Yell Bondco plc

£214,000,000 8 ½ % Senior Secured Notes due 2023

Regulation S Global Note – Common Code: 181354925 / ISIN: XS1813549257

Rule 144A Global Note – Common Code: 181354950 / ISIN: XS1813549505 (the “Notes”)

Agreement in principle to strengthen Owl Finance Limited’s (“the Company”) financial structure

As noted in its financial report for the 6 months to 30 September 2021 the Company has been developing options for restructuring its balance sheet.

The Company can now confirm that it has reached agreement in principle with a majority of its bondholders (representing approximately 97% of the outstanding Notes) to strengthen its financial structure.

Expected terms of the new arrangements are as follows:

- Bondholders will exchange £214 million of outstanding Notes for £65 million of amended notes and 95% of equity in Yell Holdco Limited, the Company’s immediate parent.
- The amended notes will have a coupon of 8.75% and a maturity date of 31 March 2027.
- The existing March 2022 coupon will be waived and the Company will have an option to capitalise the coupon for the year to March 2023 by adding it to the principal amount of the amended Notes instead of paying it in cash.

The agreement is subject to final negotiations and certain conditions (including approval by the shareholders of Yell Group Limited) and is expected to close in March/April 2022. It is expected that a circular describing the terms of the transaction will be sent to shareholders of Yell Group Limited in due course.

As a result of the transaction Yell Group Limited would retain a minority interest in the Company and a management services agreement will be agreed to provide ongoing administrative support to Yell Group Limited until the remaining legacy matters in that group are extinguished.

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28 January 2022

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This report may include forward-looking statements within the meaning of the securities laws of certain applicable jurisdictions. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts, including, without limitation, those regarding our intentions, beliefs or current expectations concerning, among other things, our future financial conditions and performance, results of operations and liquidity, our strategy, plans, objectives, prospects, growth, goals and targets, future developments in the markets in which we participate or
are seeking to participate, and anticipated regulatory changes in the industry in which we operate. These forward-looking statements can be identified by the use of forward-looking terminology, including, but not limited to, terms such as “aim”, “anticipate”, “assume”, “believe”, “continue”, “could”, “estimate”, “expect”, “forecast”, “guidance”, “intend”, “may”, “outlook”, “plan”, “predict”, “project”, “should”, “will” or “would” or, in each case, their negative, or other variations or comparable terminology.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and are based on numerous assumptions. Our actual financial condition, results of operations and cash flows, and the development of the industry in which we operate, may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements contained in this report. In addition, even if our financial condition, results of operations and cash flows, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this report, those results or developments may not be indicative of results or developments in subsequent periods. We undertake no obligation publicly to update or revise any forward-looking statements, except as may be required by law.