

Adara Partners – Equity capital markets advisor (2020)

Adara Partners acted as independent advisor to Sydney Airport (SYD) on its A\$2bn PAITREO

Snapshot

- August 2020, announced alongside HY20 results six days early to shorten risk window
- A\$2bn PAITREO (Pro-rata Accelerated Institutional with Tradeable Retail Entitlement Offer)
- **Adara Partners**, led by Matthew Grounds AM and Guy Fowler, acted as independent advisor to management and the board
- Second largest primary issuance in 2020 (NAB raised \$3.5bn)
- First renounceable entitlement offer for 2020, offering all securityholders equal opportunity to participate



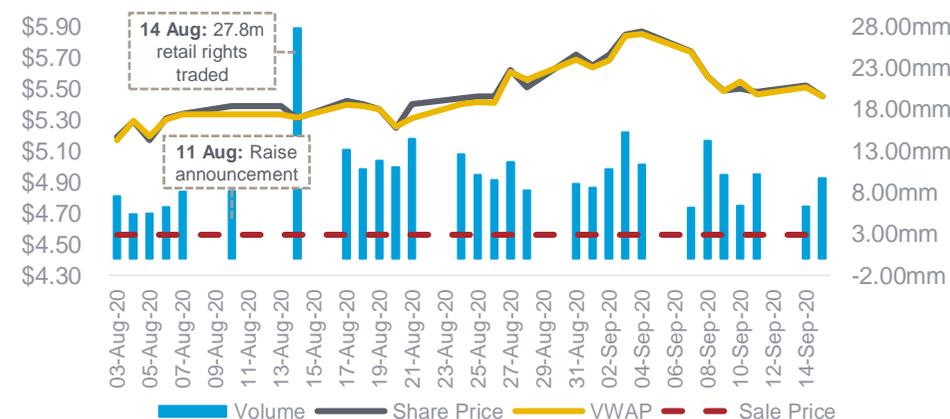
Adara Partners provided the following services

- Independent advice on whether to raise equity (fee structure not linked to raise decision)
- Once a decision to raise was made, analysis and recommendations on size, structure, and timing
- Ongoing support to SYD throughout the process, including:
 - Underwriter engagement and fee structuring
 - Observer to the Due Diligence Committee
 - Daily check-ins with management and other advisors
 - Detailed review of all ASX documents and the investor presentation
 - Board papers and presentations to the Board
 - Ad hoc matters relevant to the above

Outcome

- **A transparent and equitable offer structure** to all shareholders, and enabling those opting not to participate to receive value for rights renounced to compensate for dilution
- *“...we can only applaud the decision by Culbert, his board and advisers Adara Partners...the fact that a business so dramatically whacked by the pandemic can take the time to treat investors with respect says ...plenty about the long-term way Sydney Airport thinks about its shareholder base.”* James Thomson, AFR
- **Fully underwritten** at \$4.56 (15.4% discount to last close of \$5.39)
- 93% take up by institutional investors. Remaining 7% **cleared above the theoretical ex-rights price** of \$5.26 at \$5.30. 62% take up by retail investors. Remaining 38% cleared at \$5.50, returning \$0.94 per security (less expenses) to each securityholder who did not participate
- **Confidentiality maintained** through to launch, with no increase to stock shorting despite broker commentary highlighting the expectation that SYD would undertake an equity raise during results season¹

Sydney Airport's capital raise had a demonstrably positive impact on the company's share price, rising 5% over the raise period



¹ <https://www.afr.com/street-talk/old-dogs-old-tricks-as-ubs-pilots-sydney-airport-20200811-p55khq>

About Adara Partners

Collectively our Panel Members have advised over 90% of the ASX100 and have worked on many of the largest and most critical transactions in Australia's corporate history. Adara Partners' services are not limited to the ASX100 – our Panel Members have worked on a range of public and private corporate engagements, providing our clients with their expertise, through wise counsel, financial and strategic advice



Ilana Atlas AO
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and Law Firm partner



Catherine Brenner
NED, Former Investment
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Former Chief Strategy
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Our Panel Members provide their time and expertise pro bono. All profits are donated to Adara Development, Adara's not-for-profit arm that delivers services directly to more than 50,000 people living in poverty each year in Uganda and Nepal, and touches countless more through knowledge sharing

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