

# PRESS ANNOUNCEMENT



## FIRST NATIONAL BANK BOTSWANA LIMITED (INCORPORATED IN THE REPUBLIC OF BOTSWANA WITH LIMITED LIABILITY UNDER UIN BW00000790476) (FNBB OR THE ISSUER) BWP 3,000,000,000 MEDIUM TERM NOTE PROGRAMME

### PRESS ANNOUNCEMENT IN RESPECT OF THE INTEREST RATES TO APPLY AS AT THE NEXT INTEREST DETERMINATION DATE IN RESPECT OF FNBB006, FNBB009, FNBB010 AND FNBB011 (UNLISTED)

- All defined terms in this Press Announcement are as defined in the Programme Memorandum dated 1st December 2011 in terms of the First National Bank of Botswana Limited BWP 3,000,000,000 (three billion Pula) Programme Memorandum (**Programme Memorandum**) which contains the Terms and Conditions in relation to the FNBB Notes (**Terms and Conditions**), unless separately defined herein.
- The Bank of Botswana in its Monetary Policy Statement dated February 23, 2022 announced inter alia, the adoption of the yield on the main monetary policy instrument (currently the 7-day BoBc) as the anchor policy rate in place of the Bank Rate. This new rate will be called the Monetary Policy Rate (MoPR). This change came into effect as at 28th April 2022.
- The discontinuance of the Bank Rate affects the following FNBB Floating Rate Notes, which have the Bank Rate as the Reference Rate: FNBB006 FNBB009 FNBB010, FNBB011.
- The Issuer has engaged with Noteholders as to the requirement to restate the interest rate provisions in relation to each of the above Notes by way of the issue of Amended and Restated Pricing Supplements that will reference the new Reference Rate, being MoPR and an adjusted margin so as to ensure that the all-in rate remains effectively the same as at the date the Amended and Restated Pricing supplements will be issued.
- The Issuer has engaged with the Botswana Stock Exchange Limited (BSEL) and the Trustee, acting for an on behalf of Noteholders, and the Issuer has determined following this engagement that it will convene meetings of Noteholders in relation to each Note, in order to seek the formal sanction of Noteholders to the Amended and Restated Pricing Supplements as provided for in the Terms and Conditions.
- The procedure of calling a Noteholder meeting to receive formal sanction of Noteholders to the Amended and Restated Pricing Supplements will not be able to be implemented as at the next Interest Determination Date in respect of the above Notes, as this will require 21 days notice following BSEL approval of the Notice to Noteholders calling the meeting.
- In light of the above, the provisions of the Terms and Conditions apply in such a situation where the procedures to be adopted if the Relevant Screen Rate is not available, or if the Rate of Interest cannot be determined by requesting quotations from the Reference Banks to provide the rate at which would have been used for the Reference Rate in the Gaborone inter-bank market apply (Fall-Back Provisions) and the Issuer and the Calculation Agent will rely on the provisions of Condition 8.2 of the Terms and Conditions, specifically at Condition 8.2 (c) as highlighted below:
- "(c) ... If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest period, the Margin relating to the relevant Interest period, in place of the Margin relating to that last preceding Interest Period."*
- Therefore, the interest rate to apply as at the next Interest Determination Date will be the All-in-Rate or Total Rate as was applicable as at the preceding Interest Determination Date:

NOTE	Basis Points (Spread)	Bank Rate	Total Rate	Preceding Interest Determination Date	Applicable Interest Determination Date at which Total Rate will apply
FNBB006	100	3.75%	4.75%	11-Feb-22	11 May 2022 (IRO Interest Payment Date as at August 2022)
FNBB009	95	3.75%	4.70%	08-Mar-22	8 June 2022 (IRO Interest Payment Date as at September 2022)
FNBB010	200	3.75%	5.75%	02-Mar-22	2 June 2022 (IRO Interest Payment Date as at September 2022)
FNBB011 (Unlisted)	250	3.75%	6.25%	15-Mar-22	15 June (IRO Interest Payment Date as at September 2022)

- The Issuer expects to be able to convene the meetings of Noteholders to approve the Amended and Restated Pricing Supplements in June 2022 or latest early July 2022, and thereafter the Interest Rates on the Notes will be as per the revised provisions in the issued Amended and Restated Pricing Supplements.
- A full Notice to Noteholders will be published on x-news, in one national newspaper and sent directly to Noteholders in relation to the above Notes that appear on the register on the date of publication.

This press announcement is published in compliance with the Terms and Conditions in the Programme Memorandum dated 1st December 2011 in terms of the First National Bank of Botswana Limited BWP 3,000,000,000 (three billion Pula) Programme Memorandum and the Botswana Stock Exchange Debt Listing Requirements

Transfer Secretaries  
PwC  
Plot 50371, Fairground Office Park  
Gaborone, Botswana  
Contact: Dolly Mmereki  
Tel: +267 370 9818



Sponsoring Broker  
Motswedi Securities  
Plot 113, Unit 30,  
Kgale Mews,  
Gaborone P/Bag 00223,  
Gaborone, Botswana.  
Tel: +267 3188627

