

ASX/Media Release

QANTAS COMPLETES BOND REFINANCING IN OVERSUBSCRIBED OFFER

16 September 2021: The Qantas Group has completed a seven-year A\$500m unsecured bond with a coupon of 3.15 per cent.

The bond is being issued to refinance an A\$300m bond maturing in May 2022. The bond was oversubscribed by a factor of six, with a book build of around A\$1.9bn and highly competitive rates that led to the upsizing of the transaction to A\$500m.

The book build consists of quality investors, both existing Qantas bond holders and new. The A\$500 million will be used to boost liquidity, repay maturing debt and help in the balance sheet repair program.

The cost of the new funding represents a significant saving for the Group. The rate for this unsecured bond of 3.15 per cent is materially below the 7.75 per cent rate that applies to the maturing bond.

The level of market interest makes this the strongest response to a Qantas bond offer and reflects confidence in the Group's recovery plan and overall market position.

Qantas is one of only seven airlines in the world that has maintained an investment grade credit rating through the pandemic. With a material relaxation of domestic and international travel restrictions expected from late calendar 2021, the Group aims to return to its target net debt range by the end of FY22.

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Authorised for release by the Group General Counsel and Company Secretary

