



VILLAGE ROADSHOW

FURTHER UPDATE ON BGH TRANSACTION

25 September 2020: Village Roadshow Limited (ASX: VRL) ("VRL") refers to its announcement of 7 August 2020 that it had entered into an Implementation Agreement¹ with an entity owned by funds managed by BGH Capital Pty Ltd ("BGH"), under which BGH undertakes to acquire control of VRL by way of two alternative but concurrent schemes of arrangement (together, the "BGH Transaction").

Under the BGH Transaction the Scheme Consideration consists of a:

- Base offer price of \$2.20 per share under Structure A (or \$2.10 per share under the alternative Structure B); plus
- Additional offer price of \$0.12 per share in the event that the Warner Bros. Movie World and the Sea World theme parks are open to the public for a period of 5 Business Days ending at 4pm on the day that is 2 Business Days prior to the Proxy Cut-Off Date; plus
- Additional offer price of \$0.08 per share in the event that a majority of the Cinemas business locations (representing 75% of Cinemas business revenue in FY19) are open to the public for a period of 5 Business Days ending at 4pm on the day that is 2 Business Days prior to the Proxy Cut-Off Date and there are no significant changes to the expected movie slate for the remainder of FY21 ("Cinema Uplift"); plus
- Additional offer price of \$0.05 per share in the event that there are no border control measures imposed by the Queensland Government prohibiting any person from entering Queensland from New South Wales on 15 October 2020 and from Victoria on 31 October 2020.

VRL has been informed that the scheduled release for cinema exhibition in Australia of three films in the list of titles agreed by VRL and BGH on 6 August 2020 has been deferred into the financial year ending 30 June 2022. This change to the movie slate for FY21 currently constitutes a Film Deferral Event under the Implementation Agreement. Under the terms of the Implementation Agreement if a Film Deferral Event continues to subsist the Cinema Uplift of \$0.08 is not payable. VRL and BGH are in discussions in relation to the matter.

This announcement has been authorised by the VRL Executive Committee.

For more information:

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¹ Capitalised terms have the meaning given to them in the Implementation Agreement, unless otherwise defined in this document.