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ASX RELEASE

26 February 2018

APPOINTMENT OF MAIN EVENT ENTERTAINMENT CHIEF EXECUTIVE OFFICER

Ardent Leisure Group (ASX: AAD) (Ardent) is pleased to announce that Mr. Chris Morris has been appointed as President and Chief Executive Officer of Main Event Entertainment, commencing on 26 March 2018.

Mr. Morris brings over 20 years of experience with multisite businesses, including over six years in the family entertainment business. He brings extensive experience in brand revitalization strategies, operational execution and new unit development. He has successfully opened over 200 units with five different businesses. He was previously President of California Pizza Kitchen (CPK), a leading casual dining brand operating 260 restaurants in 30 states and 12 countries worldwide. During his time at CPK the company revitalized the 32-year-old business into a thriving relevant brand returning it to positive comparable store sales.

Before CPK, Mr. Morris held senior executive roles for On the Border Mexican Grill & Cantina and CEC Entertainment (owners of Chuck E. Cheese's and Peter Piper Pizza). At On the Border, he served as Executive Vice President, Chief Financial Officer, and joined the company at the time it was acquired by a private equity firm. Here, he led the company through a successful carve out, implemented brand revitalization strategies and successfully sold the company generating strong returns for all stakeholders.

Prior to On the Border, Mr. Morris served as Chief Financial Officer for CEC Entertainment while it was a publicly traded company (NYSE: CEC). During his time at CEC, the company successfully opened over 90 new entertainment centers and generated over US\$800m in revenue. Earlier in his career, Mr. Morris also held positions of increasing responsibility at NPC International and Applebee's International. He began his career at Deloitte & Touche.

The Group's Chairman, Dr. Gary Weiss, said, "The Board is delighted with the appointment of Chris Morris after an extensive search process. He brings to the business excellent executive leadership experience with a significant understanding of family restaurant and entertainment operations and we look forward to his commencement in March. On behalf of the Board, I would also like to thank Darin Harper for his contribution as Interim CEO during this period of change. Darin will return to his role as CFO at Main Event upon Chris' commencement."

Commenting on his appointment, Mr. Morris said, "I am excited to be joining the Main Event team at this time. Main Event has incredible potential and is poised to be the national leader in family entertainment. I look forward to working closely with the team to further build upon leading through innovation, delivering consistently great guest experiences and executing our growth strategy."

A summary of Mr. Morris' employment contract has been included as an Appendix to this announcement.

For further information, please contact:

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APPENDIX
SUMMARY OF MATERIAL TERMS OF EMPLOYMENT FOR CHRISTOPHER MORRIS

The material terms of the employment agreement between Christopher Morris and Main Event Entertainment, LP (**Main Event** or **Company**) for the role of President and Chief Executive Officer of Main Event (the **Agreement**), are summarised below:

Commencement date	26 March 2018
Term	No fixed term. Ongoing until terminated by either party in accordance with the Agreement (see below).
Total Fixed Remuneration (TFR)	US\$600,000 per annum.
Short Term Incentive (STI)	<p>Target STI opportunity of 100% of TFR (US\$600,000) per annum; minimum STI opportunity of 0% (US \$0) of TFR per annum; and maximum STI opportunity of 200% of TFR (US\$1,200,000) per annum; subject to performance over the financial year and continued employment.</p> <p>For FY18/19, the STI opportunity will be subject to two financial performance measures: Constant Centre Sales (40% weighting) and EBITDA as a percent of Main Event sales (60% weighting). The STI award determined based on these performance measures will be subject to modification (increased or decreased) by reference to achievement, as determined by the Ardent Board, of key qualitative performance objectives, which will include staff and guest safety, employee engagement, guest experience, customer confidence and strategic advancement.</p> <p>The Ardent Board will determine the appropriate performance measures, weightings and targets for the STI for future financial years based on business needs.</p>
Long Term Incentive (LTI)	<p>Mr. Morris will be entitled to participate in a LTI commencing 1 July 2018. The LTI provides an opportunity to earn a cash incentive based on the increase in Main Event's enterprise value over a threshold hurdle. The LTI award, calculated as outlined below, will generally only be paid to Mr. Morris on occurrence of a Realisation Event. Enterprise value for this purpose will be calculated by reference to Main Event's trailing 12-month EBITDA.</p> <p>The potential cash incentive that may be paid to Mr. Morris is calculated as 2% of the appreciation (if any) in the enterprise value of Main Event, over the threshold hurdle, from 1 July 2018 to the date of a Realisation Event. A Realisation Event for this purpose is, broadly, a change in control of Main Event or an initial public offering of securities in Main Event.</p> <p>The threshold hurdle for growth in Main Event's enterprise value is 11.5% compounded annually adjusted for annual net cash flow.</p> <p>If Mr. Morris ceases employment with Main Event (other than a termination of employment by the Company for cause), any unvested portion of the LTI award will automatically lapse and any vested portion will remain on foot subject to the terms and conditions of the LTI. In certain circumstances the Company has the option to "buy-out" any vested LTI award entitlements before a Realisation Event. For this purpose, the LTI award will be considered to have vested, subject to Mr. Morris' continued employment, 25% on 1 July 2020, 25% on 1 July 2021, 25% on 1 July 2022 and 25% on 1 July 2023.</p>

	If Mr. Morris' employment is terminated by the Company for cause, the LTI award (whether vested or not) will immediately lapse.
Initial sign-on bonus	<p>Provided Mr. Morris remains employed by the Company on the relevant date, the following sign-on bonus amounts will be paid in cash to Mr. Morris:</p> <p>US\$225,000 on 30 June 2018</p> <p>US\$225,000 on 30 June 2019.</p>
Notice period / termination provisions	<p>Mr. Morris may terminate his employment by providing 90 days' notice in writing. The Company may terminate Mr. Morris' employment at any time, subject to a requirement to provide 30 days' notice where the Company intends to terminate Mr. Morris' employment for certain "cause" reasons.</p> <p>In certain circumstances, on termination of employment, Mr. Morris is entitled to continued payment of TFR for 12 months plus any owed but unpaid incentive amounts.</p> <p>The Agreement contains a clause limiting the amount of any termination payment in accordance with Part 2D.2 of the Corporations Act.</p>
Post-employment restraints	The Agreement contains an unpaid 12 month non-compete and employee non-solicit clause.
Confidential information and IP	The Agreement contains customary provisions for the protection of the Company's confidential information and intellectual property.