



GOVERNMENT OF BELIZE

Ministry of Finance

Belmopan, Belize

Please Quote:

Press Release

For Immediate Release

July 17, 2020

Belize Announces Commencement of Consent Solicitation

Belmopan, July 17, 2020: The Government of Belize announced today that it is seeking the consent (the "**Consent Solicitation**") of eligible beneficial owners of Belize's U.S. Dollar Bonds due 2034 (the "**Bonds**") as of 5:00 p.m., New York City time, on July 16, 2020 (the "**Holders**") to a capitalization of interest payments due on the Bonds on August 20, 2020, November 20, 2020 and February 20, 2021, on the terms and conditions detailed in the consent solicitation statement dated July 17, 2020 (the "**Consent Solicitation Statement**"). Interest due on the interest payment dates after February 20, 2021 and the final maturity date of the Bonds will not be affected by the proposed amendment.

"The outbreak of COVID-19 has hit the economy of Belize hard. The lockdown has already led to a contraction of 4.5% of GDP in Q1 of 2020 and the contraction during Q2 is expected to be far steeper," said Joseph Waight, Belize's Financial Secretary. "Regrettably, despite aggressive fiscal management actions, funds to meet the coupon payments on the Bonds, scheduled for August 2020, November 2020, and February 2021 (which together represent 1.5% of GDP) will simply not be available. The measure we have proposed – a capitalization of interest coupons for a limited period – gives us the best chance of riding out this storm while not materially prejudicing the bondholders' position."

This announcement and the Consent Solicitation is being directed at Holders that are: (i) if in the United States, "qualified institutional buyers" as defined in Rule 144A under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") in a private transaction in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 4(a)(2)

thereof and (ii) if outside the United States (as defined in Regulation S under the Securities Act) and (x) located within a member state of the European Economic Area (the “**EEA**”) or the United Kingdom (the “**UK**”), “qualified investors” as defined in Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”), (y) if located in the UK, persons to whom it may otherwise lawfully be made under the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**” and all such persons together being referred to as “**Relevant Persons**”); and (z) in any case are eligible to receive this offer under the laws of its jurisdiction (each, an “**Eligible Holder**”).

Belize will pay to each Eligible Holder that delivers a consent in accordance with the procedures described in the Consent Solicitation Statement a consent fee of 0.125% of the face amount of the Bonds, if the amendments become effective. Holders of Bonds for which no consent is delivered will not receive such consent fee.

The Consent Solicitation will expire at 5:00 p.m., New York City time, on August 10, 2020, unless extended or earlier terminated by Belize.

Identifiers for the Bonds consist of CUSIP Nos. 07782GAG8 and P16394AG6 and ISIN Nos. US0778GAG82 and USP16394AG62.

Global Bondholder Services Corporation is serving as Information and Tabulation Agent. Eligible Holders may obtain copies of the Consent Solicitation Statement from Global Bondholder Services Corporation by telephone at +1 (866) 794-2200 (Toll-Free) or +1 (212) 430-3774 (Collect), email address: info@gbsc-usa.com. or by download, following registration, via: <https://gbsc-usa.com/eligibility/belize>.

Important Notice

This announcement is not an offer of securities for sale in the United States, and none of the Bonds has been or will be registered under 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. Accordingly, this announcement is directed only to Eligible Holders. 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.

No offer of any kind is being made to any beneficial owner of Bonds who does not meet the criteria set forth in the Consent Solicitation Statement or any other beneficial owner located in a jurisdiction where the Consent Solicitation is not permitted by law.

The distribution of materials relating to the Consent Solicitation may be restricted by law in certain jurisdictions. The Consent Solicitation is void in all jurisdictions where it is prohibited. If materials relating to the Consent Solicitation come into your possession, you are required by Belize to inform yourself of and to observe all of these restrictions. The materials relating to the Consent Solicitation, including this communication, do 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.

Notice to Eligible Holders of Securities in the EEA and the UK

This Consent Solicitation is only being made to beneficial owners of Securities who are within a member state of the EEA or the UK (each, a "**Relevant State**") only if they are "qualified investors" as defined in the Prospectus Regulation. The Consent Solicitation is not directed to any retail investors in the EEA or in the UK, and retail investors will not be given the opportunity to state their views on the proposed amendments described in the Consent Solicitation Statement. As a result, no "offer" of new securities is being made to retail investors in the EEA.

This communication and any other documents or materials relating to the Consent Solicitation is not being made 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, the Consent Solicitation and such documents and/or materials are not being distributed to, and must not be passed on to, persons in the UK other than (i) those persons in the UK falling within the definition of investment professionals (as defined in Article 19(5) of the Order), (ii) to those persons falling within Article 43(2) of the Order, including existing members and creditors of Belize, (iii) to those persons who are outside the UK, or (iv) to any other Relevant Person. In the UK, this Consent Solicitation is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. In the UK, any investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

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Questions regarding this press release should be directed to Joseph Waight at the email address: joseph.waight@mof.gov.bz.