

Teton Merger Corp. Announces Commencement of Tender Offers and Consent Solicitations for Senior Notes of TEGNA Inc.

February 21, 2023 05:25 PM Eastern Standard Time

NEW YORK--([BUSINESS WIRE](#))--Teton Merger Corp. (the "Company") announced today that it has commenced cash tender offers (collectively, the "Tender Offer") to purchase any and all of TEGNA Inc.'s ("TEGNA") outstanding 4.750% Senior Notes due 2026 (the "4.750% Notes"), 4.625% Senior Notes due 2028 (the "4.625% Notes") and 5.000% Senior Notes due 2029 (the "5.000% Notes" and, together with the 4.750% Notes and the 4.625% Notes, the "Notes"). In connection with the Tender Offer, the Company is soliciting the consents of holders of the 4.750% Notes, the 4.625% Notes and the 5.000% Notes to certain proposed amendments to the indenture governing the Notes (collectively, the "Consent Solicitation"). The Company is commencing the Tender Offer and the Consent Solicitation in connection with, and each is expressly conditioned upon, the acquisition of TEGNA pursuant to the Agreement and Plan of Merger, dated February 22, 2022 (as amended, supplemented, waived or otherwise modified from time to time), by and among TEGNA, the Company, Teton Parent Corp., the Company's parent ("Parent"), and solely for purposes of certain provisions specified therein, certain subsidiaries of Parent, certain affiliates of Standard General L.P., CMG Media Corporation ("CMG") and certain of CMG's subsidiaries (the "Merger").

Tender Offer and Consent Solicitation

The Tender Offer will expire at 5:00 p.m., New York City time, on March 21, 2023, unless extended or earlier terminated (such date and time, as may be extended, the "Expiration Date"). Under the terms of the Tender Offer, holders of the Notes who validly tender their Notes and provide their consents to the proposed amendments and do not validly withdraw their Notes and consents at or prior to 5:00 p.m., New York City time, on March 7, 2023 (such date and time, as may be extended, the "Early Tender Date") will receive an amount equal to \$1,012.50 per \$1,000.00 in principal amount of Notes, which amount includes an early participation premium equal to \$30.00 per \$1,000.00 in principal amount (the "Total Consideration"). Holders who validly tender their Notes and provide their consents to the proposed amendments after the Early Tender Date but at or prior to the Expiration Date will receive an amount equal to \$982.50 per \$1,000.00 in principal amount (the "Tender Consideration").

Notes	CUSIPs	Tender Consideration(1)	Early Participation Premium(1)(2)(3)	Total Consideration(1)(2)(3)
\$550,000,000 4.750% Senior Notes due 2026	CUSIP: 87901JAF2 / U8729JAC2	\$982.50	\$30.00	\$1,012.50
\$1,000,000,000 4.625% Senior Notes due 2028	CUSIP: 87901JAJ4	\$982.50	\$30.00	\$1,012.50
\$1,100,000,000 5.000% Senior Notes due 2029	CUSIP: 87901JAH8	\$982.50	\$30.00	\$1,012.50

(1) Does not include accrued and unpaid interest from the last date on which interest has been paid to, but excluding, the Early Settlement Date or the Final Settlement Date (each, as defined in the Company's offer to purchase and consent solicitation, dated February 21, 2023), as applicable, that will be paid on the Notes accepted for purchase.

(2) Payable only to holders who validly tender (and do not validly withdraw) Notes prior to the Early Tender Date.

(3) The Early Participation Premium is included in the Total Consideration.

Holders whose Notes are accepted in the Tender Offer will also be paid accrued and unpaid interest, if any, on the Notes to, but not including, the applicable settlement date.

The purpose of the Consent Solicitation and proposed amendments is to eliminate the requirement to make a "Change of Control Offer" for the Notes in connection with the Merger and eliminate substantially all of the other restrictive covenants and certain events of default and other provisions in the indenture with respect to each series of Notes. Holders may not tender their Notes in any Tender Offer without delivering their consents under the related Consent Solicitation, and holders may not deliver their consents under any Consent Solicitation without tendering their Notes pursuant to the related Tender Offer.

Consummation of the Tender Offer and payment for the Notes of a series validly tendered pursuant to the Tender Offer are subject to the satisfaction of certain conditions, including, but not limited to, the receipt of requisite consents for the applicable series of Notes, the consummation of the Merger and a financing condition. The Company reserves the right, at its sole discretion, to waive any and all conditions to the Tender Offer. Complete details of the terms and conditions of the Tender Offer and the Consent Solicitation are included in the Company's offer to purchase and consent solicitation, dated February 21, 2023. All waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, applicable to the Merger and related transactions have expired. The closing of the Merger remains subject to the approval of the Federal Communications Commission (the "FCC"). Subject to the receipt of approval from the FCC, the Merger is expected to close in March or April of 2023, and the Company expects the consummation of the Tender Offer and the Consent Solicitation to coincide with the closing of the Merger. The consummation of the Merger, or any related financing, is not conditioned upon, either directly or indirectly, the consummation of the Tender Offer or the receipt of the requisite consents in the Consent Solicitation. To the extent that the requisite consents are not obtained with respect to any series of Notes and the Merger is consummated, the Company will commence a "Change of Control Offer" to repurchase such series of Notes in accordance with the terms of the indenture governing the Notes and equally and ratably secure such series of Notes with the applicable secured financings used to consummate the Merger (provided that such security interest shall only apply to those assets of TEGNA and its subsidiaries that will secure such new secured financings used to consummate the Merger). The Total Consideration is higher than, and the Tender Consideration is lower than, what the Change of Control Offer repurchase price would be under the Indenture.

Requests for documents relating to the Tender Offer and the Consent Solicitation may be directed to Global Bondholder Services Corporation, the Information and Tender Agent, at (866) 654-2015 or (212) 430-3774 (Banks and Brokers). BofA Securities, Inc., Goldman Sachs & Co. LLC and RBC Capital Markets, LLC will act as Dealer Managers and Solicitation Agents for the Tender Offer and the Consent Solicitation. Questions regarding the Tender Offer and the Consent Solicitation may be directed to BofA Securities, Inc. at (980) 388-3646 (collect) or (888) 292-0700 (toll free), or by email to debt_advisory@bofa.com, Goldman Sachs & Co. LLC at (212) 902-5962 (collect) or (800) 828-3182 (toll free), or by email to GS-LM-NYC@gs.com, and RBC Capital Markets, LLC at (212) 618-7843 (collect) or (877) 381-2099 (toll free), or by email to liability.management@rbccm.com.

This press release does not constitute an offer to purchase, or a solicitation of an offer to sell or a solicitation of consents with respect to, any security. No offer, solicitation or purchase will be made in any jurisdiction in which such an offer, solicitation or purchase would be unlawful.

Forward Looking Statements

The above information includes “forward looking” statements as defined in the Private Securities Litigation Reform Act of 1995, including statements about the proposed Tender Offer and Consent Solicitation and the intended completion of the Merger. Such statements only reflect the Company’s best assessment at this time and are indicated by words or phrases such as “plans,” “intends,” “will” or similar words or phrases. These statements are based on the Company’s current expectations, estimates and assumptions and are subject to many risks, uncertainties and unknown future events that could cause actual results to differ materially. Actual results may differ materially from those set forth in this press release due to the risks and uncertainties inherent to transactions of this nature, including, without limitation, whether or not the Company completes the proposed Tender Offer and Consent Solicitation on terms currently contemplated or otherwise and whether or not the Merger is consummated. The Company is under no obligation to (and specifically disclaims any such obligation to) update or alter these forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.

Contacts

For media inquiries:

Standard General

Andy Brimmer / Jamie Moser / Jack Kelleher

Joele Frank, Wilkinson Brimmer Katcher

212-355-4449