

RFP Number: T61/12/24

Description: Appointment of a Debt Capital Markets Lead Manager

Question and Answers Version 2

No.	Question	Type	Answer
1	How much is IDC looking to raise in its first outing in the Eurobond market?	Technical	With the issued tender the IDC envisage bidders to make recommendations on the optimal issue size for the debut Eurobond.
2	What would be the use of proceeds for the Eurobond? IDC's portion of foreign loans is currently low so other than investor diversification what is motivating the desire to go to the Eurobond market?		It is expected that bidders must make recommendations regarding the use of proceeds, including consideration for a general corporate purpose bond.
3	Do IDC see a USD300m Eurobond (minimum size recommended) transaction as once-off in nature? If not, can you approximate the total hard currency borrowing requirement over the next 12 months and the next 24 months?		The intention of this tender is for bidders to propose the optimal deal structure to achieve the best outcomes for the IDC.
4	Which sectors within South Africa are major users of USD denominated loans? How do you see this changing?		All sectors and value chains are involved, depending on market conditions and funding requirements.
5	What capacity does IDC have to raise a debt Eurobond in green and/or social (or sustainable) format if this is your preference? Have total eligible assets been quantified?		The IDC has a significant asset register and has established a Sustainable Bond Framework with an Second Party Opinion (SPO). Further details are available on our webpage.
6	Does IDC intend to increase the rest of Africa loan book over time both in absolute terms and as a % of total loan asset book? If so, is this a change in strategic direction.		The IDC is always looking for growth opportunities in the rest of Africa, and beyond South Africa.
7	What is the average interest rate earned on IDC's USD assets to date and what is the expectation regarding new USD and/or EUR assets being funded with a Eurobond?		Refer to Section 2, paragraph 2 of the tender document for the Latest financial statement for details.
8	Is IDC receptive to obtaining a second international rating via Fitch or S&P?		If there is a case for obtaining a second international rating, the IDC is receptive to obtain such.
9	When does IDC expect to publicly release your September 2024 interim results and your full year March 2025 audited financial statements?		The IDC is exempted from publishing interim results.
10	Does IDC have any ambitions to grow their ex-South Africa business, if so to what extent and to which key markets?		The IDC is always exploring growth opportunities in the rest of Africa, and outside South Africa.
11	The strategic goals you aim to achieve with this debut Eurobond issuance		Please refer to Section 2 of the tender document for details on the primary objectives of this fundraising initiative.
12	How this aligns with your broader financial and operational strategy.		Please refer to Section 2 of the tender document for how this issuance aligns with IDC's broader financial and operational strategy.
13	The key factors that influenced your decision to enter the Eurobond market at this time		Please refer to Section 2 of the tender document for insights into the key factors influencing IDC's decision to enter the Eurobond market.

14	You mention an offshore ZAR issuance in the RFP document, can you expand on the rationale for this structure especially in the context that IDC enjoys access to the local currency bond market currently	The IDC is targeting offshore retail and institutional investors with an appetite for ZAR-denominated instruments. If there is no demand, the IDC is prepared to proceed with alternative funding structures.
15	Please clarify your preferred issuing currencies to allow us to fine-tune our recommendation	The IDC preferred issuing currency is USD, however, it is also expected that bidders make recommendations based on what is most feasible for IDC.
16	Following on from the above, are you able to provide a currency split for the use of proceeds	There is no predefined split by currency. Bidders should provide recommendations, taking into account "use of proceeds" and "general corporate purpose".
17	Please share further detail with respect to the draft borrowing programme for 2025/26 per the Corporate Plan	The IDC does not have additional details beyond what is outlined in the Corporate Plan, bidders can refer to Section 2 paragraph 2 available documents.
18	If available kindly share the draft project pipeline for 2026 by currency	The IDC has a project pipeline, however this will be shared with the preferred bidder only as IDC are unable to share it publicly at this stage.
19	Functional requirements section under "Background information" – In terms of non-core currencies, given the fact that IDC's hard currency obligations are currently mostly in USD and some in EUR (as per the latest AFS), what other currencies are IDC looking for? Are these other currencies required in terms of IDC's current pipeline?	Section 2 paragraph 2 of the tender document IDC may require international, ZAR.
20	Is the proposed Eurobond funding going to be kept in hard currency or will it be swapped back into ZAR?	The proceeds will primarily be used to fund USD assets.
21	What are the optimal tenors that IDC is looking for and what is the quantum of funding that IDC is looking to raise through the Eurobond?	The IDC is keen to address structural liquidity mismatches and is open to considering longer tenors.
22	Given Note preceding 11.3.8, are the documents requested in 11.3.8 & 11.3.9 to be submitted by each member of the Consortium or can one member respond on behalf of the consortium?	The tender document in 11.3.8 (Annexure 7) and 11.3.9 (Annexure 8) may be responded to on behalf of the consortium. The note preceding 11.3.8 is applicable for items 11.3.1 - 11.3.7.
23	Do we need to provide CVs over and above the detail requested provided on Table B (Annexure A)?	<p>Bidders must respond to the technical evaluation stipulated in Section 2, paragraph 5, evaluation criterion 5.1.5 that states the following:</p> <p>"The bidders must submit, as part of its proposal, the following:</p> <ul style="list-style-type: none"> • The structure and composition of the proposed team, clearly outlining the main disciplines/ specialties of this project and the key personnel responsible for each specialty. Please refer to Table (b) Annexure 1 of this document for the format in which the required information must be provided. • CVs of the key personnel; and the CVs must clearly highlight qualifications, areas of experience/ competence relevant to the tasks and objectives of this project as outlined above. The tender document in 11.3.8 (Annexure 7) and 11.3.9 (Annexure 8) may be responded to on behalf of the consortium. The note preceding 11.3.8 is applicable for items 11.3.1 - 11.3.7"

24	Can we fill in and sign the RFP submissions electronically?	Administration	Bidders may complete their submissions in electronic format.
25	Please could you confirm if joint bids are allowed as part of this tender? Can two (or more) potential lead managers form a consortium and provide a joint bid?		Refer to the tender document Section 4, Annexure 2: Acceptance of Bid Conditions and Bidder details.
26	Authorised Signatories: our firm has two authorised signatories that are required to sign documents in tandem. Are we permitted to populate both signatures and signatory names on the same input line?		Bidders need to adhere to their delegation of authority in terms of authorised signatories and apply it on the tender document.
27	Annexure 5: Our firm is wholly owned by a corporation. Kindly confirm how we should populate the table titled "1. Shareholders / Members" in this instance?		The IDC will require the ultimate beneficial owners within these corporation(s).
28	Section 8 "IDC's rights" – with respect to clause 8.7, could you please clarify which "references" are being referred to here?		The references that is referred to is the references bidders provide in Section 2, paragraph 5 table 5.1.1.
29	Section 12 "Evaluation criteria and weightings" – with respect to clause 12.4.1 for the second bullet point, could you please clarify what is meant by the statement that the IDC does not want to have over exposure to a single bidder in terms of this RFP?		The statement is addressing concentration risks, where a single bidder is servicing multiple projects that may pose a concentration risk to the IDC.
30	Our authorised signatory's are not confirmed by Board Resolution however we will provide evidence of authorisation. Please confirm this is acceptable?		The IDC will require confirmation of the bidders authorised signatories.
31	There is mention of ESG strategies to attract investors, please confirm if the issuance is expected to be ESG labelled?		Refer to Question and Answer document Version one (1) which can be obtained on the IDC website www.idc.co.za (under tenders) and the e-tender portal www.etenders.gov.za
32	For Annexure 4 Questions 2.2 and 2.3, we cannot specifically provide information as to the employees engagement with IDC or other related parties. Please confirm if acceptable to not answer these questions.		Bidders are requested to complete and sign Annexure 4 in full.
33	We are not able to provide personal sensitive information of Shareholders and Directors including ID/passport numbers, race or gender. Please confirm this is acceptable?		Bidders are required and must complete Annexure 5: Shareholder and Directors Information in full. Bidders must also refer to paragraph 8: IDC's rights specifically 8.4.
34	In reference to Criminal or civil charges, whilst we are not aware of any such issues in the Group would not be available in all instances. Please confirm this disclosure would be for the signing entity only and not for any parent or other group entities?	Bidders are requested to complete and sign Annexure 7 in full, this Annexure confirms the following: <i>"In terms of the tender condition 8.6, which allows the IDC to conduct background checks on bidders and its shareholders and directors, the IDC hereby requires bidders to provide the following additional information"</i>	