

The Global Group of Mozambique's Bondholders Members Intend to Participate in Debt Exchange

LONDON – The Government of Mozambique (the “GOM”) announced on 27 August 2019 that it has commenced a Consent Solicitation to approve a proposed exchange (the “Proposal”) of its U.S. Dollar Bonds Due 2023 (the “Old Bonds”) for new U.S. Dollar Bonds Due 2031 (the “New Bonds”), with an interest rate of 5% up to September 2023 and 9% thereafter until maturity. The New Bonds amortize in eight equal payments commencing on 15 March 2028. The Proposal also includes up to U.S.\$ 40 million in cash payments to be made when the New Bonds are issued. Approval of the Proposal requires, inter alia, that holders of at least 75 percent of the outstanding principal of the Old Bonds vote in favour. The Global Group of Mozambique's Bondholders (the “Group”), representing approximately 68 percent of the Old Bonds, announces that all its members plan to vote in favour of the Proposal.

The Group members' intent to participate in the Consent Solicitation is informed, inter alia, by consideration of Mozambique's challenging fiscal environment, which has adversely impacted its ability to service external debt over the medium term, and by consideration of Mozambique's positive longer term economic and payment prospects. The Group believes that the curing of the defaults under the Old Bonds and the structure of the New Bonds (including the step-up coupon, longer tenor and amortisation profile) will improve the sustainability of Mozambique's external debt profile and allow the Government to normalise relations with the international capital markets, which is needed to finance Mozambique's development goals.

The Group encourages all bondholders to carefully consider the terms of the Consent Solicitation in making their own independent appraisal of the merits and risks of participating in the Consent Solicitation.

Blitzer Consulting acted as the Group's financial adviser and Akin Gump LLP and Orrick, Herrington & Sutcliffe LLP acted as the Group's legal advisers.

For further information, contact Hazel Stevenson (hazel.stevenson@camarco.co.uk).

No communication and no information in respect of the Consent Solicitation referred to above or the New Bonds may be distributed to the public in any jurisdiction where a registration or approval is required. No steps have been nor will be taken in any jurisdiction where such steps would be required. The foregoing does not, and shall not, in any circumstances constitute a public offering or an invitation to the public in connection with any offer. The Consent Solicitation and the offer of the New Bonds may be subject to specific legal or regulatory restrictions in certain jurisdictions. None of the members of the Group or the legal and financial advisers thereto assumes any responsibility for any violation of any such restrictions by any person.

The foregoing does not constitute an offer of securities for sale in the United States, and the securities mentioned herein have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). Securities may not be offered or sold in the United States absent registration pursuant to the Securities Act or an exemption from such registration.

The members of the Group and the legal and financial advisers thereto are not acting as fiduciaries of Mozambique or any other person. Furthermore, none of the members of the Group or the legal and financial advisers thereto is acting as a financial or investment adviser, underwriter, dealer manager, or in any similar capacity for Mozambique or any other person. None of the members of the Group or the legal and financial advisers thereto assumes any responsibility for, nor makes any representation or warranty, express or implied, as to the accuracy or completeness of any information contained in any offering materials related to Mozambique, the New Bonds or the Consent Solicitation. Each investor is solely responsible for making its own independent appraisal of the merits and risks arising in connection with participating, or not participating, in the Consent Solicitation. In making an investment decision, each investor must rely on its own examination of Mozambique and the terms of the Consent Solicitation and the New Bonds.