

Intu Debenture PLC

Amendment and Restructuring Transaction Update

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INTU DEBENTURE PLC

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INTU DEBENTURE PLC (THE "**COMPANY**") ANNOUNCES UPDATE ON AMENDMENT AND RESTRUCTURING TRANSACTION

14 July 2021

Amendment and Restructuring Transaction Update

As indicated in the Company's Stockholder Update of 22 January 2021, the Company was expecting to release an Extraordinary Resolution (the "**extraordinary resolution**") to approve the proposed amendment and restructuring transaction as detailed in the debt and equity term sheets annexed to that Stockholder Update. As Stockholders may recall, that restructuring transaction included an agreement (subject to Stockholder consent) with the administrators (the "**Administrators**") of Intu Properties Plc (in administration, "**Intu Properties**"), Liberty International Holdings Limited (in administration, "**LIHL**") and Liberty International Treasury Group Limited (in administration, "**LIGT**") to purchase the shareholding of Intu Properties and LIHL in the Company and settle the £247.8 million outstanding intercompany balance owed by the Company to LIGT (the "**Original Transfer and Settlement**"). For commercial reasons, the Administrators requested that the consideration for the Original Transfer and Settlement remained confidential. However, it was noted that the amount was not material in the context of the overall restructuring of Debenture Group or its liquidity position.

Whilst the intention was to propose the Extraordinary Resolution in relation to the restructuring transaction during February 2021, unfortunately the timing of that resolution was delayed as indicated in the Company's announcement of 19 March 2021 (available on the Company's website at <https://debentureplc.com/rns/>). The delay resulted from the Debenture Group being notified by the Administrators of a number of potential additional intercompany liabilities (the "**Potential Liabilities**"). The Administrators have stated that the Potential Liabilities have been identified as a result of due diligence undertaken by the Administrators on the books and records of the wider Intu group in relation to Intu Properties and other subsidiaries including Intu Retail Services Limited (in administration) and LIGT. The total claim by the various Intu Properties subsidiaries in respect of these Potential Liabilities is £4.3 million.

The Company can now confirm that in principle agreement has been reached with the Administrators to settle the Potential Liabilities (which remain disputed by the Company), in addition to the existing agreement in respect of the Original Transfer and Settlement. For commercial reasons, the Administrators have requested that the consideration paid to settle the Potential Liabilities (the "**Settlement Amount**") should also remain confidential. However, the Settlement Amount is not considered by the Company to be material in the context of the overall restructuring of the Debenture Group or its liquidity position. In particular it will not have a material impact on the Debenture Group's overall cash flow.

The Company is pleased to confirm that the in principle agreement to settle the Potential Liabilities by payment of the Settlement Amount has the support of an ad hoc committee of stockholders representing over 75% of the outstanding principal amount of the £354,876,000 5.562 per cent of the First Mortgage Debenture Stock issued by the Company, subject to final terms and internal approvals.

As a result the Company will now work towards the release of the Extraordinary Resolution to approve the proposed amendment and restructuring transaction in the latter part of August 2021. The terms of the proposed restructuring are expected to remain substantially as communicated in the Company's Stockholder Update of 22 January 2021. The Company notes that the precise structuring of the settlement of the Potential Liabilities, as well as the Original Transfer and Settlement, are subject to further legal and tax diligence by the Company.

The Company will continue to keep Stockholders notified of any relevant developments in accordance with applicable law and regulation.

Capitalised terms used in this Notice and not otherwise defined shall have the meanings given to them in the Supplemental Trust Deed and the trust deed dated 5 October 2006 (as amended and supplemented from time to time, the "**Trust Deed**") constituting the Stock and made between the Company, the Charging Subsidiaries (as defined in the Trust Deed), and The Law Debenture Trust Corporation p.l.c., unless the context otherwise requires.

Stockholders should contact the following for further information:

Company

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Attention: Peter Manning and James Taylor

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(Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Open between 09:00 -17:30, Monday to Friday excluding public holidays in England and Wales)

Email: shareholderenquiries@linkgroup.co.uk

Alvarez & Marsal Europe LLP and Milbank LLP have been retained as financial and legal advisers to an ad hoc group of Stockholders. Their contact details are as follows:

ProjectIrisAMTeam@alvarezandmarsal.com and Iris@milbank.com.

This announcement is made by Intu Debenture PLC

Dated: 14 July 2021