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Opening remarks

His Excellency Minister of Economy and Finance
Adriano Maleiane

Any questions during this presentation may be sent to the following email address:
MozambiqueIP@whitecase.com
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<th>Page</th>
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<td>II  DEBT SITUATION AND RESTRUCTURING GUIDELINES</td>
<td>13</td>
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</tbody>
</table>
Real GDP growth should pick up over the medium term

- Growth potential has been shaken up by the recent developments
  - Economic activity slowed down in 2016 due, among other things, to adverse developments in the commodity market, climate conditions and political environment
  - Real GDP growth is expected to recover gradually from 3% in 2017-2018 to 4.4% by 2022
    - Real GDP Growth is expected to remain significantly below historical performance, at an average of 3.4% over 2016-2022 vs. 7.4% over 2005-2015
    - Growth potential stemming from LNG project should kick in starting from 2023

Real GDP growth, although recovering, will remain below historical average

<table>
<thead>
<tr>
<th>Year</th>
<th>Real GDP Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>8.7</td>
</tr>
<tr>
<td>2006</td>
<td>9.9</td>
</tr>
<tr>
<td>2007</td>
<td>7.4</td>
</tr>
<tr>
<td>2008</td>
<td>6.9</td>
</tr>
<tr>
<td>2009</td>
<td>6.4</td>
</tr>
<tr>
<td>2010</td>
<td>6.7</td>
</tr>
<tr>
<td>2011</td>
<td>7.1</td>
</tr>
<tr>
<td>2012</td>
<td>7.2</td>
</tr>
<tr>
<td>2013</td>
<td>7.1</td>
</tr>
<tr>
<td>2014</td>
<td>7.4</td>
</tr>
<tr>
<td>2015</td>
<td>6.6</td>
</tr>
<tr>
<td>2016</td>
<td>3.8</td>
</tr>
<tr>
<td>2017</td>
<td>3.0</td>
</tr>
<tr>
<td>2018</td>
<td>2.8</td>
</tr>
<tr>
<td>2019</td>
<td>3.3</td>
</tr>
<tr>
<td>2020</td>
<td>3.8</td>
</tr>
<tr>
<td>2021</td>
<td>4.4</td>
</tr>
</tbody>
</table>

Average 2005-2015: 7.4%
Average 2016-2022: 3.4%

Source: IMF WEO, IMF article IV
Monetary policy successfully stabilized FX and eased inflationary pressures

- Over the last two years, monetary policy succeeded in:
  1. Bringing inflation to the single-digit area (2.9% y-o-y in Feb. 2018 versus a peak of 26.4% in Nov. 2016)
  2. Improving the balance of payments in 2017
  3. Stabilizing the exchange rate in the 57-63 MZN/USD range over the last 8 months versus 76 level in Nov. 2016

...helped the improvement of the BoP...

<table>
<thead>
<tr>
<th>Year</th>
<th>Current account</th>
<th>Capital account</th>
<th>Financial account</th>
<th>Net errors and omissions</th>
<th>Overall balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>(0.3)</td>
<td>(39.2)</td>
<td>1.3</td>
<td>14.3</td>
<td>32.2</td>
</tr>
<tr>
<td>2017</td>
<td>(16.1)</td>
<td>(16.9)</td>
<td>1.9</td>
<td>2.0</td>
<td>13.6</td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: IMF article IV

...and stabilized the exchange rate

![Exchange rate graph](source: Bloomberg as of 20/03/2018)

Monetary policy curbed inflationary pressures...

![Policy rate & inflation graph](source: Bank of Mozambique as of 20/03/2018)

+10.5 pp increase in policy rate between May and November
Recent monetary stance has exerted significant pressure on the domestic economy

- **The external adjustment has negatively affected the domestic economy**
  - Decrease of credit to the economy by 10% y-o-y in 2017
  - Expected future growth of credit to the economy of 2.5% y-o-y in the medium term vs 24% y-o-y on average in 2012-2015

- **Maintaining current monetary stance would add further pressure on the local economy, as sustained high real interest rates are likely to affect economic output**

### Pressure on domestic credit

<table>
<thead>
<tr>
<th>Year</th>
<th>Credit Allocated to the Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>19.9</td>
</tr>
<tr>
<td>2013</td>
<td>28.7</td>
</tr>
<tr>
<td>2014</td>
<td>28.4</td>
</tr>
<tr>
<td>2015</td>
<td>19.8</td>
</tr>
<tr>
<td>2016</td>
<td>12.6</td>
</tr>
<tr>
<td>2017</td>
<td>10.4</td>
</tr>
<tr>
<td>2018</td>
<td>2.9</td>
</tr>
<tr>
<td>2019</td>
<td>2.8</td>
</tr>
<tr>
<td>2020</td>
<td>2.7</td>
</tr>
<tr>
<td>2021</td>
<td>2.3</td>
</tr>
<tr>
<td>2022</td>
<td>2.1</td>
</tr>
</tbody>
</table>

Source: IMF article IV, IMF WEO
Government of Mozambique is committed to achieving primary balance by 2022 in a challenging fiscal environment

- Mozambique's government expects to achieve primary balance by 2022, from a primary deficit of 4.5% in 2017
- The government is committed to fiscal consolidation notwithstanding a reduction in international support

Revenues, expenditures and grants (% of GDP)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues</th>
<th>Expenditures (excl. interest)</th>
<th>Grants</th>
<th>Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1.6</td>
<td>22.4</td>
<td>-3.7</td>
<td>-28.4</td>
</tr>
<tr>
<td>2018</td>
<td>1.3</td>
<td>22.3</td>
<td>-3.6</td>
<td>-26.4</td>
</tr>
<tr>
<td>2019</td>
<td>1.2</td>
<td>24.2</td>
<td>-3.7</td>
<td>-27.2</td>
</tr>
<tr>
<td>2020</td>
<td>0.8</td>
<td>24.3</td>
<td>-3.6</td>
<td>-26.1</td>
</tr>
<tr>
<td>2021</td>
<td>0.7</td>
<td>24.3</td>
<td>-3.3</td>
<td>-25.4</td>
</tr>
<tr>
<td>2022</td>
<td>0.6</td>
<td>24.4</td>
<td>-3</td>
<td>-25</td>
</tr>
</tbody>
</table>

Primary balance targets over the medium term

<table>
<thead>
<tr>
<th>Year</th>
<th>Primary balance after grants</th>
<th>Overall balance after grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>(4.5)</td>
<td>(22.4)</td>
</tr>
<tr>
<td>2018</td>
<td>(2.8)</td>
<td>(22.3)</td>
</tr>
<tr>
<td>2019</td>
<td>(1.8)</td>
<td>(24.2)</td>
</tr>
<tr>
<td>2020</td>
<td>(1.0)</td>
<td>(24.3)</td>
</tr>
<tr>
<td>2021</td>
<td>(0.4)</td>
<td>(24.3)</td>
</tr>
<tr>
<td>2022</td>
<td>(0.0)</td>
<td>(24.4)</td>
</tr>
</tbody>
</table>

Sources: IMF article IV for 2017, Government of Mozambique for 2018 onwards
Note: (1) / (2) Excludes a 2.7% of GDP one-off 2017 capital gains tax revenues
Primary balance will be achieved through a mix of revenue enhancement and expenditure rationalization measures

- Tax revenue measures include the broadening of the tax base (notably through the removal of VAT exemptions on selected products) and the introduction of new excise taxes
- Wage bill rationalization targets reduction in specific allowances and bonuses (e.g. limitation of hiring of employees, limitation of government’ subsidies for fuels and communication)
- Other tax policies and administration measures, the phasing out subsidies to SOEs and rationalization of spending will also contribute to reducing the fiscal deficit

Deficit reducing measures will start in 2019 and will average 5.4% per annum over 2019-2022

Source: Government of Mozambique (in close coordination with the IMF)
## Illustrative measures implemented to date by the Government

<table>
<thead>
<tr>
<th>IMF recommendation</th>
<th>Action taken by the Government of Mozambique</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FISCAL</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Containment of the wage bill increase</td>
<td>2018 budget proposal includes wage bill containment</td>
<td>December 2017</td>
</tr>
<tr>
<td>Strengthening of fiscal monitoring and debt management</td>
<td>Approval of a new framework for contracting public debt and issue guarantees, as well as submission of a new draft SOEs Law to Parliament</td>
<td>November 2017</td>
</tr>
<tr>
<td>Reform of fuel and wheat subsidies, and reinstatement of an automatic fuel price adjustment mechanism</td>
<td>Removal of fuel and wheat subsidies and reintroduction of an automatic fuel price adjustment mechanism</td>
<td>March 2017</td>
</tr>
<tr>
<td><strong>STRUCTURAL</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development of a medium-term fiscal framework and formulation of a formal fiscal rule</td>
<td>Preparation of an Action Plan to strengthen governance, transparency and accountability including a fiscal responsibility law and steps towards a more transparent and efficient use of natural resources</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Increased transparency in natural resources wealth management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improvement of the business environment</td>
<td>Launch of a national strategy for financial inclusion</td>
<td>March 2016</td>
</tr>
<tr>
<td></td>
<td>Formation of a National Committee to steer initiatives with stakeholders</td>
<td>November 2017</td>
</tr>
<tr>
<td></td>
<td>Promotion of E-money and banking infrastructure under Bank of Mozambique oversight</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
Other measures implemented by the Central Bank

<table>
<thead>
<tr>
<th>IMF recommendation</th>
<th>Action taken by the Central Bank</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Containment of inflation through monetary policy tightening</td>
<td>Implementation of a prudent monetary policy that brought inflation to a single digit level</td>
<td>2016-2017</td>
</tr>
<tr>
<td>Stabilization of the exchange rate by addressing FX market distortions</td>
<td>Implementation of a new foreign exchange market regulation</td>
<td>December 2017</td>
</tr>
<tr>
<td>Strengthening of analytical tools and monetary policy operations framework</td>
<td>Strengthening of monetary policy framework through the adoption of a new indirect monetary policy instrument (the MIMO)</td>
<td>April 2017</td>
</tr>
<tr>
<td>Strengthening of the Bank of Mozambique bank prudential supervision and crisis management tools</td>
<td>Preparation of a new bank resolution framework</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>

**MONETARY**

**FINANCIAL**
Downside risks remain, with potential impact on the targeted fiscal trajectory

<table>
<thead>
<tr>
<th>Downside risk</th>
<th>Actions taken to mitigate risk</th>
</tr>
</thead>
</table>
| 1 Depreciation of the local currency and deterioration of the balance of payments | • Tight monetary policy  
• Commitment to fiscal consolidation |
| 2 Contingent liabilities stemming from major SOEs and potential impact on the banking sector | • SOEs draft law sent to Parliament  
• Decree on state guarantees |
| 3 Delays in mega-projects                                                    | • Legal steps taken towards the adoption of FID                    |
Progress is continuing on LNG projects in 2018

- **Area 1**
  - **Jul. 2017**: Anadarko announces it has finalized two agreements with the GoM ("marine concessions")
  - **Aug. 2017**: Eni, Anadarko and GoM entered into a contract for LNG terminals in Area 1
  - **March 2018**: Ongoing negotiations between Anadarko and potential buyers for SPA on new LNG plant in Area 1
  - Agreement on commercial terms for LNG off-take deals from Mozambique
  - **Q1 2019 FID expected**

- **Area 4**
  - **Feb. 2016**: GoM has approved Eni’s development plan for its Coral FLNG Project in Area 4
  - **March 2017**: ExxonMobil signed a agreement with Eni to buy 25% share
  - **June 2017**: FID taken on the Coral South FLNG Project
  - **Aug. 2017**: Eni, Anadarko and GoM entered into a contract for LNG terminals
  - **Nov. 2017**: Eni/ExxonMobil-led consortium have closed financing for the Coral South FLNG Project
  - **2018-19 Expected FID on onshore projects**
  - Coral Project production expected to start in 2022

Source: Government of Mozambique
LNG projects are expected to boost Mozambique’s GDP growth and external accounts

- The Coral project, East Africa’s first LNG facility, is expected to start producing LNG in H2 2022
  - Mozambique’s gas exports should reach 18 bcm by 2024, generating over USD 7 bn of LNG net exports
  - Real GDP growth is expected to reach the 8-10% range by 2023 (vs. 3.4% on average in 2016-2022)

### Growth stimulus derived from LNG activity to kick in only after 2023

**Real GDP Growth Forecasts (YoY % Change)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2005-2015 average</th>
<th>2016-2022 average</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP %</td>
<td>7,4</td>
<td>3,4</td>
<td>9,9</td>
<td>8,4</td>
<td>8,2</td>
<td>7,6</td>
<td>7,3</td>
</tr>
</tbody>
</table>

### Potential exports in the medium term will likely strengthen Mozambique external accounts

**Evolution of LNG net exports in the medium term**

- *Expected start of production period*
  - 2022F: 1,6
  - 2023F: 5,7
  - 2024F: 7,2
  - 2025F: 7,4
  - 2026F: 7,4
  - 2027F: 7,4

- *LNG net exports, USDbn*:
  - 2022F: 55,2%
  - 2023F: 80,9%
  - 2024F: 87,9%
  - 2025F: 90,2%
  - 2026F: 89,9%
  - 2027F: 89,7%

Source: IMF until 2022, selected research after 2022

Source: Selected research, International Gas Union
However, government revenues derived from LNG production are not expected to be significant until late 2020s / early 2030s

- Initial government revenues derived from LNG production will initially consist in withholding tax and profit sharing agreements and therefore will remain limited.
- Significant revenues derived from corporate income tax should kick in late 2020s / early 2030s under a best case scenario.
- Key downside risks could delay the projects and thus adversely impact revenue collection by the State, notably:
  - Operational risks
  - Changing investor environment for mega-project investments in Mozambique
  - Global oversupply of LNG

### Expected Government Revenues

<table>
<thead>
<tr>
<th>AREA 1</th>
<th>AREA 4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2020</strong></td>
<td><strong>2020</strong></td>
</tr>
<tr>
<td><strong>2021</strong></td>
<td><strong>2021</strong></td>
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<tr>
<td><strong>2022</strong></td>
<td><strong>2022</strong></td>
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<tr>
<td><strong>2023</strong></td>
<td><strong>2023</strong></td>
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<td><strong>2024</strong></td>
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<td><strong>2025</strong></td>
<td><strong>2025</strong></td>
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<td><strong>2026</strong></td>
<td><strong>2026</strong></td>
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<tr>
<td><strong>2027</strong></td>
<td><strong>2027</strong></td>
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<td><strong>2028</strong></td>
<td><strong>2028</strong></td>
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<tr>
<td><strong>2029</strong></td>
<td><strong>2029</strong></td>
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<tr>
<td><strong>2030</strong></td>
<td><strong>2030</strong></td>
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<td><strong>2031</strong></td>
<td><strong>2031</strong></td>
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<td><strong>2032</strong></td>
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<td><strong>2037</strong></td>
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<td><strong>2038</strong></td>
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<td><strong>2039</strong></td>
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<td><strong>2040</strong></td>
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<td><strong>2041</strong></td>
<td><strong>2041</strong></td>
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<tr>
<td><strong>2042</strong></td>
<td><strong>2042</strong></td>
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<tr>
<td><strong>2043</strong></td>
<td><strong>2043</strong></td>
</tr>
<tr>
<td><strong>2044</strong></td>
<td><strong>2044</strong></td>
</tr>
<tr>
<td><strong>2045</strong></td>
<td><strong>2045</strong></td>
</tr>
</tbody>
</table>

Source: National Petroleum Institute of Mozambique
II Debt situation and restructuring guidelines
Recap of Mozambique’ debt situation as of today

- The stock of debt to GDP has significantly increased over the last years
  - Debt to GDP increased from 88% to 128% of GDP between 2015 and 2016, before decreasing to 112% in 2017 mainly owing to the stabilization of the exchange rate
- External commercial debt service represents a disproportionate amount with respect to its share of total external debt stock
  - While external commercial debt represented only 13% of total stock of external debt in 2017, it consisted in over 40% of debt service

### Evolution of the stock of debt to GDP over the last years

<table>
<thead>
<tr>
<th>Year</th>
<th>% of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>53.2</td>
</tr>
<tr>
<td>2014</td>
<td>62.3</td>
</tr>
<tr>
<td>2015</td>
<td>88.1</td>
</tr>
<tr>
<td>2016</td>
<td>103.7</td>
</tr>
<tr>
<td>2017</td>
<td>111.9</td>
</tr>
</tbody>
</table>

Source: IMF article IV

### Snapshot of external PPG debt stock and service as of end 2017

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bilateral 38%</td>
<td>Commercial debt 41%</td>
</tr>
<tr>
<td>Multilateral 14%</td>
<td>Multilateral 14%</td>
</tr>
<tr>
<td>Commercial debt 13%</td>
<td>Bilateral 45%</td>
</tr>
<tr>
<td>Other (incl. Coral LNG project) 14%</td>
<td>Public sector domestic debt</td>
</tr>
<tr>
<td>Multilateral 35%</td>
<td>Public sector external debt</td>
</tr>
</tbody>
</table>

Source: IMF article IV

Source: Government of Mozambique
Mozambique is in debt distress and has accumulated arrears on external PPG commercial debt

- As of end-2017, all DSA indicators of Mozambique (except debt service to exports) were above the prudent threshold for medium-ranking CPIA countries.
- As of March 20th 2018, Mozambique had accumulated arrears on Mozam2023, MAM, and ProIndicus instruments amounting to approx. USD 636 m.

### Overview of Mozambique’s DSA situation vs IMF thresholds as of end-2017

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Level (2017)</th>
<th>IMF Threshold for Medium CPIA Ranking Country</th>
<th>New Framework(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Current Framework</td>
<td></td>
</tr>
<tr>
<td>PV of debt to GDP</td>
<td>67</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>PV of debt to Exports</td>
<td>177</td>
<td>150</td>
<td>180</td>
</tr>
<tr>
<td>PV of debt to Revenues</td>
<td>266</td>
<td>250</td>
<td>250</td>
</tr>
<tr>
<td>Debt Service to Exports</td>
<td>18</td>
<td>20</td>
<td>15</td>
</tr>
<tr>
<td>Debt Service to Revenues</td>
<td>27</td>
<td>20</td>
<td>18</td>
</tr>
</tbody>
</table>

### Snapshot of arrears on external commercial debt as of March 20th 2018 (USDm)

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Arrears Amount (USDm)</th>
<th>o/w principal</th>
<th>o/w interest</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MOZAM2023</td>
<td>136</td>
<td>-</td>
<td>136</td>
</tr>
<tr>
<td>MAM</td>
<td>345</td>
<td>268</td>
<td>78 (approx.)</td>
</tr>
<tr>
<td>PROINDICUS</td>
<td>154</td>
<td>119</td>
<td>35 (approx.)</td>
</tr>
<tr>
<td>Total</td>
<td>636</td>
<td>387</td>
<td>249</td>
</tr>
</tbody>
</table>

Source: Government of Mozambique
Note: (1) The new DSA framework for LIC countries will come into force as of July 1st 2018.
### Key features of the “adjustment scenario” underlying the debt sustainability analysis

<table>
<thead>
<tr>
<th>Feature</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Growth</strong></td>
<td><strong>Subdued medium term growth projections</strong> due to the recessive impact of the accumulation of government arrears on the private sector – Growth to stabilize at approx. 4.4% by 2022</td>
</tr>
<tr>
<td><strong>Deflator</strong></td>
<td><strong>Deflator stable at 6% from 2018</strong> on the back of prudent monetary policy</td>
</tr>
<tr>
<td><strong>Fiscal Policy</strong></td>
<td>While the framework does not reflect the implementation of an IMF programme from 2018, it reflects the government’s fiscal consolidation commitment aiming at achieving primary balance by 2022</td>
</tr>
<tr>
<td><strong>Exchange Rate</strong></td>
<td>Gradual depreciation to reach alignment with real effective exchange rate</td>
</tr>
<tr>
<td><strong>Exports</strong></td>
<td>Exports are expected to increase from <strong>USD 4.2 billion in 2017</strong> to <strong>USD 5.6 billion in 2022</strong></td>
</tr>
</tbody>
</table>
Mozambique’s debt trajectory will remain unsustainable in the medium term in spite of fiscal adjustment

- The PV of external debt in terms of GDP is expected to remain far above the threshold of 40% in the absence of a debt treatment, at over 80% in the adjustment scenario by 2022.

- PV of debt to exports is expected to remain at approx. 200% in the medium term.

- PV of debt in terms of revenue is expected to remain far above the threshold of 250%, at over 310% over the period.

Source: Government of Mozambique
Mozambique’s debt trajectory will remain unsustainable in the medium term in spite of fiscal adjustment (cont’d)

- External debt service in terms of exports is expected to remain over the threshold of 20% for most of the period in the adjustment scenario.

- External debt service in terms of revenue is expected to remain significantly above the threshold of 20% in the adjustment scenario.

Source: Government of Mozambique
## Restructuring guidelines

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Very low coupon / interest rate through 2023</td>
</tr>
<tr>
<td>2</td>
<td>Coupon / interest rate beyond 2023 at moderate level to address debt service constraints</td>
</tr>
<tr>
<td>3</td>
<td>Haircut on past due interests (and penalties as the case may be) and capitalization of balance</td>
</tr>
<tr>
<td>4</td>
<td>Limited principal amortization through 2028</td>
</tr>
<tr>
<td>5</td>
<td>Instrument in local currency to be offered to domestic holders</td>
</tr>
</tbody>
</table>
Illustrative restructuring scenarios

- 50% haircut on Past Due Interests ("PDIs") and penalties (as the case may be)
- Exchange of the resulting eligible amount (principal + balance of PDIs and penalties as the case may be) against one – or a mix – of the following instruments

**Illustrative options**

<table>
<thead>
<tr>
<th></th>
<th>Currency</th>
<th>Exchange ratio of the eligible amount</th>
<th>Final Maturity</th>
<th>Repayment</th>
<th>Coupon</th>
<th>Frequency of coupon payment</th>
</tr>
</thead>
</table>
| **Option #1**  | USD      | 1                                     | 16 year        | Equal principal instalments on year 14,15,16 | • Until Y5 : 2.0%  
• Between Y5 and Y10: 3.0%  
• After Y10 : 6.0% | • Semiannual |
| **Option #2**  | USD      | 0.9                                   | 12 year        | Equal principal instalments on year 10,11,12 | • Until Y5 : 1.5%  
• After Y5 : 5.0% | • Semiannual |
| **Option #3**  | USD      | 0.8                                   | 8 year         | Equal principal instalments on year 6,7,8    | 2.8%                      | • Semiannual |

Participation to option #3 capped in consideration of limited payment capacity
Next steps

- **A collaborative process** is paramount to ensure Mozambique’s debt sustainability in the medium to long term.

- **Mozambique’s consultations** with its creditors are based on:
  - Transparency
  - good faith
  - and a collaborative approach

- The Government of Mozambique, and its advisors Lazard Frères SAS and White & Case remain at the disposal of Mozambique’s commercial creditors to discuss the content of this presentation using the following email address: moz.debtholders@lazard.fr