



## NZX announcement

**19 August 2021**

### **LENDER CONSENT AND IMPORT TERMINAL CONVERSION FUNDING CONFIRMED**

The New Zealand Refining Company Limited (“Refining NZ” or the “Company”) announces that the Company’s lenders have granted their consent for the Company to transition to and operate as an import terminal. They have also agreed to extend and increase the Company’s debt facilities to fund conversion costs.

The extension and increase in debt facilities comprises:

- An extension of the \$25 million facility maturing in September 2021 to March 2023; and
- Two new facilities of \$15 million each have been added, with maturities of December 2022 and March 2023, to assist with the costs associated with the conversion to an import terminal.

This brings Refining NZ’s total available debt facilities to \$410 million (including the Company’s \$75 million subordinated notes on issue), with an average tenor of over four years. Refining NZ’s net debt as at 30 June 2021 was \$230 million. For further information on debt facilities maturity refer to Appendix I.

The Company has confirmed with its banks that no dividends will be paid before December 2022 and afterwards will not be paid until the Company’s Net Debt<sup>1</sup> to EBITDA is below 4.5x. This is consistent with the expectation that dividend payments would recommence 1 to 2 years after conversion as outlined in the Conversion Proposal approved by shareholders on 6 August 2021.

The debt facilities and lender consents are subject to conditions including the Company reaching an agreement with its customers in relation to the Terminal Services Agreement (as contemplated in the Explanatory Booklet issued on 5 July 2021) and a Final Investment Decision by the Refining NZ Board to proceed with the conversion.

ENDS

Authorised by:  
Chris Bougen  
General Counsel and Company Secretary

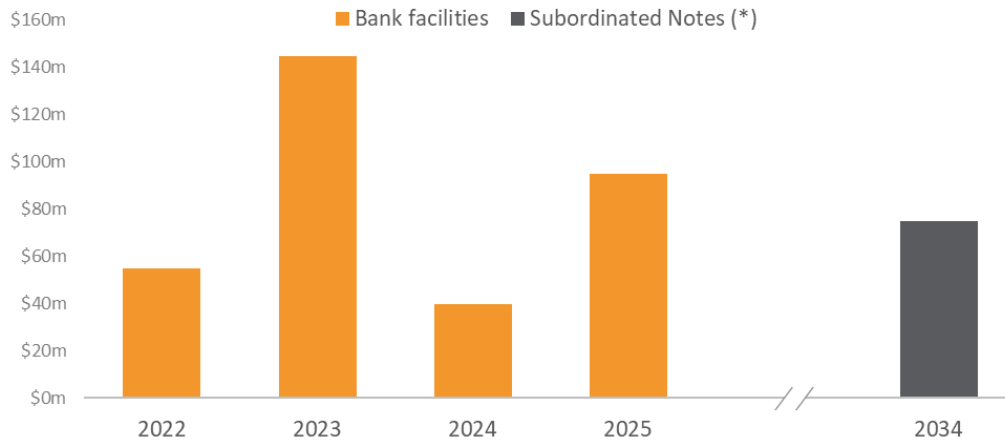
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<sup>1</sup> Net Debt is the total borrowings of the Refining NZ Group less any cash or cash equivalents.



## Appendix I – Debt facilities maturity profile



*(\*) Expiry of the subordinated notes is 1 March 2034, noting that on 1 March 2024 (being the first election date) the Company may elect to either redeem the notes or to offer new conditions to the noteholders.*