

## Tank Farm Operator Ghana

### Investment Overview

TriLinc Global Impact Fund ("TriLinc") has provided financing to a vertically integrated Ghanaian holding company, founded in 2000, with operations in the trading and logistics, storage, and distribution of refined petroleum products. TriLinc's financing supports the capital expenditure required for the completion of a Ghanaian Environmental Protection Agency ("EPA")-approved tank farm project in Ghana that will be used to store petroleum and diesel. The inefficiency of existing refineries within the country, coupled with increasing fuel demand, can result in periodic shortages across the country, which may lead to speculations and panic buying. Further, the implementation of a new government policy that requires distribution companies to build onsite storage in order to be eligible to renew their trading license has led to an increasing need for new strategic storage and distribution infrastructure in order to maintain reliable supplies for companies and consumers. However, the majority of smaller companies do not have the capital to build onsite storage and are not strategically located (e.g. close to the port) to take advantage of an existing tank farm. This project will significantly decongest existing tank farms and will service about 500 retail outlets in total, all of which will benefit from minimized shortages in the system, reducing downtime for their operations. Increasing the national buffer-stock of finished petroleum products will contribute to the overall availability of energy throughout the country.



### Investment Highlights<sup>1</sup>

Investment Type	Senior Secured Term Loan
Structure	Term Loan Due 8/10/2021
Facility Amount <sup>2</sup>	\$15,500,000
Interest Rate <sup>3</sup>	12.00%
Sector	Petroleum and Petroleum Products
Cash Flow Coverage Ratio <sup>4</sup>	3.27x
Environmental, Social, and Governance Screens	Compliant
Impact Objective(s)	Access to Energy; Job Creation

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*This is neither an offer to sell nor a solicitation of an offer to buy securities. An offering is made only by a private placement memorandum ("PPM") to individuals who are accredited. This sales literature must be read in conjunction with a PPM in order to understand fully all the implications and risks of the offering of securities to which it relates. A copy of the PPM must be made available to any potential investor. **With the exception of Class P-Y units, securities offered through SC Distributors, LLC, dealer manager and member of FINRA and SIPC.***

## Market Overview

Ghana is classified as a lower-middle income country by the World Bank.<sup>5</sup> Between 2010 and 2016, GDP growth rates averaged approximately 7.1%.<sup>5</sup> Ghana's main exports are concentrated in oil, gold, cocoa, timber, tuna, bauxite, aluminum, manganese ore, diamonds, and horticulture products.<sup>6</sup> This positions the country as the second largest cocoa producer internationally and the second largest gold producer in Africa.<sup>7</sup> Conversely, the country's main imports are focused in capital equipment, refined petroleum, and foodstuffs.<sup>6</sup>

Ghana meets TriLinc's standards for its performance across relevant growth, stability, and access metrics.<sup>8</sup> In 2017, it ranked 10th across the Sub-Saharan African region on the World Bank's Ease of Doing Business index.<sup>9</sup> Access to financing and corruption are seen as the most pressing hurdles currently facing the country's productivity and competitiveness.<sup>10</sup> As the 8th largest economy in Sub-Saharan Africa<sup>11</sup> with a GDP of \$42.7 billion, the country's well developed financial sector, goods market, and highly efficient legal regimes led the country to benefit from the estimated \$44.4 billion in foreign direct investment that flowed into the region in 2015.<sup>11</sup> Robust domestic demand across Sub-Saharan Africa has helped spur regional GDP growth to 1.3% in 2016, and is estimated to strengthen to 3.5% by 2019.<sup>12</sup>



Accra, Ghana

## Additional Impact Highlights

- The company has incorporated best environmental practices into its operations in areas such as waste and air emissions management. Furthermore, the company's Environmental Management Plans were designed in line with the Ghanaian Environmental Protection Agency, IFC Performance Standards, and Equator Principles.
- To better compensate and accommodate its workers, the company provides a wide range of employee benefits that include the payment of medical bills up to a defined cap, availability of employee compensation insurance and life insurance, establishment of a maternity leave policy, and assurance of a fair recruitment process.
- Staff involved in the operational phase of the tank farm are offered training programs that include the following topics: ship to shore training, terminal operations, product knowledge and handling, firefighting, oil emergency response plan, among others which increase their future employment opportunities.
- During the company's construction and operational phases, 230 workers are projected to be employed by both the company and its third-party contractors.

1) The Investment Highlights section reflects the terms of the facility as of September 30, 2017. 2) The facility amount represents the current amount that is available to the borrower under the agreement. This amount may change over time. 3) This metric is not a measure of TriLinc's investment performance nor is it necessarily indicative of distributions which TriLinc may provide to investors. 4) The cash flow coverage ratio is the ratio of projected total cash available at the end of the current year to the annual in interest and principal payments due on outstanding debt (Jan - Dec 2018). 5) The World Bank, World Development Indicators Database, Ghana, 2017. Average growth rate may not be an indicator of recent trends. 6) CIA, The World Factbook, 2017: Ghana. 7) The Observatory of Economic Complexity, 2016. 8) There is no assurance that our investment in this company or this market will be successful. 9) World Bank's Ease of Doing Business 2017: Ghana. 10) World Economic Forum, The Global Competitiveness Report, 2017. 11) The World Bank, World Development Indicators Database, Sub-Saharan Africa, 2017. 12) World Bank, Global Economic Prospects, 2017.

### RISK FACTORS

There is no guarantee that TriLinc's investment strategy will be successful. Investment in a non-listed LLC like TriLinc involves significant risks including but not limited to: units are restricted; no secondary market; limitation on liquidity, transfer and redemption of units; distributions made may not come from income and, if so will reduce the returns, are not guaranteed and are subject to board discretion; TriLinc is dependent upon its advisor and sub-advisors to select investments and conduct operations; and TriLinc's advisor will face conflicts of interest. TriLinc is not suitable for all investors.

TriLinc carries significant fees and charges that will have an impact on investment returns. Information regarding the investment provided by TriLinc Advisors, LLC. This is a speculative security and, as such, involves a high degree of risk. Investments are not bank guaranteed, not FDIC insured and may lose value or total value. With the exception of Class P-Y units, securities offered through SC Distributors, LLC, dealer manager and Member of FINRA and SIPC.  
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