

**For Immediate Release**

**Ethiopia Ad Hoc Bondholder Committee**

**Statement on the Conclusion of Discussions with Ethiopia Regarding the Defaulted 2024 Notes**

**London, 14 October 2025**

The Ethiopia Ad Hoc Bondholder Committee (the “**Committee**”) comprised of leading international financial institutions based in the United States and Europe, today issues the following statement regarding the conclusion of restricted discussions with the Federal Democratic Republic of Ethiopia (“**Ethiopia**”) concerning the country’s 6.625% Notes due 2024 (the “**2024 Notes**”) currently in default.

The Committee, which collectively holds over 40% of the 2024 Notes confirms that restricted discussions with Ethiopia regarding a potential restructuring have concluded without agreement.

The Committee made considerable efforts in recent weeks to advance a viable agreement, notably offering a material upfront haircut to bondholders’ principal claim, despite the Committee’s view that Ethiopia’s debt burden remains a liquidity rather than solvency issue, as supported by Ethiopia’s consistent economic outperformance. In return for this significant concession, the Committee proposed a value recovery instrument (“**VRI**”) offering potential upside in the event of outperformance in goods exports over the next few years, which would enable holders of the 2024 Notes to potentially recoup value based on Ethiopia’s actual capacity to service external debt.

Ethiopia made it clear to the Committee that its ability to agree financial terms would be constrained by commitments it made to its official bilateral creditors, as set out in in the Memorandum of Understanding (“**MoU**”) with its Official Creditor Committee (“**OCC**”) signed in July 2025. The MoU purportedly requires Ethiopia to seek Comparability of Treatment (“**CoT**”) from its creditors, including holders of the 2024 Notes, on terms set out in the MoU. To address this concern, the Committee proposed a further downside adjustment to the bond to counterbalance the potential upside offered by the VRI.

Although the Committee is not a party to the MoU or involved in related negotiations between Ethiopia and the OCC, the Committee made a substantial effort to align its resulting proposal with its understanding of Ethiopia’s CoT commitments, however Ethiopia and the Committee were unable to bridge the remaining gap due to differing perspectives on the VRI. While it remains open to considering revised proposals from Ethiopia, the Committee has determined that, at this stage, negotiations have reached an impasse.

In light of this, and consistent with their fiduciary responsibilities, members of the Committee are now considering all available options to protect the interests of their investors and clients. These options include the potential initiation of legal proceedings in the High Court of England and Wales, as set out in the Committee’s February paper.

Questions can be directed to:

Annie Emery, Ankura, +44 20 7469 1111 or [annie.emery@ankura.com](mailto:annie.emery@ankura.com)

Spencer Jones, Ankura, +44 20 7469 1111 or [spencer.jones@ankura.com](mailto:spencer.jones@ankura.com)

Andrew Wilkinson, Weil, Gotshal & Manges (London) LLP, +44 20 7903 1068 or [Andrew.Wilkinson@weil.com](mailto:Andrew.Wilkinson@weil.com)