



BOTSWANA DEVELOPMENT CORPORATION LIMITED

(Incorporated in the Republic of Botswana on 15 April 1970)

(Registration number 750)

("BDC" or "the Issuer")

**ANNOUNCEMENT REGARDING THE AMENDEDMENT OF ISSUED AGGREGATE NOMINAL AMOUNTS OF BDC001 UNSECURED NOTES TO BWP82,030,000.00 AND CREATION AND LISTING OF A NEW TRANCHE OF BWP142,530,000.00 BDC003 SENIOR SECURED NOTES**

*This announcement does not constitute, or form part of, an offer or invitation, or solicitation or inducement of an offer, to subscribe for or purchase any of the unsecured bonds or other securities of the Issuer, nor is this announcement circulated to invite offers for any securities of the Issuer.*

Botswana Development Corporation is a development finance Institution founded in 1970 as a limited liability company with the Government of Botswana as the sole shareholder. BDC promotes and facilitates the development of industrial, commercial, and agricultural enterprises within the framework of the Government's plan for economic development. As the country's main agency for development, today BDC remains one of the biggest investors in Botswana with group investment assets worth BWP4 billion, from a humble ZAR20,000 worth of investment assets held as at the commencement of operations in 1971.

Botswana Development Corporation Limited ("BDC" or the "Issuer") is publishing this announcement in accordance with the Botswana Stock Exchange's (BSE) Listing Requirements.

All notes referred to below are issued off the BWP1 Billion Note Programme Memorandum (the "Note Programme Memorandum") dated 28 May 2013, the First Supplementary Programme Memorandum dated 18 March 2016 and the Second Supplementary Programme Memorandum dated 10 August 2017, which together constitute the programme memorandum for the purposes of the note issues.

On 15 February 2018, BSE approved for BDC to amend the aggregate issued nominal amount of BDC001 unsecured notes to BWP82,030,000.00 and the creation of and listing of a new tranche of BWP142,530,000.00 BDC003 senior secured notes.

The BDC001 Notes were initially issued on 9 June 2016 for aggregate nominal amount of BWP225,260,000.00. On 17 August 2017, BDC issued BDC002 senior secured notes for aggregate nominal amount of BWP131.500,000.00. To comply with the provisions of the Negative Pledge in the Note Programme Memorandum, BDC reached unanimous agreement with the BDC001 Noteholders and agreed to create and list BWP142,530,000.00 as senior secured BDC003 notes and to amend the aggregate issued nominal amount of BDC001 unsecured notes to BWP82,030,000.00.

## Transaction Background

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1. On 9 June 2016, the Issuer listed on the Botswana Stock Exchange Series 001 Notes in the collective amount of BWP225,260,000 to Series 001 Noteholders.
2. Thereafter the Issuer listed the tranche of notes comprising the Series 002 Notes on the Botswana Stock Exchange on 29 September 2017 which Series 002 are secured by the Pledge.
3. In terms of the Programme, the Series 001 Noteholders enjoyed the benefit of negative pledge which is described in the Programme Memorandum.
4. In order to comply with the provisions of the Negative Pledge, the Issuer engaged with each of the Series 001 Noteholders and provided each of them with the opportunity to accept any of Option 1, Option 2 or Option 3.
5. The Issuer thereafter reached unanimous agreement with the Series 001 Noteholders and as follows:
  - 5.1 Series 001 Noteholders holding Series 001 Notes to the value of BWP142,530,000.00 accepted Option 1;
  - 5.2 Series 001 Noteholders holding Series 001 Notes to the value of BWP82,030,000.00 accepted Option 2; and
  - 5.3 Series 001 Noteholders holding Series 001 Notes to the value of BWP700,000 accepted Option 3.
6. The consequences of the foregoing are as follows:
  - 6.1 The reduction of the issued amount of Series 001 Notes to BWP82,030,000.00; and
  - 6.2 The listing of the Series 003 Notes to the value of BWP142,530,000.00 on 12 April 2018 with applicable interest of Prime +1.75%.

## Documents Available

So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available for inspection by Noteholders on reasonable notice from the registered office of the Issuer and from the specified office of the Transfer Secretaries for the time being in Gaborone:

- i the published annual report of the Issuer, incorporating the audited annual financial statements of the Issuer in respect of the most recent three financial years;
- ii a copy of the Programme Memorandum and this Supplementary Programme Memorandum;
- iii any future prospectuses, Supplementary Programme Memoranda, supplementary listing particulars, information memoranda and supplements (including the Pricing Supplements in respect of listed Notes) to this Programme Memorandum and any other documents incorporated herein or therein by reference;
- iv a copy of the Trust Deed and any Supplementary Trust Deed;
- v certified copies of resolutions and authorisations of the BDC Board of the Issuer in respect of the issue of the Notes;
- vi audited financial accounts of the Issuer for the previous three years;
- vii the confirmatory letter from the auditor of the Issuer; and
- viii advisors' letters of consent.
- ix the letter confirming waiver of the negative pledge by BDC001 Noteholders;

<b>Arranger</b>	Standard Chartered Bank of Botswana Limited.
<b>Arranger's Legal Advisors</b>	Armstrongs Attorneys.
<b>Issuer's Legal Advisors</b>	Bookbinder Business Law.
<b>Transfer Secretary</b>	Transaction Management Services (Proprietary) Limited t/a Corpserve Botswana.
<b>Calculation Agent</b>	Transaction Management Services (Proprietary) Limited t/a Corpserve Botswana.
<b>Paying Agent</b>	Transaction Management Services (Proprietary) Limited t/a Corpserve Botswana.
<b>Sponsoring Broker</b>	Imara Capital Securities (A Member of the Botswana Stock Exchange).