



The Bank of Zambia on behalf of the Government of the Republic of Zambia invites applications for Government Bond Auction Number 05/2023/BA to be held on May 26, 2023. All bid applications (physical and electronic) submitted to Bank of Zambia must be received by 16:00 hours on Wednesday, May 24, 2023. Settlement will be on Monday, May 29, 2023. The following are the amounts on offer:

Non-Benchmark Bonds

Tenor	2 Years	7 Years	15 Years
Coupon rate	9%	12%	14%
Competitive Tender Amounts	K270.0 Million	K315.0 Million	K360.0 Million
Non- Competitive Tender	K30.0 Million	K35.0 Million	K40.0 Million
Total Tender Amount	K300.0 Million	K350.0 Million	K400.0 Million
ISIN	ZM1000005745	ZM1000005752	ZM1000005760
Maturity Dates	29 May 2025	29 May 2030	29 May 2038
Coupon Dates	29 November, 29 May	29 November, 29 May	29 November, 29 May
Description	New Issue	New Issue	New Issue

Benchmark Bonds

Tenor	3 Years	5 Years	10 Years
Coupon	10%	11%	13%
Competitive Tender Amounts	K360.0 Million	K585.0 Million	K450.0 Million
Non- Competitive Tender	K40.0 Million	K65.0 Million	K50.0 Million
Total Tender Amount	K400.0 Million	K650.0 Million	K500.0 Million
ISIN	ZM1000005661	ZM1000005679	ZM1000005695
Maturity Dates	3 April 2026	3 April 2028	3 April 2033
Coupon Dates	3 October, 3 April	3 October, 3 April	3 October, 3 April
Description	Re-Issue	Re-Issue	Re-Issue

A. TENDER CONDITIONS:

- Total amount of bonds on tender is **K2,600,000,000.00 (Two Billion Six Hundred Million Kwacha)** at cost.
- The off tender (non-competitive) window will have 10% of the total amount on offer.

3. The minimum value of each application will be **K1,000.00 (One Thousand Kwacha)** for non-competitive and **K500, 000.00 (Five Hundred Thousand Kwacha)** for Competitive bids.
4. All tenders must be in multiples of **K1,000.00 (One Thousand Kwacha)** for non-competitive bids and **K5, 000.00 (Five Thousand Kwacha)** for competitive bids.
5. All tender bids should be submitted to the Bank of Zambia electronically through the Central Securities Depository (CSD).
6. The Bank of Zambia will determine allotment of issue and the results will be announced on **Friday, May 26, 2023**. The Bank reserves the right to reject any bids not conforming to regulations as prescribed.
7. **The Bank of Zambia reserves the right to accept bids higher or lower than the tender sizes.**

B. **INTEREST PAYMENT:**

Coupon Interest shall be paid semi- annually based on Actual /365 days from the date of settlement.

C. **NON-COMPETITIVE:**

8. Non-competitive bids on this auction will be issued as per Government Securities Operating Guidelines.

D. **GENERAL CONDITIONS OF ISSUE:**

1. The Government of the Republic of Zambia reserves the right to redeem the 7, 10 and 15-year bond before maturity. This call option may be exercised after the bond has run 60 percent of its life.
2. The Bank of Zambia will not rediscount any bonds issued.
3. Coupon interest will be subject to **withholding tax (currently at 15%) and handling fee (currently at 1%)**.
4. **Discount interest will not be subject to withholding tax and handling fee.**
5. All investors (individuals and corporate entities alike) are allowed to participate directly on this auction.
6. Coupon interest will be paid every six months from the date of settlement until maturity.
7. Coupon and Maturity payments on a non-business day shall be paid on the next business day.