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Perenti refinance enhances already strong liquidity and positions the business for future growth

Highlights:

- Successful issue of US$450m Notes (circa A$650m) in US bond market
- Strong interest from global investors saw initial US$350m offer oversubscribed and upsized by US$100m
- Group debt levels not impacted – proceeds to repay existing borrowings
- Notes are unsecured and at more attractive interest rate (6.50%) than the existing secured Notes (6.625%)
- Significantly lengthened maturing profile with repayment due October 2025
- Further strengthens Perenti's already strong liquidity position whilst maintaining leverage of 1.3x, positioning the business for growth and to deliver its 2025 strategy

As announced earlier today Perenti's (ASX: PRN) wholly owned subsidiary, Perenti Finance Pty Ltd, has successfully concluded a US$450 million (circa A$650 million) issue of Guaranteed Senior Unsecured Notes (**Notes**) in the US bond market.

Perenti had initially intended to raise US$350 million, however, upon launching the process the issue received strong interest from the Asian, European, US and Australian markets which resulted in a significant oversubscription for the initial offer. As a result, the Company elected to upsize the raising to US$450 million.

The Notes, which are unsecured and guaranteed by Perenti and a number of wholly owned subsidiaries of Perenti, are at a rate of 6.50% per annum and mature in October 2025, significantly lengthening Perenti's debt maturity profile. Importantly, the Notes do not increase Perenti's overall debt levels or leverage, with net proceeds intended to be applied as follows:

1. Redeeming in full the existing US$350 million 6.625% Senior Secured Notes, due May 2022, issued by Perenti's wholly owned subsidiary, Barminco Finance Pty Limited.

2. Paying down amounts drawn under the Company's Revolving Credit Facility.

Perenti Chief Financial Officer, Peter Bryant, said: "We are delighted to have completed the Notes issue swiftly and with such strong support from global debt markets. This refinancing further enhances our already strong liquidity position by putting in place a stable, long-term capital structure that is underpinned by five-year Notes held by high quality investors.

"The level of interest we received globally is testament to our strong business, our ability to generate cash backed earnings throughout the cycle, and our robust outlook. To have been able to upsize the issue, lengthen our maturity profile and secure an interest rate reduction on the rate payable on the soon to be repaid Barminco Notes is a very positive outcome for Perenti.

"The completion of the Notes issue represents the final step in the capital structure integration plan following the Barminco acquisition, streamlining our Group funding strategy and improving our financial flexibility, with Barminco no longer maintaining separate funding arrangements."

Perenti Managing Director and Chief Executive Officer, Mark Norwell, said: "The refinancing aligns with our 2025 Group strategy to further strengthen the Company's balance sheet, ensuring we are well positioned to capture the substantial growth opportunities we are pursuing to deliver long-term value for shareholders."

Perenti is rated BB with a positive outlook by Fitch Ratings, BB by Standard & Poor's, and Ba2 by Moody's.

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