

Confirmation of Intention to Float

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16 October 2019

The African Export-Import Bank

Confirmation of Intention to Float on the London Stock Exchange

Following the announcement on 9 October 2019 by the African Export-Import Bank ("**Afreximbank**" or the "**Bank**"), a supranational financial institution whose purpose is to facilitate, promote and expand intra- and extra- African trade, of its potential intention to publish a registration document, the Bank hereby confirms its intention to proceed with an Initial Public Offering (the "**Offer**") by issuing Global Depository Receipts ("**GDRs**"), consisting of (i) a U.S.\$250 million base deal size and (ii) a brownshoe option representing up to 15% of the base deal size. The GDRs are expected to be admitted to the standard listing segment of the Official List of the FCA and to trading on the Main Market of the LSE.

The final offer price (the "**Offer Price**") in respect of the Offer will be determined following a book-building process, with admission expected to occur in November 2019.

The Bank's mission is to stimulate the consistent expansion, diversification and development of African trade, particularly intra-African trade, while operating as a best-in-class, profit-oriented, socially responsible financial institution and a centre of excellence in African trade matters.

Professor Benedict Oramah, President of the African Export-Import Bank, said:

"I am delighted to confirm our intention to float on the London Stock Exchange. Afreximbank is well placed to capitalise on the opening up of trade across the continent and, with our

experienced management team, we are confident we can deliver value for shareholders and customers. We look forward to presenting our growth story to investors."

Afreximbank Highlights

- The Bank intends to apply for the admission of GDRs to trading on the Main Market of the LSE and to listing on the standard listing segment of the Official List of the FCA. Admission is expected to occur in November 2019 and will consist of a base deal size of \$250 million, with a brownshoe option representing up to 15% of the base deal size.
- The Offer is intended to be comprised of new GDRs to be issued by the Bank which will represent the Bank's Class D ordinary shares.
- The use of proceeds is expected to:
 - Accelerate trade finance growth throughout Africa;
 - Strengthen the Bank's source of permanent capital to enable it to expand its lending activities;
 - To meet the expected increase in demand for financing as a result of the projected growth of intra-African trade; and
 - Broaden the Bank's shareholder base.
- Immediately following Admission, the Bank will permit exchangeability between the GDRs traded in London and its depositary receipts currently listed in the Mauritius, which will ultimately increase the effective free float.
- The Bank intends to allocate the proceeds from the sale of up to 15% of the Offer for the purpose of conducting price stabilisation activities. If no stabilisation activities are conducted, such proceeds will be returned to the Bank; if stabilisation activities are conducted, the GDRs purchased through such stabilisation activities, together with any remaining allocated proceeds, will be returned to the Bank.
- The Bank's strategy is focused on four main pillars: Intra-African Trade, Industrialisation and Export Development, Trade Finance Leadership, and Financial Soundness and Performance.
- The Bank, immediately prior to Admission, is expected to agree that (subject to certain exceptions), during the period of 180 days from the date of Admission, it will not, without the prior written consent of the Joint Global Co-ordinators (as defined below), offer, sell or contract to sell, or otherwise transfer or dispose of, directly or indirectly, or announce an offer of any Shares or GDRs (or any interest therein or in respect thereof) or enter into any transaction with the same economic effect as any of the foregoing.
- For the six months ended 30 June 2019, the Bank's profit was U.S.\$137.6 million (2018: U.S.\$75.5 million). As at June 2019, the Bank's total assets were U.S.\$15.4 million. For the year ended 31 December 2018, the Bank's profit for the year was U.S.\$275.9 million (31 December 2017: U.S.\$220.5 million). As at 31 December 2018, the Bank's total assets were U.S.\$13,419.4 million (31 December 2017: U.S.\$11,913.5 million).
- The Bank has engaged J.P. Morgan Securities plc ("**J.P. Morgan**") and HSBC Bank plc (together with J.P. Morgan, the "**Joint Global Co-ordinators**") to act as Joint Global Co-ordinators and Joint Bookrunners and Exotix Partners LLP (trading as Tellimer) to act as Co-Lead Manager in the event the Offer proceeds. Afreximbank Advisory & Capital Market Department is acting as Financial Adviser.

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This announcement may include forward-looking statements, which are based on current expectations and projections about future events. These statements may include, without limitation, any statements preceded by, followed by or including words such as "target", "believe", "expect", "aim", "intend", "may", "anticipate", "estimate", "plan", "project", "will", "can have", "likely", "should", "would", "could" and any other words and terms of similar meaning or the negative thereof. These forward-looking statements are subject to risks, uncertainties and assumptions about the Bank and its subsidiaries and its investments, including, among other things, the development of its business, strategy, trends in its operating environment, and future capital expenditures and acquisitions. In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur. Past performance should not be taken as an indication or guarantee of future results and no representation or warranty, express or implied, is made that any forward-looking statement will come to pass. No one undertakes to update, supplement, amend or revise any such forward-looking statement. Except where otherwise indicated, the information and the opinions contained therein are provided as at the date of the presentation and are subject to change without notice.

In addition, certain industry, market and competitive position data contained in this announcement comes from the Bank's internal research and estimates based on the knowledge and experience of the Bank's management in the markets in which the Bank operates. While the Bank reasonably believes that such research and estimates are reasonable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change. Accordingly, reliance should not be placed on any of the industry, market or competitive position data contained in this announcement.

Any subscription or purchase of securities in the possible Offer should be made solely on the basis of information contained in the Prospectus which may be issued by the Bank in connection with the Offer. The information in this announcement is subject to change. Before subscribing for or purchasing any securities in the possible Offer, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Prospectus if published. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. Neither this announcement, nor anything contained herein, shall form the basis of or constitute any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any securities in the possible Offer or any other securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefor.

The Bank may decide not to go ahead with the IPO and there is therefore no guarantee that a Prospectus will be published, the Offer will be made or Admission will occur. Financial decisions should not be based on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making investments should consult an authorised person specialising in advising on such investments. Neither this announcement, nor anything contained herein, constitutes a recommendation concerning a possible offer. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of a possible offer for the person concerned.

In connection with the Offer, the Bank may, to the extent permitted by applicable law, allocate proceeds from the sale of up to 15% of the Offer for the purpose of conducting stabilisation activities, with a view to supporting the market price of the GDRs at a level higher than that which might otherwise prevail in the open market for a period of no more than 30 calendar days after the date of commencement of conditional dealings of the GDRs on the LSE. Such transactions may be effected on the London Stock Exchange, in the over-the-counter markets or otherwise. There is no obligation on the Bank to undertake stabilisation transactions. Such transactions, if commenced, may be discontinued at any time without prior notice and must be brought to an end no later than 30 calendar days after the date of commencement of conditional dealings of the GDRs on the LSE. In no event will measures be taken to stabilise the market price of the GDRs above the Offer Price. Save as required by law, the Bank does not intend to disclose the extent of any stabilisation transactions under the Offer.

Solely for the purposes of the product governance requirements contained within: (a) Directive 2014/65/EU on markets in financial instruments, as amended ("**MIFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the securities referred to herein have been subject to a product approval process, which has determined that such securities would be: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to any offering of securities referred to herein. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to any securities referred to herein. Each distributor will be responsible for undertaking its own target market assessment in respect of any securities and determining appropriate distribution channels.

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