

Telegraph ownership transfer completed as £500m sale looms

The ownership of The Daily Telegraph has been transferred to a new holding company as bidders and employees await news of the destiny of one of Britain's most influential newspaper publishers.

Sky News has learnt that a 'hive-down' to simplify the ownership structure of the title and its Sunday sister title has been completed in the last few days.

The corporate restructuring move comes after a consortium led by Dovid Efune, owner of The New York Sun, and National World chief David Montgomery submitted formal offers for the right-leaning newspapers.

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In a memo to Telegraph staff on Monday morning, a copy of which has been seen by Sky News, Anna Jones, the company's chief executive, wrote: "I can confirm that the investment bank and advisers facilitating the sale of the company have received multiple next-round bids.

"As is standard procedure for this type of sale process, RedBird IMI and its advisers will now review the merits of each of these bids before confirming who moves to the next stage.

"This detailed review of bids may take several weeks as the various legal and regulatory implications for the possible transactions are considered.

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“In the meantime, to simplify our corporate structure in advance of an onward sale, we have transferred the company’s business from Telegraph Media Group Limited to Telegraph Media Group Holdings Limited.”

Bidder expected to be chosen within two weeks

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People close to the process anticipate a preferred bidder being selected in the next fortnight, paving the way for the

Telegraph's long-term ownership to be resolved after 18 months of uncertainty.

Mr Efune's bid has raised the extraordinary possibility of a return to the British newspaper group for Lord Black, its former proprietor.

Lord Black, who ceased to be a member of the House of Lords earlier this year on the grounds of his non-attendance, writes regular opinion pieces for The New York Sun, a digital-only title.

Sir Paul Marshall, the hedge-fund tycoon who [paid £100m for The Spectator magazine](#) this month, did not submit an offer for the Telegraph ahead of a deadline on Friday but remains open to acquiring the titles at the right price.

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The newspapers now look likely to command a price of at least £500m, which would enable RedBird IMI to recoup the £600m it paid last year for the right to convert debt attached to the assets into outright ownership.

The Telegraph auction is being orchestrated by Raine Group and Robey Warshaw, the advisers to RedBird IMI, the Abu Dhabi-backed entity which was thwarted in its efforts to buy the media titles by a change in ownership law.

Boris Johnson return?

A separate bid orchestrated by Nadhim Zahawi, the former chancellor, is the subject of bilateral discussions with IMI, the Abu Dhabi-based part of the joint venture with RedBird.

Sky News recently revealed that Mr Zahawi had sounded out Boris Johnson, the former prime minister, about an executive role with The Daily Telegraph if he succeeded in buying the newspapers.

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A number of unsuccessful bidders for the Telegraph have included Lord Saatchi, the former advertising mogul, who offered £350m, while Mediahuis, the Belgian publisher, also failed to make it through to the next round of the auction.

Lord Rothermere, the Daily Mail proprietor, pulled out of the bidding earlier in the summer amid concerns that he would be blocked on competition grounds.

IMI is controlled by the UAE's deputy prime minister and ultimate owner of Manchester City Football Club, Sheikh Mansour bin Zayed Al Nahyan.

The Lloyds debt, which totalled more than £1.15bn, was repaid by RedBird IMI on behalf of the family.

RedBird IMI have declined to comment.