

# RAC BOND CO PLC

*(incorporated with limited liability in England and Wales with registered number 10084638)*

## **Multicurrency programme for the issuance of Class A Notes**

This prospectus supplement (the **Supplement**) is supplemental to and must be read in conjunction with the base prospectus dated 24 March 2023 (the **Prospectus**) and constitutes a supplementary prospectus for the purposes of Article 23 of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) and is prepared in connection with the £5,000,000,000 multicurrency programme for the issuance of Class A Notes (the **Programme**) established by RAC Bond Co plc (the **Issuer**) as described in the Prospectus. Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Regulation. The Central Bank only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer or the quality of the Class A Notes that are the subject of this Supplement and investors should make their own assessment as to the suitability of investing in the Class A Notes.

The purpose of this Supplement is to:

- a) incorporate by reference the half year interim report and financial statements for RAC Bidco Limited for the period ended 30 June 2023 (the **Half Year Report**) into the Prospectus;
- b) incorporate by reference the half year interim report and financial statements for RAC Bidco Limited for the period ended 30 June 2022 (the **2022 Half Year Report**) into the Prospectus; and
- c) update the “*Presentation of Financial and Other Information*”, “*Selected Financial and Operating Data*”, “*Management*”, “*General Information*” and “*Business*” sections of the Prospectus to include updates on the recent business of the Holdco Group.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus, and any other supplements to the Prospectus that may be issued by the Issuer.

For so long as the Programme remains in effect or any Class A Notes remain outstanding, copies of this Supplement may (when published) be inspected during normal business hours (in the case of Class A Bearer Notes) at the specified office of the Class A Paying Agents, (in the case of Class A Registered Notes) at the specified office of the Class A Registrar and the Class A Transfer Agents and (in all cases) at the registered office of the Class A Note Trustee.

To the extent that there is any inconsistency between any statement in, or incorporated by reference in, this Supplement and any other statement in, or incorporated by reference in, the Prospectus, the statements in, or incorporated by reference in, this Supplement will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

**Supplement dated 29 September 2023**

## RESPONSIBILITY STATEMENT

Each of the Obligors and the Issuer accept responsibility for the information contained in this Supplement. To the best of the knowledge of each of the Issuer and the Obligors the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

No other person has been authorised to give any information or to make representations other than the information or representations contained in this Supplement and no other person (including the Dealers) accepts any responsibility or liability in respect of information contained or incorporated by reference in this Supplement.

## UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF RAC BIDCO LIMITED FOR THE FINANCIAL HALF YEAR ENDED 30 JUNE 2023 AND THE FINANCIAL HALF YEAR ENDED 30 JUNE 2022

On 31 August 2023, RAC Bidco Limited announced the publication of its unaudited consolidated interim report and financial statements for the half year ended 30 June 2023 through publication of the Half Year Report.

By virtue of this Supplement, the Half Year Report is incorporated by reference in, and form part of, the Prospectus save for the entire section headed “*Outlook*” on page 3 of the Half Year Report. Accordingly, by way of update to the “Documents Incorporated by Reference” section beginning on page 290 of the Prospectus, the following bullet point shall be inserted after the bullet point “*The audited financial statements of the Borrower as at and for the year ended 31 December 2020*”:

- “The unaudited consolidated interim report and financial statements of Holdco for the half year ending 30 June 2023. A link to these financial statements is available at [https://www.raccorporate.co.uk/~media/Files/R/RAC/documents/reports-and-presentations/2023/RAC%20Bidco%20Limited%20Interim%20Report%20and%20Financial%20State ments%20HY%202023.pdf](https://www.raccorporate.co.uk/~media/Files/R/RAC/documents/reports-and-presentations/2023/RAC%20Bidco%20Limited%20Interim%20Report%20and%20Financial%20Statements%20HY%202023.pdf)”

On 31 August 2022, RAC Bidco Limited announced the publication of its unaudited consolidated interim report and financial statements for the half year ended 30 June 2022 through publication of the 2022 Half Year Report.

By virtue of this Supplement, the 2022 Half Year Report is incorporated by reference in, and form part of, the Prospectus save for the entire section headed “*Outlook*” on page 3 of the 2022 Half Year Report. Accordingly, by way of update to the “Documents Incorporated by Reference” section beginning on page 290 of the Prospectus, the following bullet point shall be inserted after the bullet point “*The audited financial statements of the Borrower as at and for the year ended 31 December 2020*” and subsequent to the bullet point inserted in relation to the Half Year Report pursuant to the paragraphs above:

- “The unaudited consolidated interim report and financial statements of Holdco for the half year ending 30 June 2022. A link to these financial statements is available at <https://www.raccorporate.co.uk/~media/Files/R/RAC/documents/reports-and-presentations/2022/RAC%20Bidco%20-%20Interim%202022%20accounts.pdf>”

The Half Year Report and the 2022 Half Year Report have been prepared in accordance with the International Financial Reporting Standards as adopted in the UK. Consequently, they have not been prepared in accordance with International Financial Reporting Standards as endorsed in the European Union based on Regulation (EC) No 1606/2002. RAC Bidco Limited has determined that there would be no material differences in the Half Year Report or the 2022 Half Year Report had Regulation (EC) No 1606/2002 applied to the Half Year Report and the 2022 Half Year Report.

Copies of the documents deemed to be incorporated by reference in the Prospectus and this Supplement may be viewed on <https://www.raccorporate.co.uk/for-investors/results-reports-and-presentations>.

## UPDATE TO THE PRESENTATION OF FINANCIAL AND OTHER INFORMATION SECTION IN THE PROSPECTUS

By way of update to the section headed “*Presentation of Financial and Other Information*” of the Prospectus, within the “*Non-IFRS financial measures*” sub-section starting on page 57 of the Prospectus the following bullet points will be inserted after the bullet in respect of “Total capital expenditures”:

- “ • “**Class A Leverage**” is calculated as Class A Net Debt to Adjusted EBITDA for the relevant period.
- “**Class A Net Debt**” is Class A Total Debt adjusted for (i) interest accrued, but unpaid; (ii) amount drawn under the Working Capital Facility; (iii) capitalised debt issue costs; (iv) IFRS 16 lease liabilities and (v) cash and cash equivalents.
- “**Class A Total Debt**” is calculated as total debt as adjusted to exclude (i) the principal amount in relation to the Class B2 Notes; (ii) interest accrued, but unpaid, in relation to the Class B2 Notes; and (iii) capitalised debt issue costs in relation to the Class B2 Notes.”

## UPDATE TO THE SELECTED FINANCIAL AND OPERATING DATA SECTION IN THE PROSPECTUS

By way of update to the section headed “*Selected Financial and Operating Data Section*” of the Prospectus, within the “*Selected Other Financial and Operating Data for RAC*” sub-section starting on page 61 of the Prospectus:

(A) a new note 17 to be added beside “Adjusted EBITDA” in the table beginning on page 61 and continuing on page 62 of the Prospectus, with the note added at the end of the notes section on page 65 of the Prospectus reading as follows:

“The Adjusted EBITDA of the Holdco Group for the 12 month period ending 30 June 2023, calculated by adding the Adjusted EBITDA of the second half of the Year ended 2022 to Adjusted EBITDA of the first of the Year ending 2023, was £261 million.”; and

(B) a new note 18 to be added beside “Total debt” in the table beginning on page 61 and continuing on page 62 of the Prospectus, with the note added at the end of the notes section (after the new note 17 inserted pursuant to (A) above) on page 65 of the Prospectus reading as follows:

“The Total Class A Debt of the Holdco Group was £1,322 million in Financial Year ended 31 December 2021, £1,326 million in Financial Year ended 31 December 2022 and £1,225 million as at 30 June 2023. Total Class A Debt is calculated on the same basis as total debt but excluding amounts outstanding under Class B Authorised Credit Facilities (including the £345 million outstanding under the Class B2 IBLA pursuant to the Class B2 Notes)”;

(C) a new note 19 to be added beside “Net debt” in the table beginning on page 61 and continuing on page 62 of the Prospectus, with the note added at the end of the notes section (after the new note 18 inserted pursuant to (B) above) on page 65 of the Prospectus reading as follows:

“The Class A Net Debt of the Holdco Group was £1,273 million in Financial Year ended 31 December 2021, £1,259 million in Financial Year ended 31 December 2022 and £1,254 million as at 30 June 2023. Class A Net Debt is calculated on substantially the same basis as net debt, but excludes amounts in relation to the Class B2 Notes as described in respect of Class A Total Debt and Class A Net Debt in “*Presentation of Financial and Other Information – Non-IFRS financial measures*”.”;

(D) a new note 20 to be added beside “Leverage” in the table beginning on page 61 and continuing on page 62 of the Prospectus, with the note added at the end of the notes section (after the new note 19 inserted pursuant to (C) above) on page 65 of the Prospectus reading as follows:

“The Class A Leverage of the Holdco Group was 5.0x in Financial Year ended 31 December 2021, 4.8x in Financial Year ended 31 December 2022 and 4.8x as at 30 June 2023. Class A Leverage is calculated on substantially the same basis as Leverage but adjusted to reflect Class A Total Debt and Class A Net Debt.”; and

(E) a new note 21 to be added beside “Class A FCF DSCR” in the table beginning on page 61 and continuing on page 62 of the Prospectus, with the note added at the end of the notes section (after the new note 20 inserted pursuant to (D) above) on page 65 of the Prospectus reading as follows:

“The Class A FCF DSCR as calculated for the 12 month period ending 30 June 2023 was 2.77x.”.

#### **UPDATE TO THE MANAGEMENT SECTION IN THE PROSPECTUS**

By way of update to the section headed “*Management*” of the Prospectus, within the “*Senior Management Team*” sub-section on page 92 of the Prospectus:

(A) the reference to “Paul Coulton” in the ‘Operations Director’ line of table of current senior management shall be deleted and replaced with “Dominic Shorrocks”, the corresponding age updated to “51” and the corresponding Position updated to “Group Chief Operations Officer”; and

(B) the paragraph describing Paul Coulton’s employment with RAC on page 92 shall be deleted and the following paragraph shall be inserted at the end of the “*Senior Management Team*” sub-section:

“**Dominic Shorrocks** (51) joined RAC on 18 September as Group Chief Operations Officer. Dominic brings a wealth of relevant experience; an engineer by background, he’s spent much of his career across engineering, automotive services and field operations including time at BMW Rover, General Motors, Centrica, Homeserve and the MoD.”

#### **UPDATE TO THE GENERAL INFORMATION SECTION IN THE PROSPECTUS**

By way of update to the section headed “*General Information*” of the Prospectus, within the “*Significant or Material Change*” sub-section on page 292 of the Prospectus, the following paragraph shall be inserted at the end of that sub-section:

“There has been (a) no significant change in the financial position; and (b) no significant change in the financial performance, of the Holdco Group since 30 June 2023.”

#### **UPDATES TO THE BUSINESS SECTION IN THE PROSPECTUS**

By way of update to the section headed “*Business*” of the Prospectus, within the “*Introduction*” sub-section beginning on page 68 of the Prospectus, the following paragraph shall be inserted after the first paragraph of that sub-section:

“As reported in the financial statements of Holdco for the half year ending 30 June 2023, in the half-year ending 30 June 2023 32 per cent. of breakdowns were reported digitally. As at 31 August 2023, the number of breakdowns reported digitally for the year to that date had increased to approximately 45 per cent. (or close to half of breakdowns reported) following several initiatives relating to digital reporting going-live over the Summer of 2023.”

By way of update to the section headed “*Business*” of the Prospectus, within the “*Significant technology-led opportunities to drive revenue growth and future efficiencies*” sub-section on page 71 of the Prospectus, the following paragraph shall be inserted after the second paragraph of that sub-section:

“The MyRAC platform was re-launched in July 2023 and, as at 31 August 2023, RAC now reaches 2.1 million active users.”

By way of update to the section headed “*Business*” of the Prospectus, within the “*Employees and Pensions Obligations*” sub-section beginning on page 83 of the Prospectus, the following paragraph shall be inserted at the end of that sub-section:

“RAC is pleased to have reached an agreement with the Unite trade union, acting on behalf of its members, to a pay deal. The pay deal, effective 1<sup>st</sup> April 2023, was agreed on 9 August 2023 and will be reviewed again in August 2024.”

### **GENERAL INFORMATION**

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement (and any supplement to the Prospectus previously issued), there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus since the publication of the Prospectus.