



ASX Announcement

- WHSP successfully prices A\$225 million unsecured senior convertible notes due 2026¹
- Notes received strong interest from eligible investors globally and priced at a coupon of 0.625% per annum and a conversion premium of 25%
- Delta placement was completed at A\$27.99 per ordinary share reflecting a 3.5% discount to the closing price of the ordinary shares on 21 January 2021 and was used as the Reference Share Price for the Notes
- Settlement of the Notes is expected to be completed on 29 January 2021
- WHSP intends to use the majority of the net proceeds to repay approximately A\$200 million of existing financial indebtedness which will lower WHSP's average cost of debt and increase WHSP's debt maturity profile. The remaining proceeds will be applied to further strengthen WHSP's liquidity position
- Following the Offering, WHSP will continue to have low gearing and diversified sources of funding

22 January 2021 – Washington H. Soul Pattinson and Company Limited ("**WHSP**") is pleased to announce that it has successfully priced its offering of A\$225 million unsecured senior convertible notes due 2026¹ (the "**Notes**"), which are convertible into fully paid ordinary shares ("**Ordinary Shares**") in WHSP (the "**Offering**").

The Notes will carry a coupon of 0.625% per annum, payable semi-annually in arrear, and with a conversion premium of 25%. Upon conversion, the Notes will be physically settled by the issuance of Ordinary Shares, with an initial conversion price of A\$34.99 per Ordinary Share, subject to adjustment in the manner set out in the final terms and conditions of the Notes. The Notes have a maturity date of 29 January 2026.

The net proceeds from the Offering will be approximately A\$221 million, after deduction of commissions, professional fees and other administrative expenses. WHSP intends to use the net proceeds from the Offering to repay approximately A\$200 million of existing financial indebtedness, with the remaining proceeds applied to further strengthen WHSP's liquidity position.

¹Convertible bond investors have a put option in February 2024

Concurrent with the Offering, a delta placement was executed to facilitate some of the hedging activity by eligible investors in the Notes (the “**Delta Placement**”). The sale of Ordinary Shares under the Delta Placement was conducted at a clearing price of A\$27.99 per ordinary share, representing a discount of 3.5% to the closing price of the Ordinary Shares on 21 January 2021, which was used as the Reference Share Price for the Notes.

WHSP will lodge an offering circular in connection with the Offering (the “**Offering Circular**”) with the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on or about 1 February 2021. The Offering Circular will contain certain operating and financial information of WHSP, including an updated pro forma capitalisation and indebtedness summary of WHSP reflecting the impact of the issue of the Notes as at 31 July 2020.

Settlement of the Notes is expected to be completed on 29 January 2021 and is subject to satisfaction of customary conditions precedents.

UBS AG, Australia Branch acted as sole bookrunner and lead manager on the Offering.

Investor/Media enquiries:

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This ASX announcement has been authorised for release by the Managing Director and CEO.

Appendix A: Key terms of the Notes

Issuer	Washington H Soul Pattinson and Company Limited ("WHSP")
Issue Size	A\$225 million
Ranking	Direct, unsubordinated, unconditional and unsecured
Maturity Date	29 January 2026 (5.00 years)
Investor Put Date	1 February 2024 (3.01 years)
Coupon / Yield	0.625% p.a., on a semi-annual basis
Conversion Premium	25% over the Reference Share Price (as determined under the Delta Placement)
Conversion Period:	From 11 March 2021 (41 days after the Closing Date) to 5 business days prior to the Maturity Date of the Notes
Reference Share Price	A\$27.99 per share
Dividend Protection	Conversion Price adjustments for any cash dividends paid in excess of the Extraordinary Dividend Threshold being AUD0.62 per Ordinary Share during each 12 month period
Settlement	Where a holder is entitled to convert their Notes into Ordinary Shares, the conversion of the Notes will be physically settled by the issuance of new Ordinary Shares. The number of Ordinary Shares issued on exercise of the conversion right will be determined by dividing the principal amount of the Notes to be converted by the applicable conversion price
Conversion Price Adjustments	Standard anti-dilutive adjustments including upon a change of control of WHSP, the conversion price will be reduced in accordance with the terms of the Notes. The extent to which the conversion price is reduced following a change of control is variable, dependent on the time period between the change of control and the final maturity date of the Notes
Listing	SGX-ST
Selling Restrictions	Regulation S (Cat 1) only
MiFID II professionals/ECPs- only/No PRIIPs KID	Manufacturer target market (MiFID II product governance) is expected to be eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as not available to retail in the European Economic Area
UK MiFIR professionals/ECPs- only/No PRIIPs KID	Manufacturer target market (UK MiFIR product governance) is expected to be eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as not available to retail in the United Kingdom

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This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Ordinary Shares and the Notes mentioned herein have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States except pursuant to registration or an exemption from the registration requirements of the Securities Act. No public offering of the Ordinary Shares or the Notes will be made in the United States.

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.