



**INTRAVENOUS INFUSIONS LTD**  
Manufacturers of Pharmaceutical Products



Listing by introduction of 132,322,149 ordinary shares and Offer for subscription of 153,307,500 ordinary shares at a price of Gp8 per share

# PROSPECTUS



Financial Advisors and Sponsoring Brokers



Registrar



Reporting  
Accountant



**BENTSI-ENCHILL**  
**LE TSA & ANKOMAH**

Legal Advisor

# PROSPECTUS

The information contained in this “Offer Prospectus” (“Prospectus” or “Offer Document”) gives details of:

1. the primary listing by introduction of the issued shares of Intravenous Infusions Limited (“IIL” or the “Company”) on the Ghana Alternative Market (“GAX”) of the Ghana Stock Exchange (“GSE”); and
2. a public offer for subscription of 153,307,500 ordinary shares of IIL at the price of Gp8 per share on the GAX of the GSE together herein referred to as the (“Transaction”)

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

An application has been made to the GAX for the listing of the shares of the Company (the “IIL Shares”) through a primary listing. The GAX Governing Committee has given provisional approval for the listing of the IIL Shares. The GAX and the Securities and Exchange Commission (“SEC”) assumes no responsibility for the correctness of any of the statements made, opinions expressed and reports presented in this Offer Document. Admission to the GAX is not to be taken as an indication of the merits of the Company or of the shares of the Company.

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

This Prospectus has been reviewed and approved by SEC in accordance with Section 9 of the Securities Industry Act 1993 (P.N.D.C. L 333) (the “Securities Industry Act”) as amended and the Securities and Exchange Commission Regulations 2003 (L.I. 1728) (the “SEC Regulations”). In its review, the SEC examined the contents of the Prospectus to ensure that adequate disclosures have been made. To ascertain the financial soundness or value of this Transaction, the investing public is advised to consult a dealer, investment advisor or other professionals duly authorised under the Securities Industry Law.

A copy of this Prospectus has been delivered to the Registrar of Companies, Ghana (the “Registrar General”), for filing. The Registrar General has not checked and will not check the accuracy of any statements made and accepts no responsibility therefore for the financial soundness of the Issuer or the value of the securities concerned.

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

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

Before deciding whether to subscribe to the IIL Shares, you should consider whether a subscription to the IIL Shares is a suitable investment for you. The value of the IIL Shares can go down as well as up. Past performance is not necessarily indicative of future performance. If you need advice, you should consult a suitable professional advisor.

Databank Brokerage Limited and CAL Brokers Limited Databank Brokerage Limited & CAL Brokers Ltd (“DBL”& “CBL” are acting as Transaction Advisors and Sponsoring Brokers to the Transaction. The Transaction Advisors and Sponsoring Brokers have relied on information provided by the Company and accordingly, do not provide any assurance of the accuracy of the information contained in this Prospectus and do not accept any responsibility or liability for the inaccuracy of the information contained in the Prospectus. The Transaction Advisors and Sponsoring Brokers do however confirm that to the best of their knowledge, this Prospectus constitutes a full and fair disclosure of all material facts about the Company as required by the Securities Industry Act, 1993 (P.N.D.C.L 333), the Securities and Exchange Commission Regulations, 2003 (LI 1728) and the Ghana Stock Exchange Listing Rules.

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

### **Forward-looking statements**

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

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

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document reflect IIL’s current view with respect to future events and are subject to risks relating to future

events and other risks, uncertainties and assumptions relating to the Company's operations, results of operations, growth strategy and liquidity. Investors should specifically consider the factors identified in this document, which could cause actual results to differ before making an investment decision. Subject to the requirements of the Listing Rules, the Company undertakes no obligation publicly to release the result of any revisions to any forward-looking statements in this document that may occur due to any change in the Company's expectations or to reflect events or circumstances after the date of this document.

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



## LETTER FROM THE MD

Dear Prospective Client:

Thank you for showing interest in purchasing shares of Intravenous Infusions Limited (IIL), the single largest producer and supplier of intravenous fluids (IV fluids) to hospitals and pharmacies across Ghana.

We consider IIL to be one of Ghana's good-news stories. Launched in 1974, IIL is the oldest and most reliable indigenous IV fluids producer in Ghana and West Africa. We currently supply between 50-60% of the IV fluids going to hospitals and pharmacies nationwide, and export approximately 10% of our products to neighboring countries such as Cote d'Ivoire, Burkina Faso and Togo. IV fluids are considered live-saving drugs and, as such fall into a niche area of the pharmaceutical industry. That means that our success, and your success as a shareholder, does not depend on how the economy is performing, how much you or I earn or what the latest trend is. IV fluids save lives and that's what we're here to do.

As a firm, we are excited about the journey we are embarking on with the launch of our IPO, and we want you to become a part of the IIL family. I encourage you to read the prospectus in detail so that you can learn more about our company, our industry and the exciting future of Intravenous Infusions. We also explain to you how we intend on growing the revenue of the company using the capital raised through the IPO, how we are well-positioned to drive our export business and why you don't have to miss out on the opportunity of having a stake in a well-run Ghanaian company. Above all, you will read how, with your help, we will be able to save more lives.

Once again, we are grateful for your show of interest, and we hope you will partner with us on this journey.

Best regards,

A handwritten signature in black ink, appearing to read 'Richard Okrah'.

Mr. Richard Okrah

Managing Director, Intravenous Infusions Limited

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## KEY MILESTONE AND EXPECTED TIME TABLE

ACTIVITY	DATE	TIME
Commencement of Offer Period	14th October, 2015	9:00 am
End of Offer Period	25th November, 2015	5:00 pm
Application Forms review for allotment commences	26th November, 2015	9:00 am
End of allotment and submission of results to the SEC	30th November, 2015	5:00 pm
Credit IIL Shares to successful applicants	2nd December, 2015	5:00 pm
Commence dispatching letters to successful applicants	3rd December, 2015	9:00 am
Refunds to unsuccessful applicants	9th December, 2015	5:00 pm
Listing of all IIL Shares. First day of trading on GSE.	9th December 2015	10:00 am

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

## OFFER STATISTICS

Initial Public Offer Price	GHS 0.08
Number of Ordinary Shares in the Initial Public Offer; of which: New Shares	153,307,500
Number of Ordinary Shares in the Initial Public Offer; of which: Existing Shares	132,322,149*
Total Issued Shares post-offer	285,629,649
Market capitalisation at the Offer Price	GHS22,850,372**
Proceeds of the Offer receivable by the Company	GHS12,264,600

\*Existing shares shall be listed on the GAX of the GSE by way of introduction.

\*\*Approximate market capitalisation using Offer Price and assuming that all shares are subscribed for.

# CORPORATE INFORMATION ON INTRAVENOUS INFUSIONS LIMITED

## **Registered Office:**

Intravenous Infusions Limited  
Plot 4/7 Blk L, Effiduase-Koforidua  
P.O. Box KF 63  
Koforidua -Ghana  
Tel: +233-342-20204/20141/20440  
Fax: +233-342-20125  
Website: [www.intravenousinfusionsltd.com](http://www.intravenousinfusionsltd.com)  
E-mail: [info@intravenousinfusionsltd.com](mailto:info@intravenousinfusionsltd.com)

## **Auditor:**

Deloitte & Touche  
Chartered Accountants  
4 Liberation Road  
P.O. Box GP 453  
Accra

## **Company Secretary:**

Dehands Services Limited  
2nd Floor Opeibea House  
37 Liberation Road, Airport Commercial City  
P.O. Box CT 9347  
Cantonment, Accra

## **Bankers:**

Barclays Bank of Ghana Limited  
Ecobank Ghana Limited  
Ecobank Cote d'Ivoire  
National Investment Bank  
Agricultural Development Bank

## ADVISORS TO THE TRANSACTION

### **Financial Advisors and Sponsoring Brokers**

Databank Brokerage Limited  
#61 Barnes Road, Adabraka  
P.M.B Ministries Post Office, Accra, Ghana  
Contact: Armah I. J. Akotey, Doris Y. A. Ahiati  
Email: advisory@databankgroup.com

CAL Brokers Limited  
6th Floor, World Trade Center, Accra  
P.O. Box 14596, Accra, Ghana  
Contact: David Tetteh, Nana Agyei Opoku-Agyemang,  
Geoffrey F. Maison  
Email: info@ibrokerghana.com

### **Legal Advisors**

Bentsi-Enchill, Letsa & Ankomah  
# 4 Momotse Avenue, Adabraka, Accra  
P.O. Box GP 1632, Accra, Ghana  
Contacts: Seth Asante; Elizabeth Fugar  
Email: seth.asante@belonline.org, etfugar@belonline.org

### **Reporting Accountants**

KPMG  
13, Yiyiwa Drive, Abelenkpe, Ghana  
P.O. Box 242, Accra, Ghana  
Contacts: Daniel Adoteye; Desmond Koomson  
Email: dadoteye@kpmg.com, dkoomson@kpmg.com

### **Property Valuer**

Estate Consult Limited  
D55/4 North Liberia Road, Adabraka  
P.O. Box AN 6587, Accra-North  
Accra, Ghana  
Contact: Alexander Adu  
Email: estatecon88@gmail.com

### **Receiving Bank**

CAL Bank Limited

### **Receiving agents**

Refer to part XIV

### **Registrar**

Share Registry  
GCB Bank Limited  
P. O. Box 134  
Head Office, High Street- Accra

## PART I: SUMMARY INFORMATION

The following summary information should be read as an introduction to the more detailed information appearing elsewhere in this document. Any decision by a prospective investor to invest in the IIL Shares should be based on consideration of the document as a whole and not solely on this summarized information.

### 1.1 Information on Intravenous Infusions Limited

Intravenous Infusions Limited (IIL) was incorporated in 1969 and began operations in 1974 as the first pharmaceutical company producing intravenous fluids in Ghana. The main business activity of IIL is the production of intravenous infusions for therapeutic purposes. Intravenous infusion therapy, commonly called IV, refers to the administration of fluids, drugs, or blood directly into the circulatory system through a vein. The benefits of this therapy are as follows:

- to add fluid volume to the circulatory system when there is an imbalance or depletion of normal body fluids. This may occur either by blood loss or burns;
- to establish and maintain life support for an accident victim whose condition is unstable; and
- to provide an access for the administration of other vital medications.

The table below list all the products manufactured by IIL:

**Table 1: IIL Manufactured Products**

<b>SODIUM CHLORIDE SOLUTIONS</b>	<b>DEXTRAN SOLUTIONS</b>
Sodium Chloride 0.45%*	Dick's Plasma 40*
Sodium Chloride 0.9%	Dick's Plasma 70*
<b>DEXTROSE SOLUTIONS</b>	Dextran 70, 6%/ Dextrose 5%*
Dextrose 5%	<b>SPECIAL SOLUTIONS</b>
Dextrose 10%	Mannitol 10%
Dextrose 50%*	Mannitol 20%
<b>DEXTROSE-SALINE SOLUTIONS</b>	Gastro Intestinal Replacement Fluid*
Dextrose 2.5%/Saline 0.45%	Badoe's Maintenance Solution
Dextrose 4.3%/Saline 0.18%	Water for Injection 250ml*
Dextrose 10%/Saline 0.18%	Haemo Dialysis Bath Concentrate*
Dextrose 5%/Saline 0.9%	Glycine 1.5%
<b>POLY-SALINE LACTATE SOLUTIONS</b>	<b>ADMINISTRATION SETS</b>
Darrow's Solution*	PlainGiving Sets*
Darrow's Full Strength Solution	Blood Giving Sets*
Ringer-Lactate	<b>SMALL VOLUME INJECTION</b>
Cholera Replacement Fluid5:4:1	Water for injection (10ml & 5ml)*
<b>POLY-SALINE DEXTROSE SOLUTIONS</b>	Pethidine Hydrochloride (50mg/ml)
Dextrose 2.5%/Darrow's Solution*	Magnesium Sulphate 5g/10ml(50%), 2g/10ml(20%)
	Quinine dihydrochloride 600mg/2ml, 300mg/ml

\*The Company has the capabilities to produce these products. The current registration has however not been renewed because products are demand driven by market. As and when demand picks up, registration will be sought to manufacture those products.

## 1.2 Strategy

ILL's key strategic objectives are to:

- Focus on current core operations of intravenous products and injectables production;
- consolidate its strong market position in the country and the West Africa sub-region by expanding its product range, widening its geographic reach and increasing market share;
- grow its infusions business by successfully launching new products in its target market and strengthening its sales and marketing network;
- continue to pursue profitable growth by focusing on high margin products; and
- increase the Company's return on assets by expanding the scale of production.

## 1.3 Competitive Strengths

The Board and Management believe that IIL's competitive strengths include its:

- broad product portfolio and country-wide coverage;
- over 40 years' experience in the industry;
- well-established and successful presence in the Ghanaian market;
- established niche market segment in the pharmaceutical industry;
- untapped market in the sub-region especially in Liberia, Burkina Faso and Cote d'Ivoire;
- strong marketing capabilities and brand recognition in the country and sub-region;
- continuous emphasis on quality;
- huge CAPEX investment financed from internally generated funds;
- good relationship with regulators; and
- senior management team with over forty (40) years' combined experience in the industry.

## 1.4 Summary of the Offer

Intravenous Infusions Limited is raising a gross amount of GHS12,264,600 through this initial public offer. This is entirely an offer for subscription as the proceeds of the offer will accrue to the Company. The Company does recognize the huge potential in its line of pharmaceutical products and wishes to seize these opportunities to further expand production to serve the huge market in Ghana and the sub-region. Thus proceeds from the offer will go to strengthen IIL's working capital and finance new capital investment by replacing aging plant and equipment to increase production.

## 1.5 Key Investment Considerations

**Revenue Growth:** IIL's revenue has grown by about 98% over the last five years. This is in spite of serious working capital constraints. The bulk of IIL's products are sold on the local market with the rest exported to neighbouring countries, mainly Cote d'Ivoire, Burkina Faso and Togo. From 2009 to 2014, the Company's local sales accounted for an average of 90% of total sales. Sales to both local and foreign markets have been constrained in the past few years due to dwindling working capital. For instance, in 2012, IIL could not export any of its products although the Company received foreign orders. There is an unexplored market to capture both in Ghana and the sub region. We expect revenue to triple to about GHS22.7 million in 2019 from current base of GHS5.3 million with the required capital injection.

**Strategic Industry:** IIL currently operates in a niche market segment in the pharmaceutical industry. The Company's products are not the usual over-the-counter products. Intravenous Infusions products are in a life-saving category administered in typical emergency situations/cases. IIL products enjoy a nationwide patronage especially by the public hospitals. The pharmaceutical industry in general is a defensive one. Consequently, IIL as a company is insulated against macroeconomic hardships and immune to factors that adversely impact consumer spending.

**Major Domestic Clients:** The Company has an array of major domestic clients made up of regional and district hospitals, the teaching hospitals, and health posts as well as missionary and philanthropic clinics, private hospitals, maternity homes, pharmacy shops and institutional buyers such as the Police, Military and Trust hospitals.

**Untapped Export Market:** There is a growing demand for IIL's products in the West Africa sub-region where the market size currently exceeds 8 million units of IV fluids per annum. IIL has been successful at competitive bidding to supply countries in the region such as Burkina Faso previously. The company could, however, not deliver on the mandate due to capacity and working capital constraints. The export market holds the key to IIL's long term success. The Company is currently unable to meet the growing demand for its products by health authorities in the sub-region (excluding Nigeria where the opportunity is limited to the supply of Glycine 1.5%). Burkina Faso, Cote d'Ivoire, Togo and Benin and other prospective clients currently resort to imports mainly from France and Egypt to meet demand. Pending orders from Burkina Faso and Cote d'Ivoire alone amount to US\$650,000 per annum. Mali, Niger and Cameroon where Intravenous exported to in the early 1990s also present a huge market potential that can be exploited in the medium to long term. IIL's position as the major IV fluids producer in the sub region, and its proximity to neighbouring countries compared to France and Egypt, positions the Company to generate about 45% sales from the export market compared to the current 10%.

**Huge CAPEX Investment:** The shareholders and management have in the past year used internally generated funds to expand the firm's production line in order to meet the demand for its products. A new automated production facility is being added to the existing plants and is about 90% complete. The completion of the new production plant will eliminate manual intervention in the production process and increase the daily volume of output. The new plant's capacity is projected to be 15 million units for a two-shift daily schedule.

**Growing and Attractive Industry:** Business Monitor International (BMI) estimates that pharmaceutical spending in Ghana was worth GHS708 million (US\$343 million) at 2013 consumer price levels. This is expected to rise at a compounded annual growth rate (CAGR) of 17.9% in local currency terms to reach GHS1.61 billion (US\$601 million) by 2018. IIL is positioned to benefit from this growth.



Photo 1: The front view IIL



Photo 2: IIL Senior management team meeting to discuss the growth potential of fluids in Ghana.



Photo 3: An employee heat stamping the manufacture and expiry date on the IV bags. Each individual does approximately 3,500 to 4,000 bags per day.



Photo 4: Employees filling the IV bags with fluids and preparing them for sterilization.



Photo 5: IV bags being sent to the sterilizer.



Photo 6: IV fluids about to enter the sterilizing machine. The machine can hold over 2,000 half-litre pouches at a time.



Photo 7: Employees checking each IV bag, one at a time, to ensure there are no unwanted particles in the fluid or damage to the IV bag.



Photo 8: Employee putting the IV bags into plastic bags to prepare for packing.



Photo 9: Bags are sealed and then packed into boxes for shipping.



Photo 10: Boxes are transported to the waiting area where they are held for 14 days until they pass all quality control checks.



Photo 11: New machines that will allow IIL to increase its output by more than 4 times. Installation is 90% complete.



Photo 12: Employee demonstrating how the new machines will work.



Photo 13: New machines that will allow IIL to increase its output by more than 4 times.



Photo 14: New work space.

## PART II: KEY TERMS OF THE TRANSACTION

### 2.1 Legal Basis and Reasons for the Transaction

#### Legal Basis for the Transaction

##### Board Resolution

On 29th May, 2015, the Directors of IIL resolved to offer shares to the public to raise up to GHS12,264,600 and a further 10% in the case of an oversubscription through an initial public offer on the Ghana Alternative Market (GAX).

##### Shareholders' Resolution

The shareholders of IIL, at an Annual General Meeting (AGM) held on 12th June, 2015, passed a resolution authorising the Directors to raise up to GHS13,491,060 from the Initial Public Offer on the Ghana Alternative Market.

##### Reasons for the Transaction and Use of Proceeds

The net proceeds to IIL after the deduction of commissions, other fees and expenses payable from the public offer of the IIL Shares will be applied to the following uses:

- a) GHS0.8 million will be used to complete the construction of a new production area being put up to contain the planned expansion in the Company's existing production line. In addition, part of this allocation will be used to renovate IIL's existing main factory building.
- b) The Company plans to invest in plant and machinery for the existing and expected lines of business. The items to be acquired are a generator, a boiler machine, a boiler gas tank and water filling machines. The others are stainless steel water tanks and a water treatment plant.
- c) IIL will also acquire mini trucks and delivery vans to be used in distributing the Company's products.
- d) Apart from the above capital expenditures, the Company will use part of the expected equity injection to reduce outstanding debt and increase working capital.

Further breakdown of the application of proceeds from the offer is found in table below

**Table 2: Use of Funds**

Existing Business Capital Requirements	GHS
<b>Refurbishment of factory building</b>	800,000
Plant and Machinery	1,890,600
Motor Vehicles	630,000
Computer and accessories	76,500
<b>Total</b>	<b>3,397,100</b>
<b>Non-Capital Costs</b>	
<b>Refinancing of HASA Debenture</b>	1,890,000
Refinancing of NIB Overdraft	1,500,000
Payment of SWECO	2,940,000
Working Capital-Current Business	1,943,035
Floatation Costs and Expenses	594,465
<b>Total non-capital cost</b>	<b>8,8867,500</b>
<b>Total for Funds Application</b>	<b>12,264,600</b>

## **2.2 Number of Shares and Price**

Offer for subscription of 153,307,500 ordinary shares at a price of GHp8 per share and listing by introduction of 132,322,149 ordinary shares.

## **2.3 Dealings**

The GAX of the GSE has granted provisional approval for the listing of the existing IIL Shares and the 153,307,500 new IIL Shares to be issued, pursuant to the public offer, on the GAX of the GSE. It is expected that dealings in the listed ordinary shares will commence on the Listing Date. Upon completion of the Transaction, dealings in IIL Shares shall be done on the GAX.

## **2.4 Availability of Prospectus**

Copies of this Prospectus may be obtained from the offices of the Sponsoring Broker, the Receiving Bank or any of the Receiving Agents and the Company.

## **2.5 Lodgment of Completed Application Forms**

All qualifying applicants resident in Ghana must deliver or lodge their duly completed application forms with the amount payable at the offices of the Sponsoring Brokers, the Receiving Bank or any of the named Receiving Agents during business hours and during the Offer Period. No application will be accepted for consideration by Databank Brokerage Limited and CAL Brokers Limited or treated as binding after the Offer Period has expired.

Applicants who choose to mail their Application Forms to the Receiving Bank or any of the Receiving Agents are advised to use registered mail services. However, all documents mailed to any of the Receiving Agents or the Receiving Bank by applicants will be at the applicant's own risk, and Databank Brokerage Limited and CAL Brokers Limited may treat applications received after the Offer Period as invalid. Applicants are to note that Application Forms must be lodged at the same Receiving Bank or Receiving Agent's office where payment is made for the IIL Shares applied for. The Receiving Bank or Receiving Agent will acknowledge receipt of Application Forms and funds from applicants.

## **2.6 Unit of Sale**

Each application under the Offer must be for a minimum of one thousand (1,000) IIL Shares amounting to GH\$80 and in multiples of five hundred shares (500) thereafter.

## **2.7 Terms of Payment**

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

## **2.8 Minimum Amount for the Offer**

The minimum amount to be raised for the offer to be successful is GH\$5,000,000, which will be utilized as follows:

**Table 3: Use of Funds for Minimum Amount for the Offer**

<b>Application of Fund from minimum subscription</b>	<b>Amount (GHS)</b>
Working Capital for Current Business	650,000
Refinancing of HASA Debenture	1,790,000
Payment of Sweco	1,210,000
Reduction of NIB Overdraft	437,150
Plant and Machinery: Boiler and Generator	350,000
Refurbishment of factory building	150,000
Flotation Expense and Underwriting Fees	412,850
<b>Total</b>	<b>5,000,000</b>

**2.9 Underwriting**

The lead sponsoring brokers have entered into an agreement with IIL to underwrite the minimum amount of GHS5 million at an underwriting discount of 12.5%.

**2.10 Oversubscription**

The Board of Directors has agreed to issue additional shares up to 10% of the shares on offer, if the offer is oversubscribed.

**2.11 Allotment**

If the total number of new IIL Shares applied for under the Offer exceeds 153,307,500, the allotment strategy will be such that the IIL Shares are pro-rated depending on the extent of the oversubscription. The allotment strategy will be at the discretion of the Directors of IIL in consultation with the Lead Managers and subject to the Company's Regulations and all applicable laws.

**2.12 Refund of Excess Application Funds**

If any application is not accepted or is accepted for a fewer number of shares than applied for, the balance of the amount paid on application will be returned to the Receiving Bank and Receiving Agents within 10 working days of the allotment of shares for onward distribution to applicants. IIL will announce such refunds through a national daily newspaper with wide circulation within 72 hours of the making of such refunds. If IIL does not make refunds of extra application monies available to Receiving Banks and Receiving Agents by the end of the Refund Period, then IIL will pay to investors, interest (calculated on a per annum basis) on the unpaid amounts from the day that follows the last day of the Refund Period at the prevailing Bank of Ghana prime rate for each day of default until the refund is made to Receiving Banks and Receiving Agents.

**2.13 Form of Shares**

The shares pertaining to this Offer will, when issued, be held in dematerialized form. In compliance with the requirements of the GSE, share certificates will not be issued for IIL Shares.

**2.14 Security Symbol**

IIL Shares will be quoted as "IIL" on the GAX of the GSE.

**2.15 Escrow Account**

All application monies collected will be deposited into an escrow account number [•] opened at CAL Bank Limited, Head Office Branch, Accra. A copy of the Escrow Account Agreement has been lodged with the SEC and is available for inspection at the office of the Sponsoring Broker.

## 2.16 Cost and Expense of the Transaction

The total cost and expense of the transaction including brokerage fees are 4.82% (assuming all IIL Shares in the Offer are applied for and issued). The Costs will be borne by the Company out of the proceeds of the Transaction.

**Table 4: Cost and Expenses of the Transaction**

Items of Expenditure	Amount (GHS)	% of offer
Financial Advisory	206,918	1.68
Financial Due Diligence	86,450	0.70
Legal Advisory	59,773	0.48
Property Valuation	23,379	0.19
Regulatory Fees (GAX)	2,000	0.01
Brokerage Commission	117,945	0.96
Media publicity, marketing, printing, logistics,	100,000	0.81
<b>Total</b>	<b>596,465</b>	<b>4.83%</b>

## 2.17 Offer Price Estimation

IIL is seeking to raise additional capital through an Offer for subscription of 153,307,500 new shares. Databank Brokerage Limited and CAL Brokers Limited have evaluated Intravenous Infusions Limited (IIL) using the Discounted Cash Flow approach and other valuation methods. We are convinced that the most appropriate techniques for valuing IIL are the Free Cash Flow to the Firm (FCFF) and the market comparable methods of Enterprise Value to Earnings Before Interest, Tax, Depreciation and Amortization (EV/EBITDA), Enterprise Value to Sales (EV/sales) and the price to book value ratios (P/B).

## 2.18 Methodology

### 2.18.1 Discounted Cash Flow Model: Free Cash Flow to Firm (FCFF)

Free cash flow (FCF) aligns with profitability within a reasonable forecast period. The FCFF method takes in consideration the time value of money. IIL has high growth prospects and FCFF appropriately reflects the free cash flow value of the company and accounts for future growth as well as a long-term perspective.

### 1.18.2 Market Multiples:

Enterprise value to earnings before interest, tax, depreciation and amortization (EV/EBITDA), Enterprise Value to Sales (EV/Sales) and Price to Book Value (P/B)

Enterprise Value Multiples express the value of an entire enterprise – the value of all claims on a business – relative to a statistic that relates to the entire enterprise, such as EBITDA and sales. The P/B reflects use of readily available accounting data and their advantage when cash flows are unpredictable.

We derived a value for IIL using comparable consumer defensive companies (pharmaceuticals and oil marketing companies) trading on the GSE as proxies.

### 2.18.3 Weighting of the models

We assigned a weight of 50%, 20%, 10% and 20% to the FCFF and EV/EBITDA, EV/sales and P/B models respectively and valued IIL at GHS22.85 million.

**Table 5: Results of Valuation Methods Used to Determine the Value of IIL**

<b>Valuation Model</b>	<b>Value of IIL (GHS)</b>	<b>Weighting</b>
EV/EBITDA	32,683,126	20%
EV/Sales	26,146,500	10%
Price-to-Book Ratio	28,937,000	20%
DCF	16,111,630	50%
<b>Total</b>		<b>100%</b>

The value of GHS22.85 million translates to GHp8 per share which reflects a discount of about 20% to a value of GHp10 derived from the weighted average of market multiples in Table 5 above.

#### **2.18.4 Risk to target price**

- it is unable to, manufacture successfully products in a timely manner due to inability to obtain raw materials;
- it is not successful in its strategy of expanding the number and range of injectable pharmaceutical products in its markets in Ghana and West Africa;
- it loses a significant government contract or licensing agreement;
- it loses key personnel;
- it loses a significant customer;
- it is unable to compete successfully;
- any of its third party suppliers fail to comply with governmental regulations;
- its suppliers encounter problems manufacturing supplied products;
- it fails to comply with environmental, health and safety laws and regulations or faces environmental, health and safety litigation or liability;
- it is exposed to product liability claims;
- its suppliers encounter problems manufacturing products; or
- its manufacturing activities are affected by the perennial power crises.

## PART III: OVERVIEW OF THE GHANAIAN ECONOMY<sup>1</sup>

### 3.1 Background

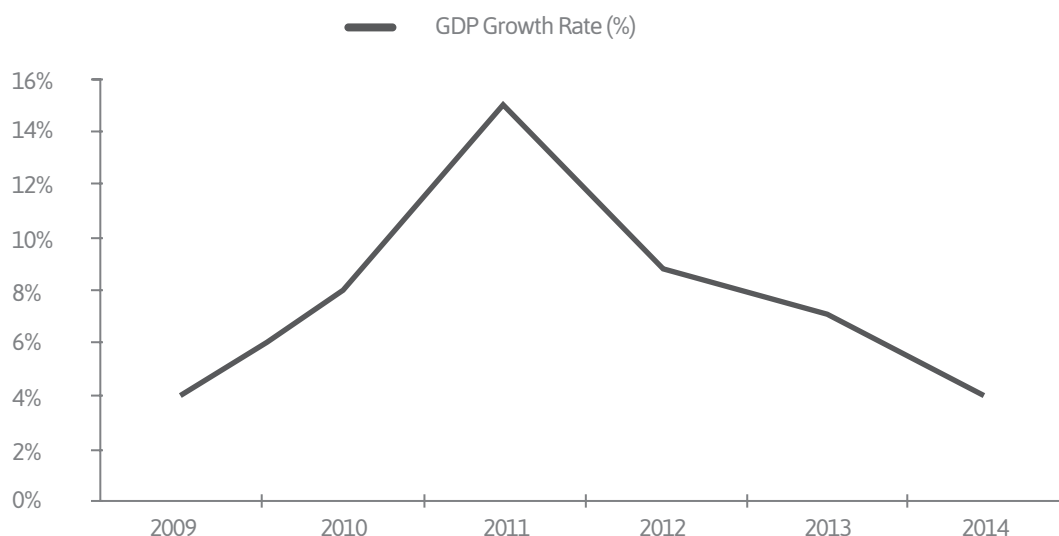
The global economy is faced with a gloomy outlook with productivity growth projected to remain lower than the immediate past years on account of the weak demand in Asia (especially China) and the Eurozone. Global growth in 2015 is projected around 3.4%, driven by a better-than-expected growth especially in the United States. Economic activity in the second largest economy, China, however remains muted as growth in 2015 is projected at 6.8%, 60bps lower than the 2014 outturn. Growth in the Euro area (1.5%) is projected to rebound in late 2015, supported by the €1.1 trillion quantitative easing program which commenced in March 2015 while emerging economies are projected to witness an average growth of 4.6%. Ghana, though a Lower Middle Income Country (LMIC), is included in the emerging markets projections with a projected growth rate of 3.5% in 2015 (below the projected average for emerging markets).

### 3.2 Ghana's GDP Growth

Ghana's economy expanded at 4% in 2014 according to the Ghana Statistical Service. This performance was the lowest in the last five years. Although government initially projected 8% growth, this projection was weighed down by significant adverse developments which undermined productivity in Ghana during the year. These include the sharp depreciation of the cedi (~32%) that has significantly discouraged Foreign Direct Investment (FDI) inflows and the worsened energy crisis that resulted in erratic electricity supply. The high interest rates regime also affected private sector borrowing and adversely affected GDP growth in 2014. Even though the economy grew by 5.3% during the second quarter of 2014, productivity slowed down in the subsequent quarters which resulted in a year end growth rate of 4%. During the first quarter of 2015, Ghana's erratic power supply situation worsened while the cedi's pace of depreciation accelerated in February and March 2015. Investor confidence remained fragile as uncertainty heightened about the commencement date for the 3-year IMF program. Although the IMF program commenced in April 2015 to ease investor concerns, the severe power supply shortage which is adversely impacting business operations would slowdown GDP growth in 2015. We expect growth in 2015 to slow down to 3.5% ±50bps. It is noteworthy however, that being a defensive industry company, IIL's fortunes should not be significantly impacted by this slow down.

### 3.3 Growth Trend

**Figure 1: Ghana GDP Growth Trends**



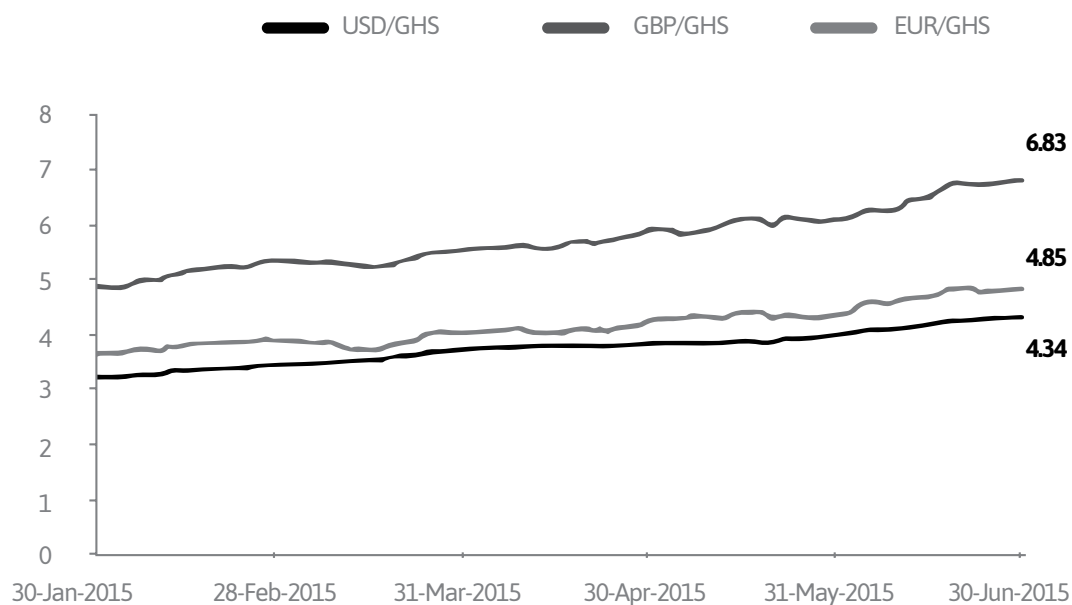
<sup>1</sup> Databank Research, IMF, BoG, MoF

### 3.4 Cedi Depreciation

The local currency suffered a significant loss of value in its exchange rate position with the US Dollar, the Pound and the Euro. The cedi which started the year 2014 with an exchange rate of GHS 2.21 against the US Dollar, GHS 3.66 against the Pound and GHS 3.05 against the Euro closed the year with exchange rates of GHS 3.20, GHS 4.98 and GHS 3.90 reflecting depreciation rates of 32.45%, 28.25% and 23.35% against the US Dollar, the Pound and Euro respectively.

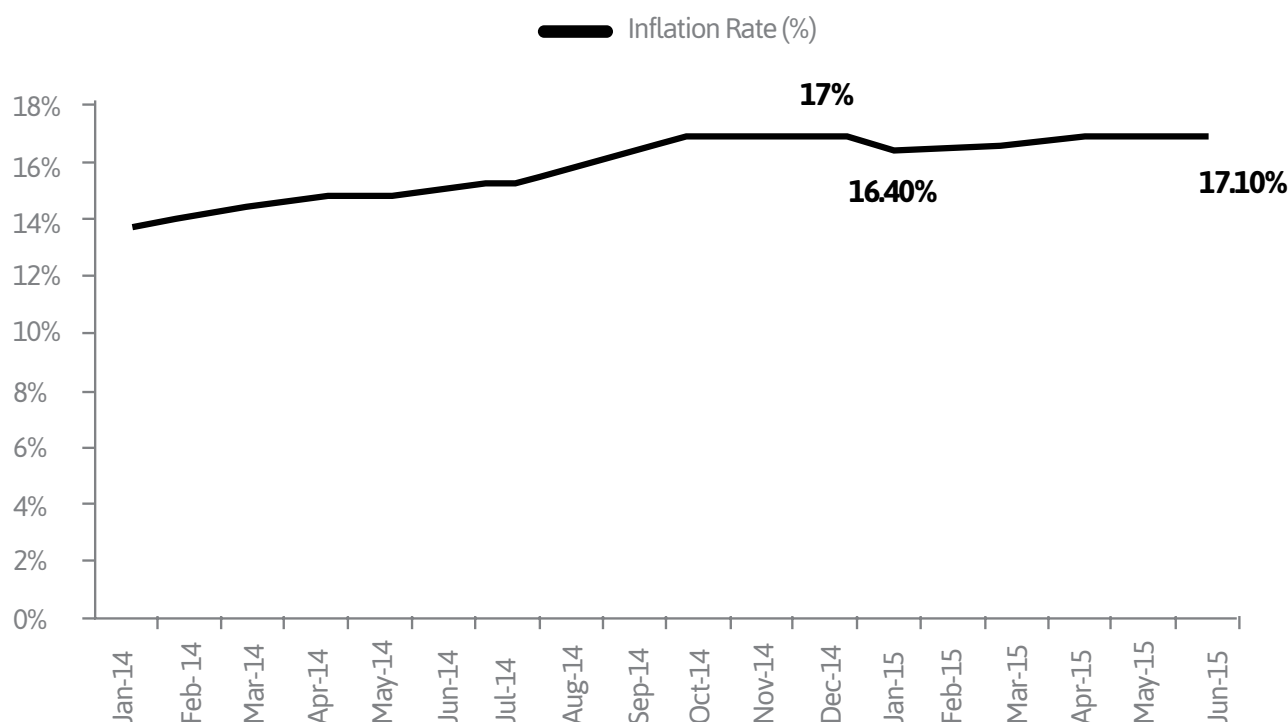
The depreciation was largely underscored by the poor performance of Ghana's major export products (Cocoa and Gold) leading to lower foreign exchange earnings, a weak external balance which dented confidence in the Cedi, spurred speculative foreign exchange demand and lowered Gross International Reserves (GIR). The fiscal excesses in the last two years also resulted in significant demand pressures. There were double digit budget and current account deficits in the last two years which have weakened Bank of Ghana's (BOG) ability to cushion the Ghana Cedi by supplying more foreign exchange into circulation.

At the end of 2014, Ghana's GIR stood at US\$4.35 billion, equivalent to 3.0 months of import cover, as against US\$5.6 billion or 3.1 months of import cover at the end of December, 2013. During the last lap of the third quarter and the fourth quarter, the cedi recorded marginal gains especially against the US Dollar with a price correction that closed the year 2014 at GHS3.20. This was driven by the US\$1 billion Ghana raised from the Euro Bond Issue, coupled with the US\$1.7 billion from cocoa loan syndication and the boosting of confidence and interest in Ghana's economy following the government of Ghana's decision to approach the International Monetary Fund for an Extended Credit Facility (ECF) program. Although the cedi's relative stability from late 2014 extended to January, 2015, this stability was lost in February (6.7% depreciation) and March 2015 (7.3% depreciation) as a weak FX supply (due to the low investor confidence, weak commodity prices and the worsening energy crisis) combined with demand pressures supported by a relatively buoyant GHS market liquidity. The commencement of the IMF program in April 2015 has triggered a tightening of GHS liquidity with a restricted government borrowing from the Bank of Ghana and increased monitoring of commercial banks' reserves. Consequently, there has been a marked slowdown in the pace of cedi depreciation with 2.7% depreciation recorded in April 2015. At the end of April 2015, the cedi had recorded a cumulative depreciation of 16.87% against the US dollar (GHS3.85), 16.29% against the British Pound (GHS5.95), and 9.22% against the Euro (GHS4.29). We expect the Bank of Ghana (under the IMF program) to maintain the tight GHS liquidity in order to sustain the slowdown in the cedi's pace of depreciation.

**Figure 2: Exchange Rate Trend (January 2014 - June 2015)**

### 3.5 Inflation

Inflation has been trending upwards from a single digit of 9.37% in December 2012 to end 2014 at a peak of 17%, the highest since November 2009. The upward trend has been driven largely by imported inflation from cedi depreciation, increase in fuel prices, utility price hikes and the increase in VAT since January from 15% to 17.5%. Inflation is projected to remain in double digit territory throughout 2015 mainly due to the first quarter depreciation pressures, low FX inflow and persistent power supply challenges. Despite easing by 60bps in January 2015 to 16.4%, inflation has increased to 16.8% in Apr-2015 due to pressure from underlying inflation, currency depreciation and the power supply constraints. Inflationary pressure is however expected to start easing in the latter part of 2015 mainly due to fiscal consolidation under the IMF program, a tight monetary stance and relative stability of the cedi, culminating in a gradual decline in inflation later in 2015. To achieve this, the MPC of the Bank of Ghana increased the policy rate by 100bps to 22% in May 2015 in order to contain the elevated risk to the inflation outlook. The IMF projects an end of year 2015 inflation of 12.0%.

**Figure 3: Inflation Trends (January 2014 – June 2015)**

### 3.6 Interest Rates

Interest rates have been trending upwards since the beginning of the year. This has largely been as a result of a rising inflation rate and government's increased borrowing from the domestic money market resulting in the upsurge of Treasury Bill Rates. Equally responsible for this trend of affairs is Bank of Ghana's effort at stemming the depreciation of the Cedi which resulted in the hiking of the Bank of Ghana Policy rate cumulatively by 500bps from 16% in February to the current rate of 21% by the close of 2014. The increase in fuel cost, transport and utility tariffs (in the wake of the higher crude oil prices during the first half of 2014 and cedi depreciation) also resulted in higher operating cost for businesses, including commercial banks which required higher returns to compensate for the rising cost of operation.

These pricing pressures subsequently resulted in the increase of the base rate of commercial banks and for that matter Treasury bill rates. The rate on the 91-days bill moved from 19.23% at the beginning of the year to the close 2014 at 25.81%. These rates are expected to remain high; above the 20% mark for the rest of the year as a relatively stable exchange rate and a sustained decline in inflation rate would be required to pressure Treasury bill yields lower.

It is projected that the tight fiscal and monetary policies under the IMF program result in short term constraints to purchasing power and private national saving in Ghana, especially in 2015. Consequently, overall GDP growth for 2015 is projected at 3.5% (2.3% for non-oil GDP). Ultimately, the IMF program is expected to restore fiscal discipline and macroeconomic stability to support investment and business growth. It is expected that the IMF intervention which commenced in April 2015 would restore the needed confidence in the Ghanaian economy in the medium term. It is expected that this would be achieved on the back of lower inflation – single digit from 2016 (-8% by end of 2017), relatively stable exchange rate (anchored by the IMF's balance of payments support, release of donor support, inflow of portfolio investment and FDIs), a rebound in GDP growth to ~9% in 2017 (driven by increased oil and gas production and improvement in power supply), and rebuilding Ghana's external balance.

### **3.7 Political Background**

Ghana operates a unitary republic based on a constitution approved by a referendum in 1992: the 1992 Constitution. Ghana has a robust democratic political system which has enabled the country to conduct peaceful elections over the last two decades. In 2012, Ghana held its sixth consecutive democratic election under the Fourth Republic which resulted in the retention of the incumbent but sparked allegations of electoral malpractices which were adjudicated by the Judiciary. This judicial intervention demonstrates the commitment of the people of Ghana to democracy and political stability. The next presidential election is scheduled for December 2016. The benign political environment is expected to continue in the medium to long term as support from the international community and robust state institutions ensure that the risks of political unrest are contained.

## PART IV: INDUSTRY AND REGULATORY OVERVIEW

### 4.1 Global Pharmaceutical Overview

The pharmaceutical industry is one of the world's largest industries. Thomson Reuters' Annual Pharmaceutical Factbook places global industry sales at a record high of US\$980 billion in 2013 with expectations that the figure would rise to US\$1 trillion in 2014. The IMS Institute for Health Informatics estimates that global spending on medicines will exceed US\$1.17trillion by 2017<sup>2</sup>. The growth is expected to be spurred on by market expansion in leading emerging countries, which are projected to account for 33% of global spending in 2017 from 31% in 2012.

Similar to developments in other industries, slowed economic growth in many developed markets has triggered the expansion of multinational pharmaceutical companies into emerging market economies. These economies have been labeled "pharmerging" markets. These markets, which include four African nations (Nigeria, South Africa, Egypt and Algeria) are expected to contribute US\$187 billion between 2012 and 2017; representing two thirds of the global growth in pharmaceutical sales. IMS projects that pharmerging markets will progress from representing a fourth of the global pharmaceutical markets in 2012 to a third by 2017

<sup>3</sup>.

In Sub-Saharan Africa, Foreign Direct Investments (FDI) grew by 4.7% between 2012 and 2013, fueled by recent political and fiscal stability and improvements in pro-business legislation. In 2013, Africa's share of global FDI projects reached its highest level in a decade as the perceived attractiveness of the continent improved<sup>4</sup>. Consistent with the developments, growth in the SSA region improved for the second consecutive year to 4.5% and is projected to pick up to 5.1% by 2017 despite headwinds.

In line with the expected growth of the region, pharmaceutical spending in Africa is envisaged to reach US\$30 billion by 2016. This figure is further expected to increase to US\$45 billion by 2020, spurred by increased wealth, healthcare investment and demand for drugs to treat chronic diseases. Alongside the increasing economic wealth is a notable rise in healthcare spending, which has grown at a CAGR of 9.6% since 2000 (across 49 African countries). Fueled by government, non-government organizations (NGOs) and private sector investment, this has largely focused on strengthening health system infrastructure, capacity building, treatment provision and specialized services.

Statistics suggest that the burden of communicable diseases is greater on low income economies, reducing significantly in higher income economies. High income economies are however subject to a greater burden of chronic diseases. The changing economic profile of Africa is therefore linked to an increased demand for chronic care drugs, reflecting a shift in the burden of illness from communicable diseases towards non-communicable diseases (NCDs). The NCD proportional contribution to the healthcare burden is forecast to rise by 21% through 2030. While continuing to struggle with infectious and parasitic illnesses, Africa is expected to experience the largest increase in death rates from cardiovascular (CV) disease, cancer, respiratory disease and diabetes over the next ten years, resulting in greater demand for healthcare services and appropriate medicines<sup>5</sup>.

The combination of economic strength and an expanding middle class is already driving demand for medicines across Africa. IMS Health reports that in Algeria, the chronic medicine to essential medicine ratio increased by 72%

<sup>2</sup>IMS Institute for Healthcare Informatics (November 2013): The Global Use of Medicines: Outlook through 2017

<sup>3</sup>IMS Health: Pharmerging markets; Picking a pathway to success

<sup>4</sup>EY's attractiveness survey Africa 2014: Executing Growth

<sup>5</sup>IMS Health: Africa: A ripe opportunity

## 4.2 Ghana's Pharmaceutical Industry Overview

Ghana is recognized by the ECOWAS secretariat to have the best quality locally produced pharmaceuticals in the sub-region. The local industry is subject to stringent requirements by regulators. The Pharmaceutical Manufacturers Association of Ghana (PMAG) reports that the pharmaceutical manufacturing sector currently comprises 38 registered firms with 75% owned by Ghanaians.

The industry however lacks comprehensive and reliable data on sales for all participants in Ghana's pharmaceutical industry. However, IMS Health projects the industry's sales to grow at 12.4% CAGR (2012-2017), from the 2012 level of US\$0.8 billion.

According to PMAG the average production in the industry is reported to be 55% below installed capacity, due to inadequate resources. This has resulted in a ratio of imported products to locally manufactured products of 2:3.

In February 2014, the Ministry of Health, Ghana, completed feasibility studies for the establishment of a Bio-Equivalence and Bio-pharmaceutical Research Centre, to enhance the quality of products being produced. The centre is expected to serve other countries in the sub-region.

An existing statutory provision<sup>6</sup> that prohibits the importation of certain drugs creates a market for local pharmaceutical manufacturers to exploit. It is also an enabling factor to develop the industry as a regional hub. Among the twenty (20) drugs and their combinations covered under the import prohibition are Paracetamol, Folic Acid, Vitamin B Complex and Aspirin.

Ghana's 2014 Budget statement spells out a tax policy to support Ghana's domestic pharmaceutical industry. A tax exemption is provided in respect of VAT on specified locally produced pharmaceuticals products and some raw materials used for the production of these pharmaceuticals. This policy would encourage sales and profitability of the industry in Ghana and discourage mass importation of finished products which would become expensive under this policy.

## 4.3 Regulation

The Public Health Act, 2012 (Act 851) (the "Public Health Act") consolidates the law relating to public health. The scope of the Public Health Act extends to the regulation of food, drugs, medical devices, tobacco and herbal products.

The Food and Drugs Authority ("FDA"), under the control and supervision of the Ministry of Health is the national regulatory body responsible for the regulatory control of the manufacturing, importation, exportation, distribution, sale and advertisement of food, drugs, cosmetics, medical devices and household chemical substances as enshrined in the Public Health Act. This is a very critical role, as misbranding, substandard and/or counterfeit, as well as unsubstantiated product information has very grave consequences on public health and serious implications for healthcare delivery. The FDA, since August 1997, has been pursuing various specific objectives to address issues on regulatory control of products as stated in its mandate.

Before 1990, the control of drugs and the practice of the pharmacy profession were under the Pharmacy and Drugs Act (Act 64), 1961. In 1990, the Narcotics Drugs Control, Enforcement and Sanctions Act, 1990 (PNDCL 236) was enacted. This law established the Narcotics Control Board to deal with the rising incidence of drug abuse in the country and the threatening dimensions that illicit drug dealing had taken internationally.

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<sup>6</sup> KPMG: Kumasi, Ghana: Potential Opportunities for Investors (2008)  
<http://www.pmaghana.org/incentives.htm>

The Health Professions Regulatory Bodies Act, 2013 (Act 857) was enacted to establish the Pharmacy Council to among other things register pharmacists and set and ensure standards for pharmacy practice and professional conduct.

#### **4.4 Outlook**

In March 2014, under a three-year development partnership with the German Development Agency, GTZ, Ghana's Minister of Industry and Trade announced a project to produce key medicines locally. The project aims to increase human capacity development for pharmaceutical manufacturing, co-development and prequalification of key medicines against priority endemic diseases, including TB, anti-malarial and antiretroviral.

In December 2013, the Ghanaian government made preparations to establish more specialist health centres through public-private partnerships to help increase healthcare delivery in the country. In March 2014, the Minister of Health announced a new urology centre at the Korle-Bu Teaching Hospital (KBTH) in Accra, to pave the way for kidney transplants and other complex renal surgeries in Ghana, Vibe Ghana reports.

On-going infrastructural projects to construct new health facilities and expand some existing facilities, is expected to contribute immensely to the demand for pharmaceutical products through 2017. The projects include the construction of a US\$217 million 600-bed University of Ghana Teaching Hospital, scheduled to be completed in 2015. Others include the 420-bed Ridge Hospital Expansion Project, the 500-bed Military Hospital Project in Kumasi and the second phase of the Tamale Teaching Hospital project<sup>7</sup>. These developments are anticipated to contribute to the industry's deepening to support IIL's growth agenda.

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<sup>7</sup>The Budget Speech (page 49)/ Statement and Economic Policy of the Government of Ghana (2015)

**INTRA-FLEX**

Batch No.:  
Lot No.:  
FDB Reg. No.: **53009977**

**DEXTROSE 5%**  
(DEXTROSE 5% IN  
SOL. INJECT. 150 ml)

**GLUCOSE**  
Solution

**GLUCOSE**  
on isotonic  
9/L  
500



## PART V: INFORMATION ON INTRAVENOUS INFUSIONS

ILL was incorporated in 1969 and began operations in 1974 as the first pharmaceutical company producing intravenous infusions in Ghana. ILL was set up to take advantage of the lack of local production of infusions and the country's total dependence on imports.

### 5.1 Objectives

- To work with local and international regulatory authorities to ensure compliance with the highest standards of products produced;
- To strictly adhere to the detailed principles of current Good Manufacturing Process (cGMP) to guarantee quality;
- To produce large volumes of pharmaceutical and medical products to meet national demand; and
- To produce at low costs to make the products affordable.

### 5.2 Values

The corporate culture of ILL is guided by the five fundamental values:

- Product quality and cleanliness;
- Commitment and dedication;
- Personalization and respect;
- Reliability and efficiency; and
- A partnerships approach to business building with clients to anticipate needs and provide proactive solutions.

### 5.3 Corporate Vision

The corporate vision of ILL is to be a leading manufacturer and supplier of pharmaceutical and medical products in Africa in the 21st century.

#### Corporate Mission

The mission of ILL is to dominate the IV fluids and small volume injectable market in West Africa through the delivery of high quality pharmaceutical products at competitive prices and supported by an active and energetic marketing agenda.

### 5.4 Authorized, Issued Shares and Share Issue History

**Table 6: Share Issue History**

Year	Transaction	Consideration (GHS)	Stated Capital
1969	At incorporation 30,000 shares were issued	GHS6 (₵60,000)	GHS6 (₵60,000)
1971	Issue of 20,000 new ordinary shares	GHS3 (₵30,000)	GHS9 (₵90,000)
1973	Issue of 50,000 new ordinary shares	GHS31 (₵310,000)	GHS40 (₵400,000)
1973	Transfer of ₵200,000,000 from income surplus to stated capital	GHS20,000 (₵200,000,000)	GHS40 (₵400,000)
1996	Conversion of GHS9,983 (₵99,830,000) loan into 12,000 ordinary shares	GHS9,983 (₵99,830,000)	GHS30,023 (₵300,230,000)
2006	Conversion of debt of USD\$600,000 into 78,239 preference shares at the value of GHS540,000	GHS540,000 (₵5,400,000,000)	GHS570,023
2014	Conversion of 78,239 preference shares into ordinary shares 20,324,119.	GHS570,023	GHS570,023
2014	Issue of 111,886,030 ordinary shares.	GHS 497	GHS570,520

## 5.6 Authorized Share Capital

The current number of authorized shares is 50,000,000,000 ordinary shares of no par value. The current shareholding therefore is as follows:

**Table 7: Shareholder Profile**

	<b>Name of Shareholder</b>	<b>Number of Shares</b>	<b>Percentage Shareholding</b>
1	Estate of E. K. Osei	25,000,000	18.9%
2	Estate of SC Appenteng	20,324,119	15.4%
3	National Investment Bank	20,000,000	15.1%
4	Leon Kendon Appenteng	13,299,750	10.1%
5	Appenteng Mensah & Company	12,000,000	9.1%
6	Kofi Appenteng	6,794,600	5.1%
7	Gladys Oduro	5,000,000	3.8%
8	Vifor (S. A.) Geneva	5,000,000	3.8%
9	Kwabena Appenteng	3,284,000	2.5%
10	Sophia Akyeama Appenteng	3,284,000	2.5%
11	Estate of Charles Appenteng	2,189,330	1.7%
12	Kofi Gyasi Appenteng	1,642,000	1.2%
13	Faustina Appenteng	1,642,000	1.2%
14	Estate of Samuel Kwasi Manu Appenteng	1,313,600	1.0%
15	Stephen Kwaku Asiedu Appenteng	1,313,600	1.0%
16	Estate of Kwame Kyei Appenteng	1,313,600	1.0%
17	Regina Abena Appenteng	1,313,600	1.0%
18	Comfort Nana Akua Prah	1,313,600	1.0%
19	Kwaku Koranteng Appenteng	1,094,670	0.8%
20	Rose Appenteng	1,094,670	0.8%
21	Elizabeth Appenteng	1,094,670	0.8%
22	Isaac Appenteng	1,094,670	0.8%
23	Samuel Adjapong Appenteng	1,094,670	0.8%
24	Jones Appenteng	821,000	0.6%
	<b>Total</b>	<b>132,322,149</b>	<b>100%</b>

## 5.7 Shareholding Analysis

The shareholding distribution is such that all the current shareholders have their holdings above the 50,000 categories.

**Table 8: Shareholding Analysis**

<b>Category</b>	<b>No of holders</b>	<b>No of shares</b>	<b>Percentage of holding</b>
1-1,000	0	0	0
1,001-5,000	0	0	0
5,001-10,000	0	0	0
10,001-50,000	0	0	0
Over 50,000	24	<b>132,322,149</b>	<b>100%</b>

## 5.8 Issued Share Capital

The number of issued shares is 132,322,149 ordinary shares of no par value.

## 5.9 Status of Licenses/Certificates and Other Relevant Permits

ILL is a responsible corporate institution and adheres to all regulatory demands in its industry. The Company currently operates with the following licenses/certificates:

- Certificate of Registration as a pharmaceutical manufacturer by the FDA;
- Certificate of Registration of Undertaking, issued by the Environmental Protection Agency;
- License for the supply of restricted drugs by wholesale from premises issued by the Pharmacy Council;
- Pharmacy business operating license for the wholesale supply of restricted medicines;
- Certificate of registration as a Manufacturing Company issued by Customs Division of the Ghana Revenue Authority;
- Certificate of Registration from the Factories Inspectorate; and
- Valid Fire Certificate from the Ghana Fire Service.

## 5.10 Products

The ILL production structure is heavily dominated by IV Fluids. The Company pioneered the local production of a narcotic analgesic called Pethidine. The Company is currently the sole producer of this drug within the sub-region. Pethidine is part of the small volume injectables product range, which also includes Chloroquine Phosphate and Quinine Dihydrochloride injections. Quinine is a relatively new addition to the company's product line. It was initially targeted for the export market, but has caught on well with the local market. Chloroquine Phosphate has, as of January 2007, been discontinued on the advice of Ministry of Health.

## 5.11 Infusion Therapy Operations

Intravenous infusion therapy commonly called IV refers to the administration of fluids, drugs or blood directly into the circulatory system through a vein. When whole blood is administered, the technique is called Transfusion. When sterile fluids (Blood volume expanders) are administered, the technique is called Infusion. Intravenous infusions are used for three major reasons:

- to add fluid volume to the circulatory system when there is an imbalance or depletion of normal body fluids as in blood loss or burns;
- to establish and maintain life support for an accident victim whose condition is unstable; and
- to provide an access for the administration of medications.

## 5.12 Product Categorization

The Company's products are categorized into the following:

- IV Fluids;
- Giving Sets; and
- Small Volume Injectables (SVI).

Under these broad sections the product portfolio can be grouped as follows:

### 5.13 IV Fluids (IVF)

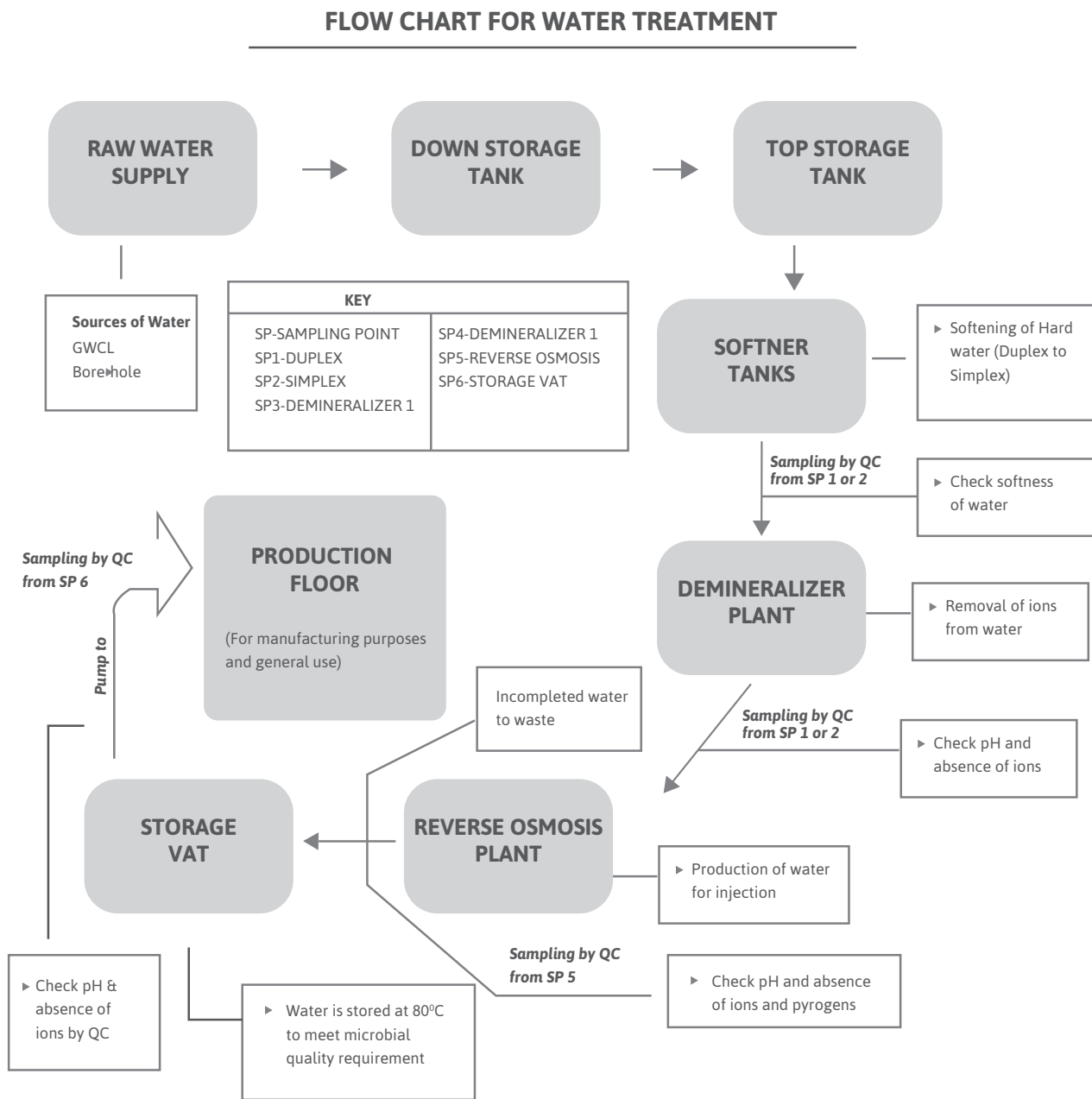
- Sodium Chloride Solutions;
- Dextrose Solutions;
- Dextrose Saline Solutions;
- Poly-Saline Lactate Solutions;
- Poly-Saline Dextrose Solutions;
- Dextran Solutions; and
- Special Solutions.

### 5.14 Small Volume Injectables (SVI)

- Pethidine Injection;
- Magnesium Sulphate Injection;
- Quinine injection 600mg; and



### Figure 5: Water Treatment Flow Chart



## 5.16 Factory Operational Divisions

The factory is compartmentalized into the following sections:

- Production;
- Sterilization;
- Quality control;
- General packaging; and
- Warehouse.

### 5.17 Manufacturing Facilities

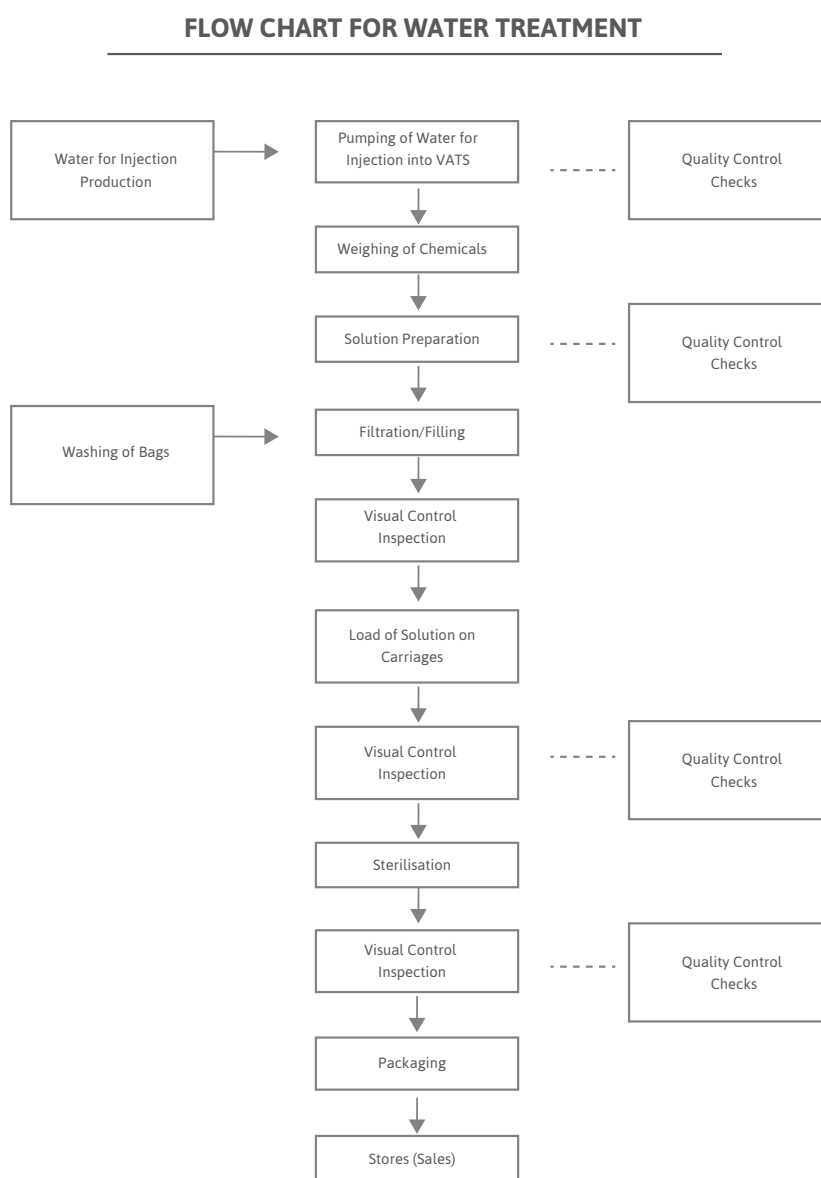
IIL operates from its offices and factory located in Effiduase-Koforidua. The total acreage is 13.71 acres of which only 25% of the land area has been developed. The factory has the following facilities:

- quality control laboratory;
- a generator house/power station;
- a boiler unit;
- a production section;
- water treatment section;
- air compressor section;
- water supply system; and
- workshop.

### 5.18 Production/Manufacturing Process

The flow chart Diagram for production of IV solutions, which is a representation of the manufacturing process is shown below:

**Figure 6: Production and Manufacturing Process**



### 5.19 Marketing

The main source of revenue for the Company is the sale of IVs, SVIs and Giving Sets. IV Fluids account for over 80% of the Company's turnover. The Company has a detailed marketing plan. The objective of the plan is to increase sales both in the domestic and export markets. About 75% of the sales budget is expected from the domestic market, whilst 25% from the export market.

The Company intends to consolidate its presence in Burkina Faso and Cote d'Ivoire, revisiting Togo and Benin and exploring new markets such as Sierra Leone and Liberia. On the local front, IIL products are distributed throughout the entire nation from five regional offices. These offices are operated from Ashanti/Brong Ahafo, Greater Accra, Northern, Upper West and Eastern/Volta and Central/Western Regions. The Company's local sales are driven by the following:

- the Government of Ghana, which buys through the Ministry of Health for the Central and Regional Medical Stores;
- the Teaching Hospitals, District Hospitals and Health Posts;
- Missionary and Philanthropic Clinics, Private Hospitals, Maternity Homes and Pharmacy Shops; and
- Institutional buyers such as the Police, Military and Trust Hospitals.

To improve the Company's revenue and net income, IIL will pursue the following strategies:

- promotion of special and high margin lines such as Badoe's Maintenance Solution, Infusion Giving Sets so as to increase these products contribution to turnover from 10% to 20%;
- aggressive marketing of Small Volume Injectables with high margins such as Pethidine and Magnesium Sulphate. Specific steps will be taken to grow the line by 10% to 20%; and
- targeting more pharmacies, private clinics and maternity homes in all market segments.

To further consolidate its position in the market, IIL will embark on the following strategies:

- adopt differential pricing strategies in price sensitive segments such as the Mission Hospitals; and
- plan to reach out to more private sector customers particularly the Ashanti and Brong Ahafo regions.

### 5.20 Key Competitors

IIL's key competitor is Sanbao Ghana Pharmaceuticals Ltd, a Chinese pharmaceutical manufacturing company engaged in the manufacturing of intravenous infusions mainly for Ghanaian and also the West Africa Sub-region.

### 5.21 Sales Depot and Offices

Below are the various depot and offices which serve as outlets for the sale and distribution of IIL's products.

**Table 9: Depots and Offices**

Name Of Depot/Office	Address	Contact Details
Intravenous Infusions Ltd	Plot 4/7 Blk L Effiduase P. O. Box KF63 Koforidua	Tel: 233-3420-20141, 20151, 20440, 20441 Fax: 233-3420-20125 Email: info@intravenousinfusionsltd.com
Kumasi Office & Depot	Asokwa, Behind the Kumasi Sports Stadium	Tel: 020-8164566 / 0205090082
Takoradi Office & Depot	Around Market Circle	Tel: 024-4929316 / 026-3652020
Accra Office & Depot	Ring Road East, Labone, Accra	Tel: 024-4864760 / 020-6748132
Tamale Office & Depot	Around Timber Market Aboabo-Tamale	Tel: 020-5331137 / 024-8765760

Not to be stored above

Expiry: 11/27/24  
20 x 500mm

Bag



The INTRA - F

SODIUM CHLORIDE  
CHLORURE DE S

510915  
11/27/24  
Manufactured: 11/27/24  
Expiry: 11/27/24

20 x 500mm

Not to be stored above

0°C



## PART VI: REGULATORY ENVIRONMENT

### 6.1 Compliance with the Public Health Act, 2012 (Act 851) (the “Public Health Act”)

The key compliance requirements under the Public Health Act are as follows:

### 6.2 Registration of Products

The Company is required to register all its products with the Food and Drugs Authority. IIL has complied with these directives and has registered its products accordingly. Below are lists of products registered with the FDA.

**Table 10: Registered Products**

Product	Registration Number
Dextrose 5%	FDB/SD.07 – 1001
Dextrose 5% + Sodium Chloride 0.9%	FDB/SD.07 – 1002
Sodium Chloride 0.9%	FDB/SD.07 – 1003
Ringer – Lactate	FDB/SD.07 – 1004
Glycine 1.5% Irrigation Fluid	FDB/SD.07 – 5245
Metronidazole Infusion	FDB/SD.04 – 12599
Dextrose 4.3% + Sodium Chloride 0.18%	FDB/GD.07 – 6067
Dextrose 10% + Sodium Chloride 0.18%	PDB/GD.07 – 6068
Dextrose 10%	FDB/GD.113 – 12054
Mannitol 10%	FDB/GD.07 – 6069
Mannitol 20%	FDB/GD.07 – 6070
Badoe’s Solution	FDB/GD.07 – 6071
5:4:1 Cholera Replacement Fluid	FDB/GD.07 – 6072
50% Magnesium Sulphate Injection	FDB/GD.08 – 3007
Pethidine HCl Injection	FDB/GD.113 – 12055
Quinine Dihydrochloride Injection	FDB/GD.07 – 8082
Darrow’s Solution	FDB/GD.03 – 7076
Darrow’s Full Strength Solution	FDB/GD.03 - 7096

**Table 11: Products Pending Registration**

Product
Sodium Chloride 0.45%
Dextrose 50%
Dextrose 2.5%/Saline 0.45%
Dextrose 2.5%/Darrow’s Solution
Dick’s Plasma 40
Hemo Dialysis Bath Concentrate
Infusions Giving Sets
Blood Giving Sets
Dick’s Plasma 70
Aqua Pro Injection
Gastro Intestinal Replacement Fluid

### 6.3 Licensing of Premises

IIL is required to register its premises with the FDA for the manufacture and storage of its products.

The FDA has confirmed by a letter dated May 13, 2014 that it has registered the manufacturing premises of the Company. The FDA has issued a certificate of registration to IIL as a pharmaceutical manufacturer. The certificate of registration licenses the Company to manufacture pharmaceutical products at its business premises in Koforidua.

### 6.4 Compliance with the Environmental Protection Act and Regulations

The Company is required to register with the Environmental Protection Agency (the "EPA"). The Company is also required to obtain an environmental permit from the EPA. The environmental permit is valid for a period of 18 months effective from the date of the issue and is subject to renewal. The Company is also required to submit an environmental report annually, as well as, an environmental management plan every 3 years.

The Company is also required to obtain an environmental certificate within 24 months of the date of the issue of the environmental permit.

IIL has been issued with a certificate of registration of the Company with the EPA dated August 6, 2004 and subsequently issued with the EPA permit on the 27th February 2015 under permit number EPA/EMP/CU 637/15/0512 and expires on December 2016.

### 6.5 Compliance with the Customs, Excise and Preventive Service (Management) Act, 1993 (PNDCL 330)

The Company is required to be licensed by the Customs Division of the Ghana Revenue Authority ("GRA") for the purpose of manufacturing its products. The licence issued by the GRA is valid for a period of 1 year.

A letter dated May 13, 2014 from the Customs Division of the GRA confirming that the Company is registered as a Registered Manufacturing Company and has been issued with a manufacturing licence. The licence expired on September 30 2014 and has been renewed for another year ending 30th September, 2015.

### 6.6 Compliance with the Fire Precaution (Premises) Regulations, 2002 (L.I. 1711)

The Company is required to obtain a fire certificate in respect of its premises from the Ghana National Fire Service. The fire certificate is valid for 12 months from the date of issue and is subject to renewal. The current fire certificate expired on September 4, 2014 and is due for renewal. The Company is taking steps to renew this licence

### 6.7 Compliance with the Narcotic Drugs (Control, Enforcement and Sanctions) Act, 1990 (PNDCL 236)

Intravenous Infusions produces and uses narcotic drugs as active ingredients in some of its products. The Narcotic Drugs (Control, Enforcement and Sanctions) Act, 1990 (P.N.D.C.L. 236) provides that a person shall not, without lawful authority manufacture or produce narcotic drugs. A person who, without lawful authority, has possession or control of a machine or equipment, or any other material for the manufacture or production of a narcotic drug commits an offence and is liable on conviction to a term of imprisonment of not less than ten years.

A copy of permit for the importation of narcotic drugs issued by the FDA dated February 12, 2015 was issued to IIL. The permit was granted for the importation of products before December 31, 2015.

### 6.8 Compliance with the Health Professions Regulatory Bodies Act, 2013 (Act 857)

IIL was issued a valid licence for the wholesale supply of restricted drugs from its premises. The licence was dated June 30, 2014 and expired on December 31, 2014. IIL was also issued a copy of a valid pharmacy licence for IIL's premises. The licence was dated June 30, 2014 and expired on December 31, 2014. IIL has taken steps to renew these licences.

### 6.9 Compliance with the Factories, Offices and Shops Act, 1970 (Act 328)

The Company is required to register its premises with the Department of Factories Inspectorate. A certificate issued upon registration expires on December 31 of the year in which it was issued and is subject to renewal. IIL has been issued a valid certificate of registration in respect of IIL's premises. The certificate was dated June 12, 2014 and expired on December 31, 2014 and is due for renewal. The company is taking steps to renew the certificate for 2015.

#### **6.10 Trademarks**

The Company has not registered any trademarks.

#### **6.11 Patents**

The Company has not registered any patents.

#### **6.12 Copyright**

The Company has not registered any copyrights.

#### **6.13 Information and Communications Technology**

The Company has indicated that it does not have any information and communication technology agreements for its business operations.

#### **6.14 Litigation**

ILL is not involved in any pending material litigation, disputes, arbitration or investigations.

#### **6.15 Insurance**

ILL maintains Insurance policies in respect of its assets, employees and other liabilities. The Company has insurance covering its business premises and machineries. Policies covered by insurance include workman compensation, group/personal accident, goods-in-transit, fire and burglary, motor vehicle.

#### **6.16 Material Agreements**

The Company has not entered into any agreements or trading arrangements other than in the ordinary course of its business.

## PART VII: DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

### 7.1 Board of Directors

IIL has an eight (8) member Board of Directors as the apex body that formulates policies and strategies and sets targets for the Company's performance. The tenure of the board members are fixed.

Name	Nationality	Age	Profession	Position	Other Directorship	Date of appointment
Isaac Osei	Ghanaian	63	BSc. (Econs) MA (Dev Econs)	Non-Executive Chairman	KAS Products Ltd	16th Dec, 1988
Richard O. Okrah	Ghanaian	68	B.A. (Hons) MPA	Managing Director	• Koforidua Polytechnic Council • Winglow Clothes & Textiles Ltd	1st Mar, 2002
Leon Appenteng	Ghanaian	54	LLB (Hons) MA (Business Law)	Non-Executive Director	• Panbros Salt Industries Ltd. • Vacuum Salt Products Ltd. • Appenteng Men- sah & Co.	16th Dec, 1988
Kofi Appenteng	Ghanaian	57	B.A. J.D.	Non-Executive Director	• Panbros Salt Industries Ltd. • Constant Capital Ghana Ltd. • Instituto de Empresa Fund Inc. • IE University, Spain.	21st Jan, 1998
Samuel A. Appenteng	Ghanaian	55	BSc. (Chemical Eng) MBA Finance	Non-Executive Director	• IFS Capital Management Ltd. • Ghana University Press • Joissam Construction Ltd. • Methodist University College	16th Dec, 1988
Michael Amafu-Dey	Ghanaian	56	Independent Director	Independent Director	• National Investment Bank • Properties Ltd. • Vacuum Salt Properties Ltd	9th Nov, 2009
Nana Osei Owusu Banahene	Ghanaian	52	Diploma In Education (TRADITIONAL RULER)	Independent Director	• KAS Products Ltd. • Barasuo Construction Ltd.	18th Sep, 2001
Prof. (Mrs.) Gladys Amponsah	Ghanaian	69	MB. ChB (GH) FRCA	Independent Director	• Centre for World Scientific Information Ltd.	2nd July, 2014

**Issac Osei (Chairman)** is the Board Chairman and currently the Member of Parliament for Subin Constituency in Ashanti Region. Hon. Isaac Osei has considerable years experience in both the public and private sectors. He is a former Ghana High Commissioner to the United Kingdom and subsequently, the Chief Executive Officer of Ghana Cocoa Board. He also worked at the Ministry of Trade and Industry as a Commercial Officer and a Senior Commercial Officer at the Tourist Development Co. Ltd. He worked in various capacities in the private sector, serving on several boards including Aluworks Ghana Ltd. and Cocoa Processing Company. He was, at a point in time, the Managing Director of Intravenous Infusions Ltd. He is a Professional Consultant and worked on a number of projects for the World Bank, United States Agency for International Development (USAID), and the UK Department for International Development (DFID), among others.

Hon. Isaac Osei is a graduate in Economics from University of Ghana. He also holds a Masters degree in Development Economics from Williams College, Massachusetts, USA and has attended further studies in Economics at the University of Colorado.

**Leon Appenteng** is currently the Managing Director of Vacuum Salts Products Ltd. He was the Managing Director of Panbros Salts Industries Ltd., between 1998 to 2007. Leon Appenteng brings to the Board a number of years of experience at the Corporate and Strategic levels of management. He serves on the Boards of a number of companies including Appenteng Mensah and Company Ltd., Panbros Salt Industries Ltd., Slid Industries Ltd. and he is the Chairman of the Board of L.K.A. Properties Ltd. He is also a member of the Board of Governors of All Nations University, Koforidua. He is a former president of the National Association of Salt Producers, Ghana (NASPAG)

Born in Ghana in 28th October, 1960, he had his entire formal education in England. He holds an LLB (London) and M.A. in Business Law from London Metropolitan University. He also holds certificates in Strategic Business Planning and Preparation of Business Plans, both obtained from GIMPA in 1997.

**Kofi Appenteng** is a senior counsel at the law firm Dentons US LLP and partner of Constant Capital Ghana Limited, an investment and merchant banking firm. Previously, Mr. Appenteng had a sixteen (16) year career at the law firm of Thacher Proffitt & Wood in general corporate practice, joining in 1991 as an associate and becoming a partner in 1994. At Thacher Proffitt, he was a member of the Corporate and Financial Institutions Practice Group. He was an Associate at the law firm of Webster & Sheffield before joining Thacher Proffitt.

He is also the Chairman of the Ford Foundation, the Africa-America Institute, the International Center for Transitional Justice and Panbros Salt Industries Limited. He also serves on the International Advisory Board of IE University, Spain and on the board of Instituto de Empresa Fund, Inc. In 2013 he was named a 'Great American Immigrant' by the Carnegie Corporation.

He is a member of the New York City and New York State Bar Associations and is admitted to practice law in the State of New York (USA). He attended primary and preparatory schools in England and studied in the USA at Wesleyan University (BA 1981) and then Columbia University School of Law (JD 1984).

**Samuel Agyapong Appenteng** is an Engineer by profession and an accomplished entrepreneur. He is the Deputy Managing Director of Joissam (GH) Ltd. and Joissam Construction Ltd., having previously worked as Director, Technical Services and General Manager of Intravenous infusions Ltd. for more than seventeen (17) years.

He is the Chairman of the Board of Directors of IFS Capital Management Ltd. and serves on the Boards of various private and public sector organisations, such as, the AGI Consult, Ministerial Advisory Committee on Institutional Reforms of Urban Water Sector Advisory Board, Ghana University Press, Methodist University College Ghana Council, Joissam (GH) Ltd. and Joissam Construction Ltd. In addition, he is a member of the steering committee of Micro-Small-Medium Enterprise.

Samuel Agyapong Appenteng is a graduate of the Kwame Nkrumah University of Science and Technology, School of Engineering and the University of Leicester, UK where he graduated with Bsc. (Chemical Engineering) and MBA (Finance), respectively. He is a Member of the Ghana Institute of Engineers Licensure Examination and a Fellow of the African Leadership Initiative West Africa (affiliate of the Aspen Institute of Colorado, USA).

**Professor Gladys Amponsah** is a Professor of Anaesthesia and currently the Vice Dean of the School of Medical Sciences, University of Cape Coast and also doubles as the Head of Department of Anaesthesia and Pain Management Department at the School of Medical Sciences. She was formerly at the University of Ghana Medical School as a Senior Lecturer and Examiner. Professor Gladys Amponsah brings to the Board considerable experience in the field of medicine and her periodic advice on the changes in the medical field helps to shape the Company's strategic direction. She has served on a number of Boards and committees, both within and outside Ghana.

She is a fellow of West African College of Surgeons and foundation Fellow of Ghana College of Physicians and Surgeons. She holds an MB-CHB degree from the University of Ghana Medical School and FRCA from Royal College of Anaesthetists, England. She has a number of professional publications and articles to her credit.

**Michael Amafu-Dey** is a Lawyer with the National Investment Bank Limited. He is a graduate of the Law Faculty in the University of Ghana where he obtained an LL.B Hons. Degree in 1985. He pursued the professional law career at the Ghana Law School between 1985 and 1987 and was called to the Bar in October 1987. Between 1987 and 1988, he worked as a Public Prosecutor.

For eight (8) years, between 1988 and 1996, Lawyer Amafu-Dey practised law privately from Afadjato Chambers, Accra. He joined National Investment Bank Limited in February 1996 as a Legal Officer. He rose to the position of Head of Legal of the Bank in 2003 and has since remained the Chief Legal Adviser of the Bank. He holds a number of positions/interests including directorship in other companies (e.g. National Investment Bank Properties Limited and Vacuum Salt Company Limited).

**Mr. Richard Okrah** is the Managing Director of Intravenous Infusions Limited. As the Managing Director, he is responsible for the strategic and day-to-day management of the Company as well as organization of the business of Intravenous Infusions Limited (IIL). He, however, operates under the overall policy direction of the Board of Directors. He coordinates the activities of the Heads of the various departments in order to ensure smooth operation and execution of the production, engineering, marketing, and financial management functions of the company. In addition, he assumes overall responsibility for Human Resource management.

He holds a Master's Degree in Public Administration (MPA) from Harvard University, USA and a first degree from the University of Ghana. He also holds a Graduate Certificate in Executive Education awarded by the Wharton Business School of the University of Pennsylvania, U.S.A. In addition, he holds a Graduate Diploma in Strategic Human Resource Management, awarded by Arthur D. Little Management Education Institute in Massachusetts, U.S.A. He is a former Deputy Chief Executive of the Volta River Authority and a Management Consultant by profession, specializing in Organizational Development and Human Resource Systems.

His extensive experience in business over the years has been brought to bear on the sound management of Intravenous Infusions Limited.

**Nana Osei Owusu Banahene** is the Nkosuo Hene of Asanteman, at the Manhyia Palace, Kumasi. He is an educationist by profession. He attended Mfanstipim School at Cape Coast and is also a graduate of Wesley College, Kumasi. He taught in several secondary institutions between 1981 and 1985 before joining Messrs E. K. Osei and Company (1985 - 1993) a family Civil Construction firm, as an Operations and Purchasing Manager. In addition to his traditional responsibilities, Nana is the Managing Director of his own Civil Engineering and Construction firm, Messrs. Barasuo Construction Limited which is very active in the construction business in the Ashanti Region.

Nana is currently a Director of Intravenous Infusions Limited and KAS Products Limited – a Stone Quarry at Buoho near Kumasi. Nana has attended several seminars and programmes on Development Strategies, Leadership, Alternate Dispute Resolution, Negotiations and Conflict Resolution, skills which he brings to bear on the Corporate Governance of Intravenous Infusions Limited.

## 7.2 Directors' Remuneration

The terms of Director Remuneration for the 2014 financial year was set as follows:

- Non-Executive Chairman: GHS 7,332
- All other Directors: GHS 5,907.79

## 7.3 Disclosure of Interests by Directors

As at the date of the latest financials, the following Directors held directly or indirectly relevant interests in ordinary shares of IIL as follows:

Name of Director	No. of Shares	% shareholding
Leon Appenteng	13,299,750	10.10%
Kofi Appenteng	6,794,600	5.10%
Samuel A. Appenteng	1,094,670	0.80%

**Table 13: Shareholding of Directors**

The Directors of IIL have expressed their intention to participate in the offer.

#### 7.4 Other Director Disclosures

- a. No petition under any bankruptcy laws in any jurisdiction has been filed against any Director or any persons nominated to become directors or any partnership in which he was a partner or any corporation of which he was a director or chief executive officer.
- b. No Director or persons nominated to become Directors has been convicted of fraud, misappropriation or breach of trust or any other similar offence.
- c. No Director or persons nominated to become Directors has been the subject of any order, judgment or ruling of any court of competent jurisdiction or administrative body enjoining him from acting as an investment adviser, dealer's representative, investment representative, a director of a financial institution.

#### 7.5 Senior Management

Name	Nationality	Age	Position
Richard Okrah	Ghanaian	68 years	Managing Director
Kwame Frimpong Opuni	Ghanaian	50 years	General Manager
Edward B. Issaka	Ghanaian	51 years	Head of Marketing
Soalihi M. Moukhtar	Ghanaian	44 years	Head of Finance
Emmanuel Addo Kusi	Ghanaian	43 years	Head of Engineering
Kenneth Adza Awude	Ghanaian	44 years	Manager, Quality Control
Issac Nsiah-Afryie	Ghanaian	47 years	Manager

**Table 14: Senior Management**

**Mr. Kwame Frimpong** Opuni has functional responsibility for the Production and Quality Control Sections of the company as the General Manager. He is a graduate in Pharmacy from Kwame Nkrumah University of Science and Technology (KNUST), Kumasi. He has been employed by IIL for a period of twenty one (21) years. He has a sound knowledge of the production processes of IIL and prior to assuming his current position, he worked at the position of Head of Production and Quality Control.

The Production and the Quality Control Departments have been merged recently to form a new department known as Quality Assurance Department, under the current organizational structure. He was recently re-designated as General Manager following the merger of the Production and the Quality Control Functions.

**Mr. Soalihi M. Moukhtar** is the Head of Finance responsible for the finance function of the company. He holds a Masters of Business Administration (MBA) in Finance from Kwame Nkrumah University of Science and Technology, Kumasi and a Bachelor's Degree from University of Cape Coast. He is a Chartered Accountant and a member of the Institute of Chartered Accountants, Ghana (ICAG). Before joining IIL, he worked as a Finance Officer for Village Water Project, a non-Governmental organization, concerned with construction of dams and boreholes. He has acquired significant years of experience in financial management and strategy before joining IIL in 2004.

**Mr. Emmanuel Kusi Addo** is the Head of Engineering Department of the Company and holds a MSc. Electrical Engineering from the University of Applied Science, Darmstadt, Germany and an MBA from Paris Graduate School of Management. Prior to his employment by Intravenous Infusions Limited in 2006, he worked for Ghana Atomic Energy as a scientific Officer/Electrical Engineering between 2000 and 2006. He is functionally responsible for repairs and maintenance of all Company's plant and equipment. He also participates in the procurement of new plant and undertakes related factory tests.

**Mr. Edward Bayeta Issaka** is in charge of the Marketing Department. He is a product of Kwame Nkrumah University of Technology (KNUST), Kumasi. He holds a Bachelor Degree in French and Economics and also a Master of Business Administration (MBA) degree in Marketing,

Administration (MBA) degree in Marketing, both awarded by the Kwame Nkrumah University of Technology (KNUST). He joined the Company in September 2003 having worked for eight (8) years as a Commercial Officer at the Ghana Trade Fair Company.

## 7.6 General Staff Profile

The Company currently has staff strength of 120 with a breakdown as follows;

**Table 15: General Staff Profile**

Category	Number
Executive	2
Senior Management	3
Managerial	2
Middle Management	13
Factory Operatives	91
<b>Total Permanent Employees</b>	<b>111</b>
Contract Staff	9

## 7.7 Staff Details

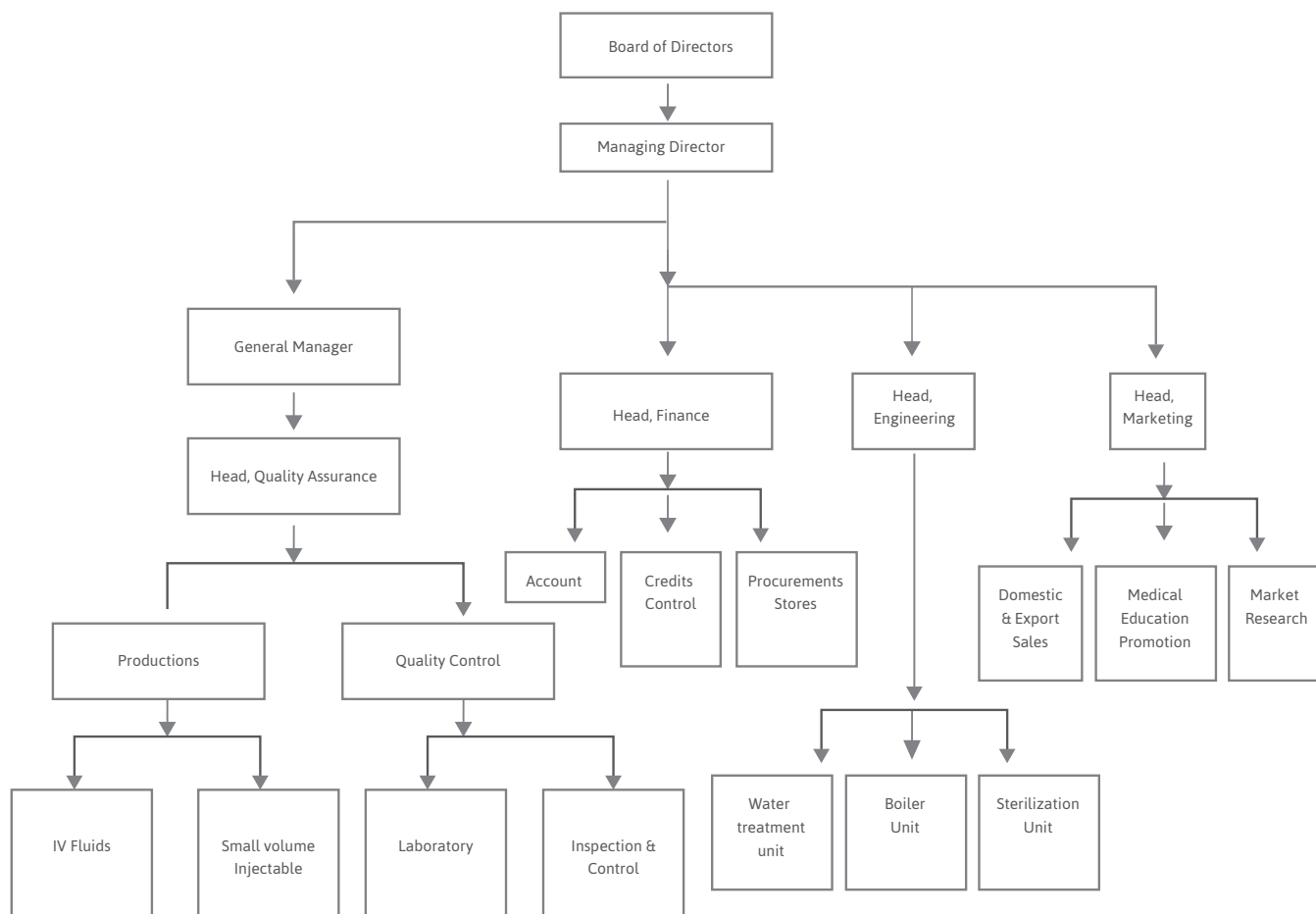
IIL currently has a total support staff of 120. These are made up of Quality Assurance (Production and Quality Control) and engineering, finance and administration, marketing and sales. The breakdown is as follows:

**Table 16: Breakdown of Staff by Department**

Department	Staff Strength
Quality Assurance Department	66
Engineering Department	25
Finance and Administration Department	14
Marketing and sales Department	15

## 7.8 Organisational Structure

ILL has an eight (8) member Board of Directors as the apex body that formulates policies and strategies and sets targets for the Company's performance. The tenure of the board members are fixed.



**Figure 7: Organogram**

## 7.9 Corporate Governance

It is the policy of the Company to comply with international best practices in corporate governance to the extent appropriate for a company of its size.

The Board has established Audit Committee, Finance and Budget Committee, Human Resource and Staffing Committee and an Asset Management and Development Committee. From time to time, separate committees may be set up by the Board to consider specific issues when the need arises.

### 7.10 Finance and Budget Committee

The specific duties of this committee are to:

- Develop financial regulations for the Company;
- collaborate with management in managing the Company's funds;
- review quarterly operational results to ensure that targets are met;
- examine proposals for recurrent revenue and expenditure budgets and make recommendations to the board of directors;
- examine proposals for capital and development budgets and make recommendations to the board of directors;

- recommend for approval all major capital and development expenditure;
- develop an investment policy for the Company and monitor its implementation;
- examine management reports as well as audited accounts and make recommendations to the board of directors; and
- undertake any other relevant budgetary and financial assignment that the board may refer to from time to time.

It is made up of one executive director and three non-executive directors Mr. Leon Appenteng, Mr. Michael Amafu-Dey and Mr. Samuel A. Appenteng.

#### **7.11 Audit Committee**

The company has constituted a three-member Audit Committee comprising the underlisted Non-Executive Board Members;

- Mr. Isaac Osei- Chairman
- Mr. Samuel A. Appenteng- Member
- Prof. (Mrs) Gladys Amponsah- Member

The functions of the committee will include:

- overseeing the process relating to the IIL financial risk
- overseeing internal control
- examining management judgements and accounting estimates applied in financial reporting
- conferring with both management and the external auditor about the financial statement

#### **7.12 Human Resource and Staffing Committee**

The specific duties of this committee are to:

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

The human resource and staffing committee is made up of Mr. Leon Appenteng, Richard Okrah, Professor (Mrs) Gladys Amponsah and Nana Owusu Banahene.

#### **7.13 Asset Management and Development Committee**

The specific duties of this committee are to:

- oversee the proper management of all assets of the Company;
- develop policies and methodology for asset management;
- consider any proposals for expansion and make recommendations to the board of directors; and
- undertake any other relevant assignments that the board of directors may from time to time refer to it.

The committee members are Mr. Samuel Appenteng, Mr. Kofi Appenteng and Mr. Richard Okrah.

## PART VIII: STATEMENT OF COMPREHENSIVE INDEBTEDNESS AS AT 30TH APRIL 2015

The Company entered into a financing agreement with Hasa Company Limited under the terms of a convertible debenture dated February 1, 2007 in respect of a loan amount of USD441,900 for the acquisition of production plant. Hasa Company Limited has indicated it will not convert the loan in equity and therefore proceeds from the IPO will be used to pay off the loan.

IIL also has an overdraft facility of GHS1,694,479 with the National Investment Bank. The overdraft facility is renewed for a period of six months. The Company also has an outstanding director's loan for an amount of GHS470,100 between the Company and Leon Appenteng, which will be converted into shares at the offer price of GHp8.

**The following table shows the firm's outstanding indebtedness as at the 30th April, 2015**

<b>Outstanding Loans</b>	<b>Amount GHS</b>
HASA Debenture	1,701,845*
NIB Overdraft	1,694,479
SWECO	2,695,840
Directors Bridge Loan	470,100**
<b>Total</b>	<b>6,562,264</b>

**Figure 8: IIL Outstanding Debt**

\*The amount shown for HASA Debenture is the GHS equivalent of the \$441,900 plus accrued interest of 4.85%.

\*\* A resolution was passed to convert Directors Bridge Loan into equity capital during the offer. This will translate to 5,876,250 shares of IIL issued at the offer price of GHp8 and forms part of the total number of shares on offer.

## **PART IX: DIVIDEND POLICY**

The Directors intend to adopt a progressive dividend policy, which will reflect the long-term earnings and cash flow potential of IIL, whilst maintaining an appropriate level of dividend cover.

It is envisaged that commencing with the financial year ended December 31, 2016; the Company will declare and pay dividends to shareholders. The Company plans to earmark 60% of 2016 profit for dividend payment. This will subsequently increase to 70% in 2017 and remain unchanged till 2019.

As is the case with all forward-looking statements, this statement regarding IIL's dividend policy is subject to a variety of risks and uncertainties. IIL may revise its dividend policy from time to time to reflect growth opportunities that create value for its shareholders. The factors discussed under risk could cause IIL's actual dividends to deviate from its current policy and estimates.

## PART X: RISK FACTORS

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

*Risks that all pharmaceutical businesses face and additional risks not currently known to IIL or that IIL currently believes are not material, may also adversely affect its business, financial condition and results of operations. The trading price of the IIL Shares could decline due to any of these risk factors, and investors could lose part or all of their investment.*

### 10.1 Operational Risk

- **Inability of IIL to, successfully manufacture products in a timely manner**

IIL's future results of operations depend, to a significant extent, on its ability to develop, manufacture and commercialize new products in a timely manner. All of IIL's products must meet and continue to comply with regulatory and safety standards to receive and satisfy conditions of regulatory approvals. The development, manufacture and commercialization process is both time consuming and costly and involves a high degree of business risk. For example, IIL may face difficulty securing, on a timely basis, on commercially reasonable terms, or at all, the raw materials required for the manufacture of its products. In addition, new products under development, if and when fully developed and tested, may not perform as expected, necessary regulatory approvals may not be obtained in a timely manner, if at all, and such products may not be able to be successfully or profitably produced or marketed. Delays or unanticipated costs in any part of the process or IIL's failure to obtain regulatory approval for its products, including failure to maintain its manufacturing facilities in compliance with all applicable regulatory requirements, could adversely affect IIL's business, financial condition and results of operations by restricting or delaying the introduction of new products.

- **If IIL is not successful in its strategy of expanding the number and range of injectable pharmaceutical products in its markets in Ghana and West Africa;**

As part of its business strategy and growth plan, IIL plans to expand significantly the number and range of injectable pharmaceutical products that it markets directly in the country and the sub region. IIL may incur substantial costs in expanding its injectable business into the West Africa Sub-Region. In particular, IIL will need to maximize manufacturing efficiencies to be able to satisfy the increase in product demand, increase its existing sales and marketing force and, in some instances, establish its own distribution company. IIL may not be able to operate its plants at the required levels to support increased product demand, hire sufficient sales personnel to achieve its injectable growth strategy. If IIL's expansion is unsuccessful, it may incur losses, and the costs of implementing its injectables strategy could lower its overall profits. Furthermore, after making investments to expand its injectables business, Intravenous may find that the demand for injectables is lower than it had expected, which may negatively impact its business, financial condition and results of operations.

- **IIL's ability to market its products successfully**

IIL's ability to market its products successfully depends, in part, on the acceptance of products by independent third parties, including wholesalers, distributors, private hospitals, mission and government hospitals, military and police hospitals, as well as patients. This is the case, in particular, in those markets where IIL distributes its products directly to hospitals or pharmacies, or where it tenders for governmental contracts. In addition, IIL relies to a significant extent on the strength of its brands and reputation, especially for the sale of its products in Ghana. Unanticipated side effects or unfavorable publicity concerning any of IIL's products or brands, or the brands of its in-licensed products, could have an adverse effect on IIL's ability to achieve acceptance

- **IIL operates in a competitive industry and, if the Company is unable to compete successfully, its sales will decline and its business will be harmed.**

The Company's ability to generate attractive returns for its shareholders depends to a large extent, on how it deals with industry competition. IIL's only competitor in the intravenous infusions business is Sanboa, a Chinese manufacturer registered as a free zones company. Given the limited players in this space, any potential entrants of new players will hurt IIL's sales and eventually profits, should the Company be unable to compete with any

potential new entrants.

## 10.2 Market Risk

- Fluctuations in exchange rates may adversely affect IIL's business and results of operations. IIL imports significant quantities of raw material in United States Dollars. To the extent that IIL incurs expenses in one currency but generates majority sales in Cedi, any change in the exchange rate could cause IIL's profits to decrease.
- Interest rate risk may also arise because IIL will have to pay a higher interest rate than anticipated on both existing loans and new loans it will acquire in the ordinary course of business due to increase in the cost of fund.

## 10.3 Environmental, Legal and Regulatory Risk

- If IIL fails to comply with environmental, health and safety laws and regulations or faces environmental, health and safety litigation or liability, it may incur costs and expenditures, face potential business interruption and/or regulatory enforcement.
- IIL's product development programmes and manufacturing processes involve the use of chemicals and include hazardous or toxic materials. These programmes and processes expose IIL to risks of accidental contamination, events of non-compliance with environmental, health and safety laws and regulatory enforcement, personal injury, property damage and claims and litigation resulting from such events. If an accident occurs, or if contamination caused by prior operations is discovered, intravenous could be liable for clean-up obligations, damages or fines, which could have an adverse effect on its business and results of operations. Stricter environmental, health and safety laws and enforcement policies could result in substantial costs and liabilities for Intravenous, and could result in its handling, manufacture, use, reuse or disposal of substances or pollutants being subjected to more rigorous scrutiny by relevant regulatory authorities than is currently the case. Compliance with these laws could result in significant capital expenditures, as well as other costs, thereby potentially harming IIL's business, financial condition and results of operations.

### • IIL may be exposed to product liability claims that could cause it to incur significant costs or cease selling some of its products.

The pharmaceuticals industry is characterised by high levels of product liability claims, primarily aimed at originator pharmaceutical companies and their products. Pharmaceutical companies such as IIL may be liable, or incur costs related to, liability claims if any of their products cause injury or are found unsuitable during development, manufacture, sale or use. For IIL, the risk of product liability claims is more significant with respect to those products manufactured by IIL under licence from an originator pharmaceutical company. The risk exists even with respect to products that have received, or may receive in the future, regulatory approval for commercial use. IIL currently has insurance coverage for product liability claims. However, such insurance may not be sufficient to cover all or even a material part of a significant product liability claim. Furthermore, at any time, insurance coverage may not be available to IIL on commercially reasonable terms or at all. Product liability claims or recalls could result in negative publicity or force IIL's management to devote significant time, attention and resources to those matters.

## 10.4 Political Risk

- Potential political unrest is a risk to the operations of IIL as the Company operates within the country. Political risk could have adverse impact on IIL's sales forecast. Ghana's track record in successfully organizing 5 general elections after the coming into force of the 1992 constitution reduces the risk of significant political unrest.

## PART XI: FINANCIAL INFORMATON

### Reporting Accountant's Report on Historical Financial Information



**KPMG**  
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Accra, Ghana

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Email: info@kpmg.com.gh

The Directors  
Intravenous Infusions Limited  
No. 25 Independence Avenue  
Accra

Dear Sirs,

**Independent reporting accountants' limited assurance report on the historical financial statement of Intravenous Infusions Limited**

We have reviewed the accompanying financial statements of Intravenous Infusions Limited that comprise the statements of financial position as at 31 December 2009, 2010, 2011, 2012, 2013 and 2014, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management of Intravenous Infusions Limited is responsible for the preparation and fair presentation of these financial statements in accordance with the Ghana National Accounting Standards until 2014 when it adopted International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Practitioner's Responsibility**

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

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

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

KPMG, a partnership established under Ghanaian law, is a member of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

N.A. Dodson  
N.D. Harley  
A.O. Akoto

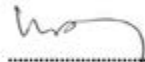
R.B. Pank  
A.K. Sarpong  
N.A. Agye

E.O. Aweku  
D.S. Adeneye  
K. Frimpong-Kumi

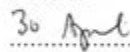
*Intravenous Infusions Limited*  
*Review of Historical and Forecast Financial Information*  
*April 2015*

#### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not give a true and fair view of the financial positions of Intravenous Infusions Limited as at 31 December 2009, 2010, 2011, 2012, 2013 and 2014 and of its financial performances and cash flows for the years then ended, in accordance with the applicable financial reporting framework.



.....  
Signed by: Nathaniel D. Hartley (ICAG/P/1056)  
For and on behalf of:  
KPMG: (ICAG/F/2015/038)  
CHARTERED ACCOUNTANTS  
13 YIYIWA DRIVE, ABELENKPE  
P O BOX GP 242  
ACCRA



....., 2015

Income Statement						
Income Statement (2009 to 2014)						
	2009	2010	2011	2012	IFRS 2013	IFRS 2014
	GHS	GHS	GHS	GHS	GHS	GHS
Sales	4,392,981	4,638,554	4,818,650	5,502,112	5,374,666	6,464,964
Cost of Sales	(2,420,539)	(2,734,848)	(2,788,748)	(2,986,526)	(3,151,368)	(3,684,805)
<b>Gross Profit</b>	<b>1,972,442</b>	<b>1,903,706</b>	<b>2,029,902</b>	<b>2,515,586</b>	<b>2,223,298</b>	<b>2,780,159</b>
Other Income	4,230	2,071	15,713	1,566	14,770	10,207
Selling, administrative and general expenses	1,976,672	1,905,777	2,045,615	2,517,152	2,238,068	2,790,366
	(1,403,840)	(1,464,365)	(1,568,997)	(2,101,109)	(2,342,778)	(3,262,912)
<b>Operating Profit/(Loss)</b>	<b>572,832</b>	<b>441,412</b>	<b>476,618</b>	<b>416,043</b>	<b>(104,710)</b>	<b>(472,546)</b>
Finance Cost	(130,289)	(140,776)	(225,289)	(304,403)	(347,725)	(512,624)
Net profit/(loss) before tax	442,543	300,636	251,329	111,640	(452,435)	(985,170)
Deferred tax asset	-	-	-	-	-	208,367
Income tax expense	-	-	(46,496)	(20,653)	-	-
<b>Net profit/(loss) after taxation</b>	<b>442,543</b>	<b>300,636</b>	<b>204,833</b>	<b>90,987</b>	<b>(452,435)</b>	<b>(776,803)</b>
<b>Income Surplus Account</b>						
At January				347,773	(1,373,824)	(1,860,418)
Transfer from profit and loss account	(600,239)	(157,696)	142,940	90,987	(452,435)	(776,803)
Proposed Dividend	442,543	300,636	204,833	(20,483)	-	-
<b>At 31 December</b>	<b>(157,696)</b>	<b>142,940</b>	<b>347,773</b>	<b>418,277</b>	<b>(1,826,259)</b>	<b>(2,637,221)</b>

Balance Sheet (2009 to 2014)						
	2009	2010	2011	2012	IFRS 2013	IFRS 2014
	GHS	GHS	GHS	GHS	GHS	GHS
<b>Assets</b>						
<b>Non-Current Assets</b>						
Property, plant and equipment	3,211,123	3,458,907	3,394,681	3,478,073	3,658,154	3,795,065
<b>Current Assets</b>						
Inventories	1,082,322	1,050,934	1,570,785	1,567,984	1,258,832	1,059,674
Receivables	1,817,160	1,751,983	2,054,280	2,290,564	2,646,203	4,266,474
Taxation	80,176	88,661	47,963	32,258	57,252	115,658
Cash and Bank Balances	143,995	154,489	78,844	29,796	29,675	233,298
<b>Current Assets</b>	<b>3,123,653</b>	<b>3,046,067</b>	<b>3,751,872</b>	<b>3,920,602</b>	<b>3,991,962</b>	<b>5,675,104</b>
<b>Total Assets</b>	<b>6,334,776</b>	<b>6,504,974</b>	<b>7,146,553</b>	<b>7,398,675</b>	<b>7,650,116</b>	<b>9,470,169</b>
<b>Equity and Liabilities</b>						
<b>Capital and Reserves</b>						
Stated Capital	570,023	570,023	570,023	570,023	30,023	570,520
Deposit for shares	-	-	-	-	540,000	-
Income Surplus	(157,696)	142,940	347,773	418,277	(1,860,418)	(2,637,221)
Capital Surplus	2,523,211	2,523,211	2,468,400	2,468,400	2,468,400	2,468,400
<b>Total Equity</b>	<b>2,935,538</b>	<b>3,236,174</b>	<b>3,386,196</b>	<b>3,456,700</b>	<b>1,178,005</b>	<b>401,699</b>
<b>Non-Current Liabilities</b>						
Medium term loan	163,950	93,686	22,324	-	-	-
Employee Benefit Cost	-	-	-	-	947,104	928,092
Deferred tax liability	-	-	-	-	860,584	652,217
<b>Total non-current liabilities</b>	<b>163,950</b>	<b>93,686</b>	<b>22,324</b>	<b>-</b>	<b>1,807,688</b>	<b>1,580,309</b>
<b>Current Liabilities</b>						
Payables	3,065,052	2,922,640	2,626,310	2,823,955	3,353,467	5,926,279
Bank Overdraft	170,236	252,474	1,111,723	1,118,020	1,310,956	1,561,882
<b>Current Liabilities</b>	<b>3,235,288</b>	<b>3,175,114</b>	<b>3,738,033</b>	<b>3,941,975</b>	<b>4,664,423</b>	<b>7,488,161</b>
<b>Total Liabilities</b>	<b>3,399,238</b>	<b>3,268,800</b>	<b>3,760,357</b>	<b>3,941,975</b>	<b>6,472,111</b>	<b>9,068,470</b>
<b>Total Equity and Liabilities</b>	<b>6,334,776</b>	<b>6,504,974</b>	<b>7,146,553</b>	<b>7,398,675</b>	<b>7,650,116</b>	<b>9,470,169</b>

Note: Shaded columns are IFRS Compliant

Cash Flow Statement (2019 to 2014)						
	2009 GHS	2010 GHS	2011 GHS	2012 GHS	IFRS 2013 GHS	IFRS 2014 GHS
Profit/Loss from operations before tax	442,543	300,636	251,329	111,640	(452,435)	(985,171)
<b>Adjustment for:</b>						
Depreciation charges	217,845	226,030	252,692	241,743	253,864	165,126
Profit/Loss on disposal	(2,000)	1,330	(14,550)	-	-	-
Adjustments in Fixed Assets	-	-	56,294	3	-	-
Employee benefit obligation					166,098	(19,011)
<b>Operating cash flow before movement in working capital</b>	<b>658,388</b>	<b>527,996</b>	<b>545,765</b>	<b>353,386</b>	<b>(32,473)</b>	<b>(839,056)</b>
Decrease/(Increase) in inventories	27,229	31,388	(519,851)	2,801	131,783	199,158
(Increase)/Decrease in receivables and prepayments	(720,902)	65,177	(302,297)	(236,284)	(643,776)	(1,620,271)
Increase in payables and accruals	360,026	(142,412)	(296,330)	177,162	529,512	2,572,812
Tax (paid)/refund	(11,206)	(8,485)	(5,798)	(4,948)	(24,994)	(58,406)
Changes in working capital	(344,853)	(54,332)	(1,124,276)	(61,269)	(7,475)	1,093,293
<b>Cash generated from operations</b>	<b>313,535</b>	<b>473,664</b>	<b>(578,511)</b>	<b>292,117</b>	<b>(39,948)</b>	<b>254,237</b>
<b>Investing Activities</b>						
Purchase of property, plant and equipment	(145,770)	(487,144)	(245,510)	(325,138)	(153,109)	(302,037)
Proceeds from sale of property, plant and equipment	2,000	12,000	15,300	-	-	-
<b>Net cash used in investing activities</b>	<b>(143,770)</b>	<b>(475,144)</b>	<b>(230,210)</b>	<b>(325,138)</b>	<b>(153,109)</b>	<b>(302,037)</b>
<b>Financing Activities</b>						
Reduction in medium term loans	(70,265)	(70,264)	(71,362)	(22,324)	-	-
Bank overdraft	(32,697)	82,238	859,249	6,297	192,936	-
Reduction in Capital Surplus	-	-	(54,811)	-	-	-
Increase/(Decrease) in borrowings						250,926
Equity Injection						497
<b>Net cash used in financing activities</b>	<b>(102,962)</b>	<b>11,974</b>	<b>733,076</b>	<b>(16,027)</b>	<b>192,936</b>	<b>251,423</b>
Net decrease in cash and cash equivalents	66,803	10,494	(75,645)	(49,048)	(121)	203,623
Cash and cash equivalents at beginning of the year	77,192	143,995	154,489	78,844	29,796	29,675
<b>Bank balances and cash</b>	<b>143,995</b>	<b>154,489</b>	<b>78,844</b>	<b>29,796</b>	<b>29,675</b>	<b>233,298</b>

Note: Shaded columns are IFRS compliant

The Company has been heavily affected by the depreciation of the local currency and its finance cost. This is because IIL has a dollar denominated debt facility whose value keeps increasing with the depreciating Ghana cedi. In 2012 and 2013, the Company incurred exchange loss of GH¢348,425 and GH¢260,429, respectively, totalling GH¢608,854. In 2014, IIL incurred additional exchange loss of about GH¢1.0 million. The company intends to resolve the impact of these costs on its profitability in addition to growing the export component of its sales to other markets with the proceeds of the offer.

## Reporting Accountant's Report on Prospective Financial Information



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Accra, Ghana

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Email: info@kpmg.com.gh

The Directors  
Intravenous Infusions Limited  
No. 25 Independence Avenue  
Accra

Dear Sirs

### **Independent reporting accountants' limited assurance report on the forecast of Intravenous Infusions Limited**

We have examined the financial forecasts of Intravenous Infusions Limited for the period 2015 to 2019 set out in the Prospectus of the Initial Public Offering dated 11th September, 2015 ("Prospectus"). The financial forecasts have been prepared in line with the Company's accounting policies, which are IFRS compliant.

#### **Director's responsibility**

The Directors of Intravenous Infusions Limited are responsible for the forecast, including the assumptions set out in section X11 in the Prospectus to the Company, on which it is based and for the financial information from which it has been prepared. This responsibility includes determining whether the assumptions, barring unforeseen circumstances, provide a reasonable basis for the preparation of the forecast, whether the forecast has been properly compiled on the basis stated and whether the forecast is presented on a basis consistent with the accounting policies of Intravenous Infusions Limited.

#### **Reporting accountants' responsibility**

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

- Management's best-estimate assumptions on which the forecast is based are not unreasonable and are consistent with the purpose of the information
- The forecast is properly prepared on the basis of the assumptions
- The forecast is properly presented and all material assumptions are adequately disclosed; and
- The forecast is prepared and presented on a basis consistent with the accounting policies of Intravenous Infusions Limited for the period concerned

KPMG, a partnership established under Ghanaian law, is a member of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

N.A. Dodoo  
N.O. Hartley  
A.O. Akoto

R.B. Penti  
A.K. Sarpong  
N.A. Agyor

E.O. Aseidu  
D.S. Adenrele  
K. Frempong-Kona

*Intravenous Infusions Limited*  
*Review of Historical and Forecast Financial Information*  
*April 2015*

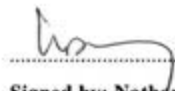
In a limited assurance engagement, the evidence gathering procedures are more limited than for a reasonable assurance engagement and, therefore, less assurance is obtained than in a reasonable assurance engagement. We believe our evidence obtained is sufficient and appropriate to provide a basis for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

**Conclusion**

Based on our examination of the evidence obtained, nothing has come to our attention which causes us to believe that:

- The assumptions, barring unforeseen circumstances, do not provide a reasonable basis for the preparation of the forecast
- The forecast has not been properly compiled on the basis stated
- The forecast has not been properly presented and all material assumptions are not adequately disclosed; and
- The forecast is not presented on a basis consistent with the accounting policies of Intravenous Infusions Limited

Actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variation may be material; accordingly no assurance is expressed regarding the achievability of the forecast.



Signed by: Nathaniel D. Harley (ICAG/P/1056)

For and on behalf of:

KPMG: (ICAG/F/2015/038)

CHARTERED ACCOUNTANTS

13 YIYIWA DRIVE, ABELENKPE

P O BOX GP 242

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### Financial Forecast Income Statement

Income Statement (2015 –2019)					
	2015	2016	2017	2018	2019
	GHS	GHS	GHS	GHS	GHS
Revenue	9,619,471	12,960,021	15,640,968	18,656,617	22,261,442
Cost of sales	(5,415,184)	(6,950,771)	(8,262,673)	(9,570,634)	(11,479,369)
Gross profit	4,204,287	6,009,250	7,378,295	9,085,983	10,782,072
Gen. & admin expenses	(2,608,057)	(2,944,212)	(3,323,428)	(3,738,029)	(4,236,805)
Operating profit	1,596,230	3,065,038	4,054,867	5,347,953	6,545,267
Depreciation	(411,632)	(736,130)	(870,571)	(972,828)	(957,596)
Profit before interest and tax	1,184,598	2,328,908	3,184,296	4,375,126	5,587,670
Interest Charges	(165,000)				
Income Tax Payable	(191,175)	(436,670)	(597,056)	(820,336)	(1,047,688)
Deferred Tax Asset	(225,467)	(114,399)	(59,667)	(24,055)	(750)
Net profit	602,957	1,777,839	2,527,574	3,530,735	4,539,232

### Balance Sheet

Balance Sheet(2015 –2019)					
	2015	2016	2017	2018	2019
	GHS	GHS	GHS	GHS	GHS
<b>NON CURRENT ASSETS</b>					
Property, Plant and Equipment	3,383,431	6,044,401	6,329,830	6,727,402	6,249,806
<b>CURRENT ASSETS</b>					
Inventory	3,389,615	3,668,147	3,932,584	4,511,748	5,672,350
Receivables	3,943,983	5,313,609	6,412,797	7,649,213	9,127,190
Cash & Bank	4,791,609	2,731,801	2,920,924	3,202,952	4,161,898
<b>Total</b>	12,125,207	11,713,557	13,266,306	15,363,914	18,961,439
<b>Total Assets</b>	15,508,639	17,757,959	19,596,136	22,091,316	25,211,245
<b>CAPITAL AND RESERVES</b>					
Stated Capital	12,835,120	12,835,120	12,835,120	12,835,120	12,835,120
Income Surplus	(2,034,264)	(256,425)	1,204,445	2,965,879	5,033,596
Capital Surplus	2,468,400	2,468,400	2,468,400	2,468,400	2,468,400
<b>Total</b>	13,269,256	15,047,095	16,507,965	18,269,399	20,337,116
<b>NON-CURRENT LIABILITIES</b>					
Employee benefit liability	1,161,761	1,440,249	1,771,983	2,166,947	2,636,972
Deferred tax liability	877,684	992,084	1,051,750	1,075,805	1,076,555
<b>Total</b>	2,039,445	2,432,333	2,823,733	3,242,752	3,713,527
<b>CURRENT LIABILITIES</b>					
Payables	199,938	278,531	264,438	579,165	1,160,602
<b>Total</b>	199,938	278,531	264,438	579,165	1,160,602
<b>Total equity and liabilities</b>	15,508,639	17,757,959	19,596,136	22,091,316	25,211,245

<b>Cash Flow Statements (2015 – 2019)</b>					
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
	<b>GHS</b>	<b>GHS</b>	<b>GHS</b>	<b>GHS</b>	<b>GHS</b>
<b>Cash Flow from Operating activities</b>					
Profit before tax	1,019,598	2,328,908	3,184,296	4,375,126	5,587,669
<b>Adjustments for non-cash income and expenses:</b>					
Depreciation of property, plant and equipment	411,632	736,130	870,571	972,828	957,596
Employee benefit obligation	233,668	278,488	331,734	394,965	470,025
	<b>1,664,898</b>	<b>3,343,526</b>	<b>4,386,601</b>	<b>5,742,918</b>	<b>7,015,291</b>
<b>Changes in operating assets and liabilities</b>					
Decrease (increase) in trade and other receivables	322,491	1,369,626	(1,099,188)	(1,236,416)	(1,477,977)
Increase/ decrease) in trade payables	(5,726,341)	78,593	(14,093)	314,727	581,437
Purchase of /inventory	(2,329,941)	(278,532)	(264,437)	(579,164)	(1,160,602)
<b>Cash flow from operations</b>	<b>(6,068,893)</b>	<b>1,773,961</b>	<b>3,008,883</b>	<b>4,242,066</b>	<b>4,958,148</b>
Tax refund	115,658	-	-	-	-
Tax paid	(191,175)	(436,670)	(597,056)	(820,336)	(1,047,688)
<b>Net Cash flow from operating activities</b>	<b>(6,144,410)</b>	<b>1,337,291</b>	<b>2,411,828</b>	<b>3,421,730</b>	<b>3,910,461</b>
<b>Cash Flow from Investing activities</b>					
Purchases of equipment	-	(3,397,100)	(1,156,000)	(1,370,400)	(480,000)
<b>Net cash used in investing activities</b>	<b>-</b>	<b>(3,397,100)</b>	<b>(1,156,000)</b>	<b>(1,370,400)</b>	<b>(480,000)</b>
<b>Cash Flow from Financing activities</b>					
Increase/(Decrease) in borrowings	(1,561,882)				
Equity Injection	12,264,600				
Dividends paid	-	-	(1,066,703)	(1,769,301)	(2,471,514)
<b>Net cash used in financing activities</b>	<b>10,702,718</b>	<b>-</b>	<b>(1,066,703)</b>	<b>(1,769,301)</b>	<b>(2,471,514)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>4,558,308</b>	<b>(2,059,809)</b>	<b>189,124</b>	<b>282,028</b>	<b>958,947</b>
Cash and cash equivalents at beginning of year	233,298	4,791,609	2,731,801	2,920,924	3,202,952
<b>Cash and cash equivalents at end of year</b>	<b>4,791,606</b>	<b>2,731,800</b>	<b>2,920,925</b>	<b>3,202,953</b>	<b>4,161,898</b>

## Underlying Assumptions

**Table 7: Shareholder Profile**

<b>Economic Assumptions</b>		
<b>Item</b>	<b>2015 - 2019</b>	<b>Comments</b>
GDP Growth Rate	4%-7.5%	This is in line with the International Monetary Fund projection of 7.5% over the next five years.
Inflation Rate	8% -15%	The range given appears to be reasonable as it is in line with the average forecast over the period
GHS: Dollar Depreciation Rate	Average of 13% (with a range of 4%-31%)	This appears to be a highly optimistic expectation given recent depreciation of the local currency.
Corporate Tax Rate	18.75% throughout	This is a statutory rate for manufacturing companies outside of the national capital and there does not appear to be any move towards a revision hence reasonable.
Salary increment	14%	The company in the past increased staff salaries by about 5% per annum. Given the expected growth in revenues, the planned salary growth appears sustainable.
<b>Assumptions Underlying Financial Forecast</b>		
<b>Assumption</b>		<b>Comments</b>
<p>It is expected that in 2015 when the additional capital would be applied, revenue would almost double (98%). Thereafter, the company would maintain an average of 21% growth rate</p> <p>ILL expects to grow local and foreign sales volumes by averages of 19% and 17% per annum respectively. Pricing on the other hand is expected to increase by 7.5% per annum</p>		<p>ILL's current production capacity is 3.8 million bags per year and the new plant to be installed has a capacity of 15 million bags per year. Granted that there is growing local demand for intravenous infusions, the assumption of 98% revenue growth in 2015 and 21% thereafter appears to be reasonable.</p> <p>The estimate of 7.5% p.a. increase in prices of ILL's products also appears conservative as given the current inflation in excess of 15%.</p>
Cost of sales is expected to improve from a ratio of 56% of revenue in 2015 to 51% of revenue in 2019		From 2009 to 2013, ILL recorded an average cost of sales to sales ratio 57%. Over the forecast period the Company expects to benefit from economies of scales resulting from expanded operations and this could help to improve the cost margins. The assumption is therefore reasonable.
There will be receivable period of 150 days		This assumption has been consistently applied in the forecast period and appears to be achievable as it reflects performance in the historical period. The Company's local sales are paid for by the National Health Insurance Authority and this usually takes longer than ILL's usual credit period of 90 days.
There will be average payable period of 23 days		This appears reasonable as it is within the usual of 30 days practiced by many entities.

## PART XII : LEGAL ADVISOR'S COMPLIANCE CERTIFICATE



**BENTSI-ENCHILL**  
**LE TSA & ANKOMAH**

11//125

10-Jul-2015

The Director-General  
Securities and Exchange Commission  
1<sup>st</sup> Floor, State Enterprises Commission Building  
Ministries, Accra

The Managing Director  
The Ghana Stock Exchange  
5<sup>th</sup> Floor, Cedi House  
Liberia Road  
P.O. Box 1849  
Accra-Ghana

Dear Sirs,

### **INTRAVENOUS INFUSIONS LIMITED: INITIAL PUBLIC OFFERING AND LISTING ON THE GHANA ALTERNATIVE MARKET OF THE GHANA STOCK EXCHANGE**

#### **1 INTRODUCTION**

##### **1.1 Basis of instructions**

We have acted as legal advisors to Intravenous Infusions Limited ("IIL") in connection with its proposed initial public offering ("IPO") and listing on the Ghana Alternative Market of the Ghana Stock Exchange (the "GAX Listing").

##### **1.2 Documents examined**

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

- (a) a copy of the Certificate of Incorporation of IIL dated March 20, 2015;
- (b) a copy of the Certificate to Commence Business of IIL dated June 23, 2015;
- (c) the Regulations of IIL adopted by special resolution of the members dated October 31, 2014 (the "**Regulations**");
- (d) a certified extract of the minutes of an annual general meeting of the shareholders held on September 27, 2013 at which the shareholders approved the GAX Listing;

LEX MUNDI

Kojo Bentsi-Enchill  
D. K. D. Letsa  
Ace Anan Ankomah  
Seth Asante  
Rosa Kudoadzi

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LEXAfrica

In association with

Lex Mundi  
Lex Africa  
Udo Udoma & Belo-Osagie

- (e) a certified extract of the minutes of a meeting of the board of directors of IIL held on June 27, 2014 at which the directors approved the GAX Listing;
- (f) a certified extract dated October 31, 2014 of the minutes of an extraordinary general meeting of the shareholders of IIL held on October 31, 2014 approving the IPO;
- (g) a copy of the written resolution of the board of directors of IIL dated October 31, 2014 approving the IPO;
- (h) an extract of the minutes of an annual general meeting of IIL held on June 12, 2015 authorising the raising of up to GHS 13,491,060 from the IPO;
- (i) a copy of the written resolution of the board of directors of IIL dated May 29, 2015 approving the GAX Listing and the raising of up to GHS 12,264,600 from the IPO; and
- (j) the prospectus dated June 1, 2015 (the "**Prospectus**") to be issued by IIL in connection with the IPO.

1.2.2 In addition, we have also examined such other documents and certificates, searches and records as are necessary under the laws of Ghana to enable us to give this opinion.

### 1.3 Scope and purpose of the opinion

This opinion is limited to matters of the law of Ghana as in force and applied at the date of this opinion. We have not investigated the laws of any country other than Ghana and we express no opinion on the laws of any other jurisdiction.

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

## 2 OPINION

We are of the opinion that:

### 2.1 Incorporation

IIL is a public limited liability company duly incorporated under the Companies Act, 1963 (Act 179).

**2.2 Authorisation to do business as a manufacturer of pharmaceutical products**

IIL has substantially complied with the material regulatory requirements necessary or advisable for the conduct of its business.

**2.3 Corporate authorisations**

IIL has obtained all the corporate authorisations necessary or advisable in connection with the IPO and the GAX Listing.

**2.4 The Prospectus**

The Prospectus complies with the Ghana Alternative Market Rules and the requirements of Schedule 5 of the Securities and Exchange Commission Regulations, 2003 (LI 1728) and Schedule 7 of the Companies Act, 1963 (Act 179).

**2.5 The Regulations**

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

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

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

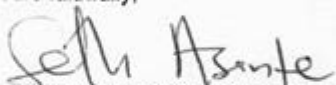
**2.6 Contractual obligations**

To the best of our knowledge and upon due enquiry, there are no contractual agreements, obligations or undertakings preventing IIL from undertaking the IPO and GAX Listing.

**2.7 Registrations and filings**

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

Yours faithfully,

  
**Bentsi-Enchill, Letsa & Ankomah**

## **Schedule**

### **Assumptions**

In giving this opinion, we have assumed, and this opinion is given on the basis that:

1. All original documents supplied to us are complete, authentic and up to date, and that all copy documents supplied to us are complete and conform to the originals;
2. The person or persons who signed the relevant Documents, other than on behalf of IIL, were authorised to do so;
3. The authorising resolutions of IIL were duly passed and a properly convened meeting of the directors and the shareholders (each with a duly qualified quorum) voted in favour of approving the relevant board and shareholder resolutions; and
4. All disclosures made to us by IIL and its officers as reflected in the Prospectus are materially correct as at the date of this opinion and no event has occurred which undermines or may undermine the correctness of those disclosures.

We have found nothing to indicate that the above assumptions are not justified.

## PART XIII: ADDITIONAL INFORMATION

### 13.1 Overview of the Ghana Stock Exchange

The Ghana Stock Exchange ("GSE") was incorporated as a company limited by guarantee in July 1989 with trading commencing one year later on November 12, 1990. A 9-member Council governs the bourse. The operations of the GSE are regulated by the Securities and Exchange Commission ("SEC"), which is empowered by the Securities Industry Act, 1993 (PNDCL 333) (later amended by the Securities Industry (Amendment) Act 2000, (Act 590). The criteria for listing on the GSE include capital adequacy, profitability, spread of shares, years of existence and management efficiency.

### 13.2 Market Performance

#### Index Performance

The GSE – Composite Index (GSE-CI) recorded a year to date loss of -1.80% to 2,220.37 points for the first quarter of 2015. Similarly, the GSE Financial Stock Index (GSE-FSI) also recorded a loss -0.96% ending the quarter at 2,222.15 points. Despite the sluggish performance of the Composite Index, some of the listed companies recorded positive returns. Major gainers for the quarter included Aluworks Limited (ALW: +50%), Benso Oil Palm Plantation (BOPP: +11.2%), Cal Bank (CAL: +5%) Ghana Oil Company (GOIL: +3.8%) and Societe General Ghana (SOGEGH: +3.0%). Companies that recorded capital losses included Cocoa Processing Company (CPC: -50%), SIC Insurance (SIC: -48%), UT Bank (UT: -24%), Unilever Ghana (UNIL: 20.6%) and PZ Cussons (PZC: PZC).

Market capitalization of listed securities at the end of first quarter 2015 was GHS 63,795.42 million compared to like period in 2014 figure of GHS 58,684.40 million, registering, an increase of 8.7% on a year-on-year basis. Domestic Market capitalization however, recorded a 8.7% decrease to GHS11,615 million as at the end of the quarter compared to GHS12,728 million recorded for the same period in 2014.

#### Turnover

Market turnover in 2014 was positively impacted by the increased activities on the floor of the Exchange. Volume of shares traded for the first quarter of 2015 stood at 88.41 million shares valued at GHS 65.2 million. This represents a 7.1% and 1.6% increases in volume and value traded of 82.52 million shares and GHS 64.2 million respectively recorded at the end of the first quarter in 2014.

**Table 18: Market Summary as at 30th June, 2015**

Composite	2,352.23
Financial Index (Points)	2,394.68
Year to date (Composite) (%)	4.03
Year to date (Financials) (%)	6.73
Market Capitalisation (Mil GHS)	64,616.48
Volume Traded (Shares)	124,771,899
Value Traded (GHS)	122,894,468
Average Market P-E Ratio	11.64x

## Other Developments

- GSE Securities Depository Ltd merged with Bank of Ghana's Central Securities Depository, with effect from January 1, 2014.
- Secondary listing of Government of Ghana's 10-year 2nd and 3rd Eurobonds of US\$1billion in August 2013 and October 2014, and GHS101.57million 17.5% seven year bond also listed.
- The capital requirement of Licensed Dealing Members (LDMs) has increased from GHS100,000 to GHS1million effective March 2014.
- New market dedicated for small and medium size companies and start-ups (Ghana Alternative Market) was established.
- Efforts at integration of three of West African Capital markets made good progress.

### 13.3 Outlook For 2015

#### The GSE expects:

- To aggressively pursue listings on the GAX and the main market.
- To intensify public education through various media.
- To improve market efficiency and liquidity as well as assume greater transparency.
- To complete the review of the GSE Rule Book.

### 13.4 About the Ghana Alternative Listing

The Ghana Alternative Market (GAX) is a parallel market operated by the Ghana Stock Exchange. It focuses on businesses with potential for growth. The GAX accommodates companies at various stages of their development, including start-ups and existing enterprises, both small and medium.

### 13.5 Benefits

There are many benefits that accrue to listing on the GAX. These include:

- **Easier Access to Long Term Capital**

Listing on this market will afford companies the opportunity to secure longer term capital. The raising of such capital allows for future expansion, growth and greater ability to stand competition.

- **Access to Long Term Capital at a relatively lower cost**

Raising long term capital through GAX will be at a relatively lower cost to the company. Advisory and Regulatory fees involved will be lower than that of the main list on GSE. Securities and Exchange Commission guidelines insist on total cost not exceeding 5% of the total amount to be raised. The listing fee on GAX is also a fixed flat amount.

- **Improvement in the financial position of the GAX Company**

An immediate benefit enjoyed by a GAX listed company is the considerable improvement in its overall financial position. The injection of substantial equity funds, for example, greatly improves the company's balance sheet. With such capital reinforcement and market discipline imposed, improved profitability and efficiency are expected. Companies listed on the GAX are also given a 3% rebate on the company's corporate tax for the first three years of listing. Reporting regime is also half yearly.

- **Enhanced status in the Community**

Listing on the GAX will raise the level of the investing community's awareness of the company and its products. This will result for example in a greater ability to attract high caliber employees and increase general business opportunities.

- **Realization of Value of Investments**

Owners of companies can also benefit from the realization of value of their investments when listed on GAX. The market will determine the value of the company and hence original owners can realize the value of their equity in their company.

- **Reduce Risk and Improved Liquidity**

The GAX will also enable the companies broaden their investor base and provide liquidity for their shareholders/investors.

## 12.6 Incentives

Companies may enjoy other incentives including:

- **Underwriting**

Mandatory underwriting of the minimum offer directly or indirectly by sponsor. So there will be no failures of Initial Public Offers.

- **GAX-SME Listing Support Fund**

Access to a revolving fund to support the cost of raising capital. Companies listing on GAX can apply for funds under the GAX-SME listing support fund to pay fully or partly for the cost of advisory services and to repay same at no interest after its public offer.

## 12.7 Key Listing Requirements

A company applying for listing on the GAX is expected to meet the following requirements:-

- **Stated Capital**

A company applying to list on the GAX must have a minimum stated capital of GHS250,000 at the time of listing.

- **Public Float**

The public float of the applicant must constitute a minimum of twenty-five percent (25%) of the total number of issued shares. The minimum number of public shareholders shall be twenty (20).

- **Period of Existence**

Admission may be granted to a start-up company, provided the applicant submits to the GAX a 3-year business plan, demonstrating clearly the viability of the applicant.

- **Profitability**

A company seeking admission to the GAX need not have recorded profits historically but must have the potential to make profit at least at the end of its third year of listing.

- **Sponsorship of Applicants for Listing**

Licensed Dealing Members, Investment Advisors or Issuing Houses shall sponsor an application for listing on the GAX.

- **No Paper Certificate**

No paper certificate will be issued under the offer to applicants. All shareholding records will be by electronic book entry in the Central Securities Depository (CSD). Existing holders must open accounts in the CSD through their brokers for their existing holdings and new ones to be purchased to be credited to such account at the close of the offer.

**12.8**

## Other Information

Trading Days:	Trading takes place every working day
Working Capital for Current Business	Working Capital for Current Business
Trading Hours:	Pre-Opening period: 9:30hrs to 10:00hrs (GMT) Continuous Trading: 10:00hrs to 15:00hrs (GMT)
Settlement Period:	Settlement occurs three business days (T+3) after the trade date. The System allows for mutual settlement of trade on T+0 or T+1 basis
Access to Trade and General Information on the GSE	Through Reuters, internet, official trading results, local newspapers, GSE handbook

**12.9 Exchange Controls**

Currently there is no exchange control restriction in Ghana preventing foreign residents from subscribing to the IIL Shares. Dividends payable on shares held by foreign investors are freely remittable out of Ghana through an authorised dealer bank.

**12.10 Taxation**

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

**12.11 Capital Gains**

The securities of a company listed on the GSE are currently exempt from capital gains tax in Ghana. No capital gains tax would therefore be payable on any realization of capital gain from the sale of shares in Intravenous Infusions Limited.

**12.12 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 GHS50.00 (subject to certain exemptions). The tax is payable by the recipient of the gift.

The applicable statutory rate varies as follows:

- i. Not exceeding GHS50 – Nil
- ii. Exceeding GHS50 – 15% of excess over GHS50

**12.13 Stamp Duty**

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

**12.14 Corporate Tax**

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

**12.15 Dividends and Payment Agents**

Dividends are payable at the discretion of the Board of Directors. Dividends are paid only to the extent of available profits which can lawfully be distributed. The payment of dividends would be made by the registrars. All payments in respect of dividends will be made net of withholding taxes imposed under Ghanaian tax laws in force at the time of the payment of the dividend. As at the date of this Prospectus, the applicable withholding tax rate is 8%.

### 12.16 Declaration of Interests by and Statement of Advisers

- As at the date of this Prospectus neither Databank Brokerage Limited and CAL Brokers Limited nor its affiliates held any shares in Intravenous Infusions Limited. No employee or principal of any of the firms held or had interest in any Intravenous Infusions Limited shares.
- As at the date of this Prospectus, KPMG (Reporting Accountants) has not withdrawn any part of its report issued for the purposes of this offer and did not hold any Intravenous Infusions Limited shares. No employee or principal of the firm or any of its associated persons held or had interest in any shares in Intravenous Infusions Limited
- As at the date of this Prospectus, Bentsi-Enchill, Letsa & Ankomah (Legal Advisors) has not withdrawn any part of its report issued for the purposes of this offer and did not hold any shares in Intravenous Infusions Limited. No employee or principal of the firm or any of its associated persons held or had interest in any shares in Intravenous Infusions Limited.
- As at the date of this Prospectus, Estate Consult Consulting (Fixed Asset Valuers) has not withdrawn any part of its report issued for the purposes of this offer and did not hold any shares in Intravenous Infusions Limited. No employee or principal of the firm or any of its associated persons held or had interest in any shares in Intravenous Infusions Limited

### 12.17 Mandatory Declarations

- The directors herein, in respect of the information relating to Intravenous Infusions Limited and the offer and, having made all reasonable enquiries, confirm that:
  - i. this Prospectus contains all information with regard to the Issuer and the Offer which is material in the context of the issue of the IIL Shares;
  - ii. the information contained in this Prospectus is true and accurate in all material respects and is not misleading;
  - iii. the Company's profit forecast has been stated after due and careful consideration;
  - iv. the opinions and intentions expressed herein are honestly held; and
  - v. there are no other facts, the omission of which makes the Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading.
- The promoters, directors and members of management of Intravenous Infusions Limited may realize or transfer part of their interests in the issue within a period of two years of the date of this Prospectus.
- To the best knowledge of the Lead Manager, this Prospectus constitutes a full and fair disclosure of all material facts about Intravenous Infusions Limited and the issue, but the Lead Manager will not be held responsible for any inaccuracies or omissions of material facts as all information given herein was obtained from Intravenous Infusions Limited.
- This Prospectus has been seen and approved by us the directors of Intravenous Infusions Limited and we collectively and individually accept full responsibility for the accuracy of the information given and that after making all reasonable enquiries and to the best of our knowledge and belief that there are no facts the omission of which would make any statement in the document referred to above misleading.

### 12.18 Documents Available for Inspection

Copies of the following documents in respect to the business and affairs of IIL and the Offer may be inspected at the registered offices of IIL and the sponsoring broker during normal business hours of any working day:

- a. The Certificate of Incorporation and Certificate to Commence Business of IIL
- b. The Regulations of Intravenous Infusions Limited;
- c. Resolutions of the Board of Directors and shareholders of the Company authorising the Offer and listing of IIL's Shares on the GAX;
- d. Company's audited annual reports for the three years to 31st December 2014;
- e. The Financial Due Diligence Report;
- f. Legal Due Diligence Report
- g. This Prospectus;
- h. A Copy of the Underwriting Agreement; and
- i. A copy of the Escrow Agreement

## PART XIV: ADDITIONAL TERMS AND CONDITIONS OF THE OFFER

### 14.1 General Conditions

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

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

### 14.2 Offer to Purchase Shares

- i. Your offer to purchase such number of Intravenous Infusions Limited shares which when multiplied by the offer price, is nearest but not more than the amount indicated in your Application Form, on these terms and conditions and subject to the Regulations of the Company.
- ii. You agree to provide a clear photocopy of a valid identification (ID) in support of your application to your receiving agent. For the purposes of this Offer, a valid ID shall be a passport, driver's license, national ID or a voter's ID card for individuals, and a clear photocopy of registration documents or other acceptable identification for institutions, clubs and other bodies.  
If you are applying for a minor you must submit a clear photocopy of a valid ID for both the minor and yourself. A valid ID for a minor may be a passport or a birth certificate. Where you are applying for a person other than a minor, you agree to submit all required identification of yourself and the person on whose behalf you are applying for shares, and a duly executed power(s) of attorney authorizing you to apply for shares under this Offer on their behalf.
- iii. You agree that your application to acquire shares cannot be revoked after 5.00pm on 25th November, 2015 or such later date as the Directors and Advisors may agree, and promise that any cheque, bankers draft or money or postal order will be honoured on first presentation and that this paragraph constitutes an agreement between you and Intravenous Infusions Limited. It becomes binding when your application is posted or in the case of delivery by hand as received by the Company or any of its receiving agents. However, the Company will not be held liable if you use a wrong address in posting. You must pay all bank commissions, transfers and other bank charges related to your application.  
  
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.
- iv. If your Application Form is not completed correctly or is amended, or you do not include the required identification as spelt out in section (ii) above, 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 Advisors' 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.
- v. An application may be rejected in whole or in part at the discretion of the Advisors and Management of Intravenous Infusions Limited if the application is incomplete or illegible, if it is determined that the applicant has submitted multiple applications or if it is determined that the applicant is not eligible to participate in this public offer.

**14.3 Acceptance of Offer**

- i. 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 or by notifying acceptance to the receiving agents.
- ii. The acceptance may be of the whole or any part thereof and in the latter, the number of shares you offer to purchase may be scaled down.
- iii. If your application to purchase shares is accepted (in whole or in part), there will be a binding contract under which you will be required to purchase the shares in respect of which your application has been accepted and has not been terminated.

**14.4 Payment for Shares**

- i. You undertake to pay the purchase price for the shares in respect of which your application is accepted. The cheque or bankers' draft or other remittances may be presented for payment before acceptance of your application, but this will not constitute acceptance of your application, either in whole or in part.
- ii. If the application is invalid, rejected or not accepted in full, or if the amount of the application divided by the offer price does not result in a whole number of shares or if the circumstances described in paragraph on the previous pages do not occur prior to the dates respectively specified therein, the proceeds of the cheque or other remittances or the unused balance of those proceeds (as the case may be) will be refunded to you without interest.
- iii. 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 Intravenous Infusion Limited may terminate the agreement to purchase that share. The termination will be effected by notice being dispatched to you.
- iv. Receiving Agents will convert payment received in a currency other than the cedi at the prevailing inter-bank or such other negotiated rate between the Receiving Agent and their bankers at the time value is given to it.

**14.5 Warranties**

You warrant that:

- i. You are qualified to apply;
- ii. The applicant on whose behalf you are applying is qualified to apply;
- iii. You will not make any other application or multiple applications through various Receiving Agents and that to the best of your knowledge there is no other application for Intravenous Infusions Limited shares being made to your benefit;
- iv. You will submit a complete application including all supporting documents required under the terms of this offer;
- v. In making your application you are not relying on any information or representation concerning the Company and/or other offers or any of them 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;
- vi. If any person signing, or making a thumb print on the application form is not the applicant, that person warrants that he/she has authority to do so on behalf of the applicant and that this authority is vested in him or her by virtue of a power of attorney which (or a copy of which certified by a solicitor) accompanies the application; and
- vii. 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.

**14.6 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.

#### **14.7 Miscellaneous**

- i. The rights and remedies of the Company and Advisors, under these terms and conditions are in addition to any rights and remedies, which would otherwise be available to each of them, and the exercise or partial exercise of one will not prevent the exercise of others.
- ii. If you deliver your Application Form to a receiving agent, you authorise the Company to send money returnable to you in the same manner for which your application is accepted, posted to the address provided on the application form. If your application was sent by post, you authorise the Company to send evidence of registration of the number of shares for which your application is accepted and/or cheque for any money returnable by mail to your address (or, in the case of joint applicant, the address of the first-named person) as set out on the Application Form.
- iii. All documents and monies sent or delivered to or by you will be sent or delivered at your own risk. Any cheque will be made payable to you (or first person named in any joint application).
- iv. You agree to be bound by the Regulations of Intravenous Infusions Limited once the shares you have agreed to purchase have been transferred to you.
- v. Your application and the acceptance of that application and the contract resulting therefrom will be governed by, and construed in accordance with the Laws of Ghana. You irrevocably submit to the jurisdiction of the Ghanaian courts in respect of the matters relating to this transaction. This does not prevent an action being taken against you in any other jurisdiction.
- vi. Words defined in the Prospectus and not defined in these terms and conditions have the same meaning in these terms and conditions and in your Application Form and in the guide to the Application Form as in the Prospectus. In the case of joint applicants, references to an applicant in these terms and conditions are to each of the joint applicants and their liability is joint and several.

## PART XV: RECEIVING AGENTS

### Databank Brokerage Ltd

61 Barnes Road, Adabraka  
Accra, Ghana  
Private Mail Bag, Ministries Post Office  
Tel: +233 (0) 302 610 610  
Email: info@databankgroup.com

### CAL Brokers Ltd

6th Floor, World Trade Centre Building  
Ambassadorial Enclave, Ridge Accra  
P.O. Box AN14596, Accra North  
Tel: +233 (0) 302 680 051/ 680 061-9  
Email: info@calbrokersghana.com

<b>African Alliance Securities Ghana Ltd</b> 2nd Floor, Heritage Towers, 6th Avenue Ridge Ambassadorial Enclave PMB 45 Ministries, Accra Tel: +233 (0) 302 679761/2 Email: securities.gh@africanalliance.com	<b>Bullion Securities Ltd</b> No. 8 Quarkey Pappio Avenue Airport Residential Area P. O. Box CT10027, Cantonments Tel: +233 (0) 544 312 462 Email: info@bullion.com.gh	<b>CDH Securities Ltd</b> 36 Independence Avenue, North Ridge P.O. Box AN14911, Accra North Tel: +233 (0) 302 667 426/671050 Email: info@cdhgroup.com
<b>Chapel Hill Dunham</b> Suite 2, Labone Office Park N. Sithole Street, Labone PMB CT 384, Cantonments, Accra Tel: +233 (0) 302 766 865 Email: info@chapelhilldunham.com	<b>EDC Stockbrokers Ltd</b> No.22, Ambassador Area Valco Trust House, Ridge Accra P.O. Box AN16746, Accra North Tel: +233 (0) 302 251 720/4/9 Email: edc@ecobank.com	<b>First Atlantic Brokers Ltd</b> No. C1000/3, Dr. Isert Road, North Ridge Accra P.O. Box CT1620, Cantonments, Accra Tel: +233 (0) 302 200116/218037 Email: brokers@firstatlanticbank.com.gh
<b>FirstBanC Brokerage Services Limited</b> 12th floor, World Trade Center 19th Independence Avenue P.O. Box 1464 Osu, Accra Tel: +233 (0) 302 250380/250636 Email: brokerage@firstbancgroup.com	<b>Gold Coast Brokerage Ltd</b> 2nd Floor, C625/3 Farrar Street Asylum Down, Accra P. O. Box AN5879, Accra North Tel: +233 (0) 302 978838/9 Email : info@gcbrokerageghana.com	<b>HFC Brokerage Services Ltd</b> No.48A Sixth Avenue, North Ridge P.O. Box: CT 4603, Cantonments, Accra Tel: +233 (0) 302 664203/664214 Email: info@hfcinvestments.com
<b>IC Securities (Ghana) Ltd</b> No. 2, 2nd Ridge Link North Ridge Tel: +233 (0) 302 252 621/3 Email: info@icsecurities.com	<b>Liberty Securities Ltd</b> Chez Julie Plaza, 30 Paa Grant Street, Comm.10, Tema P.O. Box CS 8876 Tel : +233 (0) 303 301 486 Email: securities@libertygh.com	<b>NewWorld Securities Ltd</b> 2nd Floor, Heritage Tower, Ambassadorial Enclave, Off Liberia Road, Accra P.O. Box CT 2868, Cantonments, Accra Tel: +233 (0) 302 660 163/ 676 979 Email: service@newworldgh.com
<b>NTHC Securities Ltd</b> Martco House, Okai-Mensah Link, Adabraka, Accra P.O. Box KIA 9563, Airport, Accra Tel: +233 (0) 302 238 492/3 Email: info@nthcghana.com	<b>Prudential Securities Ltd</b> No.8, Nima Avenue, Kanda Ring Road Central, Accra P.O. Box CT 628 Cantonments, Accra Tel: +233 (0) 302 771 284/770 936 Email: info@prudentialsecuritiesgh.com.gh	<b>SBG Securities (Gh) Ltd</b> 215 South Liberation Link Airport City, Accra P.O. Box CT 2344, Cantonments Accra Tel : +233 (0) 302 687670-8 Email: Brokerage@stanbic.com.gh

<b>SIC Brokerage Ltd</b> No. 67 A&B Switchback Road. Cantonments, Accra P.O. Box PMB CT314, Cantonments Tel: +233 (0)302 767 051/767123 Email: sicbrokerage@sic-fsl.com	<b>Strategic African Securities Ltd</b> 14th Floor, World Trade Centre, Accra P.O. Box KIA 16446, Airport, Accra Tel: +233 (0) 302 661770-2 Email: info@sasghana.com	<b>UMB Stockbrokers Ltd</b> Seth Plaza, 123 Kwame Nkrumah Avenue, Accra P.O. Box 401, Accra Tel: +233 (0) 302 226112/220952 Email: stockbrokers@myumbank.com
<b>Worldwide Securities Ltd</b> No. 80, Ringway Link, Ringway Estates, Accra P.O. Box O1072, Osu, Accra Tel: +233 (0) 30256 001/2, Email: info@worldwidesecurities-gh.com		

## PART XVI: COMPLETION GUIDE AND RETURN INSTRUCTIONS

### 16.1 Please read the instructions carefully before completing the relevant Application Form.

- i. The Application Form can be used by individual or institutional investors. Please ensure you return the completed form together with supporting documentation (photocopy of valid ID, and duly executed power(s) of attorney where applicable) and your cheque for the application to a receiving agent.
- ii. Use block/capital letters in completing the Application Form and return the completed Application Form together with payment for your subscription to a receiving agent by 5:00pm between 14th October, 2015 and 25th November, 2015.
- iii. Only 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 of the child who may complete another application to buy shares in his/her own name.
- iv. A Power of Attorney must be attached to the Application Form if anyone is signing on behalf of an applicant other than a minor.
- v. For the purposes of this Offer, a valid ID constitutes a national passport, driver's license and voter's ID card, and national ID card for individuals, and registration documents, Registrar General's Form A or Form 3 and a duly executed resolution from organization for institutions, clubs and other bodies. Persons applying on behalf of minors must submit valid IDs for the minor, and for this purpose a valid ID constitutes a passports or birth certificate of the minor.
- vi. Photocopies of Application Forms will be accepted only if 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.

### 16.2 Guide to Completing the Application Form for Individuals

- **Section 1: Name and Subscription Details of Applicant:**  
Insert in section 1, Date of the Application, Applicant's Signature, Receiving Agent's endorsement (common seal and representative's signature), Depository Account information (Depository Member Code and Account Number), Title, Names (surname and forenames), Identification Details, Number of Shares applied for and Amount Payable. A photocopy of a valid ID must also be submitted with your application. If you are applying for a minor, you must submit photocopies of a valid ID for yourself and for the minor.
- **Section 2: Address Details**  
Provide your current address and contact details in this section. This information must be reliable and in the case where it has changed, you must inform the Registrar or Receiving Agent whichever the case is immediately.
- **Section 3: Applications on Behalf of Minors or Other Adults:**  
Complete section 3 if you are submitting the application on behalf other beneficiaries (adults or minors). Provide the Name(s), Identification Details, Telephone Number, Address, Email and Country of Residence of the beneficiary. Where the beneficiary is an adult, you must add a Power of Attorney authorising you to submit the Application on their behalf. If the beneficiary is a minor you must submit a photocopy of a valid ID (passport or birth certificate) for the minor.
- **Section 4: Joint Applicant(s) Information**  
This section should be completed by up to 3 joint applicants provided they qualify to submit an application under this offer (i.e they are 18 year and above). Joint Applicants must provide their Name (surname, first and other names), Identification Information (ID type and ID number) and Signature in this section of the form.
- **Section 5: Application Counter Foil**  
Complete the Counterfoil with the required information. This must be endorsed by the Applicant and Receiving Agent. This section of the form will be retained by the applicant as evidence of payment for the application submitted to the receiving agent.

### 16.3 Supplementary Information for Individuals Who Wish to Open CSD Accounts

Sections 6 to 12 of the Application Form are to be completed by individuals without CSD Accounts. The information provided in these sections will enable a receiving agent open a CSD Account on behalf of an individual Applicant to enable him/her receive dematerialised IIL shares following a successful application.

- **Section 6 – Individual and Joint Application**

Provide your Date of Birth, Occupation, Date and Place of Issue of Identity Document indicated in Section 1 of the Application Form and your mobile telephone number. Details for joint applicants must also be provided here.

- **Section 7 – Address and Bank Details**

Provide your correspondence address (if applicable) and postal address. The address must be current and reliable and in case of any change in address you should immediately inform your broker or the Registrar, whichever is the case. Provide a valid email address, telephone and fax (if applicable) number.

Applicants should provide their bank account information. This will enable dividend income to be paid directly into your bank account. Applicants who leave this blank will have their dividend payments warrant mailed to them at their stated address.

- **Section 8 – Financial and Investment Profile**

Select the appropriate boxes to indicate your approximate annual income, net worth, investment horizon, objectives, investment knowledge and risk tolerance.

- **Section 9 – Next of Kin**

Please provide information on your next of kin indicating their name, relationship to you, address and identity document type, identity document number and date of birth.

- **Section 10 – Residential Status and Statement Delivery Method**

Indicate your residential status as appropriate and the method of delivery for your CSD Account Statements.

- **Section 11 – Declaration**

Please read the declaration carefully before you sign (or, if unable to sign make your thumb print) in the space provided.

### 16.4 Guide to Completing the Application Form for Corporations

- **Section 1: Subscription Details of Corporate Applicant**

Insert in section 1, Date of the Application, Authorised Official's Signature and common seal/stamp of the applicant, Receiving Agent's endorsement (common seal/stamp and representative's signature), Depository Account information (Depository Member Code and Account Number), Number of Shares applied for and Amount Payable.

- **Section 2: Contact Details of Corporate Applicant**

Provide in section 2 the company/institution's name and registration number as quoted on its Certificate of Incorporation or to Commence Business (if applicable). The applicant's current address and contact details must be provided in this section. This information must be reliable and in the case where it has changed you must inform the Registrar or Receiving Agent whichever the case is immediately.

- **Section 3: Other Signatories**

Provide the details of other authorised signatories who must execute the Application Form in this section. Details required include their Title, Names (surname and forenames), Position, and Signature.

- **Section 4: Application Counter Foil**

This must be completed as described above for individual applications and must be endorsed with the common seal/stamp of the applicant.

## Intravenous Infusions Limited Share Offer Application Form (For Individual Investors)


**INTRAVENOUS INFUSIONS LTD**  
 Manufacturers of Pharmaceutical Products

**SHARE OFFER APPLICATION FORM  
(INDIVIDUALS)**

		Date:	<b>PLEASE USE BLOCK LETTERS</b>	
<b>1</b>	Depository Member's Code:		Broker/Bank Signature & Stamp:	
	CSD Account Number:		Applicant's Signature/Thumbprint:	
	Title:	Surname:	First Name:	Other Names:
Identification of Applicant (please attach photocopy of relevant ID to form)		Number of Shares Applied For:		Amount payable (GHS):
Type:		Number:		
<b>Contact Details:</b>				
<b>2</b>	Address:		City:	
	Country:		Country of Residence:	
	Postal Address:		Email Address:	
	Phone Number:		Mobile Number:	
<b>For Application In Trust for a Minor/Another Adult (Please attach ID)</b>				
<b>3</b>	Title & Surname of Minor / Another Adult:		Other Names:	
	Address			
	Postal Address:		Town/City:	
	Region/Country:			
	Telephone:		Email:	
	ID Type		ID Number:	
	<b>Declaration:</b> I/We hereby apply for offer shares on the terms and conditions set out in the prospectus. I/We declare that I/We am/are a qualifying applicant(s) and that to my/our knowledge, there is no other application being made for my/our benefit (or that of any person for whose benefit I/we am/are applying for Intravenous Infusions shares for which I/we have applied to on this form.			
<b>Joint Applicant(s): I/We hereby join in the application and give the declaration above</b>				
<b>4</b>	<b>Other Applicants</b>	<b>2<sup>nd</sup> Joint Applicant</b>	<b>3<sup>rd</sup> Joint Applicant</b>	<b>4<sup>th</sup> Joint Applicant</b>
	Title:			
	Surname:			
	First Name & Other Names:			
	Applicant's Signature or Thumbprint			
<b>To be completed by receiving Broker/Bank and then signed and retained by Applicant as evidence of payment</b>				
<b>5</b>	<b>Intravenous Infusions Ltd. APPLICATION COUNTERFOIL</b>			
	Surname:		Applicant's Signature/Thumbprint	Broker's/Bank's Signature & Stamp
	First Name:			
	Residential Address:			
	Postal Address:			
	Town/City:			
	Region:	Country:	Amount (GHS):	Agent Code:

## Intravenous Infusions Limited Share Offer Application Form (For Corporate Investors)


**INTRAVENOUS INFUSIONS LTD**  
 Manufacturers of Pharmaceutical Products

**SHARE OFFER APPLICATION FORM (INSTITUTIONS)**

		Date:	PLEASE USE BLOCK LETTERS	
1	Depository Member's Code:	Broker/Bank Signature & Stamp:		Authorised Signatories:
	CSD/GSD Account:			
		Number of shares:	Amount payable (GHS):	
<b>Company Details</b>				
2	Company Name:			
	Company Identification Number:			
	Address:			
	Postal Address:			
	Town/City:		Region/Country:	
	Email:			
	Telephone:		Fax:	
	<b>Declaration:</b> I/We hereby apply for offer shares on the terms and conditions set out in the prospectus. I/We declare that I/We am/are a qualifying applicant(s) and that to my/our knowledge, there is no other application being made for my/our benefit (or that of any person for whose benefit I/we am/are applying for Intravenous Infusions shares for which I/we have applied to on this form.			
3	<b>Other Signatories</b>	<b>1<sup>st</sup> Signatory</b>	<b>2<sup>nd</sup> Signatory</b>	<b>3<sup>rd</sup> Signatory</b>
	Title:			
	Surname:			
	First Name:			
	Application Signature or Thumbprint:			
To be completed by receiving Broker/Bank and then signed and retained by Applicant as evidence of payment.				
4	<b>INTRAVENOUS INFUSIONS LTD. APPLICATION COUNTERFOIL</b>			
	Surname:	Applicant's Signature/Thumbprint		Broker's/Bank's Signature & Stamp
	First Name:			
	Address:			
	Postal Address:			
	Town/City:			
	Region:	Country:	Amount (GHS):	Agent Code:

## Supplementary Form for Individuals Applicants to Set-up CSD Accounts


**INTRAVENOUS INFUSIONS LTD**  
 Manufacturers of Pharmaceutical Products

**SUPPLEMENTARY FORM (INDIVIDUALS)**

PLEASE USE BLOCK LETTERS

Individual Application		Joint Application:				
6	Date of Birth: _____	Date of Birth: _____				
	Occupation: _____	Occupation: _____				
	Date of Issue of ID: _____	Date of Issue of ID: _____				
	Place of Issue: _____	Place of Issue: _____				
	Fax Number: _____	Fax Number: _____				
Address & Bank Details						
7	Correspondence Address: _____					
	Town/City: _____	Country: _____				
	Applicants Postal Address: _____					
	Town/City: _____	Country: _____				
	Bank: _____					
	Account Name: _____					
Branch: _____		Account number: _____				
Financial and Investment Profile						
8	Approximate Income (GHS)	Net Worth (GHS)	Investment Horizon	Objectives	Investment Knowledge	Risk Tolerance
	<input type="checkbox"/> Under 2,000 p.a.	<input type="checkbox"/> Under 25,000	<input type="checkbox"/> Under 1 year	<input type="checkbox"/> Security	<input type="checkbox"/> Professional	<input type="checkbox"/> 0 Zero
	<input type="checkbox"/> 2,000 - 4,999	<input type="checkbox"/> 25,000 - 49,999	<input type="checkbox"/> 1 - 2 years	<input type="checkbox"/> Income	<input type="checkbox"/> Sophisticated	<input type="checkbox"/> 1
	<input type="checkbox"/> 5,000 - 9,999	<input type="checkbox"/> 50,000 - 99,999	<input type="checkbox"/> 3 - 5 years	<input type="checkbox"/> Balance	<input type="checkbox"/> Good	<input type="checkbox"/> 2 Low
	<input type="checkbox"/> 10,000 - 24,999	<input type="checkbox"/> 100,000 - 249,999	<input type="checkbox"/> 5 - 10 years	<input type="checkbox"/> Growth	<input type="checkbox"/> Fair	<input type="checkbox"/> 3
	<input type="checkbox"/> 25,000 - 49,999	<input type="checkbox"/> 250,000 - 500,000	<input type="checkbox"/> 10 + years	<input type="checkbox"/> Aggressive	<input type="checkbox"/> Limited	<input type="checkbox"/> 4 Medium
	<input type="checkbox"/> 50,000 - 100,000	<input type="checkbox"/> Over 500,000		<input type="checkbox"/> Speculation	<input type="checkbox"/> Novice	<input type="checkbox"/> 5
	<input type="checkbox"/> Over 100,000 p.a.					<input type="checkbox"/> 6 High
	<input type="checkbox"/> Under 2,000 p.a.					
	Next of King					
9	Title: _____ Surname: _____					
	First Name: _____			Other Name: _____		
	Relationship to Applicant: _____			Address: _____		
	ID Type: _____			ID Number: _____		
10	Residential Status				Statement Delivery Method	
	<input type="checkbox"/> Resident Ghanaian <input type="checkbox"/> Resident Foreigner <input type="checkbox"/> Non - Resident Ghanaian <input type="checkbox"/> Non - Resident Foreigner				<input type="checkbox"/> Email <input type="checkbox"/> Post <input type="checkbox"/> Hold	
11	Declaration					
	I/We hereby apply for offer shares on the terms and conditions set out in the prospectus. I/We declare that I/We am/are a qualifying applicant(s) and that to my/our knowledge, there is no other application being made for my/our benefit (or that of any person for whose benefit I/we am/are applying for Intravenous Infusions shares for which I/we have applied to on this form.					
Individual Applicant			Joint Applicant			
Signature: _____			Signature: _____			

# Notes

# Notes



[www.intravenousinfusionsltd.com](http://www.intravenousinfusionsltd.com)

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Koforidua -Ghana  
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Fax: +233-342-20125  
E-mail : [info@intravenousinfusionsltd.com](mailto:info@intravenousinfusionsltd.com)