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THIS DOES NOT CONSTITUTE AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "CODE") AND THERE CAN BE NO CERTAINTY THAT ANY FIRM OFFER WILL BE MADE

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

24 November 2020

AA plc ("AA" or the "Company")

Extension of deadline under Rule 2.6(c) of the Code

On 24 September 2020, AA announced that it had consented to a request from TowerBrook Capital Partners (U.K.) LLP and Warburg Pincus International LLC (together the "Consortium") to explore the possibility of a consortium offer for the entire issued and to be issued share capital of the Company.

AA subsequently confirmed on 23 November 2020 that it has received a non-binding proposal from the Consortium regarding a possible cash offer of 35 pence per AA share for the entire issued, and to be issued, ordinary share capital of the Company.

In accordance with Rule 2.6(a) of the Code, the Consortium must, by no later than 5.00 p.m. (London time) on 24 November 2020, either announce a firm intention to make an offer in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies.

The Company remains engaged in advanced discussions with the Consortium in relation to the possible offer. As a consequence, and in accordance with Rule 2.6(c) of the Code, the Board of AA has requested that the Panel extend the deadline referred to above. Accordingly, an extension has been granted by the Panel and the Consortium must, by no later than 5.00 p.m. (London time) on 25 November 2020, either announce a firm intention to make an offer in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline will only be extended further with the consent of the Panel, in accordance with Rule 2.6(c) of the Code.

There can be no certainty that any offer will be made for the Company. A further announcement will be made as appropriate.

This announcement is being made with the agreement of the Consortium. Pursuant to Rule 2.5 of the Code, the Consortium reserves the right to:

- (a) vary the form and/or mix of the consideration described in this announcement
- (b) announce an offer on less favourable terms than the Proposal:
 - (i) with the consent of the Board;
 - (ii) if a third party announces a firm intention to make an offer for AA at a lower value than the Proposal;
 - (iii) if AA announces, declares or pays a dividend or any other distribution or return of capital to its shareholders after this announcement (in which case the Consortium reserves the right to reduce the offer price by an amount up to the amount of such dividend, distribution or return of capital); or

(iv) if AA announces a whitewash transaction pursuant to the Code.

The person responsible for arranging the release of this announcement on behalf of AA is Nadia Hoosen, Chief Legal Officer and Company Secretary.

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Investor Relations

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Publication on website

A copy of this announcement will be made available (subject to certain restrictions relating to persons resident in restricted jurisdictions) at www.theaapl.com/investors in accordance with Rule 26.1 of the Code by no later than 12 noon (London time) on 25 November 2020. For the avoidance of doubt, the content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.