

24 June 2021

ASX: EHL ('EMECO' OR 'THE COMPANY')

Emeco prices A\$250 million Senior Secured Notes at 6.25%

Emeco is pleased to announce that it has successfully priced A\$250 million senior secured notes due 2026 (the "Notes") (the "Offering"), marking the Company's inaugural issuance in the domestic A\$ MTN market.

The Notes priced with a fixed coupon of 6.25%, payable semi-annually, have a maturity date of 10 July 2026 and are scheduled to settle on 2 July 2021.

The net proceeds of the Offering will be applied to fully repay the outstanding 9.25% March 2024 US notes and related hedges.

This transaction meets Emeco's strategic funding objectives of:

- extending its debt maturity profile;
- lowering its funding costs – generating an annual interest saving of approximately \$9.0 million¹;
- establishing a presence in the domestic bond market; and
- replacing US\$-denominated debt with A\$-denominated debt.

Emeco Managing Director and Chief Executive Officer, Mr Ian Testrow, commented: "We are very pleased with the exceptional investor response to our entry into the Australian bond market. We had planned to partially refinance our US notes, however the significant investor interest has provided us with the opportunity to fully retire our legacy debt.

"The Notes significantly reduce our funding costs, lengthens our maturity profile and will result in a cleaner capital structure. The strong level of support demonstrates investor confidence in the Emeco's strong balance sheet and cash flows, and our transformed and resilient business profile supported by our growing commodity diversification, widened value proposition and our differentiated lowest cost advantage from our internal rebuild capability.

"This transaction allows Emeco to fully focus our ongoing efforts to deliver strong operating and financial performance as a leading mining equipment and services solutions provider."

Emeco is pleased to reconfirm FY21 operating EBITDA is expected to be in the range of \$235-238 million. The Company will release its FY21 results on 18 August 2021.

The Offering was only open to eligible professional and sophisticated investors in accordance with Part 6D.2 of the *Corporations Act 2001 (Cth)*.

Jarden Australia Pty Ltd and Nomura International Plc were Joint Lead Managers for the Notes offering.

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Investor enquiries

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This announcement was authorised to be provided to the ASX by Penny Young, Company Secretary of Emeco Holdings Limited

¹ Based on the effective hedged rate of 9.86%