BRAZIL ANNOUNCES RESULTS OF U.S. DOLLAR BOND OFFERING

Published in Jun 04, 2025

The National Treasury of Brazil announces the results of its transaction in the U.S. market, which involved the issuance of a new 5-year benchmark bond, the GLOBAL 2030, and a reopening of the existing 10-year benchmark bond, the GLOBAL 2035.

The GLOBAL 2030 matures on November 6, 2030, and was issued in an aggregate principal amount of US$ 1.5 billion, bearing a coupon of 5.500% per annum, with semi-annual payments on May 6 and November 6 of each year. The issuance price was 99.178% of par, resulting in a yield to investors of 5.680% per annum, which corresponds to a spread of 175.5 basis points over the relevant U.S. Treasury benchmark. The spread remains close to historical lows, reflecting the international market's favorable perception of Brazil's credibility.

The GLOBAL 2035, maturing on March 15, 2035, was reopened in the amount of US$ 1.25 billion, representing a 50% increase over the original issuance, bringing the total outstanding amount to US$ 3.75 billion. The bond has a 6.625% coupon per annum, with semi-annual payments on March 15 and September 15. The reopening was priced at 99.237% of par, resulting in a yield to investors of 6.730% per annum, corresponding to a spread of 237.5 basis points over the relevant U.S. Treasury benchmark. The strong demand for the reopening, which took place just four months after the initial issuance, underscores investors' confidence in the strength and attractiveness of Brazil's sovereign debt.

The transaction attracted significant investor interest, with peak demand reaching 240 orders in the order book. Total demand exceeded the issued amount by approximately four times, marking the highest oversubscription ratio in the past seven years, with the order book peaking at approximately US$ 10.9 billion. The final allocation included strong participation from non-resident investors, with approximately 87% originating from Europe and North America, while Latin America, including Brazil, accounted for 11.6%

This issuance reinforces the strategic role of external debt in extending the average maturity profile, diversifying and broadening the investor base. It also strengthens the role of external Federal Public Debt in establishing liquid benchmarks in the sovereign yield curve, providing important pricing references for future external issuances by Brazilian corporates. The issuance of a 5-year tenor security contributes to reducing financing costs and strengthens a key point in the curve frequently used as a reference by corporate issuers.

The transaction was jointly led by BNP Paribas, Citigroup, and Santander. Financial settlement is scheduled for June 11, 2025.

This communication is for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any securities. No securities will be offered or sold in any country or jurisdiction where such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such country or jurisdiction.

The issuer has filed a registration statement, including a prospectus, with the U.S. Securities and Exchange Commission ("SEC") for the offering to which this communication relates. Before you invest, you should read the prospectus contained in the registration statement and other

documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may obtain these documents free of charge by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by contacting BNP Paribas Securities Corp. at +1 (800) 8545674, Citigroup Global Markets Inc. at +1 (800) 831-9146, or Santander US Capital Markets LLC at +1 (855) 403-3636.