

GuarantCo Guarantees Quantum Terminal's Bond The First Corporate Bond to be Issued by a Non-Financial Institution in Ghana

Immediate Release

Ghana – May 10, 2018 – PIDG company GuarantCo has signed a deal with Quantum Terminals to support the operations of Quantum's LPG storage business in Ghana.

Quantum Terminals is issuing a GHS 45 million (USD 10 million), 10-year corporate bond on the Ghanaian Stock Exchange. The bond has a 75% partial credit guarantee from GuarantCo, for the benefit of pension fund investors that have subscribed to the issue. This is the first tranche of a GHS 140 million bond programme by the company.

Quantum Terminals is the first non-financial institution to issue a corporate bond on the Ghana Fixed Income Market. The long tenor of 10 years is also a first in the Ghanaian corporate bond market. The local currency nature of the bond will allow Quantum Terminals to manage future exchange rate volatility.

The bond's innovative nature and ability to strengthen capital markets in Ghana is inextricably connected to GuarantCo's mission, which is to support the development of capital markets and infrastructure in emerging and frontier markets, to assist with the alleviation of poverty. This bond issuance is expected to have significant demonstration effect in Ghana.

GuarantCo CEO, Lasitha Perera said: "GuarantCo is delighted to have partnered with Quantum Terminals Limited on this landmark corporate bond issue, which will support the construction of essential energy infrastructure. Ghana's capital markets have a crucial role to play in the development of the country's infrastructure sector, which is critical to its economic development and future prosperity. It is our hope that through the precedents and framework that this transaction establishes other corporates, and investors can benefit and stimulate the growth of the local capital markets."

In an allied development, another PIDG company, the Emerging Africa Infrastructure Fund (EAIF) announced today it has agreed terms to lend USD 10 million to Quantum Terminals. EAIF is one of the leading providers of debt funding to private infrastructure projects in Africa. EAIF and GuarantCo are the joint Mandated Lead Arrangers of the debt finance for the gas storage and power station projects. Financial close on the EAIF loan to Quantum Terminals is expected later this month.

Emmanuel Egyei-Mensah, Executive Director at Quantum Terminals commented: "This is not only the first 10-year guaranteed and secured notes in Ghana, but also the first by a non-financial institution in the country and GuarantCo's guarantee has been very critical in facilitating this transaction. This is a great example of how development finance institutions should be partnering with the private sector. I believe the completion of this bond will signal a new beginning for corporates accessing capital markets in Ghana. We expect this to be the first of many more".

EU funded research has suggested that LPG is one of the cleanest thermal fuels available in terms of CO2 emissions, which on average, in industrial use, generates 15% less CO2 per kilowatt hour than oil and 50% less than coal. Quantum Terminals helps to increase the uptake of LPG for domestic use, substituting coal and wood, the resultant fumes of which when used in cooking, has detrimental health impacts on residents. Women and children in particular, on average spend more time in the house compared to men and will see significant health benefits from substituting wood/charcoal with zero emission LPG.

ENDS

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Notes to the Editor

About GuarantCo

GuarantCo was established to mobilise local currency investment for infrastructure projects and support the development of financial markets in low income countries. GuarantCo is part of the Private Infrastructure Development Group (PIDG).

GuarantCo is supported by the governments of the UK, Switzerland, Sweden, the Netherlands and Australia and is rated AA- by Fitch and A1 by Moodys. www.guarantco.com



About The Emerging Africa Infrastructure Fund



The Emerging Africa Infrastructure Fund provides a variety of debt products to infrastructure projects promoted mainly by private sector businesses in sub-Saharan Africa. It is part of PIDG. EAIF was established and substantially funded by the governments of the United Kingdom, The Netherlands, Switzerland, and Sweden. It raises its debt capital from public and private sources, including Allianz, the global insurance and financial services company; Standard Chartered Bank; the African Development Bank; the German development finance institution, KfW, and FMO, the Dutch development bank. The Fund helps create the infrastructure framework that is essential to sustained economic stability, business confidence, job creation and poverty reduction. It has to date supported nearly 60 infrastructure projects across eight sectors in 21 sub-Saharan African countries. EAIF is managed by Investec Asset Management.



About PIDG

The [Private Infrastructure Development Group](http://www.pidg.org) (PIDG) encourages and mobilises private investment in infrastructure in the frontier markets of sub-Saharan Africa, south and south-east Asia, to help promote economic development and combat poverty. Since 2002, PIDG has mobilised \$31.4bn from private sector investors and DFIs, supported 154 infrastructure projects to financial close and provided 222 million people with access to new or improved infrastructure. PIDG is funded by donors from seven countries (UK, Switzerland, Australia, Norway, Sweden, Netherlands, Germany) and the World Bank Group. www.pidg.org

About Quantum Terminals

Quantum Terminals Plc is a leading Petroleum Infrastructure and Logistics Solution provider in Ghana and a subsidiary of the Quantum Group Limited. The Quantum Group, a wholly-owned Ghanaian entity, has interests in petroleum trading & distribution, terminals & infrastructure development, power generation and technology & communications sectors. Quantum Terminals handles the Group's infrastructure and logistical operations, providing quality storage solutions through its cost-effective facilities and tank terminals across Ghana. The group currently employs over 2500 people.