

The Republic of Ecuador Announces Successful Results of its Consent Solicitation

QUITO, Ecuador, August 3, 2020

The Republic of Ecuador (the “**Republic**”) announced today that it has received the requisite consents from Eligible Holders as of 5:00 p.m. Central European Time, on August 3, 2020 (the “**Consent Deadline**”) for its consent solicitation announced on July 20, 2020 (the “**Consent Solicitation**”), relating to its bonds listed in Tables A and B below (the “**Eligible Bonds**”). In conjunction with the Consent Solicitation, the Republic had also announced it was inviting Eligible Holders to exchange their Eligible Bonds for a package of new securities (the “**New Securities**”) to be issued by the Republic under a new master indenture (the “**Invitation to Exchange**” and, together with the Consent Solicitation, the “**Invitation**”). The terms and conditions of the Invitation are described in the invitation memorandum dated July 20, 2020 (as amended, the “**Invitation Memorandum**”). Capitalized terms used herein but not defined herein shall have the meanings ascribed thereto in the Invitation Memorandum.

Following acceptance of the Requisite Consents, the Republic will be executing supplemental indentures to the indentures governing each series of Eligible Bonds, effecting the proposed modifications approved in the Consent Solicitation and described in the Invitation Memorandum. The supplemental indentures will become effective upon execution by the Republic and the trustee, but if executed prior to the Settlement Date, each will provide that the proposed modifications will not become operative until (i) the Republic has completed (and not terminated) the Consent Solicitation in accordance with the terms and conditions set forth in the Invitation Memorandum, including the International Monetary Fund (the “**IMF**”) having announced an IMF staff-level agreement on a new funded program for Ecuador (the “**IMF Condition**”), and (ii) each Eligible Holder who has delivered its consent and whose consent has been accepted by the Republic pursuant to the Consent Solicitation shall have received the New Securities (including the New PDI 2030 Bond), in each case as set forth in the Invitation Memorandum.

As of the Consent Deadline, the approximate principal amount and percentage of each series of Eligible Bonds for which the Republic has received and accepted consents (subject to the satisfaction of the IMF Condition and the GLC Opinion Condition as described in the Invitation Memorandum) is set forth on Tables A and B below.

The Republic has received the consents required to result in the modification of 100% of the aggregate principal amount outstanding of the Eligible Bonds set forth in Table A pursuant to the proposed modifications. As a result, the Republic has satisfied the condition in the Invitation which required at least 80% of the aggregate principal amount outstanding of the Eligible Bonds set forth in Table A being modified pursuant to the proposed modifications or otherwise exchanged for New Securities. Except for the IMF Condition and the GLC Opinion Condition, all other conditions for the consummation of the Consent Solicitation set forth in the Invitation Memorandum were satisfied as of the Consent Deadline.

As announced previously today, we have extended the expiration date solely for the Invitation to Exchange to 5:00 p.m. Central European Time on Friday, August 7, 2020 (the “**New Expiration Date**”). We have not extended the Consent Deadline. Accordingly, during the period commencing after the Consent Deadline and ending at the New Expiration Date, Eligible Holders may tender their Eligible Bonds to be exchanged for New Securities; however, they will not be able to deliver consents to the proposed modifications and will not be eligible to receive any payments or any New PDI 2030 Bonds in respect of accrued and unpaid interest. The settlement date for the Invitation is now expected to occur on Wednesday, August 12, 2020, or as soon as practicable thereafter, upon the satisfaction of the IMF Condition. The Republic is in continued negotiations with the IMF to satisfy the IMF Condition prior to the proposed settlement date.

As set forth in the Invitation Memorandum, we will terminate the Invitation unless settlement of the Invitation occurs on or prior to August 20, 2020 (the “**Settlement Deadline**”); provided that, we have the right to extend the Settlement Deadline to September 1, 2020, with the consent of the Eligible Holders representing a majority of the aggregate principal amount outstanding of all Series of Eligible Bonds, as reasonably determined by us in our sole discretion.

Table A⁽¹⁾⁽²⁾

Eligible Bonds	ISIN / Common Code	Principal Amount Outstanding	Consents Delivered and Accepted ⁽³⁾	Consents Delivered and Accepted ⁽³⁾ as a Percentage of Principal Amount Outstanding
10.750% Notes due March 28, 2022	XS1458516967; XS1458514673 / 145851696; 145851467	U.S.\$2,000,000,000	U.S.\$1,972,287,000	98.61%
8.750% Notes due June 2, 2023	XS1626768656; XS1626768730 / 162676865; 162676873	U.S.\$1,000,000,000	U.S.\$977,614,000	97.76%
7.875% Notes due March 27, 2025	XS2058848826; XS2058845210 / 205884882; 205884521	U.S.\$600,000,000	U.S.\$587,055,000	97.84%
9.650% Notes due December 13, 2026	XS1535072109; XS1535071986 / 153507210; 153507198	U.S.\$1,738,250,000	U.S.\$1,703,336,000	97.99%
9.625% Notes due June 2, 2027	XS1626529157; XS1626530320 / 162652915; 162653032	U.S.\$1,000,000,000	U.S.\$982,142,000	98.21%
8.875% Notes due October 23, 2027	XS1707041429; XS1707041262 / 170704142; 170704126	U.S.\$2,500,000,000	U.S.\$2,454,719,000	98.19%
7.875% Notes due January 23, 2028	XS1755432363; XS1755429732 / 175543236; 175542973	U.S.\$2,974,000,000	U.S.\$2,906,442,000	97.73%
10.750% Notes due January 31, 2029	XS1929377015; XS1929376710 / 192937701; 192937671	U.S.\$2,106,000,000	U.S.\$2,069,176,000	98.25%
9.500% Notes due March 27, 2030	XS2058866307; XS2058864948 / 205886630; 205886494	U.S.\$1,400,000,000	U.S.\$1,382,144,000	98.72%
Total Aggregate Amount	N/A	U.S.\$15,318,250,000	U.S.\$15,034,915,000	98.15%

(1) The amounts presented in this table are subject to de minimis adjustment.

(2) Excludes the principal amounts outstanding with respect to Eligible Bonds owned or controlled by the Republic or by any public sector instrumentality of the Republic.

(3) Subject to the satisfaction of the IMF Condition and the GLC Opinion Condition.

Table B⁽¹⁾⁽²⁾

Eligible Bonds	ISIN / Common Code	Principal Amount Outstanding	Consents Delivered and Accepted ⁽³⁾	Consents Delivered and Accepted ⁽³⁾ as a Percentage of Principal Amount Outstanding
7.950% Notes due June 20, 2024	XS1080331181; XS1080330704 / 108033118; 108033070	U.S.\$1,894,973,000	U.S.\$1,808,157,000	95.42%

(1) The amounts presented in this table are subject to de minimis adjustment.

(2) Excludes the principal amounts outstanding with respect to Eligible Bonds owned or controlled by the Republic or by any public sector instrumentality of the Republic.

(3) Subject to the satisfaction of the IMF Condition and the GLC Opinion Condition.

The aggregate principal amounts of New Securities that will be issued on the settlement date for the Invitation will be announced promptly after the New Expiration Date.

* * *

Eligible Holders, or custodians for such holders, of Eligible Bonds may obtain a copy of the Invitation Memorandum by contacting the Information, Tabulation and Exchange Agent at the contact information set forth below, or by download, following registration, via: <https://gbsc-usa.com/ecuador>.

This announcement is for informational purposes only and is not an invitation or a solicitation of consents of any holders of Eligible Bonds. The Consent Solicitation and Invitation to Exchange to Eligible

Holders of Eligible Bonds is only being made pursuant to the Invitation. Holders of Eligible Bonds should read the Invitation Memorandum carefully prior to making any decision with respect to delivering their consents or tendering their securities because it contains important information.

Ecuador will make (or cause to be made) all announcements regarding the Invitation by press release in accordance with applicable law.

Ecuador has not registered the Invitation, the Eligible Bonds or the New Securities under the Securities Act of 1933, as amended (the “**Securities Act**”), or any state securities law. The Invitation may not be made in the United States or to any U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Invitation is being made only to (A) “qualified institutional buyers” as defined in Rule 144A under the Securities Act, (B) “accredited investors” within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act (“institutional accredited investors”) and (C) (x) persons outside the United States, (y) if located within a member state of the European Economic Area or in the United Kingdom, a “qualified investor” as defined in Regulation (EU) 1129/2017, and (z) if located outside the EEA or the UK, is eligible to receive this invitation under the laws of its jurisdiction. Only holders of Eligible Bonds who have returned a duly completed eligibility letter (available on the website of the Information, Tabulation and Exchange Agent, at <https://gbsc-usa.com/ecuador>) certifying that they are within one of the categories described in the immediately preceding sentence are authorized to receive and review the Invitation Memorandum and to participate in the Invitation (“**Eligible Holders**”).

NONE OF THE DEALER MANAGER, THE TRUSTEE, THE INFORMATION, TABULATION AND EXCHANGE AGENT, THE FINANCIAL ADVISOR NOR ANY OF THEIR RESPECTIVE DIRECTORS, EMPLOYEES, AFFILIATES, AGENTS OR REPRESENTATIVES MAKES ANY RECOMMENDATION AS TO WHETHER HOLDERS SHOULD DELIVER THEIR CONSENTS OR TENDER THEIR ELIGIBLE BONDS PURSUANT TO THE INVITATION, AND NO ONE HAS BEEN AUTHORIZED BY ANY OF THEM TO MAKE SUCH A RECOMMENDATION. EACH HOLDER MUST MAKE ITS OWN DECISION AS TO WHETHER TO CONSENT OR TENDER THEIR ELIGIBLE BONDS.

The Invitation Memorandum is available from the Information, Tabulation and Exchange Agent.

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

Global Bondholder Services Corporation

65 Broadway – Suite 404
New York, New York 10006
Attn: Corporate Actions
Banks and Brokers call: (212) 430-3774
Toll free (866)-470-3800
By facsimile:
(For Eligible Institutions only):
(212) 430-3775/3779
Confirmation:
(212) 430-3774
Email: contact@gbsc-usa.com

Any questions regarding the terms of the Invitation should be directed to the Dealer Manager or the Information, Tabulation and Exchange Agent at their respective addresses and telephone numbers set forth on this communication. If you have any questions about how to tender your Eligible Bonds in the Invitation, you should contact the Information, Tabulation and Exchange Agent. Requests for additional copies of the Invitation Memorandum, the eligibility letter or any other related documents may also be directed to the Information, Tabulation and Exchange Agent.

The Dealer Manager for the Invitation is:

Citigroup Global Markets Inc.
390 Greenwich St, 1st Floor
New York, NY 10013

Attention: Liability Management Group
U.S. Toll-free: +1-800-558-3745
Collect: +1-212-723-6106
Email: ny.liabilitymanagement@citi.com

The Republic of Ecuador

Ministry of Economy and Finance Av. Amazonas entre Pereira y Unión Nacional de Periodistas
Plataforma Gubernamental de Gestión Financiera, Pisos 10 y 11 Quito, Ecuador

(Financial Advisor to the Republic of Ecuador)

Lazard Frères

121 Boulevard Haussmann
75008, Paris