

Amendments to the Invitation to Exchange



Individual Investors are now eligible to participate in the Invitation to Exchange

- Old Bonds usually have a much more limited liquidity and lower market value after an exchange than the new bonds. This is why the Government wants to offer individual investors the opportunity to participate
- In addition, the economic terms of the amended Invitation to Exchange are improved



Accrued interests will be paid in a capitalized form

- The Government has decided to proceed with paying interest accrued up to 24 January 2023 to all Eligible Holders participating in the exchange, in a capitalized form, meaning that the accrued interest will be added to the notional amount of the new bonds



Participating holders of the 2023 bonds will receive a 2% cash fee

- Given that holders of Eligible 2023 Bonds are being asked to extend the maturities of what are now effectively short-term instruments, investors will receive a cash tender fee of 2% of the outstanding amount of such 2023 Bonds tendered and accepted, to compensate for the maturity extension
- They will only get new bonds maturing between 2027 and 2033



There are 12 new bonds in the Amended Exchange, instead of 4, with a new coupon rate structure

- Investors indicated a preference for having more numerous bonds with standard bullet bonds, instead of fewer, larger and more liquid bonds (the previous structure), which has been reflected in the amended exchange
- In the same spirit, the amended coupon structure for the new bonds has been designed to mimic a yield curve with a standard shape

T-bills remain still excluded from the domestic debt operations.

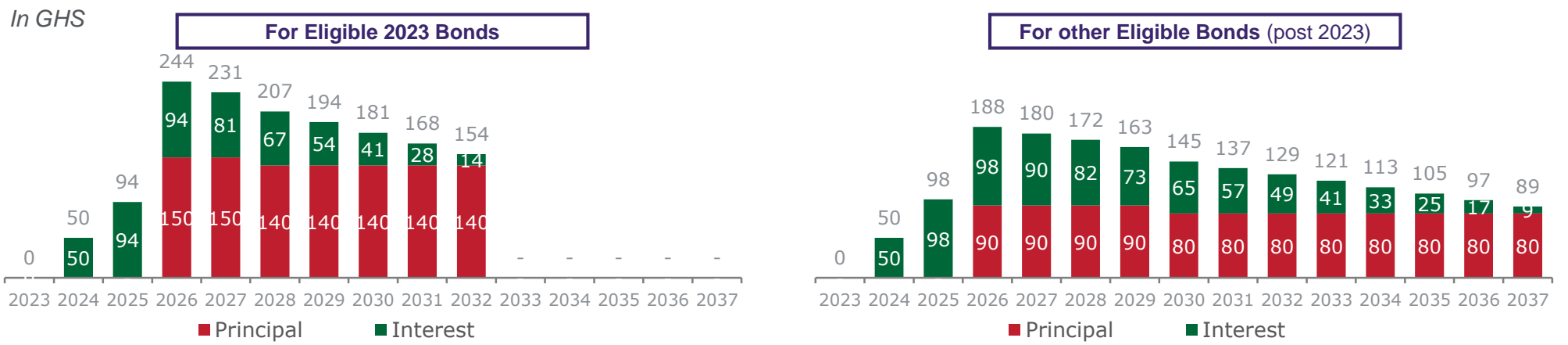
For all Eligible Bonds, the Government encourages each holder to voluntary tender its holdings. The success of this operation is critical to restoring macro-economic stability. Were the participation to the exchange too low, the Government's efforts to resolve the current crisis would be jeopardized, as well as the Government's capacity to honor its commitments and repay its debt

New terms of the 12 new bonds

The package of 12 new bonds offered to domestic debt holders in exchange of their outstanding claims (against GoG, ESLA and Daakye), will have the following terms:

New bonds:		2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Maturity date		24 Jan. 2027	24 Jan. 2028	24 Jan. 2029	24 Jan. 2030	24 Jan. 2031	24 Jan. 2032	24 Jan. 2033	24 Jan. 2034	24 Jan. 2035	24 Jan. 2036	24 Jan. 2037	24 Jan. 2038
Amortization profile		Bullet	Bullet	Bullet	Bullet	Bullet	Bullet	Bullet	Bullet	Bullet	Bullet	Bullet	Bullet
Interest structure	<i>2023: from Settlement to 23/01/2024</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	<i>2024: from 24/01/2024 to 23/01/2025</i>	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
	<i>Until maturity: From 24/01/2025 to maturity date</i>	9.00%	9.15%	9.30%	9.45%	9.60%	9.75%	9.90%	10.05%	10.20%	10.35%	10.50%	10.65%
Allocation per new bonds <i>(% of the face value of old bond)</i>	For Eligible 2023 Bonds	15%	15%	14%	14%	14%	14%	14%	-	-	-	-	-
	For other Eligible Bonds (post 2023)	9%	9%	9%	9%	8%	8%	8%	8%	8%	8%	8%	8%

Implied debt service schedule for an indicative GHS 1,000 exchanged, reflecting the smooth, extended repayment profile implied by new bonds



How can you participate to the exchange offer?

Procedures to Participate are Simple:



Eligible holders (including individuals) that are not direct participants at the CSD, asset managers and funds should reach out to their broker/custodian/CSD direct participant and **should use the customary methods for securities instructions** to instruct their CSD direct participant to participate.



For CSD direct participants, once an Offer or Exchange Instruction is received by a CSD Direct Participant (a Depository Participant) from a holder of Eligible Bonds, such CSD Direct Participant is required to collate the information in such Offer or Exchange Instruction in the form and file format provided to them by CSD.

The Government calls for the full participation of all Eligible Holders, as full participation is required for the success of the operation

For further details, please refer to the Q&A published on the Ministry of Finance website.

The CSD may be contacted for assistance and with regard to matters related to the Invitation to Exchange processing, repurchase agreements, or matters related to the submission of Offers at:

CSD Contact Centre

Phone: +233302755200

Email address: dde@csd.com.gh

Website: www.csd.com.gh/dde

For information and announcements relating to the Invitation to Exchange please see the website of the Ministry of Finance (<https://mofep.gov.gh/news-and-events/debt-operations>), or the website of the Information and Coordination Agent Morrow Sodali Limited (Invitation Website: <https://projects.morrow sodali.com/ghanadde>)