

5 August 2020

**ALS places AUD\$281 million of long-term debt in US Private Placement market**

ALS Limited (ASX: ALQ) announces that it has successfully placed AUD\$281 million equivalent of new, long-term US Private Placement (USPP) senior notes. The Group has been monitoring the USPP market since the onset of the COVID-19 pandemic and has found strong support from investors, with the issuance being 3.5 times oversubscribed.

The new USPP issuance will significantly extend the Group's weighted average debt maturity profile to 5.5 years (on a drawn and undrawn basis), with the weighted average cost of the combined new debt tranches at 2.65%. The new long-term fixed rate notes comprise of three 10-year tranches denominated AUD\$110 million, EUR40 million and CAD\$100 million. Post issuance, the new mix of debt by key currency will further align to the Group's global operating asset mix and cash flow profile. The new USPP notes will be funded on 25 November 2020.

Reflecting the strength of the Group's credit metrics and relationships with its USPP investors, the key financial covenants covering the new and existing USPP loan notes have been amended to align with the temporary waivers already provided by ALS' bank lenders. Consequently, the extension to the financial leverage covenant to 4.0 times is now effective and covers all USPP market borrowings until at least 31 March 2021.

The Group intends to use the majority of these funds to meet the maturation of an ~AUD\$211m USPP debt tranche, due in early December 2020. As part of its conservative and prudent capital management plan, the Group had already taken the precaution of drawing down sufficient funds from its existing bank facilities to meet this maturity. It is intended that these drawn bank facilities will be repaid, with the additional headroom then retained as part of the Group's capital management strategy.

Managing Director and CEO Raj Naran said, "We are pleased to receive strong support from our USPP investors, particularly in this challenging global economic environment. It endorses our diverse and robust business model and strategy. These funds will support our capital management strategy and the long-term growth of the Group."

-ENDS-

For further information please contact:

Raj Naran  
Managing Director and CEO  
ALS Limited  
+61 7 3367 7900

Simon Starr  
Head of Investor Relations  
ALS Limited  
+61 428 275 170  
[simon.starr@alsglobal.com](mailto:simon.starr@alsglobal.com)

---



## About ALS Limited

*ALS is a global Testing, Inspection & Certification business. The company's strategy is to broaden its exposure into new sectors and geographies where it can take a leadership position.*