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AA Bond Co Limited

29 January 2021

AA Bond Co Limited Announces Closing of £280,000,000 6½% Class B3 Secured Notes due 2050

AA Bond Co Limited (the *Issuer*) announces today that it has successfully closed its offering of £280,000,000 aggregate principal amount of Class B3 6½% Secured Notes due 2050 (the *Notes*) (the *Offering*).

The gross proceeds from the Offering have been placed into an escrow account. Upon the satisfaction of certain conditions including the acquisition of AA plc (together with the subsidiaries thereof, the *Group*) by Basing Bidco Limited (*Bidco*) which is to be implemented by way of a court sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (the *Acquisition*) being declared effective, the proceeds will be released from escrow and used (together with, among other things, the proceeds of a £261 million equity contribution intended to be deployed by Bidco) to redeem the outstanding aggregate principal amount of the Issuer's existing Class B2 Notes shortly after the Acquisition becomes effective.

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In accordance with Rule 26 of the City Code on Takeovers and Mergers, copies of this announcement and certain documents relating to the Offering will be made available, subject to certain restrictions relating to persons resident in a jurisdiction where it is unlawful for either document to be distributed, on AA plc's website at <https://www.theaapl.com/investors>. For the avoidance of doubt, the contents of this website are not incorporated into and do not form part of this announcement.

The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any U.S. state securities laws, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. No public offering of any securities referred to herein is being made in the United States.

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*This announcement is directed only persons who (i) are outside the United Kingdom, (ii) are investment professionals, as such term is defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**"), (iii) are persons falling within Article 49(2)(a) to (d) of the Financial Promotion Order, 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 be lawfully 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 with, relevant persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.*

Forward-looking statements

This announcement contains statements that constitute forward-looking statements, beliefs or opinions, including statements relating to business, financial condition and results of operations of the Group. These statements may be identified by words such as "expectation", "belief", "estimate", "plan", "target", or "forecast" and similar expressions or the negative thereof; or by the forward-looking nature of discussions of strategy, plans or intentions; or by their context. All statements regarding the future involve known and unknown risks and uncertainties and various factors could cause actual future results, performance or events to differ materially from those described or implied in these statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies as well as the environment in which the Group expects to operate in the future. Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate and the Group does not accept any responsibility for the accuracy of the opinions expressed in this announcement or the underlying assumptions. Past performance is not an indication of future results and past performance should not be taken as a representation that trends or activities underlying past performance will continue in the future. The forward-looking statements in this document speak only as at the date of this announcement and the Group and its affiliates expressly disclaim any obligation or undertaking to review or release any updates or revisions to these forward-looking statements to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based after the date of this announcement or to update or to keep current any other information contained in this document or to provide any additional information in relation to such forward-looking statements, unless required to do so by applicable law.

This disclosure includes the release of inside information by AA Bond Co Limited under Regulation (EU) 596/2014 (16 April 2014).