

## **Statement re Possible Offer**

RNS Number : 4909B  
TalkTalk Telecom Group PLC  
08 October 2020

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**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**FOR IMMEDIATE RELEASE**

**8 October 2020**

**TalkTalk Telecom Group plc  
("TalkTalk" or the "Company")**

**Statement regarding possible offer for TalkTalk  
by funds advised by Toscafund Asset Management LLP**

The Company announces that it has recently received a preliminary and non-binding proposal from Toscafund Asset Management LLP on behalf of funds advised by it ("**TAM**") regarding a possible cash offer ("**Offer**") to be made by a newly formed company for the entire issued and to be issued ordinary share capital of the Company at a price of 97 pence per share, together with a full unlisted share alternative (the "**Proposal**").

The Board has considered the terms of the Proposal and has agreed to progress the Proposal further with TAM along with taking advice from the Company's advisers.

The Proposal contains a number of pre-conditions to announcing any firm intention to make an Offer, including, that TAM receives an irrevocable undertaking from Sir Charles Dunstone in support of such Offer including an election for any unlisted share alternative in respect of his entire holding of ordinary shares in the Company. These pre-conditions may be waived by TAM in its absolute discretion.

A further announcement will be made as and when appropriate.

In accordance with Rule 2.6(a) of the Code, TAM is required, by not later than 5.00 p.m. on 5 November 2020, to either announce a firm intention to make an offer for the Company in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline can be extended with the consent of the Panel on Takeovers and Mergers in accordance with Rule 2.6(c) of the Code.

This announcement has been made with the consent of TAM.

There can be no certainty that a firm offer will be made for the Company by TAM even if the pre-condition stated above is satisfied or waived. TAM reserves the right to vary the form and/or mix of the consideration described in this announcement. TAM also reserves the right to make an offer for the Company at a price less than 97 pence per share: (a) with the recommendation or consent of the board of the Company; (b) if the Company announces, declares or pays any dividend or distribution to shareholders in which case Offeror reserves the right to make an equivalent

reduction to the proposed offer price; (c) if a third party announces a firm intention to make an offer for the Company on less favourable terms than the Proposal, or (d) following the announcement by the Company of a "whitewash" transaction pursuant to the Code.

As a consequence of this announcement, an offer period has now commenced in respect of the Company in accordance with the rules of the Code and the attention of shareholders is drawn to the disclosure requirements of Rule 8 of the Code, which are summarised below.

The person responsible for making this announcement is Tim Morris, General Counsel and Company Secretary.

**TalkTalk Telecom Group plc is advised by:**

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**Important notices**

**Advisers**

*Barclays Bank PLC, acting through its Investment Bank, ("Barclays"), which is authorised by the Prudential Regulation Authority (the "PRA") and regulated by the Financial Conduct Authority (the "FCA") and the PRA in the United Kingdom, is acting exclusively for the Company as joint financial adviser and for no-one else in connection with this announcement and the Proposal and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Barclays or for providing advice in relation to the Proposal or any other matters referred to in this announcement.*

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*Osborne Clarke LLP is providing legal advice to the Company in connection with the Proposal.*

*In accordance with the Code, normal United Kingdom market practice and Rule 14e-5(b) of the United States Securities Exchange Act of 1934, Barclays and its affiliates will continue to act as exempt principal trader in TalkTalk securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com). This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.*

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*The distribution of this announcement in jurisdictions outside the United Kingdom may be restricted by law and therefore persons into whose possession this announcement comes should inform themselves about, and observe such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities law of any such jurisdiction.*

**Disclosure requirements of the Takeover Code**

*Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant*

securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

#### **Rule 2.9 disclosure**

In accordance with Rule 2.9 of the Code, the Company confirms that, as at 7 October 2020 being the latest practicable business day prior to the date of this announcement, it has 1,146,269,670 ordinary shares of 0.1 pence each ("**Ordinary Shares**") in issue. The International Securities Identification Number for the Ordinary Shares is GB00B4YCDF59.

#### **Publication on website**

Pursuant to Rule 26.1 of the Code, a copy of this announcement will be available free of charge at the Company's website at [www.talktalkgroup.com](http://www.talktalkgroup.com) promptly following its publication and in any event by no later than 12 noon on the following business day.

For the avoidance of doubt, the content of the website referred to above is not incorporated into and does not form part of this announcement.