



REPUBLIC OF GHANA

MINISTRY OF FINANCE

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Date. **31st July 2023**

PRESS RELEASE

FOR: IMMEDIATE RELEASE

COMMENCEMENT OF THE ALTERNATIVE OFFER FOR THE PENSION FUNDS EXCHANGE

ACCRA, 31st July 2023 ... The Government of the Republic of Ghana (the "**Government**") announced today that it is inviting (the "**Invitation**") Pension Funds (as defined in the Exchange Memorandum referred to below) holding domestic notes and bonds of the central Government, E.S.L.A. Plc and Daakye Trust Plc specified in Tables A below (the "**Eligible Bonds**") to exchange approximately GHS31 billion principal amount of Eligible Bonds for a package of new bonds (the "**Exchange Bonds**") as specified in Table B below. The terms and conditions of the Invitation are described in the exchange memorandum dated today (the "**Exchange Memorandum**") and available at <https://projects.morrowsodali.com/PensionFundsDDE> and <https://mofep.gov.gh/news-and-events/debt-operations> (the "**Pension Funds Invitation Websites**").

2. This Invitation is intended to enable the Pension Funds to preserve their patrimonial value while exchanging their Eligible Bonds for Bonds that offer more potential liquidity.

Summary of the Invitation

3. The Invitation is available only to registered holders of Eligible Bonds that are Pension Funds ("**Eligible Holders**").
4. Eligible Holders tendering their Eligible Bonds pursuant to the Invitation will receive Exchange Bonds of the Government on the terms and subject to the conditions described in the Exchange Memorandum. All offers to exchange Eligible Bonds made by Eligible Holders (an "**Offer**" or "**Exchange Instruction**") are irrevocable subject to withdrawal rights under certain limited circumstances. By tendering their Eligible Bonds, Eligible Holders represent and warrant that such Eligible Bonds constitute all the Eligible Bonds owned by them and consent to the blocking by the Central Securities Depository (CSD) of any attempt to transfer them prior to the Settlement Date (as defined below) or the termination of the Invitation by the Republic.
5. See Table B below for a detailed description of the financial terms of the Exchange Bonds.
6. Offers may only be submitted starting today (the "**Launch Date**") and ending at 4:00 p.m. (Greenwich Mean Time (GMT)) on 18th August 2023 (the "**Expiration Date**"). However, the Government may extend the Expiration Date (including for one or more series of Eligible Bonds).
7. Eligible Holders who deliver valid Offers at or prior to the Expiration Date that are accepted by the Government will receive on the Settlement Date (as defined below) in exchange for their Eligible Bonds accepted by the Government, the same aggregate principal amount distributed (in the proportions indicated below) across new tranches of the currently outstanding GOG Bonds issued in February 2023 and maturing in 2027 and 2028

(respectively, the “**GOG Bond 2027**” and the “**GOG Bond 2028**”, and collectively, such new tranches issued pursuant to the Invitation, the “**New Tranches**”). In addition to the Exchange Bonds, tendering Eligible Holders will receive a distribution of two additional interest payment instruments linked to the Exchange Bonds, with no principal amount, each maturing, respectively, in 2027 and 2028 (collectively, the “**New Interest-Only Bonds**”).

8. The proportions of New Tranches and New Interest-Only Bonds to be received by tendering Eligible Holders in exchange for their Eligible Bonds are allocated as set forth on Table C
9. **The Invitation will expire at 4:00 p.m. (Greenwich Mean Time) on 18th August 2023, unless extended or earlier terminated by the Government as set forth in the Exchange Memorandum (the "Expiration Date"). Offers may not be revoked or withdrawn at any time except in the limited circumstances described in the Exchange Memorandum.**
10. On 25th August 2023 (the “**Settlement Date**”) the Government will issue the New Bonds to Eligible Holders whose Offers are accepted for credit to the account of such Eligible Holder at Ghana’s CSD. The Government reserves the right to extend the Settlement Date (including with respect to one or more series of Eligible Bonds) without offering Eligible Holders the right to withdraw their Offers, provided that such extended Settlement Date is not later than 28th August 2023 (the “**Longstop Date**”). The Government may extend the Settlement Date beyond such Longstop Date and designate a new Longstop Date, but such extension will be subject to the granting of withdrawal rights to Eligible Holders who submitted Offers before such extension, subject to the conditions described in the Exchange Memorandum.
11. Any questions or requests for assistance regarding the Invitation may be directed to CSD and/or the Information and Coordination Agent (as defined below) at the contact information set forth below.
12. Eligible Holders, or custodians for such holders, of Eligible Bonds may obtain a copy of the Exchange Memorandum by accessing the Pension Funds Invitation Websites (<https://projects.morrowsodali.com/PensionFundsDDE> and <https://mofep.gov.gh/news-and-events/debt-operations>).

Summary of the Exchange Procedures for Eligible Holders

13. Eligible Holders interested in participating in the Invitation are invited to send an Offer or Exchange Instruction to their respective CSD Direct Participant (the Depository Participant), in the form and via the channels agreed and customary between them.
14. As of the Launch Date until the Expiration Date of the Invitation, Eligible Holders having active securities accounts balances and interested in participating in the Invitation will have the opportunity to send an Offer or Exchange Instruction to their respective CSD Direct Participant (Depository Participant).
15. Eligible Holders may download an Exchange Form from the website of the CSD (www.csd.com.gh/dde), complete and send it to their CSD Direct Participant (Depository Participant) via email or via any internal communication platform they use (if any), or send an instruction in the format, or via any other standard means of communication available and accepted by the such CSD Direct Participant (Depository Participant).

16. By submitting an Offer or Exchange Instruction, Eligible Holders consent to the blocking by the CSD of any attempt to transfer such Eligible Holders' Eligible Bonds prior to the Settlement Date or the termination of the Invitation to Exchange.

17. For more details on these procedures, please refer to the Exchange Memorandum or contact the CSD at the contact information below. **END**

**ISSUED BY THE PUBLIC RELATIONS UNIT
MINISTRY OF FINANCE**

THE NEWS EDITOR

Tables A—Eligible Bonds

1. GHS-denominated Eligible Bonds issued by the Republic of Ghana

	ISIN No.	Maturity Date	Outstanding Principal Amount
1	GHGGOG062613	2023-02-20	313,017,035.00
2	GHGGOG059114	2023-03-06	620,925,610.00
3	GHGGOG059494	2023-04-17	364,790,687.00
4	GHGGOG059890	2023-05-29	196,200,578.00
5	GHGGOG063942	2023-07-31	135,645,507.00
6	GHGGOG061151	2023-09-18	151,214,385.00
7	GHGGOG064478	2023-09-25	149,274,748.00
8	GHGGOG061326	2023-09-28	319,222,434.00
9	GHGGOG064767	2023-11-06	265,962,115.00
10	GHGGOG061870	2023-11-27	190,614,401.00
11	GHGGOG065012	2023-12-04	228,444,021.00
12	GHGGOG062084	2023-12-18	195,648,830.00
13	GHGGOG065723	2024-02-12	233,699,755.00
14	GHGGOG062860	2024-03-18	362,561,000.00
15	GHGGOG044744	2024-03-25	516,568,405.00
16	GHGGOG055062	2024-04-15	541,216,935.00
17	GHGGOG066416	2024-05-06	181,290,456.00
18	GHGGOG056219	2024-07-08	631,606,198.00
19	GHGGOG064619	2024-10-14	480,418,649.00
20	GHGGOG065269	2024-12-30	357,188,180.00
21	GHGGOG053935	2025-01-27	726,751,258.00
22	GHGGOG059262	2025-03-17	414,550,422.00
23	GHGGOG049263	2025-04-07	339,758,855.00
24	GHGGOG066150	2025-04-07	91,704,909.00
25	GHGGOG066556	2025-05-19	553,511,738.00
26	GHGGOG060195	2025-06-23	1,000,444,525.00
27	GHGGOG067224	2025-07-21	798,126,144.00
28	GHGGOG061466	2025-10-13	237,963,009.00
29	GHGGOG062738	2026-03-02	608,878,903.00
30	GHGGOG063314	2026-05-11	834,001,070.00
31	GHGGOG060427	2026-07-13	719,212,408.00
32	GHGGOG064247	2026-08-26	223,280,518.00
33	GHGGOG043563	2026-11-02	2,660,955,762.00
34	GHGGOG065145	2026-12-14	395,259,448.00
35	GHGGOG062373	2027-01-18	952,094,215.00
36	GHGGOG065921	2027-03-08	315,799,422.00
37	GHGGOG066424	2027-05-03	342,021,460.00
38	GHGGOG060674	2027-08-09	583,910,314.00
39	GHGGOG064312	2027-09-06	318,469,057.00
40	GHGGOG061714	2027-11-08	971,418,398.00

41	GHGGOG065475	2028-01-17	623,178,756.00
42	GHGGOG050246	2028-05-29	201,306,386.00
43	GHGGOG063546	2028-06-12	666,179,417.00
44	GHGGOG055922	2029-06-11	1,109,016,352.00
45	GHGGOG063835	2031-07-07	607,744,690.00
46	GHGGOG044751	2032-03-15	2,055,611,425.00
47	GHGGOG056458	2034-07-10	210,061,768.00
48	GHGGOG056763	2039-08-01	513,909,658.00
<i>Total:</i>			25,510,630,216.00

2. GHS-denominated Eligible Bonds issued by E.S.L.A. Plc.

	ISIN No.	Maturity Date	Outstanding Principal Amount
1	GHGESLA46972	2024-10-23	308,381,347.00
2	GHGESLA46980	2027-10-27	1,462,046,046.00
3	GHGESLA56021	2029-06-15	798,975,860.00
4	GHGESLA58118	2031-12-29	687,768,359.00
5	GHGESLA64439	2033-09-09	953,921,594.00
6	GHGESLA66376	2034-04-19	76,592,259.00
<i>Total:</i>			4,287,685,465.00

3. GHS-denominated Eligible Bonds issued by Daakye Trust Plc.

	ISIN No.	Maturity Date	Outstanding Principal Amount
1	GHGDTP66358	2025-04-30	154,837,469.00
2	GHGDTP061539	2027-10-18	604,713,198.00
3	GHGDTP063113	2031-04-16	452,856,238.00
<i>Total:</i>			1,212,406,905.00

Table B — Financial Terms of the Exchange Bonds

New Tranche due	Annual Interest Rate*	Interest Payment	Maturity Date	Principal Repayment**
2027	<p>1. From and including 21st February 2023 to but excluding 18 February 2025: 5.0% Cash Interest + 3.35% payment in kind (“PIK Interest”).</p> <p>2. From and including 18th February 2025 to but excluding the maturity date: 8.35%</p>	Semi-annually, in arrears, commencing in February 2024 (however, on or about 29 August 2023, a payment on the New Tranches will be made as if such New Tranches had been issued on 21 February 2023 and held by such Eligible Holders as of 22 August 2023 (the first interest payment date under the Existing Exchange Series)).	February 2027	One single payment on the maturity date.
2028	<p>1. From and including 21st February 2023 to but excluding 18th February 2025: 5.0% Cash Interest + 3.50% PIK Interest.</p> <p>2. From and including 18th February 2025 to but excluding the maturity date: 8.50%</p>	Semi-annually, in arrears, commencing in February 2024 (however, on or about 29 August 2023, a payment on the New Tranches will be made as if such New Tranches had been issued on 21 February 2023 and held by such Eligible Holders as of 22 August 2023 (the first interest payment date under the Existing Exchange Series)).	February 2028	One single payment on the maturity date.

* Interest on the New Tranches will be paid in cash (“Cash Interest”), except that only during the period indicated in the table above, the Government will pay the specified PIK Interest portion of the interest by instead increasing by such amount the principal amount of such New Tranche.

** The Government is offering Eligible Holders accrued and unpaid interest (“Accrued Interest Payable”) on their Eligible Bonds validly tendered and accepted by the Government, calculated from and including the last time interest was paid on their Eligible Bonds up to, but excluding, 21 February 2023 (the date of the settlement of the Existing Exchange Series), which amount will be paid to such Eligible Holders in the form of capitalized interest (rounded down to the nearest GHS 1.00) added to the principal amount of the Exchange Bonds and distributed across the Exchange Bonds in the same proportions as the Exchange Consideration Ratios set forth in Table C..

New Interest-Only Bonds due	Annual Interest Rate*	Interest Payment	Maturity Date	Principal Repayment**
2027	From and including 21 st February 2023 to but excluding the maturity date: 10.0% Cash Interest.	Semi-annually, in arrears, commencing in February 2024 (however, on or about 29 August 2023, a payment on the New Interest-Only Bonds will be made as if such New Interest-Only Bonds had been issued on 21 February 2023 and held by such Eligible Holders as of 22 August 2023 (the first interest payment date under the Existing Exchange Series)).	February 2027	No principal payment.
2028	From and including 21 st February 2023 to but excluding the maturity date: 10.0% Cash Interest.	Semi-annually, in arrears, commencing in February 2024 (however, on or about 29 August 2023, a payment on the New Interest-Only Bonds will be made as if such New Interest-Only Bonds had been issued on 21 February 2023 and held by such Eligible Holders as of 22 August 2023 (the first interest payment date under the Existing Exchange Series)).	February 2028	No principal payment.

* The New Interest-Only Bonds only accrue interest and do not provide for principal payments of any kind. The listed principal amount on New Interest-Only Bonds is used for the purpose of calculating the relevant interest payments, and will consist, in respect of a tendering Eligible Holder whose Offer has been accepted by the Government, of an aggregate amount equal to the outstanding principal amount of Eligible Bonds tendered by such Eligible Holder pursuant to such Offer.

Table C—Exchange Consideration Ratios

Exchange consideration ratios in respect of Eligible Bonds tendered by Eligible Holders (Allocation of principal amount of Exchange Bonds to receive per (i) outstanding principal amount of Eligible Bonds tendered plus (ii) amount of Accrued Interest Payable in respect thereof)			
New Tranches		New Interest-Only Bonds	
2027	2028	2027	2028
58%	57%	50%	50%

This announcement is for informational purposes only and is not an invitation to exchange to any holders of Eligible Bonds. The invitation to exchange to Eligible Holders is only being made pursuant to the Invitation. Holders of Eligible Bonds should read the Exchange Memorandum carefully prior to making any decision with respect to tendering their Eligible Bonds because it contains important information.

NONE OF THE INFORMATION AND COORDINATION AGENT, THE FINANCIAL ADVISOR NOR ANY OF THEIR RESPECTIVE DIRECTORS, EMPLOYEES, AFFILIATES, AGENTS OR REPRESENTATIVES MAKES ANY RECOMMENDATION AS TO WHETHER HOLDERS SHOULD DELIVER THEIR OFFERS IN CONNECTION WITH THEIR ELIGIBLE BONDS PURSUANT TO THE INVITATION, AND NO ONE HAS BEEN AUTHORIZED BY ANY OF THEM TO MAKE SUCH A RECOMMENDATION. EACH HOLDER MUST MAKE ITS OWN DECISION AS TO WHETHER TO TENDER THEIR ELIGIBLE BONDS.

The CSD may be contacted for assistance and with regard to matters related to the Invitation processing, repurchase agreements, or matters related to the submission of Offers or Instructions to Exchange 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 please refer to the Pension Funds Invitation Websites (<https://projects.morrowsodali.com/PensionFundsDDE>). Additionally, Eligible Holders will also be able to access relevant information and documentation relating to the Invitation to Exchange on the websites of the Ministry of Finance (<https://mofep.gov.gh/news-and-events/debt-operations>) and the CSD (www.csd.com.gh/dde).

The Ministry of Finance

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