



GOVERNMENT OF BELIZE
Ministry of Finance
Belmopan, Belize

Press Release

For Immediate Release

Belize Announces Commencement of Cash Tender Offer and Consent Solicitation

Belmopan, Belize, 13 September, 2021: The Government of Belize (“**Belize**”) announced today that it has commenced an offer to purchase for cash (the “**Offer**”) any and all of its U.S. Dollar Bonds due 2034 (the “**Bonds**”) and a solicitation of consents (the “**Consent Solicitation**”) from holders of the Bonds (“ **Holders**”) that are Eligible Holders to certain exit amendments to the Indenture and the Terms and Conditions governing the Bonds that will, among other things, enable Belize to redeem for cash any Bonds not tendered pursuant to the Offer (the “**Redemption**”). The Offer and the Consent Solicitation are made on the terms and subject to the conditions contained in the Offer to Purchase and Consent Solicitation Statement, dated September 13, 2021 (the “**Statement**”). All capitalized terms used but not defined in this press release have the respective meanings specified in the Statement.

Belize expects to finance the purchase of the Bonds in the Offer and the Redemption with funding via The Nature Conservancy (“**TNC**”) Blue Bonds for Ocean Conservation program (the “**Blue Bonds Financing**”), which uses private capital to refinance public debt of participating countries in order to support durable marine conservation efforts and sustainable marine-based economic activity. Belize has reached agreement in principle regarding the key commercial terms of the Blue Bonds Financing with TNC, and with affiliates of Credit Suisse Group AG, which is arranging the Blue Bonds Financing. The U.S. International Development Finance Corporation is expected to provide political risk insurance in connection with the Blue Bonds Financing.

As previously announced, a committee of institutional investors (the “**Committee**”) comprising Aberdeen Standard Investments, Grantham, Mayo, Van Otterloo & Co. LLC and Greylock Capital Management, LLC, appointed by Holders holding close to 50% of the outstanding principal amount of the Bonds, has agreed in principle on key indicative commercial terms of the Offer and the Consent Solicitation, and declared each member’s intention to tender the entirety of its position in the Bonds into the Offer. The Committee’s press release announcing this agreement, dated September 3, 2021, is available at:

<https://www.prnewswire.com/news-releases/bondholder-committee-have-reached-agreement-in-principle-with-belize-on-proposed-cash-repurchase-of-its-bonds-301369347.html>

The following table summarizes the payment terms of the Offer.

Description of the Bonds	CUSIP and ISIN Nos.	Outstanding Capitalized Principal Amount (1)	Purchase Price (2)	Accrued Interest Payment (2)(3)	Contingency Account Distribution (2)	Total Payment (2)(3)
U.S. Dollar Bonds Due 2034	07782GAG8 P16394AG6 US07782GAG82 USP16394AG62	U.S.\$ 552,901,232	U.S.\$517	U.S.\$33	U.S.\$0.90	U.S.\$550.90

- (1) The outstanding nominal principal amount of the Bonds is U.S.\$526,502,100. However, pursuant to the Indenture, notwithstanding the face value of the Bonds, all amounts of interest due on August 20, 2020, November 20, 2020 and February 20, 2021 have been capitalized and constitute principal of the Bonds in all respects under the Indenture, such that the outstanding capitalized principal amount of the Bonds is U.S.\$552,901,232. As a result, a scaling factor (the “**Scaling Factor**”) of 1.050140602 is applied to the outstanding nominal principal amount of the Bonds to reflect the principal amount due on the Bonds (*i.e.*, capitalized principal amount of the Bonds).
- (2) Per U.S.\$1,000.00 nominal principal amount of Bonds that are tendered and accepted, multiplied in each case by the Scaling Factor. No amount will be payable under the Offer in respect of any principal that may be reinstated after the date of the Statement pursuant to Paragraph 3(e) of the Terms and Conditions of the Bonds.
- (3) Eligible Holders whose Tender Orders are validly delivered at or prior to the Consent Deadline will be eligible to receive the Accrued Interest Payment *in lieu* of accrued and unpaid interest on their Bonds from February 20, 2021 to October 19, 2021.

Eligible Holders who validly tender their Bonds at or before 5:00 p.m., New York City time, on September 24, 2021 (as the same may be extended, the “**Consent Deadline**”) will be eligible to receive the Total Payment, which consists of the Purchase Price, the Accrued Interest Payment and the Contingency Account Distribution (as each is set forth in the table above). Eligible Holders of the Bonds who validly tender their Bonds after the Consent Deadline will be eligible to receive the Purchase Price and Contingency Account Distribution and will *not* be eligible to receive the Accrued Interest Payment.

In connection with the Offer, Belize hereby solicits consents (the “**Consents**”) with respect to the Bonds to certain amendments to the Indenture further described in the Statement. The proposed amendments seek to allow Belize to, among other things, (i) redeem (for cancellation) any and all untendered Bonds at a price equal to the Redemption Price, which is equal to the Purchase Price specified in the table above, without payment of any accrued and unpaid interest to the date of the Redemption, (ii) establish a custody account administered by the Trustee, as Custodian, to facilitate such Redemption and (iii) allow for the distribution of amounts in the Contingency Account to Eligible Holders upon settlement of the Offer or concurrent Redemption of untendered Bonds, as the case may be. Each Holder who tenders

Bonds in the Offer will be deemed to have provided Consents, and Bonds may not be tendered without such tendering Holder agreeing by such tender to provide Consents.

As described in the Statement, the Offer and the Consent Solicitation are conditioned on, among other things, (i) receipt of Tender Orders of at least 75% of the aggregate principal amount of the Bonds that are outstanding (the “**Super-Majority Consent Condition**”), which condition may not be waived, and (ii) receipt by Belize of proceeds in an amount sufficient to acquire all Bonds outstanding as of such date (the “**Financing Condition**”), pursuant to, among other transaction documents, a loan agreement to be entered into by Belize with an affiliate of TNC.

The Offer will expire at 5:00 pm, New York City time, on September 24, 2021 (as the same may be extended, the “**Expiration Time**”). As promptly as practicable after such date, and assuming the conditions to the Offer and the Consent Solicitation are satisfied (the “**Settlement Date**”), Belize will consummate settlement of the Offer and, simultaneously, execute the Fourth Supplemental Indenture. On the Settlement Date, Belize will redeem all Bonds that remain outstanding by depositing with the Trustee an amount sufficient to pay the Redemption Price for such Bonds (which is equal to the Purchase Price specified in the table above), to be held along with the Contingency Account Distribution, until such amounts are paid to non-tendering Holders upon delivery of such Holders’ Bonds to the Trustee in accordance with the terms of the Fourth Supplement Indenture. No accrued and unpaid interest will be paid in respect of such Redemption.

Belize will terminate the Offer and the Consent Solicitation if the Settlement Date has not occurred on or prior to November 19, 2021 (the “**Settlement Deadline**”), unless such date is extended on the terms described in the following paragraph.

Tender Orders once given may not be withdrawn, except in limited circumstances where we make a material change to the Offer that is adverse to the interests of tendering Holders, including the extension of the Settlement Deadline, or otherwise required to do so by law, in each case as determined by us in our reasonable discretion. Such revocation will be permitted for a period of time that we believe, in our reasonable discretion, is adequate to give tendering Holders time to consider such changes and determine whether to revoke their Tender Orders.

The Offer is subject to Belize’s right, at its sole discretion and subject to applicable law, to terminate or withdraw the Offer or the Consent Solicitation at any time, to extend the Consent Deadline, to extend the Expiration Time, or to amend the Offer or the Consent Solicitation in any respect, except with respect to the Super-Majority Consent Condition, which may not be amended or waived.

Citigroup Global Markets Inc. is acting as the Financial Advisor and ESG Structuring Advisor to Belize. In connection with the Offer and the Consent Solicitation,

Citigroup Global Markets Inc. is acting as Dealer Manager and Global Bondholder Services Corporation is acting as Information and Tender Agent.

Any questions or requests for assistance concerning this Offer should be directed to the Dealer Manager or the Information and Tender Agent at its applicable address and telephone number set forth below. Requests for assistance in completing and delivering Tender Orders, the Tendering Holder Certification Form or requests for additional copies of the Statement and other related documents should be directed to the Information and Tender Agent at its address and telephone number below:

Information and Tender Agent

Global Bondholder Services Corporation
65 Broadway, Suite 404
New York, New York 10006
Attn: Corporate Actions
Email: contact@gbsc-usa.com
Banks and Brokers Call: +1 (212) 430-3774
Toll Free: (866) 470-3700

**Financial Advisor and ESG Structuring Advisor
and
Dealer Manager**

Citigroup Global Markets Inc.
388 Greenwich Street, 7th Floor
New York, New York 10013
Attn: Liability Management Group
Toll Free: (800) 558-3745
Collect: +1 (212) 723-6106

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Important Notice

This press release is for informational purposes only and is not an offer of securities for sale in the United States or a solicitation of consents of any holders of securities, and none of the Bonds has been or will be registered under the Securities Act of 1933 (the "Securities Act") or the securities laws of any other jurisdiction. Unless they are registered under the Securities Act, the Bonds may be offered only in transactions that are exempt from registration under the Securities Act. This press release does not constitute an offer of the Bonds for sale, or the solicitation of an offer to buy any securities, in any state or other jurisdiction in which any offer, solicitation or sale would be unlawful. This press release does not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law.

This press release and any other documents and/or materials relating hereto is not being made and the press release and such documents and/or materials have not been approved by an authorized person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, this press release is not being made and related documents and/or materials have not been distributed, and must not be passed on, to persons in the United Kingdom ("UK") other than (i) persons falling within Article 43(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"), including existing members and creditors of Belize or (ii) any other persons to whom they may otherwise lawfully be made in circumstances where section 21(1) of the Financial Services and Markets Act 2000 (the "FSMA") does not apply and (all such persons described in (i) and (ii) above together being referred to as "Relevant Persons"). In the UK, any investment or investment activity to which this press release or any related documents and/or materials relate is available only to Relevant Persons and will be engaged in only with Relevant Persons. Any person in the UK who is not a Relevant Person should not act or rely on this press release or any related documents and/or materials or any of its or their contents.

NONE OF BELIZE OR ITS ADVISORS NOR ANY OF THEIR RESPECTIVE OFFICIALS, DIRECTORS, EMPLOYEES, AFFILIATES, AGENTS OR REPRESENTATIVES HAVE MADE ANY RECOMMENDATION AS TO WHETHER HOLDERS SHOULD PARTICIPATE IN ANY CONSENT SOLICITATION OR TENDER OFFER THAT MAY BE ANNOUNCED BY BELIZE.

Forward-Looking Statements

This press release contains certain forward-looking statements (as such term is defined in the Securities Act) concerning Belize. These statements are based upon beliefs of certain officials of Belize and others as well as a number of assumptions and estimates which are inherently subject to significant uncertainties, many of which are beyond the control of Belize. Future events may differ materially from those expressed or implied by such forward-looking statements. The words "anticipates," "believes," "contemplates," "estimates," "expects," "plans," "intends," "projections" and similar expressions, as they relate to Belize, are intended to identify forward-looking statements. Such statements reflect the current views of Belize with respect to future events and are subject to certain risks, uncertainties and assumptions. Belize undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these

risks and uncertainties, there can be no assurances that the events described or implied in the forward-looking statements contained in this press release will in fact occur.

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Questions regarding this press release may be directed to Joseph Waight (email: financial.secretary@mof.gov.bz; telephone +501 822 3866).