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AA Bond Co Limited

27 December 2023

FOR IMMEDIATE RELEASE

AA BOND CO LIMITED (the “Company”)

Statement regarding sale of an interest in Basing Topco Limited and the Class B3 Notes

Basing Topco Limited (“**Topco**”) has informed the Company that an affiliate of Stonepeak Partners LP (“**Stonepeak**”) has entered into an agreement to acquire an interest in Topco, which is the ultimate holding entity of the Company’s corporate group.

Subject only to mandatory regulatory conditions, Stonepeak will acquire a minority non-controlling stake in Topco. It is expected that closing will occur during in the first half of 2024.

If the transaction closes, it is expected that:

- as part of Stonepeak’s investment, £180,000,000 would be provided to Topco and the wider AA group (the “**£180m Injection**”), and Topco would be required to ensure that £180,000,000 of the Company’s £280,000,000 6.5% Class B3 Secured Notes due 2050 (the “**Class B3 Notes**”) would be redeemed, on or before the interest payment date scheduled to fall in July 2025; and
- a substantial proportion of the £180m Injection would be provided to AA Senior Co Limited (the “**Borrower**”) as part of the closing of the transaction which the Borrower would use to prepay a corresponding amount of the Class B3 Issuer/Borrower Loan Agreement, which in turn the Company would then apply in partial early redemption of the Class B3 Notes shortly after the closing of the transaction.

Enquiries

Investors

Katherine Horrell - investorrelations@theaa.com

Media

Teneo - aa@teneo.com