



EDENDALE PROPERTIES PLC

GHS50,000,000 NOTE PROGRAMME

SUMMARY INFO | October, 2015



Important Notice



THIS PRESENTATION CONTAINS A SUMMARY OF IMPORTANT INFORMATION ABOUT EDENDALE PROPERTIES PLC. PROSPECTIVE INVESTORS SHOULD CAREFULLY READ THE PROGRAMME MEMORANDUM FROM WHICH THIS SUMMARY WAS EXTRACTED AS WELL AS CONSULT THEIR PROFESSIONAL INVESTMENT ADVISERS AND DEALERS ABOUT THE SOUNDNESS OF THIS INVESTMENT BEFORE MAKING AN INVESTMENT IN THIS PROGRAMME.

Edendale Properties Plc (the “Issuer”, “Edendale”, or the “Company”), a public company with limited liability and incorporated under the laws of Ghana, has established this Note Programme (the “Programme”) to an aggregate amount of GHS 50,000,000. Pursuant to the Note Programme, Edendale may, from time to time, issue notes (“Notes”). Notes issued under the Programme will be denominated in Ghana Cedis (GHS). The maximum aggregate outstanding principal amount of all Notes from time to time under the Programme will not exceed GHS 50,000,000. The final offer price, aggregate principal amount and interest, if any, payable in respect of the Notes, and all other terms and conditions not contained herein which are applicable to each Tranche and its Series, as defined under the terms and conditions (the “Terms and Conditions”), shall be set out in an Applicable Pricing Supplement .

The Programme Information Memorandum (“Programme Memorandum”) has been reviewed and approved by the Securities and Exchange Commission (SEC). In its review, the SEC examined the contents of this Programme Memorandum to ensure that adequate disclosures have been made. To ascertain the financial soundness or value of the Notes, prospective investors are advised to consult a dealer, investment adviser or other professional duly authorised for appropriate advice.

The Ghana Alternative Market (GAX) of the Ghana Stock Exchange (GSE) has also given its approval for the listing of all the Notes issued under the Note Programme.

Outline



- Transaction Summary
- Real Estate Market in Ghana
- Profile of Edendale Properties Plc
- Outlook: Strategies + Financial Performance
- Contact Info



Transaction Summary

Programme Summary



Issuer	Edendale Properties Plc
Description	Listed Note Programme
Type of Notes	Secured Notes
Programme Size	GHS50,000,000
Indicative Tenor of Tranches	3 – 5 years
Security	Property Portfolio (~US\$33m)
Note Trustee	Fidelity Bank Ltd
Security Trustee	CAL Bank Ltd
Listing	Ghana Alternative Market of the GSE

Highlights of Tranche E1



Tranche Value	GHS15,000,000
Security Name & Description	'Yaa Kobe Gardens', 6 Town Houses at East Cantonments, Accra
Security Value (est.)	GHS34 million (USD9 million)
Indicative Tenor	3 Years
Indicative Pricing	GoG 182-day T-bills Rate + 300bps
Issue Date	12 th November, 2015
Maturity Date	12 th November, 2018
Interest Payment Frequency	Bi-annually
Use of Funds	Refinance and extend maturity profile of debt and meet working capital needs
Listing	Ghana Alternative Market of the GSE

Offer Timetable:Tranche E1



Offer Opens	21 October, 2015
Offer Closes	6 November, 2015
Allotment & Confirmation	9 November, 2015
Settlement by Cheque	10 November, 2015
Settlement by Funds Transfer	12 November, 2015
Listing on GAX	17 November, 2015



Real Estate Market in Ghana

Real Estate Market in Ghana

Demand verses Supply



Need for housing:

Estimated to be **growing at over 17%** per annum

Supply of housing:

Growing at an average rate of **4.4%** per annum

Real Estate Market in Ghana

Key Features



Feature	Description
Private Sector Driven	<ul style="list-style-type: none">Over 80% of developments are initiated by the private sector.
Inadequate Access to Financing	<ul style="list-style-type: none">Due to the perceived risk of funds lock-uped in uncompleted projects as a result of construction funds dry-up or land ownership issues and litigations.
Rapidly Widening Housing Deficit	<ul style="list-style-type: none">Housing deficit estimated to be over 1.7 million housing units, projected to reach over 2 million units by 2018 if at least 190,000 housing units per year are not provided
High Demand in Urban Areas	<ul style="list-style-type: none">Demand for housing units in urban areas is high due to rapid rural-urban migration in search of better jobs and proximity to basic amenities and infrastructure.
Complicated Land Ownership Process	<ul style="list-style-type: none">Challenges include multiple sale of title in a land to different buyers and delays in land registration process.

Real Estate Market in Ghana

High End Segment



Key Characteristics

- Cost ranges from US\$800 to US\$ 1,200 per square metre, excluding the cost of land
 - Facilities: **sports and recreational areas, security, water storage and stand-by generators**
 - Rental rates: USD3,000 to USD6,000 per month
- **Preferred locations: Prime locations with access to essential infrastructure and amenities.** In Accra, prime locations include Ridge, Labone, Osu, Cantonments, Airport
- Properties are **held or acquired for investment purposes or as primary residence**
 - Property developments for this market segment is **mainly private sector-led**
- **Access to financing is usually not a problem** as incomes of prospective buyers provide easy access to mortgage and other sources of financing if needed. They can usually afford to self-finance;

Implication and Opportunities

- The generally underdeveloped nature of basic infrastructure and amenities outside the urban areas (particularly capital cities) creates a huge demand for housing close to these necessary amenities and infrastructure.
- This has generally served to increase demand for housing in these areas for both expatriates and Ghanaians.

Demand for units in prime locations is expected to keep increasing in the foreseeable future

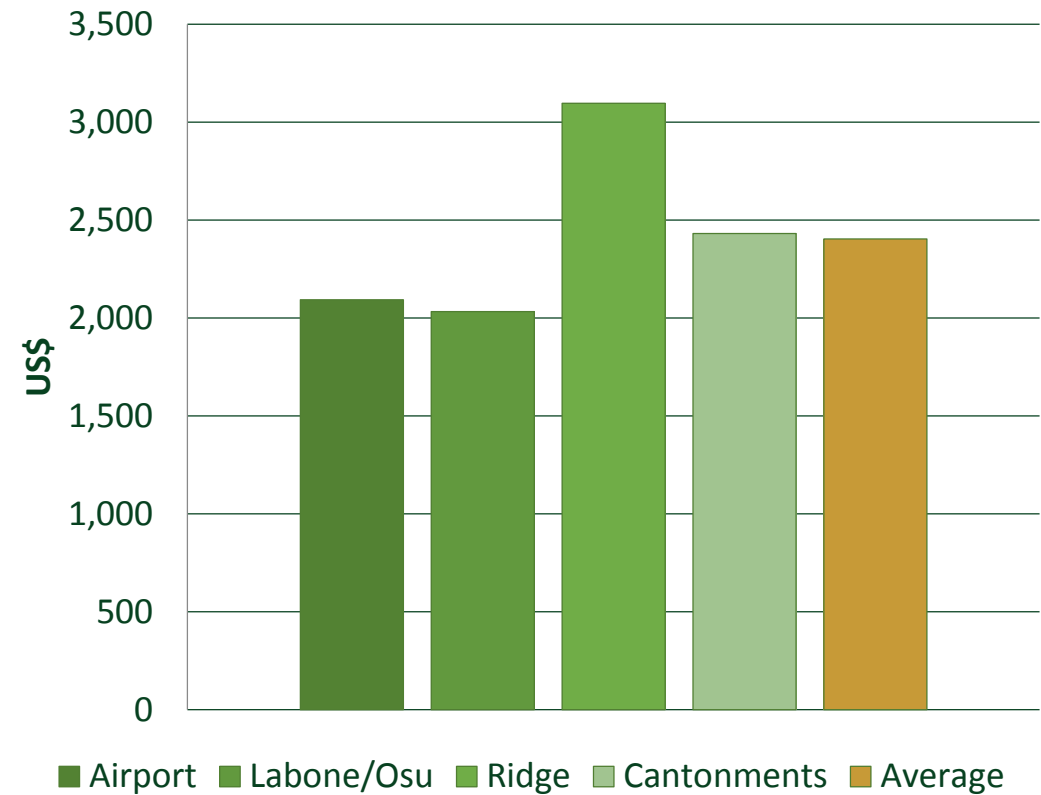
Real Estate Market in Ghana

High End Segment: Cost of Units



Type	Airport (US\$)	Cantonments (US\$)	Labone/Osu (US\$D)	Ridge (US\$)	Average Price (US\$)
2 Bedroom	331,500	387,495	351,000	-	356,665
3 Bedroom	455,000	458,940	429,000	-	449,380
4 Bedroom	460,200	560,840	650,000	-	555,280
Penthouse	600,000	993,365	675,000	-	756,122
Townhouse	716,250	780,000	810,000	888,101	798,588
Average Cost	512,290	636,128	583,000	888,101	654,955

Cost Per Square Meter



Real Estate Market in Ghana

Middle Income



Key Characteristics of Segment

- This segment falls within the USD 50,000 to USD 180,000 housing cost bracket;
- Households are **expected to grow by an average of 100,000 per year**

- The need for and **willingness to pay** to gain reasonable access to good social amenities and infrastructure at reasonable costs
- **Inadequate access** to quality homes and attractive mortgage financing;

- **More limited resources** implies that housing units for this segment are located on the outskirts of prime locations
- Property **usually held as primary residence**

- Usually, semi-detached and detached units, apartment complexes of between two (2) to three (3) bedrooms; and
- Mainly private sector led and provided.

Implication and Opportunities

- Huge deficit and demand opportunity in this bracket and an opportunity to earn reasonable returns on capital if construction costs are controlled.

Real Estate Market in Ghana

Low Income



Key Characteristics of Segment

- Falls below the US\$50,000 housing cost bracket
- **Low cost or affordable and locally sourced** (if available) building materials are utilized to keep costs of units low

- Primarily government-led and supported by various initiatives to reduce costs and provide access to financing to facilitate ownership
- Most **government initiatives are targeted at this segment**

- Primarily made of low cost storey apartments

Implication and Opportunities

Return on capital may be limited by rising costs and inability to pass on costs due to the income level of the target market.



Profile of the Issuer

Profile of Endendale



- Formally established in December 2013 as a real estate investment and holding company.
- Commenced operations by consolidating existing property portfolios
- Total assets valued at GHS135.4 million (US\$33 million) as at March, 2015
- Property portfolio is made up of 14 town homes, 40 middle income apartments and mixed development under construction located in prime locations in Accra
- Owned mainly by institutional investors with experience in the real estate industry.
- Management and directors are professionals with over 60 years combined experience in investment and real estate management.

Profile of Edendale

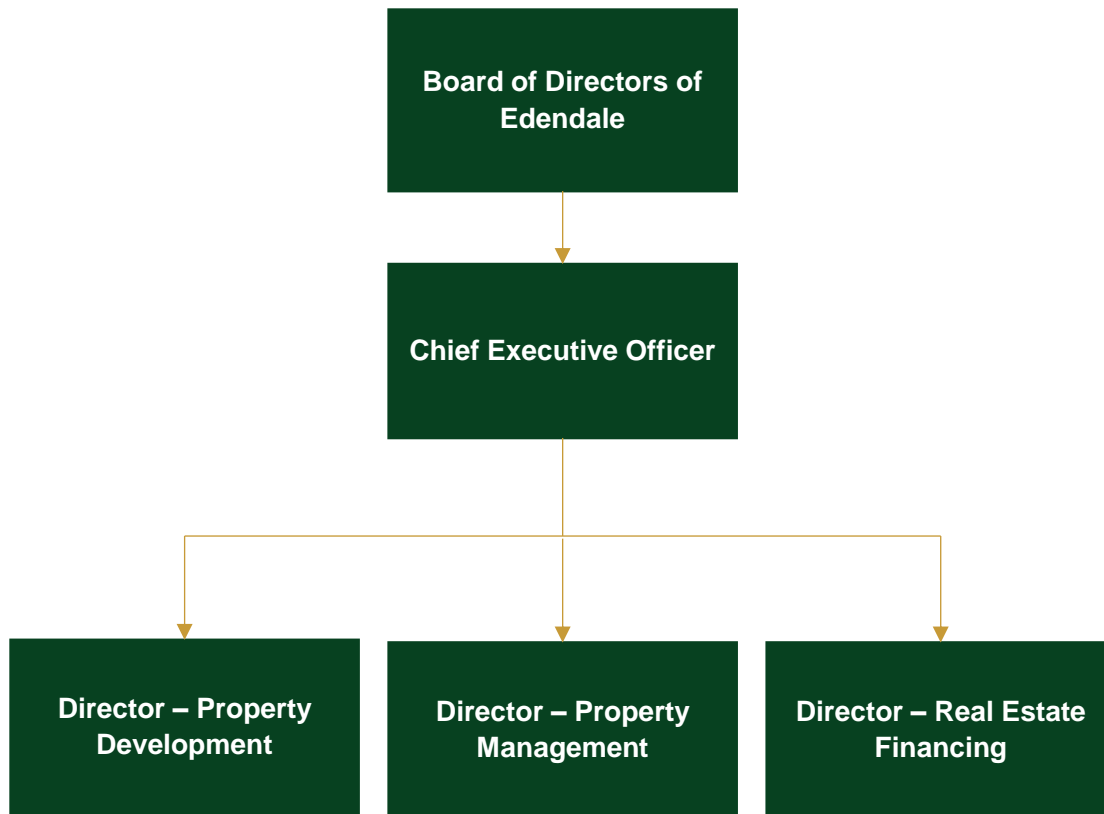
Vision



“To provide high-end residential and office properties
as an alternative asset class for
institutional and high net worth individual investors.”

Profile of Edendale

Operational and Governance Structure



- Governed by a 6 member board of directors **with extensive knowledge about real estate industry.**
- Managed by seasoned **professionals with extensive experience in real estate development and financing.**

Profile of Edendale

Bios of Directors



Terence R. Darko (Chairman)

- +40 years' experience in management, leadership and governance.
- Initiated and completed real estate projects in excess of US\$30m.

Kwesi Amonoo-Neizer (Non-Executive Director)

- +20 years' experience in investment banking and management.
- Extensive experience with investment fund management and real estate market.

Nana K. Nketiah (Non-Executive)

- +10 years experience in investment banking and management.
- Experience with investment management, real estate development and financing.

Suzy Puplampu (Executive)

- +10 years experience in investment banking and management.
- Experience with investment management, real estate financing.

Maamle Totimeh (Executive)

- +10 Years experience in investment management.
- Experience with investment management and real estate financing.

Sophia Aboagye (Executive)

- +8 years experience in investment banking.
- Experience with securities trading, investment banking, and real estate financing.

Profile of Edendale

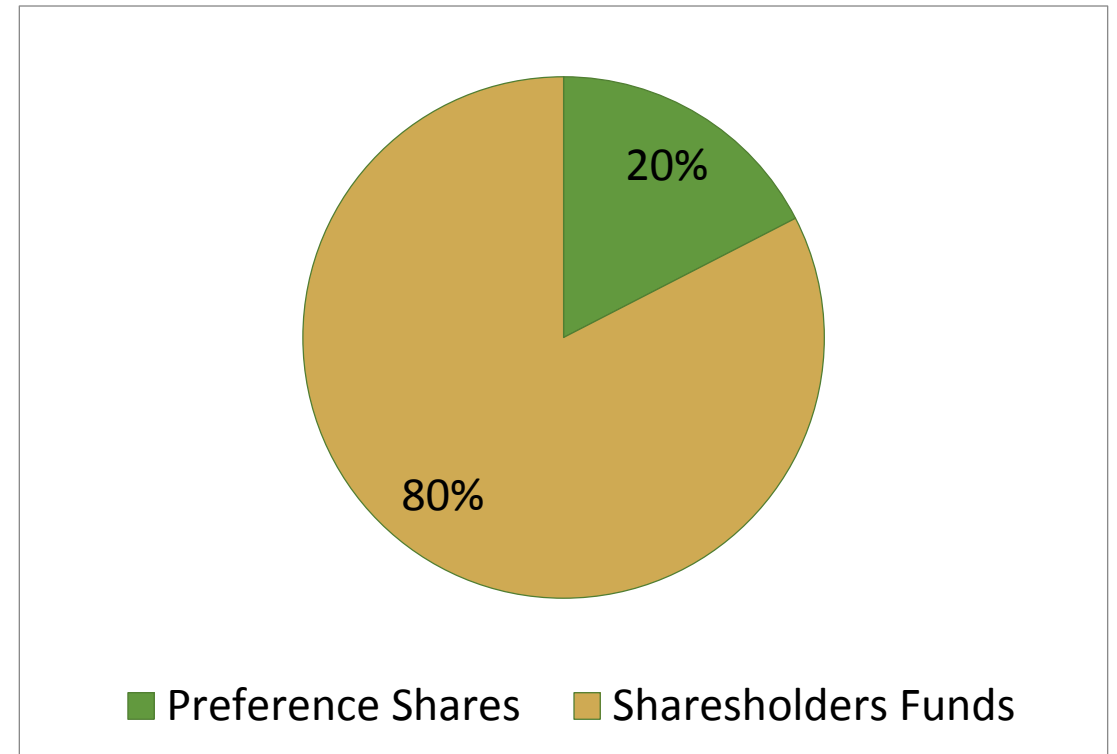
Capital Structure



Equity Capital @ GHS68 million

Shareholder	% Holding
Mega African Capital Limited	34.93%
Acorn Properties Limited	19.44%
Gillian Adrianna Darko	8.54%
Kalysta Yvette Darko	8.54%
Terence Ronald Aye Darko	8.54%
Danielle Maxine Darko	8.54%
Hagion Properties Limited	6.97%
Rehoboth Capital Limited	3.47%
Others	1.01%
Total	100%

Preference +Equity Capital @ GHS83 million



Profile of Edendale

Property Portfolio



Location	Type & Number	Est. Value (USD'M)	%
Cantonments	6 Town Homes	9.4	28.4%
Airport	4 Town Homes	6.8	20.5%
Airport	2 Executive Houses	6.0	18.1%
*East Legon	8 Town Houses	4.0	12.1%
Legonman	40 Apartments	3.3	10.0%
Cantonments	2 Town Houses	2.6	7.9%
**Ringway	14 Apartments	1.0	3.0%

*Completion in December, 2015

** Value of the Land

Diversification is a key strategy:

No single property contributes in excess of 30% of the total value of Assets

Historical Financial Performance



Balance Sheet GHS ' 000	2014 Audited	Q1 2015 Unaudited	Cash Flow GHS ' 000	2014 Audited	Q1 2015 Unaudited
Investment Properties	108,924	126,946	Net Cash from Operations	(12.45)	(8,801)
Total Non-current Assets	108,934	126,956	Net cash from Investing	(102.54)	(418)
Total Current Assets	8,080	8,490	Net Cash from Financing	115.06	9,213
Short Term Loans	42,793	52,005	Net increase/(decrease) in cash for period	80.83	(7.6)
Total Liabilities	58,375	67,330	Cash at beginning of period	-	80.8
Total Equity	58,646	68,116	Ending Cash	80.83	73.3



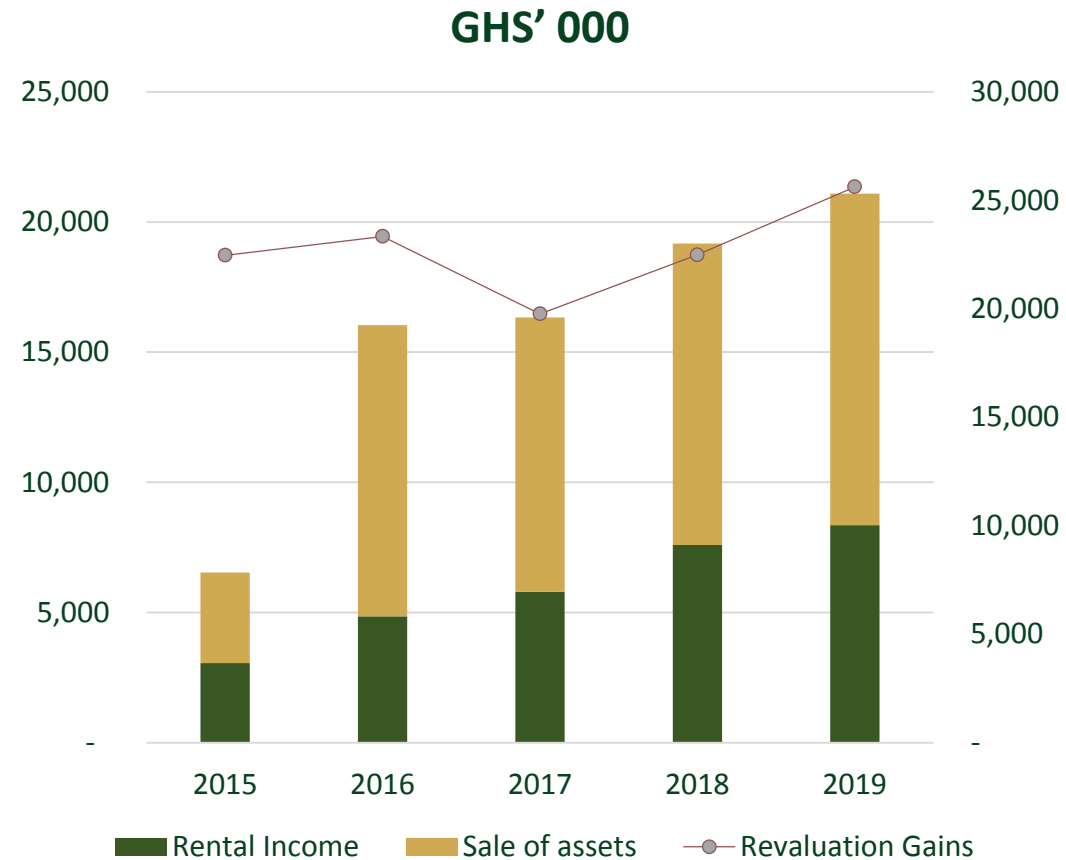
Outlook: Strategies + Financial Performance

Strategies at a Glance



- **Financing**
 - Refinance short term obligations with long term sources
 - Reduce risk and leverage by exploring equity sources of financing.
- **Investment**
 - Diversify portfolio by location and market segments with a focus on prime locations
 - Leverage varied real estate portfolio strategies to identify and deploy funds optimally and manage asset mix
 - Leverage knowledge and network to establish joint venture interest for large projects
- **Operational**
 - Strengthen sales capacity
 - Strengthen market research capacity
 - Embark on a focused business development and deal generation drive

Key Drivers of Revenue and Return



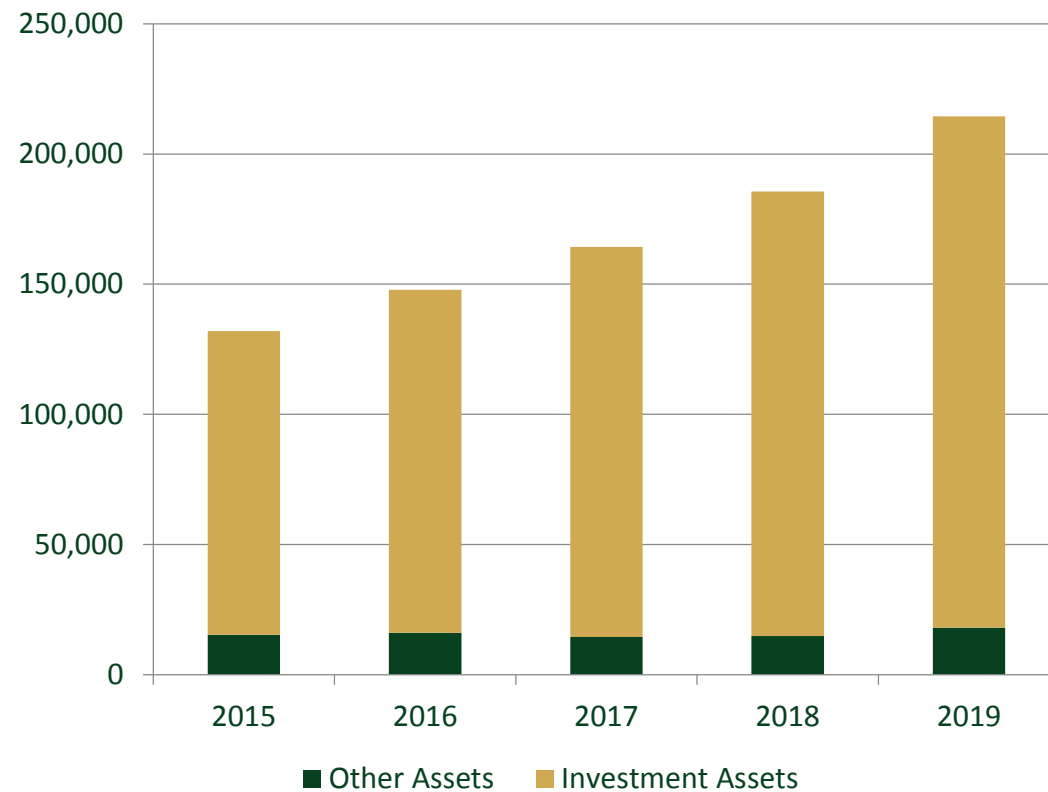
Income from unit sales projected to be the dominant source of revenue

Asset price/value appreciation expected to be a key source total return

Invest in Return Generating Assets

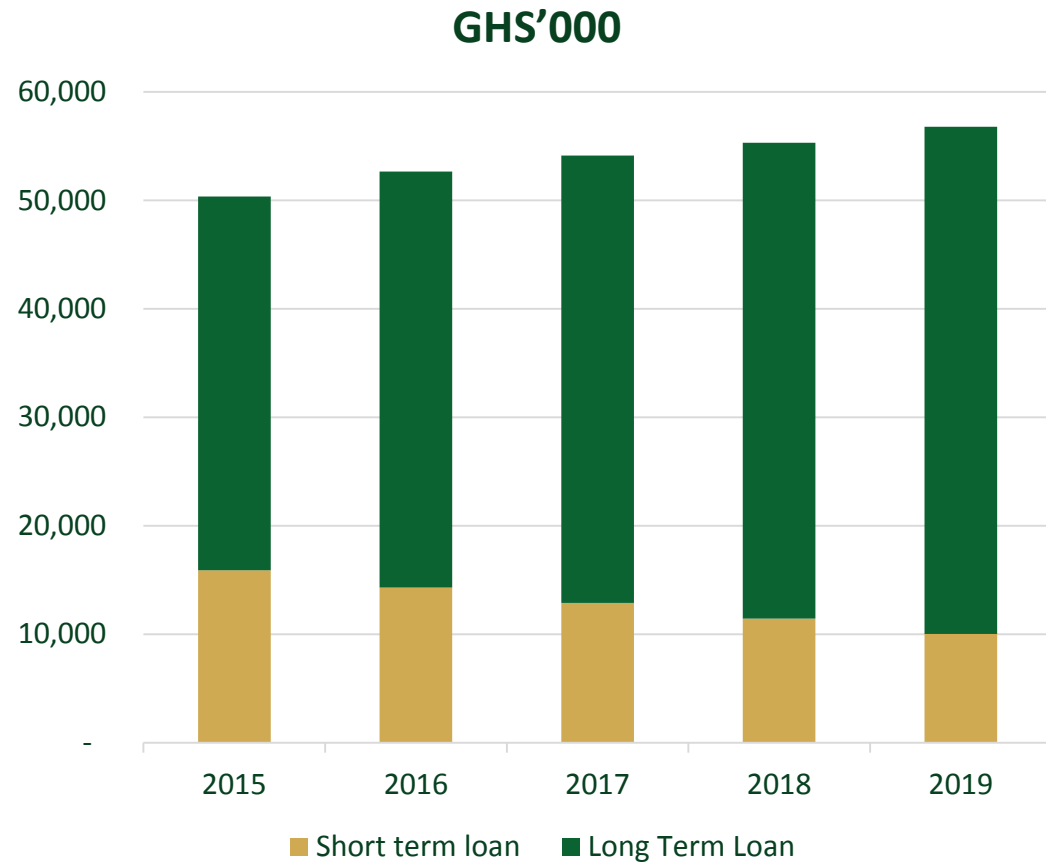


GHS'000



Projected growth in return-generating investment assets to exceed non-investment assets.

Align Maturity of Debt Capital

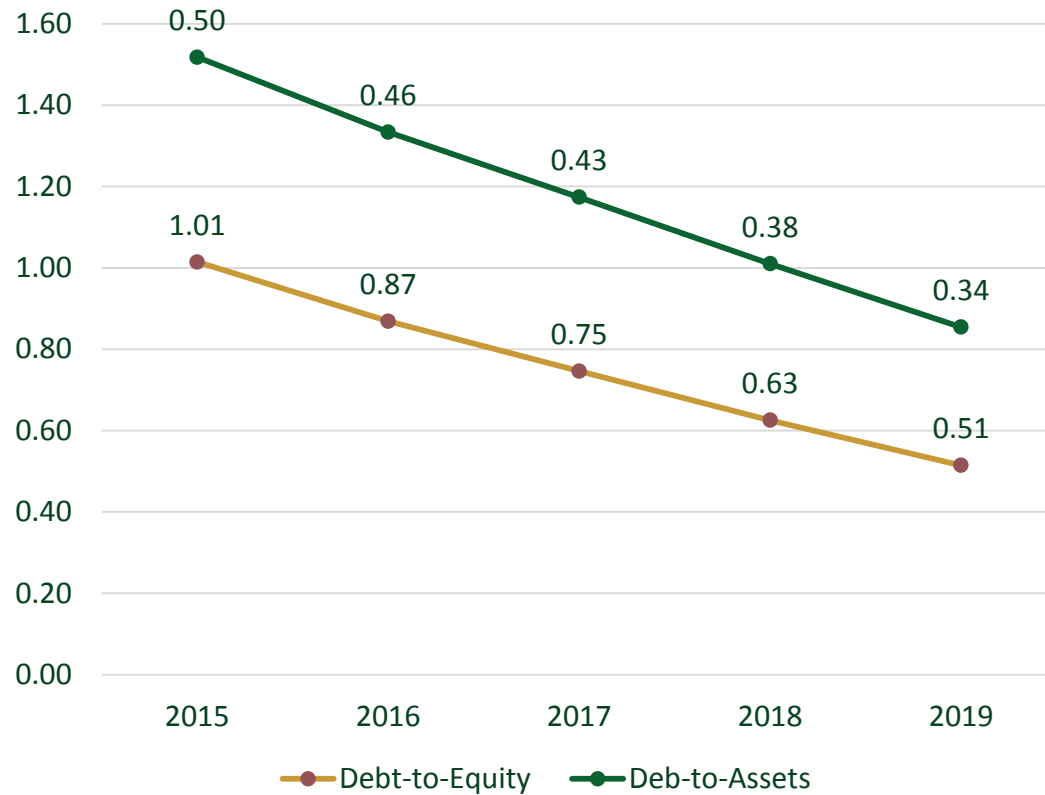


Align maturity of debt by accessing longer dated debt financing sources

Reduce Total Risk



Financial Leverage



Reduce risk by increasing **financing from equity sources**

Why Invest in the Note Programme



Innovative Structure

- Structured exposure to the real estate asset class especially for pension funds and regulated pooled investment schemes
- Enhanced liquidity and price discovery from listing on the GSE

Experienced Management

- Strong track record of management professionals in both investment management and in real estate assets management
- Drive to maximize total returns to investors

Commitment to Transparency

- Regulatory oversight from both SEC and GSE
- Commitment to timely access to information for current and prospective investors and robust corporate governance structure



Transaction Advisors

Transaction Advisors



Contacts



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Thank You

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