

Intu Debenture PLC

Upcoming Anticipated Event of Default

RNS Number: **2968T**

INTU DEBENTURE PLC

LEI: 213800UX3TM5RGB1UF29

£354,876,000 5.562 per cent. First Mortgage Debenture Stock 2027

INTU DEBENTURE PLC (THE "**COMPANY**") ANNOUNCES ANTICIPATED EVENT OF DEFAULT ARISING FROM ANTICIPATED NON-PAYMENT OF UPCOMING SCHEDULED INTEREST AMOUNT AND SCHEDULED REDEMPTION AMOUNT

23 November 2021

Upcoming Anticipated Event of Default and Non-Payment

The Company gives notice that whilst it is due, pursuant to Clause 5 of the Trust Deed and Condition 2 and Condition 3 of the Stock, to make payment of the Scheduled Interest Amount and the Scheduled Redemption Amount on 31 December 2021, the Company does not anticipate that it will be able to pay, wholly or partly, either the Scheduled Interest Amount or the Scheduled Redemption Amount on 31 December 2021 (collectively, the "**December Payments**"), or within the 14-day grace period for non-payment (as set out in Condition 16(i) of the Stock). Accordingly, the Company anticipates that a further Event of Default will arise on 14 January 2022.

As set out in the Company announcement made on 14 July 2021 providing an update on the proposed amendment and restructuring transaction (as more fully set out therein) (the "**14 July RNS**"), which is available on the Company website at <https://debentureplc.com/rns/>, and as further set out in the Q3 2021 Stockholder Update dated 9 November 2021 and available on the Company website at <https://debentureplc.com/quarterlyreports/> (the "**Q3 2021 Update**"), the anticipated date of release of a Notice of Meeting at which Stockholders will be asked to approve an Extraordinary Resolution regarding the proposed amendment and restructuring transaction has been delayed due to the parties requiring further time to negotiate and finalise the documentation setting out the precise terms of the settlement agreement in respect of the Potential Liabilities (as defined in the 14 July RNS) and the other documentation necessary to effectuate the proposed amendment and restructuring transaction.

As a result of this delay, the Company has been unable to implement the proposed changes to its current debt service obligations. As noted above, and as detailed further in the Q3 2021 Update, the Debenture Group had £18.95 million in available cash as at the end of September 2021 as a result of a combination of improved rent, service charge and arrears collection, cost saving initiatives (including delays to capital expenditure and operational expenditures), the delay to the proposed amendment and restructuring transaction, and other cash preservation initiatives. The Company notes that a number of the significant capital and operational expenditures which have been delayed must nevertheless be incurred in the near- to medium-term in order to continue to operate the Debenture Group's business. The Debenture Group continues to tightly manage liquidity and believes it would be prudent to apply the limited funds currently held by it to maintain

the business of the Debenture Group, rather than using those funds to pay either of the December Payments.

Further to the Q3 2021 Update and the Stockholder call in relation thereto, which was held on 16 November 2021, a recording of which is available on the Company website at <https://debentureplc.com/q3-stockholder-call-recording/>, cash preservation initiatives, including the potential further deferral of previously delayed capital and operational expenditures are being considered by APAM Limited (the Company's asset manager) and the Company as part of the development of a revised business plan, which will provide Stockholders with a revised long-term view on the financial outlook of the key assets of the Debenture Group. Given the importance of these issues, and the involvement and engagement with third parties, the Company expects to further develop the revised business plan during the coming months and to issue the revised business plan addressing these areas for approval by the Stockholders by the end of Q1 2022.

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 Trust Deed dated 5 October 2006 (as amended and supplemented from time to time) and the Supplemental Trust Deed dated 30 July 2020 (together, 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. (the "**Trustee**"), unless the context otherwise requires.

Please note that the Trustee has not been involved in the preparation or formulation of this announcement and expresses no views or opinions on this announcement. Stockholders are advised to take their own legal, financial and/or tax advice in relation to this announcement.

Stockholders should contact the following for further information:

Company

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Email: intu@simmons-simmons.com

Attention: Peter Manning and James Taylor

Registrar

Link Group
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29 Wellington Street
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LS1 4DL
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Telephone: +44 371 664 0300

(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: 23 November 2021