

5 August 2019

Expansion of Debt Facilities

Propel Funeral Partners Limited (ASX: PFP) (**Propel** or **Company**) is pleased to announce it has increased its senior debt facilities with Westpac Banking Corporation (**Westpac**) from \$50 million to \$100 million.

Propel's current senior debt balance is approximately \$17 million and, in addition, the Company has a binding commitment to acquire the Dils Group, which will require approximately \$20 million of cash on completion (expected to occur in FY20). Therefore, approximately \$37 million of Propel's previous senior debt facility limit of \$50 million is currently drawn and/or committed. The expansion of the senior debt facilities to \$100 million means Propel is well funded to continue its investment strategy, with uncommitted debt capacity of approximately \$63 million.

Albin Kurti, Propel's Managing Director, said "One of the primary reasons we completed the IPO in November 2017 was to access debt and equity markets more efficiently. Increasing the debt facilities to \$100 million is a strong vote of confidence from our banking partner Westpac and will enable Propel to continue to execute its growth plans."

The expanded senior debt facilities comprise of:

- the existing \$50 million tranche maturing in August 2021;
- a new \$40 million tranche maturing in August 2022; and
- a new \$10 million revolving working capital facility.

Pricing remains unchanged, with a current effective interest rate of approximately 3.0% on drawn debt.

Debt covenants remain unchanged, comprising a Net Leverage Ratio¹ (which must be less than 3.0 times) and a Fixed Charge Cover Ratio (which must be greater than 1.75 times). The Company remained comfortably in compliance with its debt covenants as at 30 June 2019.

Propel is scheduled to release its FY19 Full Year Results on Monday, 26 August 2019.

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¹ Including the annualised impact of acquisitions.

ASX ANNOUNCEMENT



About Propel:

Propel is listed on the ASX and is the second largest provider of death care services in Australia and New Zealand. Propel currently operates from 120 locations, including 28 cremation facilities and 9 cemeteries.

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Important notice:

This announcement may contain forward-looking statements, which include all matters that are not historical facts. Without limitation, indications of, and guidance on, future earnings and financial position and performance are examples of forward-looking statements. Forward-looking statements, including projections or guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including Propel). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based.