

# ASX Announcement

30 October 2023

## Australian Unity Limited announces offer of Australian Unity Bonds Series E – Tranche 1

Australian Unity Limited (**Australian Unity**) announces the offer of a new series of simple corporate bonds: Australian Unity Bonds Series E – Tranche 1 (**Bonds**) (the **Offer**).

Australian Unity is seeking to raise \$180 million with the ability to raise more or less, subject to a minimum issue of \$50 million. Australian Unity is using the proceeds of the Offer to refinance Australian Unity Bonds Series C – Tranche 1 (**AYUHC**) that are repurchased through the Reinvestment Offer (which is described below) and for general corporate purposes.

Application has been made for the Bonds to be quoted on the ASX under the ticker “AYUHE”. The listing of the Bonds on the Australian Securities Exchange does not change Australian Unity’s structure as a mutual entity.

The Offer comprises:

- the Reinvestment Offer – an offer to Eligible AYUHC Holders;
- the Priority Offer – an offer to Eligible Members and Eligible Securityholders of Australian Unity;
- the Broker Firm Offer – an offer to investors who are clients of a Syndicate Broker; and
- the Institutional Offer – an offer to certain institutional investors to bid under the Bookbuild for the offer.

If you are an Eligible AYUHC Holder and participate in the Reinvestment Offer, your participating AYUHC will be sold to Australian Unity, who will reinvest a portion of the sale proceeds in the Bonds. You will receive one Bond for each AYUHC sold as both have a face value of \$100. Full details of the Reinvestment Offer are outlined in the Offer Documents.

Australian Unity Group Managing Director Rohan Mead said:

“Simple corporate bonds continue to be an important funding source for Australian Unity. This new issuance will further build on Australian Unity’s capital markets track record while also reducing our refinancing risk and lengthening our debt maturity profile.

**ASX code:**

AYU

**Securities on Issue:**

AYUPA – 3,434,000

AYUHC – 1,150,192

AYUHD – 2,070,000

**Issuer:**

Australian Unity Limited

ACN 087 648 888

**Enquiries:**

Australian Unity Registry

1300 554 474

**Contact details:**

Australian Unity Limited

271 Spring Street

Melbourne VIC 3000

Tel: 13 29 39

The listing of Australian Unity Securities on the ASX does not affect Australian Unity Limited’s status as a mutual entity

As part of the Offer, Australian Unity is pleased to invite Eligible Members, including Australian Unity MCI holders, and Eligible Securityholders to participate in the Priority Offer. In addition, and importantly, Australian Unity welcomes the opportunity for Eligible AYUHC Holders to continue their support of Australian Unity through the Reinvestment Offer.

This Offer will further enable Australian Unity to expand on its strategic ambitions to provide health, wealth and care products and services that support the real wellbeing of its members and customers, and deliver community and social value.”

The key features of the Bonds include:

- the Bonds have a Face Value of \$100 per Bond;
- the Bonds are interest paying, unsubordinated and unsecured debt obligations issued by Australian Unity;
- the Bonds have been assigned an investment grade long term credit rating of 'BBB+' and a 'Green' Product Complexity indicator by Australia Ratings;
- the holders of Bonds will receive floating rate interest payments to be paid quarterly in arrears;
- the Interest Rate will be calculated on a quarterly basis as the sum of the Market Rate plus the Margin;
- the Margin for the Bonds will be determined under the Bookbuild, and is expected to be in the range of 2.50 percent and 2.70 percent per annum; and
- the Bonds will mature on 15 December 2028.

On the Maturity Date of the Bonds, holders will receive the Face Value of the Bonds plus the final interest payment.

The Offer is being made under an Offer Specific Prospectus and Base Prospectus (together, the **Offer Documents**), which were lodged with ASIC today. Investors should read the Offer Documents carefully and in their entirety, including the key risks sections of the Offer Documents which set out the risks associated with an investment in the Bonds and Australian Unity’s business, before making a decision to invest in the Bonds.

The Offer is expected to open on 7 November 2023 and a replacement Offer Specific Prospectus, which will include the Margin for the Bonds, is expected to be lodged with ASIC on this date.

The Offer Documents can be accessed online at [www.australiannunity.com.au/bonds](http://www.australiannunity.com.au/bonds).

Instructions on how to apply under the Offer are contained in the Offer Documents.

Australian Unity has made a target market determination for the Bonds. A copy of the target market determination is available at [www.australianunity.com.au/bonds](http://www.australianunity.com.au/bonds).

Acacia Partners Pty Ltd has been appointed as Arranger and Joint Lead Manager to the Offer, and ANZ Securities Limited, Commonwealth Bank of Australia, E&P Corporate Advisory Pty Limited, National Australia Bank Limited, Morgans Financial Limited and Westpac Institutional Bank (a division of Westpac Banking Corporation) have been appointed as Joint Lead Managers to the Offer.

Capitalised terms used in this announcement and not otherwise defined have the meaning given to them in the Offer Documents.

<b>Key dates for the Offer</b>	
Record date for determining Eligible Members for the Priority Offer	20 September 2023
Record date for determining Eligible AYUHC Holders (7:00pm) for the Reinvestment Offer	25 October 2023
Record date for determining Eligible Securityholders (7:00pm) for the Priority Offer	25 October 2023
Lodgement of Offer Documents with ASIC	30 October 2023
Bookbuild to determine Margin and Allocations to Syndicate Brokers and Institutional Investors	3 November 2023
Opening Date for the Offer and lodgement of replacement Offer Specific Prospectus with ASIC	7 November 2023
Closing Date for the Reinvestment Offer, Priority Offer and Broker Firm Offer	17 November 2023
Issue Date	28 November 2023
Holding Statements despatched by the Registrar	29 November 2023
Bonds commence trading on ASX on normal settlement basis	1 December 2023
<b>Key dates for the Bonds</b>	
First Interest Payment Date <sup>1</sup>	14 January 2024
Tenor	~5 years
Maturity Date	15 December 2028

\*These dates are indicative only and may change without notice.

<sup>1</sup> Interest is scheduled to be paid on the quarterly Interest Payment Dates, until the Maturity Date or any earlier Redemption Date. If any of these scheduled dates is not a Business Day, then the Interest Payment Date will be the next Business Day.

### **Important information**

This announcement is not, and should not be considered to be, a recommendation to apply for Bonds, financial product advice or an offer of, or invitation to, apply for Bonds. The Offer is made in the Offer Documents. The information in this announcement is general only and does not take into account your investment objectives, financial situation or particular needs. In deciding whether to apply for Bonds, you should read the Offer Documents, including the replacement Offer Specific Prospectus which will include the Margin for Bonds, carefully and in their entirety and seek advice from your qualified financial adviser. An investment in Bonds is subject to investment risk, including possible loss of income and principal invested and risks in relation to Australian Unity. No member of the Australian Unity Group guarantees the value or performance of Bonds, the repayment of your investment or any particular rate of return. The Bonds are unsecured notes for the purposes of section 283BH of the Corporations Act.

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This announcement has been authorised for distribution to the ASX by the board.

**For more information contact:**

Australian Unity Bonds Information Line  
1300 135 403 (within Australia)  
Monday to Friday 8:30am to 5:30pm