

Together Fin. Svc.
Proposed Offer of Senior Secured Notes
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Together Financial Services Limited
13 January 2021

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Together Announces Proposed Offer of Senior Secured Notes

13 January 2021

Together Financial Services Limited (“Together” or the “Company”), one of the UK’s leading specialist mortgage and secured loans providers, announces that it intends to offer £450.0 million in aggregate principal amount of Senior Secured Notes due 2027 (the “Notes”), through its wholly owned subsidiary Jerrold FinCo plc (the “Issuer”). The gross proceeds of the offering of the Notes are expected to be used (i) to redeem, in full, the Issuer’s £350.0 million in aggregate principal amount of senior secured notes due 2024, (ii) to reduce drawn balances under the CABS Securitization and (iii) to pay associated fees and expenses.

The Notes will be guaranteed on a senior secured basis by the Company and all subsidiaries of the Company (other than the Issuer, the securitizations entities and certain dormant and non-material subsidiaries) (the “Subsidiary Guarantors,” and, together with the Company, the “Guarantors”). The Notes and the guarantees will be secured by first-priority fixed and floating security interests granted on an equal and rateable first-priority basis over all of the issued capital stock in the Issuer and each of the Subsidiary Guarantors, substantially all of the existing and future property and assets of the Issuer and the Guarantors (excluding the assets sold to the securitisations), and any additional security interests that may in the future be pledged to secure obligations under the Notes, the guarantees and the indenture. Pursuant to the terms of the intercreditor agreement, certain liabilities in respect of indebtedness incurred under the revolving credit facility and certain hedging obligations that are secured by assets that also secure the Issuer's or the Guarantors’ obligations under the Notes or the Guarantees, as applicable, will receive priority with respect to any proceeds received upon any enforcement action over any such assets. The Notes will be general obligations of the Issuer and will rank pari passu in right of payment with all existing and future indebtedness of the Issuer that is not expressly subordinated in right of payment to the Notes, including the Issuer’s £435.0 million in aggregate principal amount of 4⁷/₈% Senior Secured Notes due 2026, the Revolving Credit Facility and certain hedging obligations (where applicable).

Application will be made to admit the Notes to the Official List of Euronext Dublin and to trading on the Global Exchange Market thereof.

Trading Update

Together also provides the following Trading Update for the quarter ended 31 December 2020 (“Q2 ’21”):

- Average monthly loan originations were £74.4 million in Q2 ’21, up 70.6% compared with £43.6 million in the quarter ended 30 September 2020 (“Q1 ’21”)

- Q2 '21 average monthly cash receipts were £142.2 million, compared with £125.7 million in Q1 '21
- Preliminary total accessible liquidity* increased to £299.8 million at 31 December 2020, compared with £267.2 million at 30 September 2020
- Total cash at 31 December 2020 was £269.3 million (£153.1 million restricted cash and £116.2 million unrestricted cash), compared to £300.5 million (£152.6 million restricted cash and £147.9 million unrestricted cash) at 30 September 2020
- At 31 December 2020 headroom within our facilities was £997 million, compared to £872 million at 30 September 2020
- The Group has continued to support our customers throughout the pandemic, with 23.1% of Group customers by value taking a mortgage payment deferral since the onset of Covid-19 (“MPD Total Loans”)
 - At 31 December 2020, 1.9% of Group customers by value remained within a mortgage payment deferral (‘MPD Live Loans’) compared with 6.2% at 30 September 2020
 - At 31 December 2020 Borrower Group MPD Total Loans were 16% and MPD Live Loans were 1.4% (30 September 2020: 4.5%)

The preliminary financial results presented above are derived from our accounting records and internal management accounts. This information has not been audited or reviewed, nor have any procedures been performed by our independent auditors with respect thereto. Accordingly, you should not place any undue reliance on it, and no opinion or any other form of assurance is provided with respect thereto. Our preliminary financial results are based upon a number of assumptions and judgments that are subject to inherent uncertainties and are subject to change, and are not intended to be a comprehensive statement of our financial or operational results. Accordingly, the preliminary financial results presented above may change and those changes may be material.

* Total accessible liquidity reflects, as of the relevant reference date, cash at bank plus undrawn commitments under the revolving credit facility available for drawing plus amounts available under the conduit securitizations.

For further enquires please contact:

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Together is the trading name of Together Financial Services Limited, which has its registered office address at Lake View, Lakeside, Cheadle, Cheshire SK8 3GW.

Ends

The Notes and the guarantees thereof will not be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”), or applicable state securities laws. Accordingly, the Notes will be offered only to qualified institutional buyers and to persons outside the United States in reliance on Rule 144A and Regulation S under the Securities Act, respectively. Unless so registered, the Notes may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.

This announcement does not constitute an offer to sell or the solicitation of an offer to buy the Notes or any other security and shall not constitute an offer, solicitation or sale in the United States or in any jurisdiction in which, or to any persons to whom, such offering, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any jurisdiction.

This press release constitutes a public disclosure of inside information by Jerrold FinCo plc under Regulation (EU) 596/2014 (16 April 2014).

The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”) or (ii) a customer within the meaning of Directive 2016/97/EU (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

In member states of the EEA, this announcement and any offer of the securities referred to herein in any Member State of the European Economic Area (“EEA”) will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of the securities referred to herein. Accordingly, any person making or intending to make an offer in a Member State of Notes which are the subject of the offering contemplated may only do so in circumstances in which no obligation arises for the Issuer or any of the initial purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor the initial purchasers have authorized, nor do they authorize, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or the initial purchasers to publish a prospectus for such offer. The expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

In the UK, this announcement and any offer of the securities referred to herein in the UK will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus

for offers of the securities referred to herein. Accordingly, any person making or intending to make an offer in the UK of Notes which are the subject of the offering contemplated may only do so in circumstances in which no obligation arises for the Issuer or any of the initial purchasers to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor the initial purchasers have authorized, nor do they authorize, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or the initial purchasers to publish a prospectus for such offer. The expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

This communication is being distributed only to, and is directed at persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Financial Promotion Order”) (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order, (iii) are outside the United Kingdom or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 in connection with the issue and sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This announcement is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this announcement relates is available only to relevant persons and will be engaged in only with relevant persons.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement. The distribution of this announcement into certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement may include projections and other “forward-looking” statements within the meaning of applicable securities laws. Any such projections or statements reflect the current views of the Company about future events and financial performance. The use of any of the words “expect,” “anticipate,” “continue,” “will,” “project,” “should,” “believe,” “plans,” “intends” and similar expressions are intended to identify forward-looking information or statements. Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that such statements and information will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties.

The forward-looking statements and information contained in this announcement are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.