

# Republic of Paraguay - Announcement of Offer to Purchase Existing Bonds

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**The Republic of Paraguay →**  
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ASUNCIÓN, Paraguay, Feb. 5, 2024 /PRNewswire/ -- The Republic of Paraguay ("Paraguay") announced today the commencement of an offer to purchase for cash (the "Offer") from each registered holder or beneficial owner (each, a "Holder" and, collectively, the "Holders") the outstanding bonds set forth in the table below (the "Existing Bonds"), such that the maximum amount to be paid for the Existing Bonds validly tendered and accepted for purchase pursuant to the Offer, not including interest accrued and unpaid thereon, is to be determined by Paraguay in its sole discretion (the "Maximum Purchase Price"). The terms and conditions of the Offer are set forth in the offer document, dated February 5, 2024 (the "Offer Document").

The Offer is not conditioned upon any minimum participation of the Existing Bonds, but is conditioned, among other things, on the concurrent (or earlier) closing of a new series of global bonds to be denominated in U.S. dollars (the "U.S.\$ New Bonds"), in an aggregate principal amount, with pricing and on terms and conditions acceptable to the Republic in its sole discretion (the "U.S.\$ New Bonds Offering"), and a new series of global bonds to be denominated in Guaranies (the "G. New Bonds", and together with the U.S.\$ New Bonds, the "New Bonds"), in an aggregate principal amount, with pricing and on terms and conditions acceptable to Paraguay in its sole discretion (the "G. New Bonds Offering", and together with the U.S.\$ New Bonds Offering, the "New Bonds Offerings"). The New Bonds Offerings are being made solely by means of the offering memoranda relating to the offering of the New Bonds, and neither this announcement nor the Offer Document constitutes an offer to sell or the solicitation of an offer to buy the New Bonds.

The purchase price to be paid per U.S.\$1,000 principal amount of Existing Bonds that are accepted pursuant to the Offer will be an amount equal to the fixed price indicated in the table below (the "Purchase Price"). In addition to the Purchase Price, Holders whose Existing Bonds are accepted for purchase in the Offer will also receive any accrued and unpaid interest from, and including, the last interest payment date for such Existing Bonds up to, but excluding, the Settlement Date (the "Accrued Interest"). If the aggregate Purchase Price for all validly tendered Existing Bonds (the "Tendered Aggregate Purchase Price") would exceed the Maximum Purchase Price, then Paraguay will, in its sole discretion, apply a proration factor to the Tenders (as defined below).

Existing Bonds	Outstanding Principal Amount as of February 2, 2024	ISIN	CUSIP	Purchase Price (per US\$1,000 Principal Amount) <sup>(1)</sup>
5.000% Bonds due 2026	US\$456,861,000	US699149AC49 USP75744AD76	699149AC4 P75744AD7	US\$1,000.00

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<sup>(1)</sup> In addition, investors will receive Accrued Interest, as described below

Existing Bonds may be tendered only in the principal amount equal to the minimum authorized denomination of US\$1,000 and in integral multiples of US\$1,000 in excess thereof (the "Minimum Denomination"). Holders who tender less than all of their Existing Bonds must continue to hold Existing Bonds in at least the Minimum Denomination of US\$1,000 principal amount.

Paraguay reserves the right, in its sole discretion, not to accept any valid orders to tender Existing Bonds in accordance with the terms and conditions of the Offer ("Tenders"), to modify the Purchase Price for the Existing Bonds, or to terminate the Offer for any reason. In the event of a termination of the Offer, the tendered Existing Bonds will be returned to the tendering Holder.

If Paraguay accepts all or a portion of a Holder's Tender, the Holder will be entitled to receive for such Existing Bonds the applicable Purchase Price plus Accrued Interest, which will be paid on the Settlement Date (as defined below), if the conditions of the Offer are met.

The Offer commenced at or around 8:00 a.m., New York time, on Monday, February 5, 2024 and, unless extended or earlier terminated, expire at 5:00 p.m., New York time on Friday, February 9, 2024 (the "Expiration Time"). Holders who have validly tendered their Existing Bonds may withdraw such Existing Bonds at any time at or prior to the Expiration Time. The settlement of the Offer is scheduled to occur on Thursday, February 15, 2024 (the "Settlement Date").

At or about 9:00 a.m. (New York City time) on Monday, February 12, 2024, subject to change without notice, Paraguay expects to announce: (i) the aggregate principal amount of Tenders of the Existing Bonds that have been received on or prior to the Expiration Time; (ii) the Maximum Purchase Price; (iii) the Tendered Aggregate Purchase Price, (iv) the aggregate principal amount of Tenders of the Existing Bonds that have been accepted; and (v) any proration of Tenders of the Existing Bonds. Such announcement may be conditioned on the consummation of the New Bonds Offerings.

Tenders for Existing Bonds must be submitted through a direct participant in The Depository Trust Company ("DTC"), Euroclear Bank SA/NV, as operator of the Euroclear System ("Euroclear"), or Clearstream Banking, S.A. ("Clearstream"), as applicable, in accordance with the procedures and deadlines established by each such clearing system. Any Holder that holds Existing Bonds through a custodian cannot submit a Tender directly and should instead contact its custodian to instruct the direct participant to submit a Tender on its behalf. There is no letter of transmittal or guaranteed delivery procedures for the Offer.

You are advised to consult with the broker, dealer, bank, custodian, trust company, or other nominee through which you hold your Existing Bonds as to the deadlines by which such intermediary would require receipt of instruction from you to participate in the Offer in accordance with the terms and conditions of the Offer as described in the Offer Document in order to meet the deadlines set forth in the Offer Document. The deadlines set by DTC, Euroclear, Clearstream, or any such intermediary for the submission of Existing Bonds may be earlier than the relevant deadlines specified in the Offer Document. The acceptance of any Tenders forwarded to DTC from Euroclear or Clearstream after the Expiration Time will be in the sole discretion of Paraguay.

The complete terms and conditions of the Offer are set forth in the Offer Document, together with any amendments or supplements thereto, which holders are urged to read carefully before making any decision with respect to the Offer.

Global Bondholder Services Corporation is serving as the depositary agent and the information agent in connection with the Offer (the "Tender and Information Agent"), and the Offer Document may be downloaded from the Tender and Information Agent's website indicated below or obtained from the Tender and Information Agent at the contact below:

**Contact information: Global Bondholder Services Corporation**  
Attention: Corporate Actions  
65 Broadway – Suite 404  
New York, NY 10006  
Banks and Brokers Call: +1 (212) 430-3774  
All Others Call: +1 (855)-654-2015  
E-mail: [contact@gbsc-usa.com](mailto:contact@gbsc-usa.com)  
website: <http://www.gbsc-usa.com/paraguay>

, or from any of the Dealer Managers.

The dealer managers (the "Dealer Managers") for the Offer are:

<b>Citigroup Global Markets Inc.</b>	<b>Goldman Sachs &amp; Co. LLC</b>	<b>Itau BBA USA Securities</b>
388 Greenwich Street, 4 <sup>th</sup> Floor Trading New York, New York 10013 United States of America	200 West Street New York, New York 10282 United States of America	540 Madison Avenue, 24 <sup>th</sup> Floor, New York, New York 10022 United States of America
Attention: Liability Management Group Collect: +1 (212) 723-6106 Toll free: +1 (800) 558-3745	Attention: Liability Management Group Collect: (212) 902-1905 Toll free: (800) 828-3182	Attention: DCM Collect: +1 (212) 710-6749

Questions regarding the Offer may be directed to and the Offer Document may be obtained from the Dealer Managers at the above contact.

**Republic of Paraguay**  
c/o Ministerio de Economía y Finanzas  
Sede Central: Chile 252  
Asunción 1220  
Paraguay

For press inquiries:

Contact: Ana Osorio, General Director of Debt Policy

E-mail: [ana\\_osorio@hacienda.gov.py](mailto:ana_osorio@hacienda.gov.py)

Call: +59-521-413-2247

### **Important Notice**

**The New Bonds Offerings will be made solely by means of the offering memoranda relating to those offerings. Before you invest, you should read the offering memoranda for more complete information about Paraguay and such offerings. You may not participate in the New Bonds Offerings unless you have received and reviewed the applicable offering memoranda related to those offerings, and not in reliance on, or on the basis of, this announcement. The New Bonds will be offered only to qualified institutional buyers in accordance with Rule 144A and to non-U.S. persons outside the United States in reliance on Regulation S under the Securities Act, and will not be registered under the Securities Act or the securities laws of any other jurisdiction.**

**This announcement is not an offer to purchase or a solicitation of an offer to sell the Existing Bonds. The Offer will be made only by and pursuant to the terms of the Offer Document, as may be amended or supplemented from time to time.**

**The distribution of materials relating to the New Bonds Offerings and the Offer, and the transactions contemplated by the New Bonds Offerings and Offer, may be restricted by law in certain jurisdictions. Each of the New Bonds Offerings and the Offer is made only in those jurisdictions where it is legal to do so. The New Bonds Offerings and the Offer are void in all jurisdictions where they are prohibited. If materials relating to the New Bonds Offerings or the Offer come into your possession, you are required to inform yourself of and**

to observe all of these restrictions. Each person accepting the Offer shall be deemed to have represented, warranted and agreed (in respect of itself and any person for whom it is acting) that it is not a person to whom it is unlawful to make the Offer pursuant to the Offer Document, it has not distributed or forwarded the Offer Document or any other documents or materials relating to the Offer to any such person, and that it has complied with all laws and regulations applicable to it for purposes of participating in the Offer. Neither Paraguay nor the Dealer Managers accepts any responsibility for any violation by any person of the restrictions applicable in any jurisdiction.

The materials relating to the New Bonds Offerings and the Offer 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. If a jurisdiction requires that the New Bonds Offerings or the Offer be made by a licensed broker or dealer and a Dealer Manager or any affiliate of a Dealer Manager is a licensed broker or dealer in that jurisdiction, the New Bonds Offerings or the Offer, as the case may be, shall be deemed to be made by the Dealer Manager or such affiliate in that jurisdiction. Owners who may lawfully participate in the Offer in accordance with the terms thereof are referred to as "holders."

## **Stabilization/FCA**

In relation to each Member State of the European Economic Area and the United Kingdom, this communication is only addressed to and directed at qualified investors in that Member State within the meaning of Regulation (EU) 2017/1129.

This announcement is not an invitation nor is it intended to be an inducement to engage in investment activity for the purpose of Section 21 of the Financial Services and Markets Act 2000 of the United Kingdom. This announcement is only being distributed to and is only directed: at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). Any New Bonds will only be available to, and any invitation,

offer or agreement to subscribe, purchase or otherwise acquire such New Bonds will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this announcement or any of its contents.

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