

For Immediate Release

Statement of the Ad Hoc Bondholder Committee of the Federal Democratic Republic of Ethiopia's 6.625% Notes due 2024

2 February 2026

The Ethiopia Ad Hoc Bondholder Committee (the “**Committee**”), comprised of leading international financial institutions based in the United States and Europe, today expressed its strong objection to the determination by the Official Creditor Committee (“**OCC**”) that the agreement-in principle (“**AIP**”) reached with the Federal Democratic Republic of Ethiopia (“**Ethiopia**”) on the principal financial terms of a restructuring on the 6.625% Notes due 2024 on 2 January 2026 (the “**2024 Notes**”) does not satisfy the OCC’s comparability of treatment requirements under the G20 Common Framework.

Since January 2023, the Committee has attempted to engage in good-faith negotiations with Ethiopia and recently made significant concessions in order to advance a viable agreement on financial terms. The resulting AIP reflected these efforts and, in both the Committee and Ethiopia’s view, it represented a constructive solution to Ethiopia’s protracted restructuring process that was consistent with both Ethiopia’s International Monetary Fund (“**IMF**”) Extended Credit Facility (“**ECF**”) programme and the OCC’s comparability of treatment requirements.

The Committee considers the determination, led by the OCC’s co-chairs France and China, to be completely unreasonable. The Committee believes that it destabilizes the framework upon which the AIP was reached, delays resolution and adds uncertainty at a time when a comprehensive and timely resolution should be in the shared interest of all stakeholders.

The Committee further warns that they believe this decision risks the credibility of the Common Framework. The framework was established to offer a collaborative, transparent, and predictable process for sovereigns seeking a timely and coordinated restructuring. In practice, however, the process has proven to be opaque, unpredictable and capriciously wielded.

The OCC’s decision raises serious concerns about their willingness to engage with more market-driven financial solutions, bringing into question the Common Framework’s ability to adapt to evolving financial practices and modern debt restructuring strategies. Their rejection of the carefully negotiated AIP undermines the credibility of the Common Framework as an effective mechanism for sovereign debt restructurings of low-income countries.

In light of the OCC’s determination, and in the absence of a viable path forward, the Committee believes they have been left with no other option but to take legal action in the English court to enforce payment of the outstanding principal and interest due under the 2024 Notes. The Committee emphasizes that this course of action is not taken lightly and that it reflects the lack of available alternatives to procure an agreement.

Given the rapid improvement in the country’s external position outlined in the recently published IMF Staff Report for the Fourth Review under Ethiopia’s ECF Arrangement, it is the Committee’s view that a simple cash settlement of the accrued claim of the 2024 Notes against an English court judgment relating to the same may ultimately represent the path of least resistance for all parties involved.

The Committee nevertheless remains willing to engage constructively with Ethiopia should circumstances allow for a resolution that is fair and transparent. The Committee has no desire to see Ethiopia languish in default, which is to the detriment of all parties. This is clearly evidenced by the compromises the Committee made in reaching the AIP with Ethiopia, an accord which is now threatened to be upended by non-parties to the agreement.

Questions can be directed to:

Annie Emery, Ankura, +44 20 7469 1111 or annie.emery@ankura.com

Spencer Jones, Ankura, +44 20 7469 1111 or spencer.jones@ankura.com

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