



REPUBLIC OF GHANA

MINISTRY OF FINANCE

PRESS RELEASE

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FOR: IMMEDIATE RELEASE

COMMENCEMENT OF DOMESTIC DEBT EXCHANGE IN RESPECT OF GHANA'S U.S.\$-DENOMINATED DOMESTIC BONDS

ACCRA, 14th July 2023 ... The Government of the Republic of Ghana (the "**Government**" or "**we**") announced today that it is inviting (the "**Invitation**") Eligible Holders (as defined below) to exchange approximately US\$809 million of its U.S.\$-denominated domestic notes and bonds specified in Table A (the "**Eligible Bonds**") for a package of new bonds (as further described below, the "**New Bonds**") to be issued by the Republic. 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/ghanadde> and <https://mofep.gov.gh/index.php/news-and-events/debt-operations> (the "**Invitation Website**").

2. On 5th December 2022, we launched an invitation to exchange the GHS-denominated notes and bonds of the Republic, E.S.L.A. Plc, and Daakye Trust Plc for new bonds of the Republic, which exchange successfully concluded on 21st February 2023. Approximately 85% of holders eligible to participate in the exchange tendered their bonds and notes for a total of GHS82,994,510,128 tendered and exchanged. While those results represent a significant step towards achieving the Government's objectives in respect of its public debt, the domestic debt exchange programme is not yet completed.
3. Today, we are launching a similar invitation to exchange, this time in respect of the U.S.\$ dollar-denominated bonds issued domestically by the Republic of Ghana and governed by Ghanaian law. For the avoidance of any doubt, this Invitation is separate from the invitation to exchange launched in December 2022 and concluded in February 2023, and does not involve any GHS-denominated securities.
4. The reasons justifying the invitation to exchange launched in December 2022 remain valid today and continue to justify the domestic debt exchange programme. The successful completion of this programme will allow our country to restore sound public finance and sustainable debt levels and kickstart economic growth following the impact of the COVID-19 pandemic and the global economic shock created by the war in Ukraine.
5. This Invitation to Exchange is an arrangement through which holders of Eligible Bonds will submit their holdings of Eligible Bonds governed by Ghanaian law and denominated in U.S.\$ dollars (U.S.\$) for new benchmark Government of Ghana bonds denominated in U.S.\$, with the same aggregate principal amount (plus applicable capitalized accrued and unpaid interest), and which have in the aggregate a lower average coupon and extended average maturity than the Eligible Bonds.
6. The successful completion of this domestic debt exchange is a critical component of both the debt reduction programme and the programme discussions with the International Monetary Fund (IMF); it will contribute to unlocking the support of the international community and will allow Ghana to achieve its debt targets. As such, the Government calls for the full participation of all holders of Eligible Bonds.

7. The Government expects overwhelming support for this exchange. The alternative would be a far worse economic crisis, with protracted closure from international markets (including imported goods and services) and further domestic economic instability both for the real economy and the financial sector. It would also mean depleted fiscal resources to support the vulnerable.

Summary of the Invitation

8. The Invitation is available only to registered holders of Eligible Bonds (“**Eligible Holders**”).
9. Eligible Holders tendering their Eligible Bonds pursuant to the Invitation will receive New Bonds of the Republic 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.
10. See Table B of the Exchange Memorandum for a detailed description of the financial terms of the New Bonds.
11. Offers may only be submitted starting today (the “**Launch Date**”) and ending at 4:00 p.m. (Greenwich Mean Time (GMT)) on 4th August 2023 (the “**Expiration Date**”). However, Government may at its sole discretion extend the Expiration Date (including for one or more series of Eligible Bonds).
12. Eligible Holders who deliver valid Offers at or prior to the Expiration Date that are accepted by the Republic will receive on the Settlement Date (as defined below) in exchange for their Eligible Bonds accepted by the Republic, the same aggregate principal amount distributed across new bonds due in 2027 (the “**New 2027 Bond**”) and 2028 (the “**New 2028 Bond**”, collectively, the “**New Bonds**”) in the following proportions:

New 2027 Bond	New 2028 Bond
50.0%	50.0%

13. All calculations by the Government will be final and binding on Eligible Holders save in the event of manifest error.
14. Ghana reserves the right in its sole discretion to accept any and all Offers with respect to any series of Eligible Bonds.
15. **The Invitation will expire at 4:00 p.m. (Greenwich Mean Time) on 4th August 2023, unless extended or earlier terminated by the Republic at its sole discretion (the “Expiration Date”). Offers may not be revoked or withdrawn at any time except in the limited circumstances described in the Exchange Memorandum.**
16. On 11th August 2023 (the “**Settlement Date**”) the Republic 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 Republic reserves the right to extend the Settlement Date (including with respect to one or more series of Eligible Bonds), subject to the conditions described in the Exchange Memorandum.

17. Morrow Sodali Limited is acting as the information and coordination agent (the “**Information and Coordination Agent**”). Lazard Frères is acting as financial advisor to Ghana in connection with the Invitation (the “**Financial Advisors**”).
18. Any questions or requests for assistance regarding the Invitation may be directed to CSD and/or the Information and Coordination Agent at the contact information set forth below.
19. Eligible Holders, or custodians for such holders, of Eligible Bonds may obtain a copy of the Exchange Memorandum by accessing the Invitation Website (<https://projects.morrowsodali.com/ghanadde> and <https://mofep.gov.gh/index.php/news-and-events/debt-operations>).

Summary of the Exchange Procedures for Eligible Holders

20. 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.
21. 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).
22. 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).
23. 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.
24. 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

Table A—Eligible Bonds

	ISIN No.	Maturity Date	Outstanding Principal Amount (U.S.\$)
1	GHGGOG061730	13-Nov-2023	260,011,543
2	GHGGOG061748	13-Nov-2023	202,893,638
3	GHGGOG064916	19-Nov-2026	84,633,381
4	GHGGOG064908	19-Nov-2026	261,450,655
Total:			808,989,217

Table B — Financial Terms of the New Bonds

The New Bonds due	Annual Interest Rate	Interest Payment	Maturity Date	Principal Repayment
2027	From and including the Settlement Date to but excluding the maturity date: 2.75%	Semi-annually, in arrears, commencing in January 2024.	July 2027	One single payment on the maturity date.
2028	From and including the Settlement Date to but excluding the maturity date: 3.25%	Semi-annually, in arrears, commencing in January 2024.	July 2028	One single payment on the maturity date.

Table C — New Bonds Distribution

Exchange Consideration Ratios of New Bonds in Exchange for Each Eligible Bond Tendered	
New 2027 Bond	New 2028 Bond
50.0%	50.0%

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 Invitation Website (<https://projects.morrowsodali.com/ghanadde>). 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>) and the CSD (www.csd.com.gh/dde).

The Ministry of Finance

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