

Drax Finco plc

19 October 2020

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**Drax Finco plc**

**Fixed income investor calls**

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Drax Finco plc, a subsidiary of Drax Group plc, has mandated certain banks acting as joint bookrunners to arrange a global investor call and a series of fixed income investor calls on 19-20 October 2020.

An offering (the "**Offering**") of €250,000,000 five-year (non-callable for two years) Senior Secured Notes (the "**Notes**") may follow, subject to market conditions. If the Offering is completed, the expected issue rating is BB+ from both S&P and Fitch.

If the Offering proceeds, we intend to use the expected gross proceeds (i) for general corporate purposes, which may include the repayment of indebtedness, and (ii) to pay estimated fees and expenses of the Offering, including Initial Purchasers' fees and commissions, professional fees and other associated transaction costs.

There can be no assurance that the Offering will proceed or will be completed.

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**Cautionary Statement**

This release is being issued pursuant to Rule 135c under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and is for information purposes only and does not constitute a prospectus or any offer to sell or the solicitation of an offer to buy any security in the United States of America or in any other jurisdiction. Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the Securities Act. If the Offering proceeds, the Notes and related guarantees will be offered in a private offering

exempt from the registration requirements of the Securities Act and will accordingly be offered only to persons outside the United States in compliance with Regulation S under the Securities Act. No indebtedness incurred in connection with any other financing transactions will be registered under the Securities Act.

This communication is directed only at persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the "**Order**"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order, (iii) are persons who are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons").

Any investment activity to which this communication relates will only be available to, and will only be engaged in with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

This announcement is not a public offering in the Grand Duchy of Luxembourg or an offer of securities to the public under Regulation (EU) 2017/1129, and any amendments thereto.

If the Offering proceeds, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**") or in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Article 4(1) of MiFID II; (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK will be prepared. Offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation. Any offer of Notes in any Member State of the EEA or in the UK will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes.

If the Offering proceeds, the Manufacturer target market (MiFID II product governance) will be eligible counterparties and professional clients only (all distribution channels).

In connection with any issuance of the Notes, a stabilising manager (or person(s) acting on behalf of such stabilising manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than 30 days after the date on which the issuer received the proceeds of the issue, or no later than 60 days after the date of the allotment of the Notes, whichever is earlier. Any stabilisation action or over-allotment must be conducted by the

stabilising manager (or person(s) acting on behalf of the stabilising manager) in accordance with all applicable laws and rules.

### **Forward Looking Statements**

This release includes forward-looking statements within the meaning of the securities laws of certain applicable jurisdictions. These forward-looking statements can be identified by the use of forward-looking terminology, including, but not limited to, terms such as "aim", "anticipate", "assume", "believe", "continue", "could", "estimate", "expect", "forecast", "guidance", "intend", "may", "outlook", "plan", "predict", "project", "should", "will" or "would" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts and include statements regarding Drax's intentions, beliefs or current expectations concerning, among other things, Drax's future financial conditions and performance, results of operations and liquidity, strategy, plans, objectives, prospects, growth, goals and targets, future developments in the markets in which Drax participate or are seeking to participate, and anticipated regulatory changes in the industry in which Drax operate. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and are based on numerous assumptions. Given these risks and uncertainties, readers should not rely on forward looking statements as a prediction of actual results.

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