

Digicel reprices loan amid turnaround signs



Digicel Group's chief financial officer, Leopoldo Gutierrez

Digicel has successfully repriced its term loan due in 2032.

In a news release on Friday, the telecommunications company explained, "The transaction lowers Digicel's borrowing costs on its existing debt and reflects improved operating performance, disciplined financial management, and continued progress since its refinancing last year. The repricing of its first lien term loan follows a recent US\$100 million voluntary prepayment, underscoring Digicel's focus on deleveraging and fiscal discipline."

Digicel Group's chief financial officer, Leopoldo Gutierrez, said the repricing strengthens the company's credit profile and builds strong support from lenders.

"This achievement reflects the significant progress we've made in strengthening Digicel's financial position," he said, "Securing improved pricing, following our recent debt paydown, underscores the strength of our business and the confidence of our lenders. It also gives us greater flexibility to continue investing in our networks and supporting long-term growth."

According to the release, “The repricing reduces the interest rate on Digicel’s approximately \$648 million loan by 0.75 percentage points. It includes no changes to the size, structure, or maturity, which remains in August 2032, and does not involve new borrowing.”

The release continued, “Under new leadership, Digicel has executed a focussed turnaround strategy that has reduced debt and repositioned the business for growth. The company also continues making investments in mobile, broadband, and enterprise services across its 25 Caribbean and Latin America markets.”

Digicel stated it is working toward its goal of building a more resilient, future-ready network, which includes bolstering infrastructure to withstand climate-related risks and support the long-term needs of its customers and communities.