
TERM SHEET “GOVERNMENT BONDS 2024 SERIES 1”

| | |
|--------------------------------------|--|
| Issuer: | Republic of Mozambique |
| Underwriting type: | Direct |
| Amount: | MZN 2,065,000,000.00 |
| Quantity: | 21,386,384 Book-entry bonds, registered |
| Issuance Term: | 5 years |
| Nominal Value: | MZN 100.00 |
| Placement: | The bonds will be placed through the "Operators Specialized in Treasury Bonds" (Primary Dealers) pursuant to article 6 of Decree no. 05/2013, dated March 22nd. |
| Underwriting Date: | January 10, 2024 |
| Issuance and settlement date: | January 11, 2024 |
| Auction: | Competitive Interest Rate |
| Interest Rate: | The applicable nominal interest rate will be: (i) fixed at 18.00% during the first 4 semiannual payments of interest and (ii) variable during the last 6 semiannual interest payments. |

The variable interest rate that remunerates each bond will result from adding a percentage margin to a reference rate, rounded up to 1/20 of a percentage point equal to or immediately above.

The variable interest rate that pays each bond in the last 6 semiannual payments will be determined until 8:30 am on the second business day prior to the start date of the new interest counting period.

The reference rate is determined by the maturity and amount weighted average rate of the last six issues of Treasury Bills, with maturities superior to 63 days.

If these securities are not issued for the considered periods in the last 28 calendar days on the date of calculation of the

reference rate, another security which, by its nature, replaces the securities in question will be considered as the reference for the calculation of the reference rate.

The percentage margin to be added to the reference rate is 0.25% (zero-point twenty-five percent) for the last 6 semiannual payments of interest.

Interest Calculation: The interest will be calculated daily and on a 360-day basis, corresponding to twelve months of 30 days each (i.e. the European model 30/360)

Interest Payment: The interest period will be counted until January 11 and July 11 of each year, and interest payment will take place on the following business day after the end of the interest calculation.

If payment date is not a business day (defined as a day on which Banks are open and operating in Maputo City), the interest payment date will be adjusted to the following business day.

Redemption Date: At maturity, on January 11, 2029, date of interest payment of the last coupon, if this date is not a business day (defined as a day on which the Banks are open and operating in Maputo City), the redemption date will be adjusted to the business day immediately after.

Early Redemption (call option) At the request of the issuer, the bond may be fully or partially repaid, from the 2nd coupon, inclusive, with a minimum notice of 15 days.

Guarantees: These treasury bonds have the recognized privileges and guarantees of public debt securities. The funds necessary for debt servicing will be registered in the State Budget.

Fiscal Regime: Under the current legislation in Mozambique.

Paying and Calculation Agent: Direcção Nacional de Gestão da Dívida Pública (Treasury)

Organization and Leadership: Direcção Nacional de Gestão da Dívida Pública (Treasury)