



*(Incorporated in Ghana on May 21, 1976 with registration number C -7,522 as a public company limited by shares)
(Listed on the Ghana Stock Exchange on October 13, 1995)
(Re-registered on January 20, 2016 with registration number CS011472016)*

SHAREHOLDER CIRCULAR

DATED 15th FEBRUARY 2018

**RELATING TO THE
ANNUAL GENERAL MEETING OF SOCIETE GENERALE GHANA LIMITED TO BE
HELD ON
MARCH 28, 2018 AT 11:00 AM AT ALISA HOTEL, RIDGE ARENA, ACCRA, GHANA**

IMPORTANT INFORMATION AND DISCLAIMERS

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

A. GENERAL INFORMATION

This shareholder circular (**Circular**) is intended solely for shareholders of Societe Generale Ghana Limited (**SG Ghana** or the **Company**) to inform them on the Proposed Rights Issue (as defined below) and the proposals submitted to the AGM (as defined below). This Circular should be read as a whole.

This Circular does not constitute a prospectus in relation to the Proposed Rights Issue. A prospectus containing the details of the Proposed Rights Issue will be subsequently prepared and circulated by the Company, subject to the approval of the SEC (as defined below) in accordance with section 3(k) of the Securities Industry Act (as defined below) and the SEC Regulations (as defined below).

The contents of this Circular do not constitute (and are not to be construed as) an offer to sell, or a solicitation of an offer to purchase, or a recommendation to purchase, any securities in the Company. Any investment decision in relation to the Proposed Rights Issue should be based exclusively on the prospectus to be issued and not this Circular.

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

The distribution of this Circular in certain jurisdictions may be restricted by law. SG Ghana does not represent that this Circular may be lawfully distributed in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution. In particular, no action has been taken by SG Ghana which is intended to permit the distribution of this Circular in any jurisdiction where action for that purpose is required. Accordingly, neither this Circular nor any advertisement or other material may be distributed or published in any jurisdiction, except in circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Circular may come must inform themselves about, and observe, any such restrictions.

Shareholders should pay particular attention to the AGM Notice (as defined below) convening the AGM, which is set out under paragraph 2 of this Circular. Your attention is drawn to the letter from the Chairman which contains a recommendation from the Board (as defined below) that you vote in favour of the resolutions to be proposed at the AGM.

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DEFINITIONS

Unless inconsistent with the context or separately defined in this Circular, the following expressions used in this document shall have the following meanings ascribed to them in this Circular:

| Term | Definition |
|----------------------------------|--|
| AGM | means the annual general meeting of the Company to be held on March 28, 2018 |
| AGM Notice | means the notice circulated by the Company to the Shareholders in respect of the AGM and set out under <u>paragraph 2</u> of this Circular |
| Board | means the board of directors of the Company |
| Companies Act | means the Companies Act of Ghana, 1963 (Act 179) or any statutory modification or re-enactment thereof |
| Directors | means the directors of the Company |
| Ghana | means the Republic of Ghana |
| GHS | means the lawful currency of Ghana, being the Ghanaian Cedi, any divisions thereof, or any successor currency |
| GSE | means the Ghana Stock Exchange |
| Proposed Bonus Issue | means the proposed bonus issue by the Company of 1 ordinary share to each Shareholder for every 6 ordinary shares held and to be undertaken pursuant to, and in consideration for, the Proposed Capital Transfer |
| Proposed Capital Transfer | means the proposed transfer of GHS 97,000,000 from the Company's income surplus to its stated capital |
| Proposed Rights Issue | means the proposed renounceable rights issue to be undertaken by the Company to raise up to GHS 170,000,000 |
| Prospectus | means the prospectus to be prepared and circulated by the Company in connection with the Proposed Rights Issue subject to the approval of the SEC |
| Regulations | means the regulations of the Company adopted by a special resolution on July 20, 1995 and amended by a special resolution on March 25, 2009 |
| SEC | means the Securities and Exchange Commission of Ghana |
| Securities Industry Act | means the Securities Industries Act of Ghana, 2016 (Act 929) or any statutory modification or re-enactment thereof |
| SEC Regulations | means the Securities and Exchange Commission Regulations of Ghana, 2003 (L.I. 1728) or any statutory modification or re-enactment thereof |
| Shareholders | means the existing holders of ordinary shares in the Company |

1. CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Shareholder,

The Board invites you to the AGM to be held on March 28, 2018 at 11 am at the Alisa Hotel, Ridge Arena, Accra, Ghana. The AGM Notice can be found at paragraph 2 of this Circular.

The AGM is for the purpose of considering ordinary business and special business of the Company.

The ordinary business involves the following:

- (a) the receipt of the financial statements of the Company (and reports of the directors and auditors) for the year ended December 31, 2017;
- (b) the re-election of Pierre Wolmarans, Michel Miaille and Kofi Ampim as directors of the Company, who, pursuant to Regulation 88(1) of the Regulations, are required to retire by rotation at this AGM but have offered themselves for re-election;
- (c) the re-election of Mrs. Laurette Otchere, Mr. Joseph Torku and Mr. Bilankalama Ibrahim Traore as directors of the Company, who, pursuant to Regulation 72(1) of the Regulations, are required to retire at this AGM (having been appointed by the Board to fill a casual vacancy) but have offered themselves for re-election;
- (d) the authorisation of the Board to fix the remuneration of the auditors of the Company; and
- (e) the approval of the remuneration for the Board.

The special business involves the following 2 resolutions:

- (a) a resolution to authorise the increase in the stated capital of the Company to GHS 400 million to meet the new minimum capital requirement set by the Bank of Ghana through the Proposed Bonus Issue and the Proposed Rights Issue (the **Capital Raising**); and
- (b) a resolution to authorise the increase in the Company's authorised shares from 500,000,000 to 1,000,000,000 in connection with the Capital Raising, by way of an amendment to the Regulations.

This Circular addresses the rationale and strategic considerations underlying the Capital Raising:

1.1 REASONS FOR THE CAPITAL RAISING

The Company is undertaking the Capital Raising to raise additional equity capital to meet the Bank of Ghana's new minimum capital requirement of GHS 400,000,000 for banks pursuant to a notice (numbered BG/GOV/SEC/2017/19) issued by the Bank of Ghana on September 11, 2017 (the **Bank of Ghana Notice**). Under the Bank of Ghana Notice, all existing banks are required to raise their minimum capital to GHS 400,000,000 by December 31, 2018.

The Board has determined (after seeking the relevant advice) that the Capital Raising is the most ideal approach to meeting the Bank of Ghana's new minimum capital requirement.

1.2 DETAILS OF THE CAPITAL RAISING

1.2.1 Proposed Bonus Issue

The Company will undertake the Proposed Capital Transfer involving the transfer of GHS 97,000,000 from the Company's income surplus to its stated capital. This will be followed by the Proposed Bonus Issue involving the issue of 1 ordinary share to each Shareholder for every 6 ordinary shares held.

The additional shares to be issued by the Company under the Proposed Bonus Issue shall be listed on the GSE.

1.2.2 Proposed Rights Issue

The Rights Issue is intended to raise up to GHS 170,000,000 from the Shareholders. The exact number of offer shares and the issue price under the Proposed Rights Issue will be determined by the Board immediately prior to the launch of the Proposed Rights Issue and set out in the Prospectus.

It is intended that any rights not taken up or renounced by any Shareholder will be offered to the other Shareholders. The details of this will be set out in the Prospectus.

The additional shares to be issued by the Company under the Proposed Rights Issue shall be listed on the GSE.

1.3 REQUIRED APPROVALS FOR THE CAPITAL RAISING

Regarding the Proposed Rights Issue, SG Ghana would be required to issue the Prospectus. The Prospectus is subject to the approval of the SEC. Accordingly, SG Ghana shall, subsequent to the Shareholders authorising the Capital Raising, obtain the approval of the SEC for the Prospectus and circulate same to the Shareholders.

The additional shares to be issued by the Company under the Proposed Rights Issue and the Proposed Bonus Issue shall be listed on the GSE. The additional listing is subject to the approval of the GSE. Accordingly, SG Ghana shall, subsequent to the Shareholders authorising the Capital Raising, obtain the approval of the GSE for the additional listing.

1.4 DIRECTORS' RECOMMENDATION

In view of the above, the Board recommends that the Shareholders vote in favour of the following resolutions under the special business at the AGM:

Ordinary Resolutions:

THAT the Board be authorised, subject to applicable regulatory requirements, to determine the modalities and the duration of the Capital Raising;

Special Resolutions:

- (a) THAT the authorised shares of the Company be increased from 500,000,000 to 1,000,000,000 by amending Regulation 7 of the Regulations as follows:

“The Company is registered with 1,000,000,000 ordinary shares of no par value.”; and

- (b) THAT the Company is authorised to increase its stated capital to GHS 400 million to meet the Bank of Ghana's new minimum capital requirement through:

- (i) the Proposed Capital Transfer and Proposed Bonus Issue; and
- (a) the Proposed Rights Issue, subject to applicable regulatory approvals.

1.5 AGM

The AGM, notice of which is set out under paragraph 2 of this Circular, has been convened for 11 am on March 28, 2018 at Alisa Hotel, Ridge Arena, Accra, Ghana.

If you are unable to attend and vote in person at the AGM, you should complete and return the attached Form of Proxy to the office of SG Ghana's Registrar: NTHC Limited, 1st Floor, Martco House, Adabraka or P.O Box KIA 9563, Airport, Accra as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM.

Yours sincerely,

Kofi Ampim

Chairman

SOCIETE GENERALE GHANA LIMITED

NOTICE OF AN ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 38th Annual General Meeting of Societe Generale Ghana Limited (the “**Company**”) will be held on **Wednesday, March 28, 2018** at the Alisa Hotel, Ridge Arena, Accra, Ghana at **11 am** for the following purposes:

ORDINARY BUSINESS

1. to receive and adopt the financial statements of the Company (together with the reports of the directors and the auditors of the Company) for the year ended December 31, 2017;
2. to re-elect the following Directors retiring by rotation pursuant to section 88(1) of the Regulations, who being eligible, offer themselves for re-election:
 - (a) Pierre Wolmarans;
 - (b) Michel Miaille; and
 - (c) Kofi Ampim;
3. to re-elect the following Directors appointed during the year and retiring in accordance with section 72(1) of the Regulations:
 - (f) Mrs. Laurette Otchere;
 - (g) Mr. Joseph Torku ; and
 - (h) Mr. Bilankalama Ibrahim Traore;
4. to approve Directors’ fees; and
5. to authorise the Directors to determine the remuneration of the auditors of the Company.

SPECIAL BUSINESS

as special resolutions:

1. to increase the authorised shares of the Company from 500,000,000 to 1,000,000,000 by amending and adopting Regulation 7 of the Company’s Regulations as follows:

“The Company is registered with 1,000,000,000 ordinary shares of no par value.”; and
2. to authorise the increase of the stated capital of the Company to GHS 400,000,000 to meet the new minimum capital requirement set by the Bank of Ghana through:
 - (a) a transfer of GHS 97,000,000 from income surplus to stated capital and to undertake a bonus issue by issuing 1 ordinary share to each existing shareholder for every 6 shares held; and
 - (b) a renounceable rights issue to raise up to GHS 170,000,000 subject to applicable regulatory approvals.

as ordinary resolutions:

3. to authorise the Directors , subject to the rules of the GSE, to determine the modalities and the duration of the increase in the stated capital of the Company;

DATED THIS 15TH DAY OF FEBRUARY 2018

BY ORDER OF THE BOARD OF DIRECTORS
ANGELA NANA ANSAA BONSU
COMPANY SECRETARY

NOTE: A member of the Company entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a member of the Company. A form of proxy is attached to a circular sent to members and, for it to be valid for the purpose of the meeting, it must be completed and deposited at the office of Company's Registrar: NTHC Limited, 1st Floor, Martco House, Adabraka or P.O Box KIA 9563, Airport, Accra as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting.

3. PROXY FORM

PROXY FORM

| Annual General Meeting To be held on March 28, 2018 at Alisa Hotel, Ridge Arena, Accra, Ghana at 11 am. | For Company's Use | | No. of Shares | |
|---|--|-----|---------------|--|
| | RESOLUTIONS | FOR | AGAINST | |
| <p>I/We..... (insert full name)</p> <p>of (insert full address)</p> <p>being a member(s) of SOCIETE GENERALE GHANA LIMITED, hereby appoint</p> <p>..... (insert full name)</p> <p>or failing him, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on March 28, 2018 and at any and every adjournment thereof.</p> <p>Dated thisday of 2018</p> <p>..... Shareholder's Signature</p> | <p>Ordinary Resolutions</p> <p>To receive and adopt the financial statements of the Company (together with the reports of the directors and the auditors of the Company) for the year ended December 31, 2017</p> | | | |
| | <p>To re-elect the following Directors retiring by rotation pursuant to section 88(1) of the Regulations, who being eligible, offer themselves for re- election:</p> <p>(a) Pierre Wolmarans; (b) Michel Miaille; and (c) Kofi Ampim</p> | | | |
| | <p>To re-elect the following Directors appointed during the year and retiring in accordance with section 72(1) of the Regulations:</p> <p>(a) Mrs. Laurette Otchere; (b) Mr. Joseph Torqu ; and (c) Mr. Bilankalama Ibrahim Traore;</p> | | | |
| | <p>To approve Directors' fees</p> | | | |
| | <p>To authorise the Directors to determine the remuneration of the auditors of the Company</p> | | | |
| | <p>Special Resolution</p> <p>To increase the authorised shares of the Company from 500,000,000 to 1,000,000,000</p> | | | |
| | <p>To authorise the increase of the stated capital of the Company to GHS 400 million to meet the new minimum capital requirement set by the Bank of Ghana through:</p> | | | |

Annual General Meeting
To be held on **March 28, 2018** at Alisa Hotel,
Ridge Arena, Accra, Ghana at 11 am.

| For Company's Use | No. of Shares | |
|---|---------------|--|
| (a) a transfer of GHS 97,000,000 from income surplus to stated capital and to undertake a bonus issue by issuing 1 ordinary share to each existing shareholder for every 6 shares held; and (b) a renounceable rights issue to raise up to GHS 170,000,000 subject to applicable regulatory approvals. | | |
| Ordinary Resolution To authorise the Directors, subject to the rules of the Ghana Stock Exchange, to determine the modalities and the duration of the increase in stated capital of the Company | | |
| Please indicate with an "X" in the appropriate square how you wish your votes to be cast on the resolution referred to above. Unless otherwise instructed the proxy will vote or abstain from voting at his discretion | | |

THIS PROXY FORM SHOULD NOT BE COMPLETED AND SENT TO THE COMPANY SECRETARY IF THE MEMBER WILL BE ATTENDING THE MEETING

NOTES:

A member (Shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by proxy. The above Proxy Form has been prepared to enable you to exercise your vote if you cannot personally attend.

Provision has been made on the form for the chairman of the Annual General Meeting to act as your proxy but, if you wish, you may insert in the blank space marked (*) the name of any person, whether a member of the Company or not, who will attend the Annual General Meeting and vote on your behalf instead of the chairman of the Annual General Meeting.

In the case of joint holders, each joint holder should sign the Proxy Form.

If executed by a Corporation, the Proxy Form should bear its Common Seal or be signed on its behalf by a Director or duly authorised person.

Please sign the above proxy Form and post it so as to reach the address shown overleaf not later than 48 hours before the appointed time of the meeting.

The Proxy must produce the Admission Card sent with the Notice of the Meeting to obtain entrance to the Meeting.