

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (date of earliest event reported) August 8, 2023



Carnival Corporation
(Exact name of registrant as specified in its charter)

Republic of Panama
(State or other jurisdiction of incorporation)

001-9610
(Commission File Number)

59-1562976
(I.R.S. Employer Identification No.)

**3655 N.W. 87th Avenue
Miami, Florida 33178-2428**
(Address of principal executive offices)
(Zip code)

(305) 599-2600
(Registrant's telephone number, including area code)

None
(Former name or former address, if changed since last report.)

Carnival plc
(Exact name of registrant as specified in its charter)

England and Wales
(State or other jurisdiction of incorporation)

001-15136
(Commission File Number)

98-0357772
(I.R.S. Employer Identification No.)

**Carnival House, 100 Harbour Parade,
Southampton SO15 1ST, United Kingdom**
(Address of principal executive offices)
(Zip code)

011 44 23 8065 5000
(Registrant's telephone number, including area code)

None
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock (\$0.01 par value) Ordinary Shares each represented by American Depository Shares (\$1.66 par value), Special Voting Share, GBP 1.00 par value and Trust Shares of beneficial interest in the P&O Princess Special Voting Trust	CCL	New York Stock Exchange, Inc.
1.000% Senior Notes due 2029	CUK CUK29	New York Stock Exchange, Inc. New York Stock Exchange LLC

Indicate by check mark whether the registrants are emerging growth companies as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

Indenture

On August 8, 2023, Carnival Corporation (the “Corporation”) closed its previously announced private offering (the “Notes Offering”) of \$500 million aggregate principal amount of 7.000% First-Priority Senior Secured Notes due 2029 (the “Notes”). The Notes were issued pursuant to an indenture, dated as of August 8, 2023 (the “Indenture”), among the Corporation, Carnival plc, the subsidiary guarantors party thereto and U.S. Bank Trust Company, National Association, as trustee and security agent. The Corporation used the proceeds from the Notes Offering to repay a portion of the borrowings under its existing first-priority senior secured term loan facilities (the “Secured Term Loan Facilities”) maturing in 2025.

The Notes will mature on August 15, 2029 unless earlier redeemed or repurchased. No sinking fund is provided for the Notes. Cash interest on the Notes will accrue from August 8, 2023 and is payable semi-annually in arrears on February 15 and August 15 of each year, beginning on February 15, 2024, at a rate of 7.000% per year.

The Notes are fully and unconditionally guaranteed, jointly and severally, on a first-priority senior secured basis by Carnival plc and certain of the Corporation’s and Carnival plc’s subsidiaries that also guarantee the Corporation’s existing first- and second-priority secured indebtedness, certain of its unsecured notes and its convertible notes. In the future, each of the Corporation’s and Carnival plc’s subsidiaries (other than immaterial subsidiaries) that guarantees certain other indebtedness of the Corporation, Carnival plc or any other guarantor, including, in each case, indebtedness in an aggregate principal amount in excess of \$300 million, will guarantee the Notes.

The Notes and the related guarantees will be secured by first-priority security interests in the collateral, which generally includes (i) 70 of the vessels including assignments of insurance claims and earnings in respect of such vessels; (ii) the material intellectual property, which in case of each of (i) and (ii) were owned or controlled by the Corporation and the guarantors as of April 8, 2020 and are still owned or operated by the Corporation and the guarantors as of August 8, 2023; and (iii) certain assets related to the vessels being mortgaged, subject to permitted liens and certain exclusions and release provisions as further described in the Indenture and the related security documents.

Prior to August 15, 2026, the Corporation may redeem the Notes at its option, in whole at any time or in part from time to time at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus a “make-whole” premium and accrued and unpaid interest. On or after August 15, 2026, the Corporation may redeem the Notes at its option, in whole at any time or in part from time to time at the redemption prices set forth in the Indenture. In addition, at any time and from time to time prior to August 15, 2026 the Corporation may redeem up to 40% of the Notes using the net cash proceeds of one or more equity offerings at a redemption price equal to 107.00%, plus accrued and unpaid interest, so long as at least 50% of the original aggregate principal amount of the Notes remains outstanding after each such redemption.

The Indenture contains covenants that limit the ability of the Corporation, Carnival plc and their restricted subsidiaries to, among other things: (i) incur additional indebtedness or issue certain preferred shares; (ii) make dividend payments on or make other distributions in respect of their capital stock or make other restricted payments; (iii) make certain investments; (iv) sell certain assets; (v) create liens on assets; (vi) consolidate, merge, sell or otherwise dispose of all or substantially all of their assets; and (vii) enter into certain transactions with their affiliates. These covenants are subject to a number of important limitations and exceptions. Many of the covenants contained in the Indenture will “fall away” permanently and will no longer apply if the Notes achieve investment grade ratings from at least two of Standard & Poor’s Financial Services, LLC, Moody’s Investors Service, Inc. and Fitch Ratings, Inc. (together, the “Ratings Agencies”), so long as no event of default has occurred and is continuing at such time. Additionally, upon the occurrence of specified change of control triggering events, the Corporation will be required to offer to repurchase the Notes at 101% of the principal amount, plus accrued and unpaid interest, if any, to the purchase date.

If the Corporation achieves investment grade corporate or issuer ratings from at least two of the Ratings Agencies, so long as no default or event of default has occurred or is continuing at such time, then the Corporation,

Carnival plc and their restricted subsidiaries will be permitted to release all of the liens on the collateral securing the obligations of the Notes, permanently and without the consent of any party (to the extent permitted under applicable law and, subject to the other provisions set forth in the Indenture).

The Indenture sets forth certain events of default after which the Notes may be declared immediately due and payable and sets forth certain types of bankruptcy or insolvency events of default involving the Corporation, Carnival plc, any of the Corporation's or Carnival plc's significant subsidiaries or any group of the Corporation's or Carnival plc's subsidiaries that, taken together, would constitute a significant subsidiary after which the Notes become automatically due and payable.

The Notes were offered only to persons reasonably believed to be qualified institutional buyers in reliance on Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), or to non-U.S. investors in reliance on Regulation S under the Securities Act. The Notes were not, and will not be, registered under the Securities Act or any state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state laws.

New First Lien Term Loan Agreement

On August 8, 2023, the Corporation entered into the New First Lien Term Loan Agreement, by and among the Corporation and Carnival Finance, LLC, as borrowers, Carnival plc, as a guarantor, certain other subsidiary guarantors party thereto, and JPMorgan Chase Bank, N.A., as administrative agent (the "New First Lien Term Loan Agreement"). The New First Lien Term Loan Agreement provides for a new term loan facility in an aggregate principal amount of approximately \$1.31 billion (the "New First Lien Term Loan"), the proceeds of which were used to repay a portion of the borrowings outstanding under the Secured Term Loan Facilities maturing in 2025.

The New First Lien Term Loan will bear interest at a rate per annum equal to SOFR with a 0.75% floor, plus a margin equal to 3.00%, and will mature in 2027. The Corporation's obligations under the New First Lien Term Loan are fully and unconditionally guaranteed on a first-priority senior secured basis, jointly and severally, by the same guarantors that guarantee the Notes, and will be secured by a first-priority lien on the same collateral that secures the Notes and the related guarantees.

The terms of the New First Lien Term Loan Agreement are otherwise generally consistent with the terms of the agreement governing the Secured Term Loan Facilities.

JPMorgan Chase Bank, N.A. acted as sole global coordinator for the marketing of the New First Lien Term Loan. PJT Partners served as independent financial advisor to Carnival Corporation & plc in connection with the Notes Offering and the New First Lien Term Loan.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information in Item 1.01 of this Current Report on Form 8-K is incorporated by reference in this Item 2.03.

Item 8.01 Other Events.

On August 8, 2023, the Corporation issued a press release announcing the closing of the Notes Offering and the entry into the New First Lien Term Loan Agreement. A copy of the press release is furnished hereto as Exhibit 99.1 and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press release of Carnival Corporation and Carnival plc dated August 8, 2023.
104	Cover Page Interactive Data File (embedded with the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each of the registrants has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CARNIVAL CORPORATION

By: /s/ David Bernstein
Name: David Bernstein
Title: Chief Financial Officer and Chief Accounting Officer

Date: August 8, 2023

CARNIVAL PLC

By: /s/ David Bernstein
Name: David Bernstein
Title: Chief Financial Officer and Chief Accounting Officer

Date: August 8, 2023

Carnival Corporation & plc Announces Closing of \$500 Million 7.00% First-Priority Senior Secured Notes Offering and Upsized \$1.3 Billion Senior Secured First Lien Term Loan B Facility to Repay Existing Term Loan***Redemption of USD 2026 Notes and Euro 2026 Notes to take place on August 11 and August 12, 2023, respectively, paying off \$1.2 billion in debt and saving more than an estimated \$120 million in interest expense on an annualized basis***

MIAMI, August 8, 2023 /PRNewswire/ -- Carnival Corporation & plc (NYSE/LSE: CCL; NYSE: CUK) today announced that Carnival Corporation (the “Company”) has closed its previously announced private offering of \$500 million aggregate principal amount of 7.00% first-priority senior secured notes due 2029 (the “Notes”) and its upsized \$1.3 billion senior secured first lien term loan B facility (the “New First Lien Term Loan” and together with the offering of the Notes, the “Refinancing Transactions”). The Company used the proceeds from the Refinancing Transactions to repay a portion of the borrowings under the Company’s existing first-priority senior secured term loan facility maturing in 2025.

The Notes will pay interest semi-annually on February 15 and August 15 of each year, beginning on February 15, 2024, at a rate of 7.00% per year. The Notes will mature on August 15, 2029. The Notes are fully and unconditionally guaranteed on a first-priority senior secured basis, jointly and severally, by Carnival plc and certain of the Company’s and Carnival plc’s subsidiaries that also guarantee our other first-priority secured indebtedness, our second-priority secured indebtedness, certain of our unsecured notes and our convertible notes. Additionally, the Notes and the related guarantees will be secured by a first-priority lien on the collateral, which generally includes pledges on the capital stock of each subsidiary guarantor, mortgages on a substantial majority of the vessels and related vessel collateral, material intellectual property and pledges over other vessel-related assets including inventory, trade receivables, computer software and casino equipment.

The New First Lien Term Loan bears interest at a rate per annum equal to SOFR with a 0.75% floor, plus a margin equal to 3.00%, and will mature in 2027. The Company entered into a new term loan agreement on terms generally consistent with the terms of its existing term loan facility, except as set forth herein. The Company’s obligations under the New First Lien Term Loan are fully and unconditionally guaranteed on a first-priority senior secured basis, jointly and severally, by the same guarantors that guarantee the Notes, and will be secured by a first-priority lien on the same collateral that secures the Notes and the related guarantees.

On August 1, 2023 and August 2, 2023, respectively, the Company issued conditional notices of redemption for the outstanding principal amount of the Company’s \$775 Million 10.500% second-priority senior secured notes due 2026 (the “USD 2026 Notes”) and €425 Million 10.125% second-priority senior secured notes due 2026 (the “Euro 2026 Notes”, and together, the “2026 Notes”), conditioned on the closing of the Refinancing Transactions, which condition has been satisfied. The redemptions will occur on August 11, 2023 and August 12, 2023, respectively.

PJT Partners served as independent financial advisor to Carnival Corporation & plc.

This press release does not constitute a notice of redemption with respect to the 2026 Notes.

The Notes were offered only to persons reasonably believed to be qualified institutional buyers in reliance on Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), and outside the United States, only to non-U.S. investors pursuant to Regulation S under the Securities Act.

The Notes were not, and will not be, registered under the Securities Act or any state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state laws.

This press release shall not constitute an offer to sell or the solicitation of an offer to purchase the Notes or any other securities and shall not constitute an offer, solicitation or sale in any state or jurisdiction in which such offering, solicitation or sale would be unlawful.

About Carnival Corporation & plc

Carnival Corporation & plc is the largest global cruise company, and among the largest leisure travel companies, with a portfolio of world-class leading cruise lines - AIDA Cruises, Carnival Cruise Line, Costa Cruises, Cunard, Holland America Line, P&O Cruises (Australia), P&O Cruises (UK), Princess Cruises and Seabourn.

Cautionary Note Concerning Forward-Looking Statements

Carnival Corporation and Carnival plc and their respective subsidiaries are referred to collectively in this press release, as “Carnival Corporation & plc,” “our,” “us” and “we.” Some of the statements, estimates or projections contained in this press release are “forward-looking statements” that involve risks, uncertainties and assumptions with respect to us, including some statements concerning the refinancing transactions described herein, future results, operations, outlooks, plans, goals, reputation, cash flows, liquidity and other events which have not yet occurred. These statements are intended to qualify for the safe harbors from liability provided by Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts are statements that could be deemed forward-looking. These statements are based on current expectations, estimates, forecasts and projections about our business and the industry in which we operate and the beliefs and assumptions of our management. We have tried, whenever possible, to identify these statements by using words like “will,” “may,” “could,” “should,” “would,” “believe,” “depends,” “expect,” “goal,” “aspiration,” “anticipate,” “forecast,” “project,” “future,” “intend,” “plan,” “estimate,” “target,” “indicate,” “outlook,” and similar expressions of future intent or the negative of such terms.

Forward-looking statements include those statements that relate to our outlook and financial position including, but not limited to, statements regarding:

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|---|---|
| · Pricing | · Adjusted net income (loss) |
| · Booking levels | · Adjusted EBITDA |
| · Occupancy | · Adjusted earnings per share |
| · Interest, tax and fuel expenses | · Adjusted free cash flow |
| · Currency exchange rates | · Net per diems |
| · Goodwill, ship and trademark fair values | · Net yields |
| · Liquidity and credit ratings | · Adjusted cruise costs per ALBD |
| · Investment grade leverage metrics | · Adjusted cruise costs excluding fuel per ALBD |
| · Estimates of ship depreciable lives and residual values | · Adjusted return on invested capital |
| · The redemptions described herein | |

Because forward-looking statements involve risks and uncertainties, there are many factors that could cause our actual results, performance or achievements to differ materially from those expressed or implied by our forward-looking statements. This note contains important cautionary statements of the known factors that we consider could materially affect the accuracy of our forward-looking statements and adversely affect our business, results of operations and financial position. Additionally, many of these risks and uncertainties are currently, and in the future may continue to be, amplified by our substantial debt balance as a result of the pause of our guest cruise operations. There may be additional risks that we consider immaterial or which are unknown. These factors include, but are not limited to, the following:

- events and conditions around the world, including war and other military actions, such as the invasion of Ukraine, inflation, higher fuel prices, higher interest rates and other general concerns impacting the ability or desire of people to travel have led, and may in the future lead, to a decline in demand for cruises, impacting our operating costs and profitability;
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- pandemics have in the past and may in the future have a significant negative impact on our financial condition and operations;
 - incidents concerning our ships, guests or the cruise industry have in the past and may, in the future, negatively impact the satisfaction of our guests and crew and lead to reputational damage;
 - changes in and non-compliance with laws and regulations under which we operate, such as those relating to health, environment, safety and security, data privacy and protection, anti-corruption, economic sanctions, trade protection, labor and employment and tax have in the past and may, in the future, lead to litigation, enforcement actions, fines, penalties and reputational damage;
 - factors associated with climate change, including evolving and increasing regulations, increasing global concern about climate change and the shift in climate conscious consumerism and stakeholder scrutiny, and increasing frequency and/or severity of adverse weather conditions could adversely affect our business;
 - inability to meet or achieve our sustainability related goals, aspirations, initiatives, and our public statements and disclosures regarding them, may expose us to risks that may adversely impact our business;
 - breaches in data security and lapses in data privacy as well as disruptions and other damages to our principal offices, information technology operations and system networks and failure to keep pace with developments in technology may adversely impact our business operations, the satisfaction of our guests and crew and may lead to reputational damage;
 - the loss of key team members, our inability to recruit or retain qualified shoreside and shipboard team members and increased labor costs could have an adverse effect on our business and results of operations;
 - increases in fuel prices, changes in the types of fuel consumed and availability of fuel supply may adversely impact our scheduled itineraries and costs;
 - we rely on supply chain vendors who are integral to the operations of our businesses. These vendors and service providers may be unable to deliver on their commitments, which could negatively impact our business;
 - fluctuations in foreign currency exchange rates may adversely impact our financial results;
 - overcapacity and competition in the cruise and land-based vacation industry may negatively impact our cruise sales, pricing and destination options;
 - inability to implement our shipbuilding programs and ship repairs, maintenance and refurbishments may adversely impact our business operations and the satisfaction of our guests;
 - failure to successfully implement our business strategy following our resumption of guest cruise operations would negatively impact the occupancy levels and pricing of our cruises and could have a material adverse effect on our business. We require a significant amount of cash to service our debt and sustain our operations. Our ability to generate cash depends on many factors, including those beyond our control, and we may not be able to generate cash required to service our debt and sustain our operations; and
 - the risk factors included in Carnival Corporation's and Carnival plc's Annual Report on Form 10-K filed with the SEC on January 27, 2023 and Carnival Corporation's and Carnival plc's Quarterly Reports on Form 10-Q filed with the SEC on March 29, 2023 and June 28, 2023.
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The ordering of the risk factors set forth above is not intended to reflect our indication of priority or likelihood.

Forward-looking statements should not be relied upon as a prediction of actual results. Subject to any continuing obligations under applicable law or any relevant stock exchange rules, we expressly disclaim any obligation to disseminate, after the date of this document, any updates or revisions to any such forward-looking statements to reflect any change in expectations or events, conditions or circumstances on which any such statements are based.

Forward-looking and other statements in this document may also address our sustainability progress, plans and goals (including climate change and environmental-related matters). In addition, historical, current and forward-looking sustainability- and climate-related statements may be based on standards and tools for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions and predictions that are subject to change in the future and may not be generally shared.

SOURCE Carnival Corporation & plc

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