NOTICE TO OUR VALUED SHAREHOLDERS

X-NEWS ANNOUNCEMENT 14 DECEMBER 2017 - BOTSWANA

UPDATE ON FURTHER REDUCTION BY BARCLAYS PLC ('BARCLAYS') OF ITS SHAREHOLDING IN BARCLAYS AFRICA GROUP LIMITED ('BAGL') TO 14.9%

14 December 2017

Barclays Bank of Botswana Limited (“BBB or the Bank”) draws our shareholders attention to its X-news announcement released on 1 June, 2017 and an announcement made by BAGL on 1 December 2017. BAGL’s announcement appears in part below:

“On 1 June 2017, shareholders were advised that Barclays had reduced its total interest in BAGL to 23.4% from 50.1%, in addition to which:

- 1.5% would be contributed to a Barclays broad-based black economic empowerment (‘B-BBEE’) scheme in due course; and
- 7% would be taken up by the Public Investment Corporation SOC Limited (‘PIC’) on a deferred completion, subject to receipt of all necessary regulatory approvals by the PIC, following which Barclays’ total interest in BAGL would be approximately 15%.

As noted above the transfer of the 7% stake in BAGL to the PIC is subject to regulatory approval. Pending receipt of such approvals, pursuant to an agreement between Barclays, the PIC and the local subsidiaries of two international financial institutions (‘the Financial Institutions’), Barclays transferred (subject to settlement) the 7% stake in BAGL to the Financial Institutions on 30 November 2017. This agreement is broadly a continuation of the previous agreement between Barclays and the PIC and was therefore concluded at a price of R136.09 per share. The intention is:

- For the Financial Institutions to hold 4% and 3% respectively, in BAGL (at which level, no regulatory approval is required); and
- For the PIC to ultimately take ownership of the 7% stake in BAGL from the Financial Institutions, subject to receiving all necessary regulatory approvals.

Thus following the contribution to the interim B-BBEE structure and the transfer to the Financial Institutions, Barclays’ total interest in BAGL is at 14.9%. Barclays has indicated that this represents its desired long term shareholding in Barclays Africa and that no further sales are planned at this time.”

BBB wishes to reiterate that Barclays PLC’s reduction of its shareholding in BAGL will not affect BAGL’s shareholding in its African operations, including BBB. BBB continues to have a clear strategy in Botswana and remains focused on executing that strategy. BBB is a profitable business, well capitalised
and is financially independent of Barclays PLC. BBB will continue to serve its customers as it has done for over 67 years.

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Enquiries:
Cynthia Morapedi (Financial Controller)
cynthia.morapedi@barclays.com

Tel: +267 3686060