunch, the Bank will continue as a going concern

3. Projected Income Statements for Five Years to December 31, 2013

	2009	2010	2011	2012	2013
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Interest Received					
-Credits	44,913	60,353	73,165	93,594	121,986
-Investment	11,271	10,981	11,671	11,032	11,227
Total Interest Income	56,184	71,334	84,836	104,626	133,213
Less: Interest Expense					
-Domestic	6,495	7,716	9,450	11,348	13,075
-Overnight Borrowing	171	189	209	231	256
-Repos	2,535	2,662	2,795	2,935	3,081
-Foreign	505	570	748	980	1,287
-Foreign Borrowing	567	624	686	755	830
Total Interest Expenses	10,273	11,761	13,888	16,249	18,529
Net Interest Income	45,911	59,573	70,948	88,377	114,684
Commission Income	32,865	39,438	47,326	56,791	68,149
Other Income	2,649	2,914	3,205	3,526	3,878
Net Income	81,425	101,925	121,479	148,694	186,711
Operating Expenses	(53,863)	(57,730)	(64,658)	(72,417)	(81,107)
Provision for Bad/Doubtful Debt	(5,161)	(8,446)	(10,018)	(12,713)	(16,436)
Profit Before Tax	22,401	35,749	46,803	63,564	89,168
Corporate Tax (25%)	(5,600)	(8,937)	(11,701)	(15,891)	(22,292)
Profit After Tax	16,801	26,812	35,102	47,673	66,876
Provision for Dividend (50%)	8,400	13,406	17,551	23,837	33,438
Transfer to Statutory Reserves	2,100	3,351	4,388	5,959	8,360
Transfer to Income Surplus	6,301	10,055	13,163	17,877	25,079
Earnings Per Share (GH¢)	0.049	0.078	0.103	0.139	0.196
Dividend Per Share (GH¢)	0.025	0.039	0.051	0.070	0.098
Cost/Revenue Ratio (%)	66.15	56.64	53.23	48.70	43.44
Return on Assets (%)	3.98	5.04	5.22	5.51	5.86

4. Projected Balance Sheet for Five Years to December 31, 2013

	2009 GH¢'000	2010 GH¢'000	2011 GH¢'000	2012 GH¢'000	2013 GH¢'000
Assets					
Cash	37,897	48,153	61,130	83,674	143,052
Short Term Funds	47,991	63,236	88,442	128,266	190,176
Investment	84,500	87,617	102,100	108,087	110,250
Advances	353,499	457,223	568,106	736,962	960,517
Other Assets	7,170	10,755	21,510	27,317	34,693
Current Tax-Assets	669				
Total Current Assets	531,726	666,984	841,288	1,084,306	1,438,688
Subsidiary Company	288	288	288	288	288
Fixed Assets	31,174	41,713	55,829	69,403	82,326
Total Assets	563,188	708,985	897,405	1,153,997	1,521,302
Liabilities					
Deposits and other Accounts	407,950	521,539	691,694	922,026	1,226,344
Creditors and Accruals	13,203	26,062	21,501	17,245	37,709
Credit Line	15,000	16,500	18,150	19,965	21,962
Borrowing for investment	31,500	33,075	33,737	34,411	35,099
Current Tax- Liabilities		2,668	5,431	9,622	16,022
Deferred Tax	300	500	700	700	700
Total Current Liabilities	467,953	600,344	771,213	1,003,969	1,337,836
Equity					
Stated Capital	60,000	60,000	60,000	60,000	60,000
Share Deals Account	2,943	2,943	2,943	2,943	2,943
Capital Surplus	9,232	9,232	9,232	9,232	9,232
Income Surplus	7,081	17,135	30,298	48,175	73,254
Statutory Reserve	15,979	19,331	23,718	29,677	38,037
Total Equity	95,235	108,641	126,192	150,028	183,466
Total Equity and Liabilities	563,188	708,985	897,405	1,153,997	1,521,302

5. Projected Cash flow Statements for Five Years to December 31, 2013

	2009 GH¢'000	2010 GH¢'000	2011 GH¢'000	2012 GH¢'000	2013 GH¢'000
Operating Activities					
Profit before Taxation	22,400	35,749	46,804	63,564	89,168
Adjustments for:					
Depreciations Charges	3,663	3,105	3,748	4,290	4,941
Amortization	-	-	-	-	-
Other Non-cash Movements	1	-	-	-	-
Operating Cash Flows before Working Capital Changes	26,064	38,854	50,552	67,854	94,109
Decrease/ (Increase) in Other Assets	(4,196)	(3,585)	(10,755)	(5,807)	(7,376)
Decrease/ (Increase) in other liabilities	(12,629)	12,859	(4,561)	(4,256)	20,464
Increase in Customer Deposits	103,092	113,589	170,155	230,332	304,318
Increase in Loans and Advances to Customers	(84,379)	(103,724)	(100,883)	(160,856)	(223,555)
Decrease in Government Securities / Borrowings	(45,449)	(5,117)	(13,483)	(1,987)	(2,163)
Decrease in Amount Due to Banks and Other Financial Institutions	5,956	3,075	2,312	2,489	2,685
Cash from Operations	(11,540)	55,951	93,337	127,769	188,482
Income tax paid	(5,452)	(5,600)	(8,937)	(11,701)	(15,891)
Deferred Tax	-	200	200	-	-
Net Cash from Operating Activities	(16,992)	50,551	84,600	116,068	172,591
Investing Activities					
Purchase of Property, Plant & Equipment	(14,258)	(13,644)	(17,864)	(17,864)	(17,864)
Increase in Investments and Government Securities	289	-	-	-	-
Net Cash Used in Investing Activities	(13,969)	(13,644)	(17,864)	(17,864)	(17,864)
Financing Activities					
Dividend Paid	(8,400)	(13,406)	(17,552)	(23,837)	(33,438)
Increase in Stated Capital	53,000	-	-	-	-
Net Cash Used in Financing Activities	44,600	(13,406)	(17,552)	(23,837)	(33,438)
Decrease in Cash & Cash Equivalents	13,639	23,501	49,184	74,367	121,289
Cash and Cash Equivalent as at January 1	81,084	94,723	118,224	167,408	241,775
Cash and cash equivalent as at December	94,723	118,224	167,408	241,775	363,064

6. Notes to the Forecast Financial Statements for 2009 to 2013

a) Basis of Accounting

These financial statements have been prepared under the historical cost basis, except for available-for-sale investments and financial assets and liabilities held at fair values through profit or loss, that have been measured at fair value.

b) Accounting Policies

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the Bank's financial statements.

I. Foreign Currencies Transactions

Transactions denominated in foreign currencies are recorded in the functional currency using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the balance sheet date.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement under the heading "Other Operating Income" or "Other Operating Expenses".

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in equity.

The effect of exchange rate changes on cash and cash equivalents held or due in a foreign currency is reported in the cash flow statement as part of the reconciliation of cash and cash equivalents at the beginning and end of the period. This amount is presented separately from cash flows from operating, investing and financing activities and includes the differences, if any, had those cash flows been reported at end of period exchange rates.

II. Reference Rate

The transaction rates used are the average of the buying and selling of the underlying inter-bank foreign exchange rate as quoted by the Association of Bankers-Ghana.

III. Depreciation

Depreciation is provided for on a straight-line basis at rates calculated to write off the gross value of each class of property, plant and equipment over its estimated useful life. No depreciation is provided on land.

The annual rates generally in use are as follows:

Land and buildings	-	3%
Furniture and equipment	-	20.0%
Computer	-	33.3%
Household furniture	-	25.0%
Motor Vehicles	-	33.3%

IV. Intangible assets-Computer Software

Costs incurred to acquire and bring to use specific computer software licenses are capitalised and amortised on the basis of the expected useful lives using the straight line method. Maximum useful lives range between 4 and 5 years.

V. General provisions

The Bank recognises provisions when it has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Bank expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

Contingent liabilities and contingent assets are not recognised in the financial statements.

VI. Employee benefits

The Bank contributes to two defined contribution schemes (the Social Security Fund and the Provident Fund) on behalf of employees.

a. Social Security Contributions

This is a national pension scheme under which the Bank pays 12.5% of qualifying employees' basic monthly salaries to a state managed Social Security Fund for the benefit of the employees. All employer contributions are charged to the income statement as incurred and included under staff costs.

b. Provident Fund

This is SG-SSB specific defined contribution schemes under which the Bank contributes 10% of qualifying employees' basic monthly salaries to a fund managed by a trustee on behalf of, and for the benefit of the employees. All employer contributions are charged to the income statement as incurred and included under staff costs.

VII. Non-current assets held for sale

Non-current assets whose carrying amount will be recovered principally through a sale transaction rather than through continuing use are classified as held for sale. Assets held for sale are measured at the lower of carrying amount and fair value less costs to sell and are not depreciated.

VIII. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognised:

a. Interest Income

Interest income and expense are recognised in the income statement for all interest-bearing financial instruments measured at amortised cost, including loans and advances, as interest accrues using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or interest expense. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability.

The effective interest rate is calculated on initial recognition of the financial asset or liability, estimating the future cash flows after considering all the contractual terms of the instrument but not future credit losses. The calculation includes all amounts for processing and commitment fees paid or received by the Bank that are an integral part of the overall return, direct incremental transaction costs related to the acquisition, issue or disposal of a financial instrument and all other premiums or discounts.

Where a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

b. Commission and fees

- The Bank earns commission and fees from a diverse range of services provided to its customers.
- Fee income is accounted as follows:
- Income earned on execution of discrete act (such as funds transfers, special clearing and fees arising from negotiating transaction with third parties) is recognized as revenue when the act is completed.
- Income earned from the provision of services (such as request for special statements, safe custody, COTs and advisory services) is recognized as revenue as the services are provided.
- Income which forms an integral part of the effective interest rate of a financial instrument (such as commitment and processing fees on corporate loans) is recognized as an adjustment to the effective interest rate.

c. Dividends

Revenue is recognised when the Bank's right to receive the dividend is established.

d. Rental Income

Rental income is recognised on accrual basis.

IX. Income Tax

Income tax in the profit or loss for the year comprises current tax and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in shareholders' equity, in which case it is recognized in shareholders equity.

a. Current income tax

Current tax is the tax expected to be payable under the Internal Revenue Act, on the taxable profit for the year, calculated using the tax rates enacted or substantially enacted by the balance sheet date, and any adjustment to tax payable in respect of previous years. Current tax assets and liabilities are offset when the Bank intends to settle on net basis and the legal right to set-off exists.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement.

b. Deferred income tax

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are generally recognized for all taxable temporary difference and deferred tax assets are recognized to the extent it is probable that future taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated using the rate expected to apply in the period in which the assets will be realized or the liabilities settled. Differed tax assets and liabilities are offset when they arise in the same tax reporting entities and relate to income taxes levied by the same taxation authority, and when a legal right to set off exists in the entity.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

c. Value Added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of VAT except:

- where the value added tax incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of value added tax included.
- The net amount of value added tax recoverable from, or payable to, the Internal revenue Service is included as part of receivables or payables in the balance sheet.

X. Financial Instruments-Initial recognition and subsequent measurement

a. Date of recognition

Purchase and sale of financial instruments that require delivery of assets within the time frame generally established by regulation or convention in the market place are recognised on the trade date, i.e. the date the Bank commits to purchase or sell the asset.

b. Initial recognition of financial instruments

Financial instruments are initially recognised at their fair value, plus in the case of financial assets or financial liabilities not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

c. Available for sale assets

Debt securities including investments in money market and equity shares, other than those classified as trading securities or at fair value through profit or loss, are classified as available-for sale and recognised in the balance sheet at their fair value.

Available for sale financial assets are measured at fair value on the balance sheet, with gains and losses arising from changes in the fair value of investments recognised directly in equity, until the financial asset is either sold, becomes impaired or matures, at which time the cumulative gain or loss previously recognised in equity is recognised in the income statement.

Interest calculated using the effective interest method is recognised in the income statement. Dividends on available-for-sale equity instruments are recognised in the income statement when the Bank's right to receive payment is established.

If an available for sale instrument is determined to be impaired, the respective cumulative losses previously recognised in equity are included in the income statement in the period in which the impairment is identified. Impairment losses on available for sale equity instruments are reversed directly through equity and not through income.

d. Held-to-maturity assets

Held-to-maturity assets are non-derivative financial instruments with fixed or determinable payments and maturity dates. Financial assets including Government of Ghana Index Linked Bond that the Bank has the positive intent and ability to hold to maturity are classified as held-to-maturity and are measured at amortised cost using the effective interest method, less impairment losses.

e. Loans and Advances

Loans and advances to banks and customers are accounted for at amortised cost using the effective interest method, except those which the Bank intends to sell in the short term and which are accounted for at fair value, with the gains and losses arising from changes in their fair value reflected in the income statement.

Loans and advances are initially recognised when cash is advanced to the borrowers at fair value, inclusive of transaction costs. Subsequent to initial recognition, loans and advances to banks and customers are stated on the balance sheet at amortised cost using the effective interest method less impairment losses.

f. Financial Liabilities

Financial liabilities are classified as non-trading, held for trading or designated as held at fair value through profit and loss. Non-trading liabilities are recorded at amortised cost applying the effective interest method. Held for trading liabilities or liabilities designated as held at fair value through profit and loss, are accounted for as indicated above.

g. Determination of Fair Value of Financial instruments**- Availability of active markets**

The fair value of a financial instrument traded in active markets such as the Ghana Stock Exchange (GSE) at the balance sheet date is based on their quoted market price without any deduction of transaction costs.

- Non-availability of active market

Where market prices are not available, the Bank establishes a fair value by using valuation techniques. These include the use of recent arm's-length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and other valuation techniques commonly used by market participants. For private equity investments that are not publicly traded, management uses comparisons to similar companies, relevant third party arm's length transactions and other information specific to the investment.

h. Derecognition of financial assets and liabilities

A financial asset or a portion thereof, is derecognized when the Bank's rights to cash flows has expired; or when the Bank has transferred its rights to cash flows relating to the financial assets, including the transfer of substantially all the risk and rewards associated with the financial assets or when control over the financial assets has passed.

A financial liability is derecognized when the obligation is discharged, cancelled or expired.

XI. Impairment of financial assets**a. Framework for impairing financial assets**

At each balance sheet date the Bank assesses whether, as a result of one or more events occurring after initial recognition, there is objective evidence that a financial asset or group of financial assets has become impaired. Evidence of impairment may include indications that the borrower or group of borrowers is experiencing significant financial difficulty, default or delinquency in interest or principal payments, or the fact that the debt is being restructured to reduce the burden on the borrower.

b. Loans and Advances and due to banks and other financial institutions

For loans and advances to customers and amounts due from banks and other financial institutions carried at amortised cost, the Bank first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Bank determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an Allowance Account and the amount of the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate of the asset.

Loans together with the associated allowances are written off when there is no realistic prospect of future recovery and all collaterals have been utilised or has been transferred to the Bank and all the necessary procedures have been completed. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to the 'Credit loss Expense'.

The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

For the purposes of collective evaluation of impairment, financial assets are grouped on the basis of the Bank's internal credit grading system that considers credit risk characteristics, such as asset type, industry, geographical location, collateral type, past-due status and other relevant factors.

c. Available-for-sale financial assets

For available-for-sale financial investments, the Bank assesses at each balance sheet date whether there is objective evidence that an investment or group of investments is impaired.

In the case of equity investments classified as available-for-sale, objective evidence would include significant or prolonged decline in the fair value of the investment below its cost. Where there is evidence of impairment, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement) is removed from equity and recognised in income statement. Impairment losses on equity investments are not reversed through the same income statement. Increases in fair value after impairment are recognised directly in equity.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. Interest continues to be accrued at the original effective interest rate on the reduced carrying amount of the asset and is recorded as part of 'Interest and similar income'. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the income statement, the impairment loss is reversed through the income statement.

XII. Regulatory General Credit Loss Risk Reserve**a. Loans & Advances**

To cater for any shortfall between the Bank of Ghana's credit loss provision requirements and loans and advances impairments based on IFRS principles, a transfer is made from distributable to non distributable reserves in the income surplus account, being the regulatory general risk reserve. The non-distributable regulatory general credit risk reserve ensures that minimum regulatory provisioning requirements as established by the Bank of Ghana are maintained.

b. Contingent liabilities

To cater for any shortfall between the Bank of Ghana's general provisions requirements for contingent liabilities such as letters of credit and impairments/provisioning principles based on IFRS, a transfer is made from distributable to non-distributable reserves in the income surplus account, being the regulatory general risk reserve. The non-distributable regulatory general credit risk reserve ensures that minimum regulatory provisioning requirements as established by the Bank of Ghana are maintained.

XIII. Employees share arrangement

As part of group policy, the Bank has purchased a number of its own shares to be allocated to its employees. Shares not yet allocated to employees are classified as treasury shares and do not rank for dividend. The number of shares held under this arrangement is 600,348 (2007: 600,348)

XIV. Dividend

Dividends declared are treated as an appropriation of profit in the year of approval while dividends proposed are disclosed as a note to the financial statements.

XV. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with up to three months' maturity from the date of acquisition, including: cash and non-restricted balances with the central bank of Ghana, treasury bills and other eligible bills, loans and advances to banks, amounts due from other banks and short-term government securities.

XVI. Property, Plant and Equipment

These are made up of Land & Buildings, Computers, Furniture & Equipment, Motor Vehicles and Assets in course of construction. Their current values (net book values) are correctly stated in the Balance Sheet.

XVII. Intangible Assets

The table is a detailed analysis of intangible assets. It represents costs incurred to acquire and bring to use specific computer licenses that are capitalised and amortised on the basis of the expected useful lives using the straight line method. Maximum useful life ranges between 4 and 5 years.

Table 13

	2004	2005	2006	2007	2008
	GH ¢	GH ¢	GH ¢	GH ¢	GH ¢
Computer Software					
Cost/Valuation					
Balance at 1 January			1,578,054	1,771,169	2,056,618
Addition(s)			193,115	285,449	1,833,805
Balance at 31 December		1,578,054	1,771,169	2,056,618	3,890,423
Amortization					
Balance at 1 January			588,953	1,493,793	1,642,628
Charge for the year			904,840	148,835	337,507
Balance at 31 December		588,953	1,493,793	1,642,628	1,980,135
Net balance at 31 December		989,101	277,376	413,990	1,910,288

XVIII. Assets

These are made up as follows:

Table 14

	2004	2005	2006	2007	2008
	GH¢	GH¢	GH¢	GH¢	GH¢
Cash on hand & Cash balances with Bank of Ghana					
Cash in hand	7,152,200	8,126,800	9,572,809	15,201,631	15,694,563
Balances with Bank of Ghana	17,441,000	19,990,900	24,078,254	21,035,589	31,210,906
Due from Banks & Other Financial Institutions					
NOSTRO account balances	5,458,800	7,186,500	14,115,780	28,209,528	25,008,807
Items in course of collection	9,628,300	10,571,400	11,023,346	18,727,703	9,170,075
Placements with other Banks	26,157,900	8,245,100	39,573,900	11,000,000	-
Financial Investments (Government Securities)	87,869,100	98,336,200	102,362,042	83,237,133	42,050,881
Loans & Advances					
Overdrafts	32,495,100	63,932,400	66,227,302	95,408,114	117,064,503
Term Loans	51,211,700	69,017,400	80,383,713	123,811,626	168,199,803
Export Bill	946,500	618,300	213,397	151,139	42,678
Staff Loan	3,501,800	3,793,900	7,040,973	7,186,658	8,515,058
Equipment Finance Lease	-	-	-	-	8,459,149
Gross Loans & Advances	88,155,100	137,362,000	153,865,385	226,557,537	302,281,191
Interest in suspense	(7,817,900)	(7,093,300)	(4,567,962)	(4,815,814)	(3,776,051)
Allowances for impairments	(5,875,500)	(6,168,400)	(7,648,800)	(9,297,560)	(11,385,030)
Net Loans & Advances	74,461,700	124,100,300	141,648,623	212,444,163	287,120,110
Investment in other Securities/Available for sale	227,900	227,300	51,040	18,514	288,514
Investment in Subsidiary	52,800	51,100	-	-	-
Other Assets					
Stationery & Consumable Stocks	309,000	189,400	33,379	24,142	84,515
Prepayments & Sundry Debtors	1,432,200	2,049,800	3,445,378	8,800,489	2,826,689
Accrued Income	564,000	73,000	158,360	321,218	63,172
Current Tax : Assets Current Tax : Assets	2,739,100	560,600	649,300	-	817,575
Property, Plant & Equipment	10,422,600	11,744,200	19,120,751	18,422,727	20,519,035
Intangible Assets	-	-	277,376	413,990	1,910,288
Total	243,916,600	291,401,500	366,110,338	417,856,827	436,765,130

XIX. Liabilities

These are made up as follows:

Table 15

	2004	2005	2006	2007	2008
	GH¢	GH¢	GH¢	GH¢	GH¢
Customer Deposits					
Term Deposits	13,569,300	10,783,100	18,233,890	14,286,767	11,083,867
Savings Accounts	35,851,100	41,798,800	65,703,766	75,904,220	76,064,711
Current Account	108,571,900	126,143,100	152,666,970	189,549,762	211,709,985
Due to Banks & Other Financial Institution					
Borrowings-Repurchase Agreement	18,570,900	40,718,300	45,318,849	33,578,640	18,856,332
Borrowings- Credit Line	5,457,000	3,819,100	2,267,750	2,805,651	1,617,867
Export Development and Investment Fund	165,200	83,100	236,900	-	408,333
European International Bank	-	-	-	11,251,220	19,076,155
Ghana Private Sector Development Fund	-	-	505,868	505,868	585,031
Interest Payables & Other Liabilities					
Creditors	6,031,800	6,403,700	6,929,000	2,612,079	1,630,301
Other Creditors & Provisions	17,382,600	20,889,500	15,106,900	26,705,322	22,922,872
Accruals	916,900	540,800	490,697	900,126	565,695
Deferred Income	-	-	43,660	297,520	712,893
Current Tax : Liabilities	-	-	-	69,105	-
Deferred Tax : Liabilities	557,300	557,300	537,700	965,917	1,859,761
National Reconstruction Levy	-	-	706,900	-	-
Total Liabilities	207,074,000	251,736,800	308,748,850	359,432,197	367,093,803

- Included in the creditors and accruals figure as at the year end 2008 is an amount of GH¢288,310.50 owed statutory bodies as follows;

GH¢

IRS PAYE	129,149.06
Withholding Tax-Customers	36,062.43
SSNIT	<u>123,099.01</u>
	<u>288,310.50</u>

- The accrued amounts were paid to the respective statutory bodies after December 31, 2008.

- The Bank's lawyers have estimated that the maximum liability from possible legal actions against the Bank may amount to GH¢1,576,995 (2007: GH¢1,585,700). Below is the list of legal claims on SG-SSB Ltd as at December 2008:

a. Asiedu & Anor Vs. SG-SSB Ltd Bank (Plot A)	-	GH¢25,000
b. TT & IT Marketing Ltd Vs. SSB & 2 ors.	-	GH¢42,500
c. Hajara farms Ltd Vs. SG-SSB Ltd	-	€150,000 plus interest from 1993
d. J.B.K Thompsom & 13 ors. Vs. SG-SSB Limited	-	GH¢8,000
e. Edward Opuni Frimpong & 2 ors. Vs. SG-SSB Ltd	-	GH¢8,500
f. Classfam Ghana Ltd Vs SG-SSB Ltd	-	GH¢25,000
g. Ebenezer Abosi Amankwa Vs SG-SSB Ltd	-	GH¢7,500
h. Edwin Fianke (Ex Staff) Vs SG-SSB Ltd	-	GH¢10,000
i. Emmanuel Afari-Gyan (Ex staff) Vs SG-SSB Ltd	-	GH¢10,500
j. Eric Akyea Gyasi (Ex staff) Vs SG-SSB Ltd	-	GH¢8,500
k. Fred Agyemen Berko (Ex staff) Vs SG-SSB Ltd	-	GH¢9,500
l. I.N Amissah Ent Vs SG-SSB Ltd	-	GH¢2,000
m. Joseph Afful Vs SG-SSB Ltd	-	GH¢2,000
n. Kwesi Ghapson (Ex staff) Vs SG-SSB Ltd	-	GH¢9,000
o. Peter Bentil (Ex staff) Vs SG-SSB Ltd	-	GH¢9,000
p. Kingsley Lamptey (Ex staff) Vs SG-SSB Ltd	-	GH¢25,000
q. Moko Co. Ltd vrs. SG-SSB Ltd	-	GH¢35,000
r. SG-SSB Ltd vrs. Gaming Commission	-	GH¢8,000
s. George Osei Parry & 105 ors vrs. SG-SSB Ltd	-	GH¢12,000
t. Cynthia Ansong (Cynthasn Ent) vrs. SG-SSB Ltd	-	GH¢11,600
u. Cornelius Dorkunor vrs. SG-SSB Ltd	-	GH¢7,000
v. Charles Bartels vrs. SG-SSB Ltd	-	GH¢20,000

XX. Significant Accounting Estimates, Assumptions & Judgements

In preparation of the financial statements, the Bank makes estimations and applies judgment that could affect the reported amount of assets and liabilities within the next financial year. Key areas in which judgment is applied include:

a. Fair value of unquoted equity instruments

The unquoted equity instruments have been valued based on the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics. This valuation requires the Bank to make estimates about expected future cash flows and discount rates, and hence they are subject to uncertainty.

b. Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and level of future taxable profits together with future tax planning strategies.

c. Impairment of financial assets

The Bank makes an allowance for unrecoverable loans and receivables, held-to-maturity investments and available for sale financial assets when there is objective evidence that the carrying amount may not be recoverable. Significant management judgment is required to determine when objective evidence of impairment exists, and also in estimating future cash flows from the assets.

d. Impairment of non financial assets (including PPE)

The Bank assesses at least at each financial year end whether there is any evidence that non financial assets (including PPE) may be impaired. Where indicators of impairment exist, an impairment test is performed. This requires an estimation of the 'value in use' of the asset or the cash-generating units to which the asset belong. Estimating the value in use amount requires management to make an estimate of the expected future cash flows from the asset or the cash generating unit and also to select a suitable discount rate in order to calculate the present value of those cash flows.

XXI. Segment Reporting

The Bank is yet to organise itself for segment reporting.



Andah & Andah
Chartered Accountants

PART 6 - OVERVIEW OF THE GHANA STOCK EXCHANGE

1. Overview

The Ghana Stock Exchange (GSE) was incorporated in July 1989 as a company limited by guarantee. It is a non-governmental organization, governed by a thirteen (13) member council. Members of the GSE include eighteen (18) Licensed Dealing Members (brokerage firms), thirteen (13) Registered Primary Dealers, and thirty-four (34) Associate Members. The Exchange is regulated by the Securities and Exchange Commission (SEC) under the Securities Industry Act, (PNDCL 333) of 1993, as amended by the Securities Industry (Amendment) Act, 2000, Act 590.

2. Development & Trends

The GSE has grown significantly since inception. From the eleven (11) listed companies on its first trading day on November 12, 1990, the bourse can now boast of thirty-six (36) listed companies with a total market capitalization of approximately GH¢15.66 billion (August 31, 2009). Also listed are two corporate bonds and a number of Government of Ghana 2-year, 3-year and 5-year bonds. To broaden the market and also act as a catalyst for growth of corporate enterprises, the GSE is encouraging more companies, especially SME's to list on the Exchange through the provisional listing approach.

The GSE recently moved its trading system from the manual centralized clearing and settlement system to a fully automated trading and settlement platform. The new automated trading system, comprises the GSE automated trading system (GATS) for trading, the GSE Securities Depository (GSD) responsible for dematerialization of certificates, and the GSE Clearing and Settlement House responsible for clearing and settling trades within the stipulated period of three (3) business days after the related trading session (T+3).

The new system is governed by rules and regulations necessary to manage pre-trade and post-trade risk. In line with this new system, most listed companies have passed special resolutions to discontinue the issuance of certificates and to permit the issuance of shares in an electronic book entry form. The GSE's automated trading system is expected to improve liquidity in the market place as well as enhance its competitiveness to attract investors and issuers.

3. Performance of the Ghana Stock Exchange

The market has remained relatively strong since recovering from the market downturn in 2005, which saw the GSE All Share Index slip 29.85% lower. In 2006, the market closed the year with a gain of 4.97% and registered a year-to-date gain of 31.84% in 2007.

The year began dramatically in 2008 and on a sharp rise such that by the end of April, the GSE All Share Index had already chalked a year-to-date gain of 41.66%. This trend continued albeit at a slower rate, with the index recording a year to date gain of 65.02% by the end of September. Towards the end of October, however, the scenario changed as stock prices began a steady unabated decline.

The decline, has been attributed to many factors, amongst them the reduction in foreign participation due to the global financial crisis, rising interest rates and investor uncertainty due to the elections in December 2008. Notwithstanding the losses made in the last quarter, the bourse still closed the year strong, with an impressive year to date gain of 58.06%, making it the best performing stock market for the year, in the world.

The downturn continued into the year 2009, with 21 equities out of the 36 listed on the exchange recording year-to-date losses by the end of August, bringing the GSE All Share Index lower by 43.44%. Only one equity had recorded a year-to-date gain at the time.

Market activity in terms of volumes and values traded on the Ghanaian bourse, have significantly improved over the years. In the last four (4) years for example, trading activity has more than quadrupled. A volume of 544,936,658 shares valued at GH¢350,119,319.11 was traded in 2008 compared to 81,470,651 shares valued at GH¢45,311,687.44 traded in 2005. By August 2009, 55,003,576 shares, valued at GH¢44,911,908.64 had been traded, despite the slowdown in activity brought on by the decrease in foreign investor participation.

4. Other Information

Trading Days:	Monday-Friday; starting at 09.00 to 13.00 GMT
Trading Method:	Carried out electronically using the Continuous Auction Trading system. Trading is done in lots of 100 shares.
Settlement Period:	Trading day plus 3 business days (T +3)
Access to Trade and General Information on the GSE	Through Reuters, internet, official trading results, local newspapers, GSE website, GSE handbook, SAS Newsletters, SAS website - www.sas-ghana.com, etc

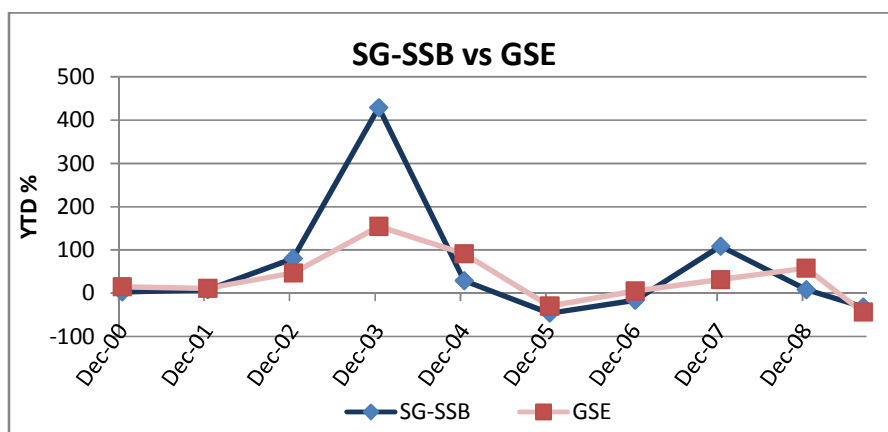
5. SG-SSB’s Performance on the GSE

SG-SSB was listed on the Ghana Stock Exchange on October 13, 1995 as Social Security Bank (SSB) after a successful Initial Public Offer which saw Government divest its stake to investors. The Company’s name was changed to SG-SSB Ltd (SG-SSB) in March 2003 after Société Générale bought a 51% stake in the company.

The bank’s shares were listed at GH¢0.082 in October, 1995. By mid March, 2005 its share price had risen to GH¢2.50 but was adjusted to GH¢1.25 per share following a bonus issue of one (1) additional share for every one (1) share held, in June 2005. After then, the bank’s share price rose in the years, finally hitting a high of GH¢1.35 at the end of the year 2008.

From the beginning of 2009 to mid August, the bank's price steadily declined alongside the general decline of prices on the Ghanaian bourse but began to pick up subsequently. In April 2009, the bank also undertook yet another bonus issue of one (1) additional share for every one (1) existing share held which resulted in the share price adjusting from GH¢1.14 per share to the ex-bonus price of GH¢0.57 per share. The banks shares were trading at a price of GH¢0.46 per share at the end of August 2009.

SG-SSB’s share price has often moved in tandem with the general market as seen in the graph below.



PART 7 – ADDITIONAL TERMS AND INFORMATION ON THE OFFER

1 Application

A qualifying applicant to this Offer is either a qualifying SG-SSB shareholder or a renounee that has been named by an existing shareholder and is interested in acquiring SG-SSB shares under the terms of this Offer.

Qualifying Shareholders

Qualifying applicants are entitled to subscribe for one (1) new share for every five (5) ordinary shares registered in their name as at the close of business on the qualifying date under this Offer. The “Guide to Completing the Application Form”, and the “Application Form”, which will be completed by qualifying shareholders, is enclosed in this document. Qualifying shareholders may take any one of the following actions under this Offer:

- a. **Fully subscribe for their rights under this Offer:** This is where qualifying shareholders duly complete the Application Form and pay for shares covering their entire allocation under this Offer, returning same to the receiving agent not later than 5.00 pm on November 6, 2009.

Qualifying shareholders under this section must complete Section A of the Application Form, in accordance with the instructions set out under the Guide to Completing the Application Form.

- b. **Fully subscribe for their rights AND apply for additional shares:** In addition to completing 1a above, qualifying shareholders may apply for additional shares (extra shares above what they are entitled to under this Offer) and pay for such additional shares, returning the duly completed Application Form and payment covering both their rights and additional shares applied for to the receiving agents not later than 5.00 pm on November 6, 2009.

Qualifying shareholders choosing this option must complete Sections A of the Application Form, in accordance with the instructions set out under the Guide to Completing the Application Form.

- c. **Partially subscribe for their rights only:** Qualifying shareholders may apply for only part of the shares they are entitled to under this Offer and return the duly completed Application Form together with payment to the receiving agents not later than 5.00 pm on November 6, 2009. Qualifying shareholders may take no further action on their remaining rights under the Offer and empower the Directors of the Company to allot such unsubscribed portion of their rights as the Directors deem fit.

Qualifying shareholders must complete Sections A and B of the Application Form, in accordance with the instructions set out under the Guide to Completing the Application Form.

- d. **Partially subscribe for their rights under the Offer and renounce their unsubscribed rights in favour of qualifying third parties, who may or may not be shareholders of SG-SSB (renounee):** Qualifying shareholders may apply for only part of the shares they are entitled to under this Offer, renouncing the remainder of their rights in favour of qualifying third parties who now have to apply for and pay for those shares. The Application Form completed by both the qualifying shareholder and the renounee, together with payment for the shares must be returned to the receiving agents not later than 5.00 pm on November 6, 2009.

Qualifying shareholders choosing this option must complete Sections A and B, whilst each named renounee must complete Section C of the Application Form in accordance with the instructions set out under the Guide to Completing the Application Form.

Should qualifying shareholders desire to renounce the remainder of their rights in favour of more than one person, they should state the number of shares to be allotted to each renounee in a separate row in Section B of the Application Form. The completed Sections **A**, **B** and **C** of the Application Form together with payment for all shares applied for should be lodged with the receiving agents not later than 5.00 pm on November 6, 2009.

- e. Renounce all their rights in favour of third parties, who may or may not be shareholders of SG-SSB:** Qualifying shareholders may decide not to partake in the Offer and may renounce all their rights under this Offer in favour of qualifying renounees who may or may not be shareholders of SG-SSB. The renounees must duly complete section C of the application form and return the application form together with payment for the shares being applied for to the receiving agents not later than 5.00 pm on November 6, 2009.

Qualifying shareholders choosing this option must complete Sections A and B, whilst each named renounee under Section B must complete a copy of Section C of the Application Form in accordance with the instructions set out under the Guide to Completing the Application Form.

Should qualifying shareholders want to renounce their rights in favour of more than one person, they should state the number of shares to be allotted to each renounee on a separate row in Section B of the Application Form.

- f. Take no action:** Qualifying Shareholders who choose not to apply for shares under this Offer, or who fail to make payment for the shares they have applied for under this Offer, or who fail to meet the deadline of 5.00 pm on November 6, 2009 for returning the Application Form and making payment to the receiving agents, may be deemed to have not taken any action under this Offer. Qualifying shareholders who take no action under these terms empower the Directors of SG-SSB to allot such unsubscribed rights as the Directors deem fit.

Other Applicants

If you are neither a qualifying shareholder nor a renounee, you **cannot** apply for shares under this Offer.

2 Offer to Purchase Shares

- a) As an applicant, you offer to subscribe for the number of shares as indicated on your Application Form on the terms and conditions of this Offer and on the basis of the information set out in this Document and subject to the Regulations of SG-SSB.
- b) You agree that your application to acquire shares cannot be revoked after November 6, 2009 or such later date as the Directors and Advisors may agree, and promise that any cheque, banker's draft or money or postal order will be honoured on first presentation and that this paragraph constitutes an agreement between you and SG-SSB. It becomes binding when your application is posted or in the case of delivery by hand as received by the receiving agents. However, the Company will not be held liable if you use a wrong address in posting.
- c) You must pay all bank commissions, transfers and other bank charges related to your application.
- d) A thumb print on an application form will be accepted instead of a signature thereon only if it is duly certified in accordance with the Laws of Ghana.
- e) If your Application Form is not completed correctly or is amended, or if any cheque, bankers draft, money or postal order is found to be less than the amount stated on your Application Form, it may still be treated as valid. In such

cases, the Company'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.

- f) An application may be rejected in whole or in part at the discretion of the Advisors and Management of SG-SSB if the application is incomplete or illegible, or if it is determined that the applicant is not eligible to participate in this offer.

3 Acceptance of the Offer

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

4 Payment for Shares

- a) You undertake to pay the purchase price of the shares in respect of which your application is accepted. The cheque or banker's draft or other remittances may be presented for payment before acceptance of your application, but this will not constitute acceptance of your application, either in whole or in part.
- b) In the case of excess applications, if your 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, 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 the Company has received cleared funds in respect of the share offer, the Advisors, on behalf of SG-SSB may terminate the agreement to purchase that share. The termination will be done by notifying the receiving agent whom you submitted your application to.

5 Renunciation

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

The Application Form must then be lodged with any of the receiving agents, together with payment for the shares to be received not later than **5.00 pm on November 6, 2009**.

6 Procedure in Respect of Rights not Taken up or Renounced

If a properly completed Application Form and payment in full is not received by 5.00 pm on November 6, 2009, the Rights will be deemed to have been declined by the shareholders. These shares will then be available to shareholders applying for extra shares under the Offer, and allotted by the Directors as they deem fit.

7 Warranties

You warrant that:

- a) You are qualified to apply;
- b) The applicant on whose behalf you are applying is qualified to apply;
- c) You will submit a complete application including all supporting documents required under the terms of this offer;
- d) In making your application you are not relying on any information or representation concerning the Company 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;
- e) If any person signing, or making a thumb print on the application form is not the applicant, that person warrants that he/she has authority to do so on behalf of the applicant and that this authority is vested in him or her;
- f) If the applicant is other than a natural person, the person signing the Application Form warrants that he/she has authority to do so on behalf of the applicant.

8 Supply and Disclosure of Information

The Company, 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 Listing of New Ordinary Shares

The GSE has granted permission to admit the additional 57,500,000 SG-SSB shares to be issued under the Rights Issue on the First Official List of the GSE, alongside the existing 285,000,000 ordinary shares listed. It is expected that dealings in the additional shares will commence alongside the existing shares on the GSE on November 13, 2009.

10 Share Certificates / GSE Securities Depository

Share certificates **will not** be issued in respect of the new ordinary shares. All shares under this offer will be allotted electronically on the GSE Securities Depository to each successful applicant. All qualifying applicants who already have depository accounts should quote their GSD number on the appropriate section of the application form.

However, all qualifying applicants who have not opened depository accounts as yet should immediately contact Strategic African Securities Ltd (SAS), or any Licensed Dealing Member (Stockbrokers) of the Ghana Stock Exchange to open a Securities' Account with the GSE Securities Depository (GSD). In opening a securities account, you will be required to have one passport picture and a form of identification (Voters ID card, Passport, Drivers Licence or National Health Insurance card).

Additionally, all applicants opening depository accounts can deposit their SG-SSB certificate(s) together with their bonus share certificate (where applicable) and all other paper certificates they hold, or in its absence transfer receipt or balance receipts, to SAS or their broker so that, the number of applicable shares can be credited to the Depository account that they open.

11 Exchange Controls

Exchange control is currently governed by the Foreign Exchange Act 2006, Act 723. This repeals the Exchange Control Act of 1961, Act 71. The Foreign Exchange Act provides for the exchange of foreign currency, for international payment transactions and foreign exchange transfers; to regulate foreign exchange business between residents and non-residents through the banks. Furthermore, under BoG Notice BG/GOV/SEC/2007/3 there are no restrictions on the purchase of capital market instruments by non-residents except for the banking sector where the acquisition or disposal of a stake of 10% or more is governed by the Banking Act 2004 and which requires a prior approval by the Bank of Ghana.

12 Taxation

a) Withholding Tax on Dividend

Under current Ghanaian tax law, all dividend payments are subject to a dividend withholding tax of 8%. No further tax is payable on dividends received.

b) Capital Gains

The securities of a company listed on the GSE are currently exempt from capital gains tax in Ghana until 2010. No capital gains tax would therefore be payable on any realisation of capital gain from the sale of shares in SG-SSB until 2010.

c) Gift Tax

Liability to gift tax may arise by gift of shares in the Company if the open market value of the shares at the time of the gift exceeds GH¢50 (subject to certain exemptions). The tax is payable by the recipient of the gift. The applicable statutory rate varies as follows:

- a. Not exceeding GH¢50 – Nil
- b. Exceeding GH¢50 – 5% of a value in excess of GH¢50

d) Stamp Duty

Under the Stamp Duty Act, 2005 (Act 689), transfer of shares is exempt from stamp duty.

e) Corporate Tax

The Internal Revenue Act 2000, Act 592, prescribes a corporate tax of 25% for all listed companies.

GUIDE TO COMPLETING AND RETURNING THE APPLICATION

It is important that this Application Form be correctly completed. Applicants in doubt should consult any of the receiving agents for assistance.

The Offer is open from 10 am on **October 19, 2009** and closes at 5 pm on **November 6, 2009**. Applications received after the Offer has closed may not be considered.

1 General Instructions for Completing the Application Form

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

- i) There are various Sections to this Application Form. Please ensure you complete all the relevant and appropriate sections in accordance with your choices, and return the completed Form together with payment for your subscription to the receiving agents by **5 pm on November 6, 2009**.
- ii) Use BLOCK letters in completing the Application Form
- iii) Qualifying applicants / shareholders (people over 18 years of age) can buy shares in their own name. Shares may be bought for a child by a parent, grandparent or guardian who has been named as a renounee. The said adult may complete another application to buy shares in his/her own name if he/she is an existing shareholder / renounee.
- iv) Power(s) of attorney must be enclosed if anyone is signing on behalf of an applicant other than a minor.
- v) Photocopies of Application Forms will be accepted only when they are clear and legible. The submission of a photocopied Application Form presumes that the applicant understands and accepts the terms and conditions of this offer.

2 Sections of the Application Form

The Application Form has the following sections:

Section A

To be completed by all qualifying shareholders partaking in the Offer. The enclosed Letter of Allotment gives each qualifying shareholder's entitlement in this Offer. Each shareholder must indicate their preferred option and update their contact information under this section.

Section B

To be completed by all qualifying shareholders renouncing some or all their rights, giving details of the renounee(s). Qualifying shareholders should note that they can sell their rights to this Offer for value, by contacting Strategic African Securities Ltd, any SG-SSB branch or their own stockbrokers.

Section C

A copy of this section to be completed by each renounee named in Section B.

3 Guide to Completing the Application Form for Qualifying Shareholders

a) Provisional Allotment

The Directors of SG-SSB have provisionally allotted to you the number of new ordinary shares set out under the enclosed Letter of Allotment. Your allotment is in the proportion of **one (1)** new ordinary share for every **five (5)** ordinary shares registered in your name at the close of business on **September 25, 2009**.

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

If you do not wish to partake in this offer, you do not have to do anything. Kindly note that all qualifying shareholders who do not submit by 5 pm on **November 6, 2009**, a duly completed Application Form will be deemed to have elected not to participate in this Offer. The Directors of SG-SSB will allot the shares declined by such qualifying shareholders as they deem fit.

b) Available Options If You Wish to Partake

You may do **only one** of the following:

1. Accept only, all the new shares offered you. If you elect this option, kindly complete **Section A** of the Application Form.
2. Accept all the new shares offered you and apply for more shares. If you elect this option, kindly complete **Section A** of the Application Form.
3. Accept part of the new shares offered you and renounce the remainder in favour of another party. If you elect this option, kindly complete **Sections A and B** of the Application Form. Have each renounee named under **Section B** complete a copy of **Section C** of the Application Form.
4. Renounce all the new shares offered you in favour of another party. If you elect this option, kindly complete **Sections A and B** of the Application Form. Every renounee named under **Section B** must complete a copy of **Section C** of the Application Form.

4 Guide to Completing the Application Form for Renounees

Renounees

If a qualifying shareholder has renounced a portion or all of his rights in your favour under this Offer by naming you in **Section B** of the Application Form, you must complete a copy of **Section C** of the Application Form.

You must provide responses for all items of **Section C** of the Application Form, with the exception of item 4 (Dividend Mandate), which must only be completed if you wish to receive any dividends due you directly into the bank account details you provide.

General instructions for completing **Section C** of the Application Form are as follows:

APPLICATION

Indicate the number of shares renounced in your favour and write the amount payable in figures for the total number of shares you have applied for in section (a). Renounees must then fill in the name and address of the Renouncer.

1. Personal Details

Complete 1 with your surname (i.e. family name)/company name, all your forenames (i.e. first/other names) and the title by which you are addressed. Also fill in your date of birth or incorporation, your nationality and country of residence. Additionally provide your GSE depository account number, if applicable

2. ID Number/ Company Registration Number

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

3. Address

Complete 3 with your full residential (*if applicable*) and postal address. The address must be current and reliable and in case of any change in address you should immediately inform NTHC Registrars of your new address.

4. Dividend Mandate

Complete 4 if you wish the registrars (NTHC) to pay dividends due you directly into your bank account. Fill in the name of the bank, branch, the account name and the account number.

5. Declaration

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

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

5 Payment for Shares and Delivery of Application Form

For applicants resident in Ghana, payment may be made by cash, cheque, postal or money order, which should be presented at the offices of any of the named Receiving Agents where the Application Form is lodged. All cheques, postal or money orders should be crossed **SG-SSB Rights Issue** and endorsed **Commission to Drawer's Account**. This endorsement must be signed by the drawer. Bank commissions and transfer charges on application monies must be paid by the applicant. Applications in respect of which cheques are returned unpaid, for any reason whatsoever, or for which funds do not clear for the full amount payable on the application by 5 pm on November 6, 2009 may be treated as invalid.

Qualifying applicants not resident in Ghana may purchase shares under this Offer in local currency and for this purpose, SG-SSB allows payment for shares in Ghana cedis (GH¢) only. Funds should be remitted for the benefit of SG-SSB Rights Issue by bank transfer to SAS or any SG-SSB branch. Foreign currency will be converted to Ghana cedis by the receiving bank at the day's prevailing market rate.

Any application from a person not resident in Ghana, which is not received in a form which will realise cleared funds for the full amount payable on the application by 5 pm on November 6, 2009, may be treated as invalid. Bank commissions and transfer charges on application monies must be paid by the applicant. Applications, in respect of which cheques are returned unpaid, for any reason whatsoever, will be rejected.

All qualifying applicants resident in Ghana must deliver or lodge their duly completed Application Form at the offices of any of the Receiving Agents named below in this Offer Circular by 5 pm on November 6, 2009.

Qualifying applicants not resident in Ghana must deliver or lodge their duly completed Application Form with SAS or any SG-SSB branch, whose contact details are provided below.

Applicants who choose to mail their Application Form to the receiving agents are advised to use registered mail services. However, all documents mailed to the receiving agents by applicants will be at the applicant's own risk, and SG-SSB may treat applications not received by 5 pm on November 6, 2009 as invalid.

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

6 Receiving Agents

The receiving agents for this offer are Strategic African Securities Ltd (SAS) and all 38 branches of SG-SSB. Below are the contact details of all the receiving agents.

Name	Address	Postal Address	Telephone	Fax	E-mail
Strategic African Securities Ltd (SAS)	2 nd Ridge Link, North Ridge, Accra	P O Box KA 16446, Accra	021 251546-7, 9	021 251548	info@sasghana.com

SG-SSB Limited Branches

Name of Branch	Address Status	Phone No	Fax No.	Status
Greater Accra				
Accra Main	P.O. Box 13119, Accra	021 223375/222136/911022/ 911021/911014/911019	021 22136	Branch
Accra New Town	P.O. Box K444, Accra New Town	021 228512/228582/848054	021 228512/ 250321	Branch
Faanofa	P.O.Box 13119, Accra	021 234075/220754	021 234075	Branch
Kaneshie Main	P.O. Box 13119, Accra	021 681372/676128/682745	021 681372	Branch
Kaneshie Market	P.O.Box 13119, Accra	021 682846/677137/222367		Agency
Kotobabi	P.O.Box 13119, Accra	021 221847/248053/228856	021 221847	Branch
Lotteries	P.O.Box 13119, Accra	021 667370/672610	021 668651 / 672620	Agency
North Industrial Area	P.O.Box 13119, Accra	021 229811 /222139	021 229811	Branch
Okaishie	P.O.Box 13119, Accra	021 666898/662458	021 666898	Branch
Premier Towers	P.O.Box 13119, Accra	021 668650/667146/ 682207-11	021 667147	Branch
Ring Road Central	P.O.Box 13119, Accra	021 228381	021 228381	Branch
Tema Main, Comm. 2	P.O.Box CO 2885 Tema	022 202558/206495/201962	022201960	Branch
Tema Fishing Harbour	P.O. Box 668 Tema	022 204462 / 202288	022 204462	Branch
Tudu	P.O.Box 13119, Accra	021 671462/663907	021 671462	Branch
Ashanti Region				
Adum	P.O.Box 4542, Kumasi	051 25379 / 25729 / 32773	051 25379	Branch
Kumasi Central Branch	P.O.Box 4542, Kumasi	051 24418 / 23075 / 22602 / 80722 / 80723 / 80727 /80728	05124418	Branch
Tepa	P.O. Box 74, Tepa	051 47101 /47102	N/A	Agency
Brong Ahafo				
Berekum	P.O.Box 49, Berekum	064222261 /22612	064222261	Branch
Sunyani	P.O. Box 1.131, Sunyani	061 27124/27050/27266	061 27124	Branch
Central Region				
Cape Coast	P.O.Box 1019, Cape Coast	04232159/32406/32255	042 32406	Branch
Dunkwa	P.O.Box 64, Dunkwa	0372 28393 / 28665	0372 28665	Branch

Name of Branch	Address Status	Phone No	Fax No.	Status
Eastern Region				
Akim Oda	P.O.Box 325, Akim Oda	0882 2188 / 2776	0882 2188	Branch
Koforidua	P.O.Box 987, Koforidua	081 22236 / 22778	081 22778	Branch
Northern Region				
Tamale	P.O.Box 192, Tamale	071 22139/ 22722/ 23254/ 23437/ 071 22139/ 07123253		Branch
Upper East Region				
Bolgatanga	P.O.Box 344, Bolgatanga	071 23305/23139/22064	072 22064	Branch
Upper West Region				
Wa	P.O.Box 240, Wa	091 26651 /28053	091 28053	Branch
Volta Region				
Ho	P.O.Box HP-360, Ho	091 26651 /28053	091 28053	Branch
Western Region				
Adabokrom	P.O. Box 189, Sefwi Wiawso	N/A	N/A	Agency
Akontombra	P.O. Box 11, Akontombra	0244 339231	0244 339227	Agency
Asankragwa	P.O.Box 57, Asankragwa	039222023/031 27354	0392 22023	Agency
Asemaneye	P.O. Box 189, Sefwi Wiawso	0244 339229 / 0244 339230	N/A	Agency
Bibiani	P.O.Box 58, Bibiani	031 - 93031 / 93032	N/A	Agency
Essam	P.O.Box 189, Sefwi Wiawso	0244 339226 / 0244 339228	N/A	Branch
Juabeso	P.O.Box 12, Juabeso	0244 335684 / 0244 341413	0244 341413	Branch
Sefwi Bekwai	P.O.Box 15, Sefwi Bekwai	0244 336275 / 0244 336276	N/A	Agency
Sefwi Wiawso	P.O. Box 189, Sefwi Wiawso	0244 335554 / 0244 330872	0244 335553	Branch
Tarkwa	P.O.Box 219, Tarkwa	0362 20951 / 20538	0362 20950	Branch
Takoradi	P.O.Box 660, Takoradi	03124660/22888	03124660	Branch

SG-SSB LIMITED RIGHTS ISSUE

SECTION C (A Copy of This Section Must Be Completed By Each Renouncee Named Under Section Bii)

APPLICATION

a) No. of Shares Renounced in Favour of Renouncee

Amount Payable (GH¢)

b) Name & Address of Renouncer

1. Surname/Company Name of Renouncee

First Name

Middle Name

Title Mr Mrs Ms Dr Sex M F

Date of Birth/Incorporation (dd/mm/yyyy) Nationality/ Country of Residence

GSE Depository Account Code:

2. Identification No./Company Reg. No.

Passport National ID Driver's Licence Other pls Specify

3. Address (Postal / Residential)

Email Phone

4. DIVIDEND MANDATE Bank Name:
 Branch Name:
 Account Name:
 Account Number:

5. **Declaration:**
 I/We hereby apply for shares on the terms and conditions set out in the Offer Circular. I/We certify that all statements made in this application to enable us take up these shares are correct and that the responses are my/our own.

Renouncee's Signature

Date

Receiving Agent's /Stamp/Signature

Please Tear Along This Line

To be completed by the Receiving Agent and then signed and retained by applicant as evidence of application

SG-SSB RIGHTS ISSUE APPLICATION COUNTER FOIL

Renouncee's Name and Address	Applicant's Signature or Thumbprint	Receiving Agent's Stamp/Signature/Date
Name:		
Address:		
No. of Shares Applied For:	Amt paid (GH¢):	Date: