



මුදල්, ක්‍රමසම්පාදන සහ ආර්ථික සංවර්ධන අමාත්‍යාංශය
நிதி, திட்டமிடல் மற்றும் பொருளாதார அபிவிருத்தி அமைச்சு

MINISTRY OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

මහලේකම් කාර්යාලය, කොළඹ 01.
ශ්‍රී ලංකාව

செயலகம், கொழும்பு 01.
இலங்கை.

The Secretariat, Colombo 01.
Sri Lanka.

කාර්යාලය } 011 - 2484500
அலுவலகம் } 011 - 2484600
Office } 011 - 2484700

ෆැක්ස් }
தொலைநகல் } 011 - 2449823
Fax }

වෙබ් අඩවිය }
இணையத்தளம் } www.treasury.gov.lk
Website }

මගේ අංකය }
எனது இல. }
My No. }

ඔබේ අංකය }
உமது இல. }
Your No. }

දිනය }
திகதி } 26.11.2024
Date }

**Sri Lanka Announces the Launch of International Sovereign Bonds Exchange
Following Cabinet of Ministers Approval**

Colombo, 26 November 2024 – The Democratic Socialist Republic of Sri Lanka ("Sri Lanka") is pleased to announce the official launch of the exchange (the "Invitation") of its outstanding International Sovereign Bonds (the "Bonds"), totaling approximately USD 12.55 billion, as of 25 November 2024. This follows the approval of the terms and conditions of the Invitation by the new Cabinet of Ministers of Sri Lanka, which was formed on 18 November 2024.

Holders of the existing Bonds are invited to tender their Bonds and exchange them for new instruments over a three-week period, with the final deadline set for 12 December 2024. Relevant information for holders is available at the Invitation website (<https://projects.sodali.com/srilanka>), subject to eligibility confirmation and registration. Questions and requests for assistance in connection with the Invitation, the Proposed Modifications, the Consent Solicitations and the Exchanges should be directed to the Dealer Manager. Questions regarding the procedures for participating in the Invitations (including questions in relation to settlement) and the submission of Consent Instructions and Tender Orders should be directed to the Information, Tabulation and Exchange Agent. The contact details for each are on the next page of this announcement.

Sri Lanka strongly encourages all holders to participate in the exchange process as early as possible. The features of the new instruments have been meticulously discussed for over two years with holders in good faith, ensuring the best possible outcome for all parties.

An agreement in principle was reached on 19 September 2024 with two representative groups of holders – one comprising international investors and the other domestic financial institutions – together holding over 50% of the outstanding Bonds. Additionally, the IMF and Sri Lanka's Official Creditor Committee have both confirmed that the proposed features of the new instruments are compatible with the parameters of Sri Lanka's IMF-supported program and the Comparability of Treatment principle respectively.

The successful completion of this bond exchange will enable Sri Lanka to achieve sovereign debt sustainability and accelerate the country's economic recovery. Under the baseline scenario, Sri Lanka will achieve approximately USD 9.5 billion debt service payments reduction over the 4-year IMF program period, 31% reduction in the coupon rate of Sri Lanka's Bonds to 4.4%, and extension of the average maturity profile of over 5 years. The successful completion of the bond exchange will also normalize relations with bondholders.

The President and Minister of Finance, Planning and Economic Development, Hon. Anura Kumara Dissanayake, says:

“Today’s official announcement of the commencement of the International Sovereign Bond restructuring with private creditors marks an important milestone for Sri Lanka. We extend our gratitude to our external creditors, the IMF and the Official Creditor Committee for the good faith negotiations that have enabled us to reach this point. With the successful achievement of Staff-Level Agreement on the third review of our IMF-supported program last 22 November, I urge private sector creditors to participate in the debt restructuring process to provide essential relief, thereby laying the groundwork for a brighter future for Sri Lanka and its people.”

Contact details:

The Information, Tabulation and Exchange Agent for the Invitation is:

Sodali & Co.

<i>In London:</i>	<i>In Stamford:</i>	<i>In Hong Kong:</i>
The Leadenhall Building, 122 Leadenhall Street London, EC3V 4AB United Kingdom	333 Ludlow Street, 5th Floor South Tower, CT 06902 United States of America	29/F, No. 28 Stanley Street Central, Hong Kong
Telephone: +44 20 4513 6933	Telephone: +1 203 658 9457	Telephone: +852 2319 4130

Email: srilanka@investor.sodali.com

Invitation Website: <https://projects.sodali.com/srilanka>

The Dealer Manager for the Invitation is:

Citigroup Global Markets Inc.

388 Greenwich Street
New York, New York 10013

Telephone: +1 212 723 6106 (in New York)
+91 22 6175 9707 (in Asia)

Email: gosl.invitation@citi.com