

PROMERICA ANNOUNCES EARLY TENDER RESULTS OF ITS TENDER OFFER FOR ANY AND ALL OUTSTANDING 9.700% SENIOR SECURED NOTES DUE 2024 AND SOLICITATION OF CONSENTS

NEWS PROVIDED BY

PROMERICA FINANCIAL CORPORATION →

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PANAMA CITY, Aug. 7, 2023 /PRNewswire/ -- **PROMERICA FINANCIAL CORPORATION** ("PFC" or the "Company"), a corporation (*sociedad anónima*) organized and existing under the laws of the Republic of Panama, announced today the early results of its previously-announced cash tender offer (the "Tender Offer") to purchase any and all of the \$200 million aggregate principal amount of the Company's outstanding 9.700% Senior Secured Notes due 2024 (the "Notes") and the solicitation (the "Solicitation") of consents (the "Consents") from the registered holders of the Notes (1) to adopt certain Proposed Amendments (as defined in the Offer to Purchase and Consent Solicitation Statement by the Company, dated as of July 24, 2023, the "Offer to Purchase") to the Indenture (as defined below) under which the Notes were issued and (2) to the execution by the Company and The Bank of New York Mellon as trustee (the "Trustee") of a supplemental indenture to the Indenture effecting such amendment.

The Company announced that, according to information provided by Global Bondholder Services Corporation ("GBSC"), the Depositary and Information Agent for the Tender Offer and Solicitation, as of 5:00 p.m., New York City time, on August 4, 2023 (the "Early Tender Time"), the Company had received valid (and not withdrawn) tenders and valid (and not revoked) consents from holders of \$112,328,000 in aggregate principal amount of the Notes, representing approximately 56.16% of the aggregate principal amount outstanding of the Notes (the "Tendered Consents"), thereby constituting receipt of the Majority Consents (as defined in the Offer to Purchase).

The following table sets forth the aggregate principal amount of Notes that were validly tendered and not validly withdrawn on or prior to the Early Tender Time:

CUSIP No.	ISIN No.	Principal Amount			Tender Offer Consideration (2)(3)	Premium (2)(3)	Total Consideration (2)			
		Outstanding Principal Amount	Validly Tendered and not withdrawn							
			Prior to the Tender Offer(1)	as of the Early Tender Time						
Rule 144A:	Rule 144A:	\$200,000,000		\$112,328,000	9.700% Senior Notes due 2024	\$994.25	\$30.00			
74348B AA9	US74348BAA98						\$1,024.25			



(1) As of the date of the Offer to Purchase.

(2) Per \$1,000 principal amount of Notes and excluding Accrued Interest (as defined below), which will be paid in addition to the Total Consideration or Tender Offer Consideration, as applicable, up to the payment date. No separate Consent payment or fee is being offered or will be paid to Holders in the Solicitation.

(3) Included in Total Consideration.

The Bank Consent Condition (as defined in the Offer to Purchase) has been satisfied. PFC intends to waive the Minimum Tender Condition in order to effect the Majority Amendments (as defined in the Offer to Purchase), as further described below. Subject to the satisfaction or waiver of all remaining conditions to the Tender Offer described in the Offer to Purchase, including the Financing Condition (as defined in the Offer to Purchase), PFC intends to accept for purchase, and to make payments for all of the Notes validly tendered (and not validly withdrawn) prior to the Early Tender Time (as summarized in the table above) on August 11, 2023 (such date, subject to change without notice, the "Initial Payment Date").

Because the Tendered Consents constitute receipt of the Majority Consents but do not constitute receipt of the Collateral Consents (as defined in the Offer to Purchase), the Company and the Trustee intend to enter[] into a supplemental indenture to the Indenture (the "Supplemental Indenture") to effect only the Majority Amendments. The Supplemental Indenture will be substantially in the form set forth in Annex A to the Offer to Purchase, except that such Supplemental Indenture will not contemplate (i) the deletion of the liens covenant or (ii) the Collateral Amendments (as defined in the Offer to Purchase), which is reflected in Section 1.02 of the form of supplemental indenture set forth in Annex A to the Offer to Purchase. The Majority Amendments therein will not become operative unless the Notes tendered at or prior to the Early Tender Time are purchased on the Initial Payment Date.

Holders who validly tendered (and did not validly withdraw) their Notes pursuant to the Tender Offer prior to the Early Tender Time are deemed, by effecting such tender, to have (i) delivered a Consent to the Majority Amendments in the Tender Offer and (ii) directed the Trustee and the Collateral Agent to enter into the Supplemental Indenture effecting the Majority Amendments.

Holders that validly tendered and did not validly withdraw their Notes at or prior to the Early Tender Time, are eligible to receive the Total Consideration, which includes the Tender Offer Consideration and the Early Tender Premium (each as defined below), on the Initial Payment Date. Holders validly tendering Notes and delivering Consents after the Early Tender Time will be eligible to receive only the Tender Offer Consideration, and not the Early Tender Premium, plus Accrued Interest for such Notes. Holders must validly tender their Notes at or prior to 5:00 p.m., New York City time (4:00 p.m., Panama time), on August 21, 2023 unless extended, earlier terminated or withdrawn (such date and time, as the same may be extended, the "Expiration Time") in order to be eligible to receive the Tender Offer Consideration, and not the Early Tender Premium, plus Accrued Interest for such Notes. Tendered Notes may no longer be validly withdrawn and delivered Consents may no longer be validly revoked as the Withdrawal Deadline (as defined in the Offer to Purchase), which was the Early Tender Time, has passed.

The purchase price (the "Tender Offer Consideration") for Notes tendered pursuant to the Tender Offer after the Early Tender Time but at or prior to the Expiration Time will be an amount in cash equal to \$994.25 per \$1,000 principal amount of Notes validly tendered and not validly withdrawn pursuant to the Tender Offer. The purchase price ("Total Consideration") for Notes tendered at or prior to the Early Tender Time will be an amount in cash equal to \$1,024.25 per \$1,000 principal amount of Notes validly tendered and not validly withdrawn pursuant to the Tender Offer.

\$1,000 principal amount of Notes (which is comprised of the Tender Offer Consideration plus an early tender premium of \$30.00 per \$1,000 principal amount of the Notes (the "Early Tender Premium"). Notwithstanding any other provisions of the Tender Offer, PFC's obligation to accept for purchase and pay for any Notes validly tendered pursuant to the Tender Offer and to accept any Consent validly delivered is conditioned upon certain conditions further described in the Offer to Purchase.

The Tender Offer Consideration or Total Consideration, as applicable, for the Notes will be paid together with accrued and unpaid interest ("Accrued Interest") from and including the last interest payment date for the Notes up to, but not including, the Initial Payment Date or Subsequent Payment Date (as defined in the Offer to Purchase), as applicable. Additionally, subject to the limitations set forth in the Indenture, PFC will pay additional amounts in respect of any withholding tax such that the Tender Offer Consideration or Total Consideration, as applicable, and Accrued Interest received by Holders after such withholding tax will be equal to the amounts that would have been received had there been no withholding tax.

PFC has retained BofA Securities, Inc. and J.P. Morgan Securities LLC to act as dealer managers and solicitation agents (the "Dealer Managers") in connection with the Tender Offer. Global Bondholder Services Corporation has been appointed as depositary and information agent (hereinafter referred to as the "Depositary" and the "Information Agent" as the context requires) in connection with the Tender Offer. The Bank of New York Mellon is the trustee, registrar, transfer agent and paying agent, TMF Group New York, LLC is the collateral agent (the "Collateral Agent"), and The Bank of New York Mellon SA/NV, Luxembourg Branch, is the Luxembourg transfer agent and Luxembourg paying agent (the "Luxembourg Agent"), under the indenture governing the Notes, dated as of November 14, 2018 (the "Indenture").

Whether or not the Tender Offer and Solicitation is consummated, subject to applicable law, we expressly reserve the right, in our sole discretion, to purchase from time to time, any Notes that remain outstanding after the Expiration Time or in the event of any termination or withdrawal of the Tender Offer and Solicitation, through open market purchases, privately negotiated transactions, redemptions one or more additional tender or exchange offers, defeasance, or otherwise, upon such terms and at such prices as we may determine, which may be more or less favorable to Holders than the prices to be paid pursuant to the Tender Offer and Solicitation and may involve cash or other consideration. Any future purchase, redemptions, defeasance or satisfaction and discharge by us will depend on various factors existing at that time. We cannot assure you as to which, if any, of these alternatives (or combinations thereof) we may choose to pursue in the future.

None of PFC, the Depositary, the Information Agent, the Dealer Managers, the Trustee or any affiliate of any of them makes any recommendation as to whether or not Holders should tender Notes or deliver Consents pursuant to the Tender Offer and Solicitation. Each Holder must decide whether to tender Notes or deliver Consents and, if tendering, the amount of Notes to tender. Holders are urged to review carefully all information contained or incorporated by reference in the Offer to Purchase.

This press release shall not constitute an offer to sell, a solicitation to buy or an offer to purchase or sell any securities in a jurisdiction where it is not permitted. No offer, solicitation, purchase or sale will be made in any jurisdiction in which such offer, solicitation, purchase or sale would be unlawful. The offer is being made solely pursuant to the terms and conditions set forth in the Offer to Purchase. Nothing contained herein shall constitute an offer of the debt securities that are the subject of the New Notes Offering (as defined in the Offer to Purchase).

About PFC

Promerica Financial Corporation is a corporation (*sociedad anónima*) organized under the laws of the Republic of Panama. PFC is the majority shareholder of a network of commercial banks operating in nine different countries in Central America, South America and the Caribbean. PFC is considered a "bank holding company" under Panamanian law and is regulated by the Panama Superintendency of Banks, which oversees PFC's consolidated operations.

Our main office is located at Calle 50 y 53 Este, Area Bancaria, Panama, Republica de Panama.

Cautionary Statement for the Purpose of the "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995

This press release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements included in this press release other than statements of historical fact, including, but not limited to, expectations regarding the completion of the New Notes Offering and the Tender Offer are forward-looking statements. When used in this press release, the words "could," "may," "believe," "anticipate," "intend," "estimate," "expect," "project," "budget," "target," "plan," "continue," "potential," "guidance," "strategy," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words.

Forward-looking statements are based on the Company's current expectations and assumptions about future events and currently available information as to the outcome and timing of future events. Although the Company believes these assumptions and expectations are reasonable, they are inherently subject to numerous business, economic, competitive, regulatory and other risks and uncertainties, most of which are difficult to predict and many of which are beyond the Company's control. No assurance can be given that such expectations will be correct or achieved or that the assumptions are accurate.

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which such statement is made. Should one or more of the risks or uncertainties described in this press release occur, or should underlying assumptions prove incorrect, the Company's actual results and plans could differ materially from those expressed in any forward-looking statements. All forward-looking statements are expressly qualified in their entirety by this cautionary statement. Except as otherwise required by applicable law, the Company undertakes no obligation to publicly correct or update any forward-looking statement whether as a result of new information, future events or circumstances after the date of this press release, or otherwise.

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¹ NTD: Supplemental Indenture to be entered into immediately after pricing.





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