

UKRAINE’S WARRANTHOLDERS¹ MAKE STATEMENT
IN RELATION TO PAYMENT DUE 2 JUNE 2025

LONDON, 3 June 2025 – The ad hoc group of holders of the Warrants (the “**Ad Hoc Group**”) wishes to make a statement in relation to the default by the Government of Ukraine on the approximately US\$542 million² scheduled payment due on the Warrants on 2 June 2025 in respect of Reference Year 2023 (the “**June Payment**”). The Ad Hoc Group represents in excess of 30% of the outstanding Warrants.

The Ad Hoc Group is disappointed by Ukraine’s decision to default on the June Payment without meaningfully engaging with Warrantholders. This is particularly regrettable when considered in light of the proposal put to Ukraine by the Ad Hoc Group during restricted discussions in April. Engaging substantively with the Warrantholder proposal could have avoided the June Payment default whilst simultaneously affording Ukraine cash flow relief under a proposal that would have commanded broad Warrantholder support.

Notwithstanding the default on the June Payment, the Ad Hoc Group remains ready and willing to engage with Ukraine to implement a mutually acceptable solution in relation to the Warrants (including treatment of the defaulted June Payment). As a precursor to this, the Ad Hoc Group reiterates that any implementable transaction in relation to the Warrants must be premised on the following key realities in order to meet with requisite support from holders:

1. The Warrants were restructured in 2022 in a manner that provided very significant economic concessions to Ukraine. This stands in sharp contrast to the actions of Ukraine’s Eurobond holders at that time, who merely agreed to a standstill.
2. The concessions granted to Ukraine by Warrantholders in 2022 included the introduction of both (i) the Issuer Call option and (ii) an amendment to the cap applicable to the June Payment.
 - a. The Issuer Call granted by Warrantholders allows Ukraine to call the Warrants at 100% of their notional value until August 2027. This continues to represent a major economic concession by Warrantholders since future cumulative pay-outs under the Warrants can be estimated to total approximately 250% of notional value based on the macroeconomic projections as set out in the Seventh Review of the Extended Arrangement under the Extended Fund Facility of the IMF. Further, there exist macroeconomic scenarios under which pay-outs under the Warrants could significantly exceed this amount.
 - b. The amendment of the cap applicable to the June Payment reduced the amount Ukraine was required to pay on 2 June 2025 by an estimated US\$157 million to US\$542 million. This represents a haircut of approximately 23% on the June Payment.

The Ad Hoc Group respectfully calls on Ukraine to engage in a good-faith, two-way dialogue with the Ad Hoc Group in order to find a consensual path forward which can address all appropriate needs of Ukraine.

¹ “**Warrants**” means the GDP-Linked Securities (Regulation S ISIN: XS1303929894, Common Code: 130392989, Rule 144A ISIN: US903724AW28, CUSIP: 903724AW2) issued by Ukraine, represented by The Minister of Finance of Ukraine.

² Based on Warrants notional outstanding of USD 2,635 million (excluding Warrants held by Ukraine).

Following 2 June 2025, market participants consider that the Warrants will trade cumulative of the June Payment unless market participants expressly agree otherwise in relation to a specific trade. Interest will accrue on the June Payment at a rate of 7.75% per annum.

The Ad Hoc Group is advised by PJT Partners (UK) Ltd (“**PJT Partners**”) and Cleary Gottlieb Steen & Hamilton LLP (“**CGSH**”). Holders of the Warrants are invited to contact PJT Partners or CGSH for further information. The contact details for PJT Partners and CGSH are below:

PJT Partners	ukraineenquiries@pjtpartners.com
CGSH	ukrwarrants-cgshonly@cgsh.com