

ASX Announcement

17 June 2024

SUCCESSFUL ESTABLISHMENT OF \$6.25 MILLION FUNDING PACKAGE

Highlights

- Parkway has secured a term loan facility of up to \$4 million from a specialist private credit fund.
- Together with the recently completed \$2.25 million oversubscribed share placement, Parkway has secured a significant funding package of up to \$6.25 million.
- The successful establishment of the funding package represents an important milestone in the development of Parkway and will support the acceleration of numerous strategic growth initiatives.

MELBOURNE, Australia – Parkway Corporate Limited (“**Parkway**” or the “**Company**”) (ASX: PWN, FSE: 4IP) is pleased to announce it has entered into a term loan funding agreement with Amal Security Services Pty Limited (as trustee for Causeway Wholesale Private Debt Master Fund) (“**Causeway**”) for a debt financing facility (“**Term Loan Facility**”) of up to \$4 million.

The Term Loan Facility consists of a Senior Secured Debt Facility of \$3 million, and a separate Acquisition Facility of \$1 million, intended to support potential future acquisition/s. The initial loan term is 2 years, with an option to extend the Term Loan Facility for a further 12 months, at the election of Parkway.

The key terms of the Term Loan Facility are outlined in Appendix A of this announcement.

Following the successful \$2.25 million share placement announced on 15 May 2024 and the establishment of the Term Loan Facility, Parkway has now secured a funding package of up to \$6.25 million (“**Funding Package**”), before costs.

The proceeds of the Funding Package, including the Term Loan Facility, will enable Parkway to advance a range of strategic growth initiatives, including acceleration of the integration and growth of recently acquired Tankweld, as well as provide general working capital to support ongoing growth.

Evolution Capital acted as sole arranger and advisor for the establishment of the Term Loan Facility and will receive an arranger fee equivalent to 2.5% of funds raised (based on full drawdown) and payable at the time of each drawdown.

ABOUT CAUSEWAY

Causeway is a boutique private debt and alternate asset manager with approximately \$600 million in assets under management and advice and more than two decades of experience in providing private debt to emerging companies, as well as generating consistent returns through all market cycles.



COMMENTS FROM GROUP MANAGING DIRECTOR & CEO

Parkway's Group Managing Director & CEO, Bahay Ozcakmak, makes the following comments:



“Following our recent acquisition of Tankweld, we have now transformed Parkway into an integrated industrial water treatment solution provider, with full turnkey (engineering, procurement & construction, EPC) project delivery capabilities. As a result, we have built a strong growth platform, enabling us to provide turnkey industrial solutions, for both conventional and more innovative (Parkway technology-based) project applications.

As part of our recent updates, including our successful \$2.25 million share placement, we disclosed our intention to establish a suitable working capital facility, to meet the broader funding requirements of our growing and now much larger business. The acquisition of Tankweld has not only broadened our project execution capabilities, but also substantially increased the size of our operating business, and therefore corresponding working capital requirements.

As an emerging company with ambitious growth plans, having access to growth capital, including in the form of debt, is of critical importance, as it enables us to not only fund our growth plans, but also provides our various stakeholders with confidence about our financial capacity. In this regard, the establishment of a \$6.25 million funding package, inclusive of the \$4 million Term Loan Facility announced today, is an important milestone, that will support our continued growth. Access to capital markets, particularly debt financing, enables us to explore ambitious project structures with our partners and clients, including potential build-own-operate and transfer (BOO/T) opportunities, as appropriate. In time, as our business continues to grow, we expect to further expand and consolidate our working capital facilities, with larger and lower cost options, through industry standard refinancing strategies.

We look forward to providing further updates regarding our continued progress.”

The release of this announcement has been approved by Parkway's Group Managing Director & CEO, Bahay Ozcakmak, on behalf of the board of directors of the Company.

ADDITIONAL INFORMATION

For further information or investor enquiries, please contact:

Bahay Ozcakmak

Group Managing Director & CEO

solutions@pwnps.com

General Enquiries

1300 7275929

[1300 PARKWAY](http://1300.PARKWAY)

APPENDIX A - Key Terms of Term Loan Facility

Loan Facility	Key Terms
Financier	Causeway Wholesale Private Debt Master Fund
Borrower	Parkway Corporate Limited (PWN)
Guarantors	All subsidiaries of PWN
Facility	Term Loan Facility
Purpose of Facility	Provide working capital for the Borrower and fund various growth initiatives.
Loan Amount	<p>Total Facility Amount of \$4,000,000 comprising:</p> <ul style="list-style-type: none"> ▪ Senior Secured Debt Facility comprising: <ul style="list-style-type: none"> ▪ Initial Advance of \$1,000,000 at time of establishment of the Facility; and ▪ Subsequent Advance of a further \$2,000,000, in minimum tranches of \$500,000, within the first year of the establishment of the Facility, at the election of the Borrower. ▪ Acquisition Facility with a limit of \$1,000,000.
Conditions Precedent	All conditions for the Senior Secured Debt Facility have been satisfied. Conditions for the Acquisition Facility are by mutual agreement between the Financier and Borrower.
Maturity / Term	<ul style="list-style-type: none"> ▪ The Facility is interest only and accordingly PWN is not required to repay any principal under the Facility until the end of the Term. ▪ Repayment of the Facility will be due 2 years after the establishment of the Facility, and may, at the election of PWN, be extended for a further 12 months.
Security Documents	General Security Deed over PWN and all Guarantors covering all present and future undertakings, assets and rights.
Fees	<ul style="list-style-type: none"> ▪ Establishment Fee of 2% of Senior Secured Debt Facility (payable on settlement). ▪ Standard Work Fee.
Interest Rate Benchmark	BBSW
Interest Rate	<p>The Facility is interest only, with the applicable rate as follows:</p> <ul style="list-style-type: none"> ▪ Drawn amounts – interest rate benchmark (subject to 3% floor) plus 8% p.a., payable monthly in arrears. ▪ Undrawn amounts – interest rate benchmark (subject to 3% floor), payable monthly in arrears.
Covenants	Customary covenants, representations and events of default for a secured corporate facility of this nature.
Events of Default	Events of default which are typical for a facility of this nature with market standard grace periods and carve outs, including equity cure.
Other Terms	The Facility agreements include usual terms and conditions for facilities of this nature, including Conditions Precedent, Conditions Subsequent, Representations & Warranties, Undertakings (including Permitted Disposals, Permitted Distributions, and Permitted Debt), and Events of Default (include financial covenants, non-payment, insolvency, material adverse effect, and misrepresentation – non-payment defaults generally subject to cure periods).

PARKWAY INVESTOR HUB

To stay up to date with the latest news, access additional investor related resources including research reports and interact with Parkway by posting questions and feedback through a Q&A function, we encourage investors to sign-up to the Parkway Investor Hub.



How to sign-up to the Parkway Investor Hub

1. navigate to <https://investorhub.pwnps.com/welcome>
2. follow the prompts to sign up for an Investor Hub account.
3. complete your account profile.

or Scan QR Code to visit the Parkway Investor Hub.

ABOUT PARKWAY CORPORATE LIMITED

Parkway Corporate Limited is an Australian cleantech company focused on developing and implementing, industrial-scale innovative water treatment solutions. Parkway is listed on the Australian Securities Exchange (ASX: PWN) and is emerging as an innovative player in water related sustainability solutions. With significant inhouse technical expertise and established partnerships, Parkway is well-placed to deliver the next generation of wastewater treatment plants, incorporating the company's portfolio of world-class technologies.

Parkway operates through four (4) core business units, comprising:

- Parkway Process Solutions (PPS) – Parkway's primary operating division and a provider of industrial water treatment products, services, solutions and associated technology to customers throughout Australia. PPS has established commercial relationships with key water industry participants, including globally recognised OEMs;
 - Tankweld Group – is an established engineering solutions provider acquired by Parkway in March 2024. Tankweld operates through two subsidiaries, Tankweld Engineering and Tankweld Installations.
- Parkway Process Technologies (PPT) – Parkway's technology development, acquisition, and commercialisation division. PPT owns a portfolio of industrial wastewater treatment technologies, including the patented aMES® and iBC® process technologies. PPT has global aspirations and is supported by a network of strategic partners, including global engineering company Worley;
- Queensland Brine Solutions (QBS) – is a recently established commercialisation entity, focused on advancing the objectives of Master Plan, a plan developed by Parkway to address the significant coal seam gas derived waste brine and salt challenges in Queensland, through the adoption of proprietary process technologies, developed by Parkway; and
- Parkway Ventures (PV) – holds a portfolio of project equity interests, including interests relating to Parkway's Karinga Lakes Potash Project in the Northern Territory of Australia.

Additional information regarding Parkway, including an overview of the corporate structure of Parkway and the companies in its corporate group, can be found at: www.pwnps.com

FORWARD-LOOKING STATEMENTS

This announcement may contain certain "forward-looking statements". The words "continue", "expect", "forecast", "potential" and other similar expressions are intended to identify "forward-looking statements". Indications of (and any guidance on) future earnings, financial position, capex requirements and performance are also "forward-looking statements", as are statements regarding internal management estimates and assessments of market outlook.

Where Parkway expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, "forward-looking statements" are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Parkway, its officers, employees, agents and advisors, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. There are usually differences between forecast and actual results, because events and actual circumstances frequently do not occur as forecast and their differences may be material.

Parkway does not undertake any obligation to publicly release any revisions to any "forward-looking statements" to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under the applicable securities laws.