



FOR IMMEDIATE RELEASE

TDB ISSUES A HISTORIC 7-YEAR GLOBAL EUROBOND

TDB makes a strong return to capital markets, with its lowest-cost-ever and longest tenor global Eurobond oversubscribed 4.5X

Nairobi, 24 June 2021 – TDB sets a new record once again with its latest issuance on Euronext Dublin of a senior unsecured 7-year USD 500 million Eurobond, at coupon rate of 4.125%. The bond was oversubscribed an unprecedented 4.5 times, closing with an order book of USD 2.4bn.

Citi, Commerzbank, J.P.Morgan Securities, MUFG, SMBC Nikko, Standard Chartered Bank (B&D) were joint bookrunners and joint lead managers in this transaction.

In preparation for its prospective USD bond issue, the TDB team embarked on a comprehensive virtual roadshow including a Global Investor Call (GIC) and individual investor meetings. TDB received strong interest for meetings, managing to engage with c.35 investors in 1x1s and small group calls over the course of 1.5 days, bringing the total investor participation in the marketing effort to over 80 participants.

The detailed feedback received provided a high-resolution picture of investor reactions and expectations as well as momentum to open books on Wednesday for a benchmark size 7-year transaction with the IPTs set in the 4.750-4.875%.

The bookbuild soon gathered pace, driven by early Asian support. With the order book growing to USD 1.8bn before the US open, pricing was subsequently revised with a guidance range of 4.375-4.5%.

The US open saw the entry of several substantial orders by US-offshore accounts, growing the order book to c. USD 2.4bn. TDB then launched at a yield of 4.25% for a transaction size set at USD 500 million.

With a 50-62.5bp tightening through the book building process, the new issue premium paid for the offering was zero, highlighting the market endorsement to the credit and TDB's savvy use of the available market window to execute the transaction.

Overall, TDB was able to attract diverse high-profile investors from African and developing markets including the likes of Brazil, Chile as well as Nigeria, and South Africa, in addition to its traditional strong global investors from Asia, Europe, the Gulf, and US regions.

The Bank's rating was upgraded to investor-grade by Moody's and Global Credit Ratings (GCR) in 2017 and raised by Fitch to BB+ in 2018. Despite the challenges

posed by the pandemic and its adverse effects on TDB's operating environment, the Bank's ratings were affirmed in 2020, thanks to its resilience, continued growth and profitability and high asset quality. Indeed, even amidst the pandemic, TDB's world-class risk management and good governance have enabled it to continue shoring up the confidence of funding partners and investors wishing to earn healthy returns while advancing impact in the region. Bond proceeds will be leveraged to refinance existing debt and grow the Bank's balance sheet via transformative trade and project finance transactions.

TDB has a successful track record issuing bonds within Africa and other international markets. Its previous issuances in the Eurobond market date back a decade, with benchmark size issuances in 2017, and 2019. This new record issuance highlights the ever-growing appetite of global investors for TDB credit, and is a testament to TDB's consistent track record delivering attractive financial returns as well as impact in the region.

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About TDB

Established in 1985, the Eastern and Southern African Trade and Development Bank (TDB) is a multilateral, treaty-based, investment-grade development finance institution, with 41 sovereign and institutional shareholders and assets of USD 7.2bn. TDB serves 22 economies in its region, with the mandate to finance and foster trade, regional economic integration, and sustainable development.

TDB is part of the TDB Group, which also comprises TDF (the Trade and Development Fund), ESATF (the Eastern and Southern African Trade Fund), TCI (TDB Captive Insurance), and the TDB Academy.

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