

TalkTalk Telecom Group Limited
(“Issuer” and together with its subsidiaries “Group”)

Refinancing Update: Key Terms Agreed

As detailed in the Issuer's Annual Report and Annual Results Presentation published on 18th July, the Issuer is in discussions with its financial stakeholders regarding the terms of a potential extension of the maturities of the Issuer's secured debt, being Revolving Credit Facilities (“RCF”) maturing November 2024 and Senior Secured Notes (“SSN”) maturing February 2025.

The Issuer is pleased to announce that the key terms of a refinancing transaction have been agreed between a group of SSN holders, a group of RCF banks (the SSN group and RCF group together represent approximately 60% of the Issuer's secured debt), Ares Management Funds and the Issuer's major shareholders.

The proposed transaction will leave the Issuer well-funded to deliver the respective strategic plans of PlatformX Communications (PXC) and TalkTalk, continuing to capitalise on their strong positions in the market.

In conjunction with this agreement in principle, the Issuer's shareholders have today provided £65m of interim funding to the Group.

This agreement in principle includes:

- Provision of £170m of funding, in addition to the initial £65m, upon execution of binding lock-up arrangements between the parties,
- The contribution of other assets into the Group by its major shareholders and Ares Management Funds, including the Virtual1 business, and the Ovo and Shell branded customer bases, and
- The extension of the first RCF and SSN maturities to September 2027.

The terms of the agreement in principle are non-binding and remain subject to documentation, requisite internal approvals and implementation. The Issuer expects to make further announcements, including more detailed terms, in the coming weeks.

The Issuer today also confirms a series of leadership changes, with effect from 1st September. As previously announced, Dame Tristia Harrison will become a non-executive director of the Group. James Smith, current Group CFO, will become Group CEO and will also become CEO of PXC, with Tom O'Hagan stepping up to a new role of executive chairman of PXC to focus on strategy and clients. Susie Buckridge remains CEO of TalkTalk, the Group's consumer business. Sir Charles Dunstone will continue in his role as Group Chairman.

- Ends -

For further information, please contact:

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