
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 13, 2021

Bally's Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or
organization)

001-38850

(Commission File Number)

20-0904604

(IRS Employer Identification No.)

**100 Westminister Street
Providence, Rhode Island 02903**

(Address of principal executive offices and zip code)

(401) 475-8474

(Registrant's telephone number, including area code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, \$0.01 par value	BALY	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

Item 1.01. Entry into a Material Definitive Agreement

On April 13, 2021, Bally's Corporation ("Bally's" or the "Company") announced (the "Rule 2.7 Announcement"), pursuant to Rule 2.7 of the United Kingdom City Code on Takeovers and Mergers, the terms of its offer (the "Offer") to acquire (the "Combination") Gamesys Group plc ("Gamesys"), which is intended to be implemented by means of a court-sanctioned scheme of arrangement under Part 26 of the UK Companies Act 2006 (the "Scheme").

Rule 2.7 Announcement

Under the terms of the Scheme, Gamesys shareholders will be entitled to receive 1,850 pence in cash (the "Cash Alternative") for each share of Gamesys or, under a share alternative, Gamesys shareholders will be able to elect to receive newly issued common shares of Bally's in lieu of part or all of the cash consideration to which they would be entitled to receive at an exchange ratio of 0.343 new Bally's common shares for each Gamesys share (the "Share Alternative"). Based on each of the GBP:USD exchange rate (US\$1.374:£1 at 5:00 p.m. EST on April 12, 2021) and Bally's last reported trading price (\$60.80 per share) on April 12, 2021, the value of the cash offer is \$25.42 per Gamesys share and the share alternative is \$20.85 per Gamesys Share. Gamesys has 109.5 million common shares outstanding and 2.5 million shares issuable under various instruments.

The Combination is conditioned on, among other things, (1) approval of the Scheme by Gamesys shareholders, (2) approval of the issuance of shares by Bally's shareholders and, (3) receipt of certain regulatory approvals. The conditions to the Combination are set forth in full in the Rule 2.7 Announcement. The Offer is subject to termination if not completed within 12 months (or such later date as the Company and Gamesys might agree) (the "Long Stop Date").

The foregoing summary of the Rule 2.7 Announcement does not purport to be complete and is subject to, and qualified in its entirety by, the text of the Rule 2.7 Announcement, which is attached as Exhibit 2.1 hereto and incorporated herein by reference.

Bally's reserves the right, subject to the prior consent of the U.K. Panel on Takeovers and Mergers, to elect to implement the Combination by way of a takeover offer (as such term is defined in the UK Companies Act 2006).

Cooperation Agreement

Under a Cooperation Agreement, among other things, Gamesys and the Company agreed to cooperate for the purposes of obtaining any regulatory authorizations in connection with the Combination, preparing required offering documents and other matters. The Company has agreed to use its reasonable efforts to obtain regulatory authorizations in sufficient time to allow completion by the Long Stop Date. The Cooperation Agreement also contains provisions that will apply in respect of certain employee-related matters and Gamesys' employee equity plans.

Voting and Support Agreements and Irrevocable Undertakings

The Company and Gamesys entered into Voting and Support Agreements pursuant to which Standard RI Ltd., the holder of 35.3% of the Company's outstanding shares, each of the Company's directors and its CEO and CFO agreed to vote shares beneficially owned by them in favor of the share issuance at a meeting of the Company's shareholders.

The Scheme is subject to the approval of Gamesys' shareholders in accordance with English Law. The Company entered into irrevocable undertakings with the directors of Gamesys who hold Gamesys shares and certain Gamesys shareholders (together with the Gamesys directors, the "Supporting Shareholders") to support the Combination. Pursuant to the undertakings, the Supporting Shareholders agreed to vote, or procure the vote of, their beneficial holdings of Gamesys shares in favor of the Scheme at the Gamesys shareholder meetings or, if the Combination is implemented by way of a takeover offer, the Supporting Shareholders will accept the takeover offer. Such holders beneficially own 33.3% of Gamesys outstanding common shares.

In addition, certain directors of Gamesys and certain shareholders (the "Electing Shareholders") agreed to elect the Share Alternative for all Gamesys common shares they beneficially own, collectively representing 25.6% of Gamesys' outstanding common shares on the date of the agreement. The undertakings will lapse under certain conditions, including in certain cases if a third party makes a competing offer with a value per Gamesys share at least 5% higher than that being offered pursuant to the Offer and Bally's does not match that offer within five Business Days and certain events of termination contemplated in the Cooperation Agreement.

Bridge Loan Facility

U.K. law imposes what are commonly called "funds certain" requirements on transactions such as the Combination. Accordingly, Premier Entertainment Sub, LLC, an indirect wholly owned subsidiary of the Company ("Premier Entertainment"), and financial institution parties that entered into a bridge loan facility commitment letter (the "Bridge Commitment Letter", and the senior secured 364-day bridge facility provided for therein, the "Bridge Facility") and an interim facilities agreement (the "Interim Facilities Agreement"), pursuant to which the Initial Commitment Parties agreed to provide bridge term loan facilities to Premier Entertainment of up to £1,435.0 million and €336.0 million (collectively, the "Commitments") to finance the cash consideration payable for the Combination if all Gamesys shareholders except the Electing Shareholders were to elect the Cash Alternative.

Subject to the conditions in the Bridge Commitment Letter and the Interim Facilities Agreement, the Commitments may be reduced by proceeds of certain equity offerings of the Company and certain additional indebtedness that may be incurred by the Company or Premier Entertainment to finance the Combination. The Company expects to reduce the bridge financings, possibly to zero, prior to closing, but there can be no assurance that will occur.

The availability of the borrowings under the Bridge Facility (or, in the event that the Commitments under the Bridge Facility are not funded on the closing date of the Combination, the Interim Facilities Agreement) are subject to the satisfaction of certain customary conditions for financings of this nature.

The Interim Facilities Agreement contains, and any definitive financing documentation for the Bridge Facility will contain, customary representations and warranties, events of default and covenants for transactions of this type.

To the extent borrowings are made under the Bridge Facility or the Interim Facilities Agreement, any loans made in sterling would bear interest at a rate per annum equal to the base rate plus a margin of 2.50% that increases by 25 bps on the 90, 180 and 270-day anniversaries of the initial funding date and loans made in euro will bear interest at EURIBOR plus a margin of 2.50% that increases by 25 bps on the 90, 180 and 270-day anniversaries of the initial funding date.

Any borrowings made under the Bridge Facility would mature 364 days from the initial funding date. Any borrowings under the Interim Facilities Agreement will mature 90 days from the initial funding date, with the option to extend the maturity to 364 days from the initial funding date. The funding of Commitments under the Bridge Facility or the Interim Facilities Agreement, as applicable, would not occur until the closing of the Combination.

The foregoing summary of the Interim Financing Agreement does not purport to be complete and is subject to, and qualified in its entirety by, the text of the Interim Financing Agreement, which is attached here to as Exhibit 10.1 and incorporated by reference herein.

GLPI Equity Commitment

On April 13, 2021, Gaming & Leisure Properties, Inc. ("GLPI") irrevocably committed to purchase shares of the Company's common stock or, subject to regulatory requirements, warrants, with a value of up to \$500.0 million (the "GLPI Commitment"), at a price per share based on volume-weighted average price determined over a period of time prior to issuance. The Company may use the proceeds to fund a portion of the aggregate cash consideration for the Combination, acquisition costs and fees and expenses incurred by it and its affiliated entities related to the Combination, or to refinance the existing indebtedness of Gamesys. To the extent GLPI incurs debt under its revolving credit facilities to fund the GLPI Commitment, the Company will reimburse GLPI for GLPI's out-of-pocket cash interest paid on such borrowings for up to 18 months after funding. Proceeds from any capital raise placed in escrow for use in connection with the Combination in excess of \$850 million reduces the GLPI Commitment on a dollar-for-dollar basis. At GLPI's election, rather than issuing Bally's common shares, funding under the GLPI Commitment will be deemed to be a prepayment on sale-leaseback transactions with respect to one or more designated properties. Unless otherwise agreed by the parties, (1) the rent payable by Bally's under each sale-leaseback transactions would be 50% of the relevant property's trailing 12-month consolidated EBITDA, adjusted as may be agreed by the parties and (2) the real estate purchase price will be 12.5x the rent payable in clause (1), less an amount to reflect the interim funding costs of GLPI.

The foregoing summary of the GLPI Commitment does not purport to be complete and is subject to, and qualified in its entirety by, the text of the GLPI commitment agreement, which is attached here to as Exhibit 10.2, and incorporated by reference herein.

The Company published a press release announcing the Combination. The press release, filed as Exhibit 99.1 to this Current Report on Form 8-K, is incorporated herein by reference.

Item 2.02. Results of Operations and Financial Condition

On April 13, 2021, Bally's published the press release attached hereto as Exhibit 99.2, which disclosed selected preliminary estimated financial results of Bally's for the three months ended March 31, 2021.

The information contained in Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.2 attached hereto, is being furnished and will not be deemed "filed" for any purpose, including for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section, and will not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or under the Exchange Act, except as otherwise expressly stated in such filing.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

The descriptions of the Interim Financing Agreement and the GLPI Commitment set forth in Item 1.01 above, and the related Exhibits 10.1 and 10.2, are hereby incorporated by reference.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

Upon consummation of the Combination, Gamesys' Chief Executive Officer, Lee Fenton, will become the Chief Executive Officer of Bally's and will join the Bally's Board of Directors. Robeson Reeves, Gamesys' Chief Operating Officer, and Jim Ryan, a non-executive director of Gamesys, will join Bally's Board of Directors. The terms of Mr. Fenton's employment, including compensation, are expected to be agreed to prior to Mr. Fenton assuming his new position. Bally's Chief Executive Officer, George Papanier, will remain a member of the Bally's Board of Directors and the senior executive running Bally's casino business.

Mr. Fenton, age 51, has been Chief Executive Officer of Gamesys since July 2015. He initially joined Gamesys in November 2008 as Chief Operating Officer. Prior to Gamesys he was Chief Operating Officer of the mobile division at 20th Century Fox and, before that, Global Director of Consumer Products & Content at Vodafone Group plc. Mr. Fenton graduated with a BA (Hons) in Media & Cultural Studies from the University of the West of England.

There are no family relationships between Mr. Fenton, Mr. Robeson or Mr. Ryan and any previous or current officers or directors of the Company, and there are no related party transactions reportable under Item 404(a) of Regulation S-K.

Item 8.01. Other Events

Tropicana Agreement

In addition, on April 13, 2021, Bally's agreed to purchase the Tropicana Las Vegas, Nevada casino ("Tropicana") from GLPI, a publicly traded gaming focused real estate investment trust. Bally's estimates the transaction to be valued at approximately \$300 million. The purchase price for the Tropicana property's non-land assets is \$150 million. In addition, Bally's has agreed to lease the land underlying the Tropicana property from GLPI for an initial term of 50 years at annual rent of \$10.5 million, subject to increase over time. Bally's and GLPI will also will enter into a sale-and-leaseback transaction relating to Bally's Black Hawk, CO and Rock Island, IL casino properties for a cash purchase price of \$150 million payable by GLPI. The lease will have initial annual fixed rent of \$12 million, subject to increase over time. Bally's and GLPI have agreed to use commercially reasonable efforts to negotiate and enter into definitive documents with respect to these transactions as promptly as practicable in order to fully reflect the contemplated terms.

The Company published a press release announcing the Tropicana agreement. The press release, filed as Exhibit 99.3 to this Current Report on Form 8-K, is incorporated herein by reference.

Certain Financial Information

If the Combination is consummated, Bally's intends to use the net proceeds of the Equity Offerings (as defined below) to fund a portion of the cash payable to Gamesys shareholders. Bally's will incorporate or include the following financial information related to Gamesys and the Combination in the preliminary prospectus supplements for the Equity Offerings:

- audited financial statements of Gamesys as of and for the years ended December 31, 2020 and 2019, together with the notes related thereto and the Report of Independent Accountants thereon, which are attached as Exhibit 99.4; and
- unaudited pro forma condensed combined financial statements of Bally's as of and for the year ended December 31, 2020, after giving effect to the Combination, and adjustments described in such pro forma financial information, which are attached as Exhibit 99.5.

The consent of BDO LLP, Gamesys' independent accountants, is attached as Exhibit 23.1.

On April 13, 2021, Bally's published a press release announcing the commencement, subject to market and other conditions, of concurrent public offerings (collectively, the "Equity Offerings") of \$600 million of its common stock and \$250 million of its tangible equity units ("Unit"). Completion of the common stock offering is not contingent upon the completion of the Unit offering or the Combination, and completion of the Unit offering is not contingent upon completion of the common stock offering or the Combination.

A copy of the press release announcing the Equity Offerings is attached as Exhibit 99.6.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
2.1	Rule 2.7 Announcement, dated April 13, 2021
10.1	Interim Financing Agreement, dated April 13, 2021, by and among Premier Entertainment Sub, LLC, Deutsche Bank AG, London Branch, Goldman Sachs USA and Barclays Bank PLC.
10.2	Commitment Agreement, dated April 13, 2021, by and between Bally's Corporation and Gaming and Leisure Properties, Inc.
23.1	Consent of BDO LLP, independent accountants
99.1	Press Release relating to Rule 2.7 Announcement, dated April 13, 2021
99.2	Press Release relating to certain preliminary estimated financial results of Bally's Corporation, dated April 13, 2021
99.3	Press Release relating to Tropicana Agreement, dated April 13, 2021
99.4	Audited financial statements of Gamesys Group plc as of and for the years ended December 31, 2020 and 2019
99.5	Consolidated pro forma condensed combined balance sheet of Bally's Corporation as of December 31, 2020 and the unaudited pro forma condensed combined statement of operations of Bally's Corporation for the year ended December 31, 2020
99.6	Press Release relating to Equity Offerings, dated April 13, 2021
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

Further Information; No Offer or Solicitation

This communication is not intended to and does not constitute or form part of an offer to sell or subscribe for or the solicitation of an offer to buy or subscribe for, sell or solicit any securities or any proxy, vote or approval, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in which such offer, solicitation, sale, issuance or transfer would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. It is intended that the Combination will be implemented by way of the Scheme. Any decision in respect of, or other response to, the Combination should be made only on the basis of the information provided pursuant to the Scheme.

Forward Looking Statements

This Current Report on Form 8-K (including information incorporated by reference herein) contains certain forward-looking statements, beliefs or opinions with respect to the likelihood and timing of completion of the Combination. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. There are many factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements is (1) the satisfaction of the conditions to the Combination, (2) any regulatory approvals required for the Combination not being obtained on the terms expected or on the anticipated schedule, (3) the ability of Gamesys, Bally's and Premier Entertainment to meet expectations regarding the timing, completion and accounting and tax treatments of the Combination, (4) the possibility that Gamesys, Bally's and Premier Entertainment may be unable to achieve any expected synergies and operating efficiencies in connection with the Combination within the expected time frames or at all and to successfully integrate the Gamesys' operations into those of Bally's, (5) uncertainties surrounding the COVID 19 pandemic, including limitations on Bally's operations, increased costs, changes in customer attitudes, impact on its employees and the ongoing impact of COVID 19 on general economic conditions, (6) unexpected costs, difficulties integrating and other events impacting Bally's recently completed and proposed acquisitions and its ability to realize anticipated benefits, (7) risks associated with Bally's rapid growth, including those affecting customer and employee retention, integration and controls, (8) risks associated with the impact of the digitalization of gaming on casino operations and the highly competitive and rapidly changing aspects of iGaming and sports betting businesses generally, (9) the very substantial regulatory restrictions including costs of compliance; restrictions and limitations in agreements to which Bally's and Gamesys are subject, including debt financing, could significantly affect Bally's ability to operate its business and its liquidity, and (10) other risks identified in Part I. Item 1A. "Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2020 as filed with SEC on March 10, 2021. Such forward looking statements should therefore be considered in the light of such factors.

You are therefore cautioned not to place undue reliance on these forward-looking statements. Bally's does not assume any obligation, and disclaims any intention or obligation, to update or correct the information contained in this announcement (whether as a result of new information, future events or otherwise).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BALLY'S CORPORATION

Date: April 13, 2021

By: /s/ Stephen H. Capp

Stephen H. Capp

Executive Vice President and Chief Financial Officer

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

13 April 2021

RECOMMENDED COMBINATION

of

Bally's Corporation ("Bally's")

(and Premier Entertainment Sub, LLC an indirect wholly-owned subsidiary ("Premier Entertainment"))

with

Gamesys Group plc ("Gamesys")

to be effected by way of a Scheme of Arrangement under Part 26 of the Companies Act

Summary

- On 24 March 2021, the boards of Bally's and Gamesys announced that they had reached agreement in principle on the terms of a possible recommended combination of Bally's with Gamesys pursuant to which Bally's would acquire the entire issued and to be issued ordinary share capital of Gamesys. The Bally's Board and the Gamesys Board are pleased to announce that they have now agreed upon the definitive terms of the Combination and completed reciprocal due diligence, both of which were pre-requisites to the issue of this Announcement, which is being made under Rule 2.7 of the Takeover Code.
- It is intended that the Combination will be effected by Bally's directly or with or through Premier Entertainment, an indirect wholly owned subsidiary, and that the Combination will be implemented by means of a court-sanctioned scheme of arrangement under Part 26 of the Companies Act, or if Bally's or Premier Entertainment elects (with the consent of the Panel, if required, and subject to the terms of the Cooperation Agreement), by a Takeover Offer.
- The Gamesys Board and the Bally's Board believe that the Combination has a compelling strategic and financial rationale, would create long-term value for both Gamesys and Bally's and would be consistent with Bally's and Gamesys' respective long-term growth strategies. Gamesys would benefit from Bally's fast-growing land-based and online platform in the United States, providing market access through Bally's operations in key states as the nascent iGaming and sports betting opportunity develops in the US. Bally's would benefit from Gamesys' proven technology platform, expertise and highly respected and experienced management team across the online gaming field. The Combined Group would be well positioned to capitalise on the full range of opportunities available both in the US and beyond.
- Under the terms of the Combination, each Gamesys Shareholder will be entitled to receive:

for each Gamesys Share

1,850 pence in cash (the "Cash Offer")

- In addition, the Gamesys Board has proposed a final dividend in respect of the year ended 31 December 2020 of £30.7 million in aggregate, which, based on Gamesys' issued share capital as at the Latest Practicable Date, would equate to 28 pence per Gamesys Share (the "**Gamesys Final Dividend**") for approval by Gamesys Shareholders at Gamesys' 2021 annual general meeting (currently expected to be held in June 2021) (the "**Gamesys AGM**").

- The Cash Offer, including the Gamesys Final Dividend, represents a premium of:
 - o approximately 14.4% to the Closing Price per Gamesys Share of 1,642 pence on 23 March 2021 (being the last Business Day prior to the commencement of the Offer Period);
 - o approximately 41.2% to the Closing Price per Gamesys Share of 1,330 pence on 25 January 2021 (being the last Business Day prior to Bally's initial proposal to Gamesys dated 26 January 2021); and
 - o approximately 36.7% to the average closing price per Gamesys Share of 1,373 pence for the three-month period ended 23 March 2021 (being the last Business Day prior to the commencement of the Offer Period) on a volume weighted average price basis.
- Bally's will also make available the Share Alternative, pursuant to which Scheme Shareholders (other than Scheme Shareholders resident or located in Restricted Jurisdictions) may elect to receive New Bally's Shares in lieu of part or all of the cash consideration to which they would otherwise be entitled under the terms of the Combination, using the following exchange ratio:

for each Gamesys Share

0.343 New Bally's Shares

Based on the Closing Price of \$60.80 per Bally's Share at close of business on the Latest Practicable Date and applying the USD:GBP exchange rate quoted by Bloomberg at 5.00 p.m. Eastern Standard Time on the same date, the Share Alternative values each Gamesys Share at 1,518 pence.

- Bally's and Premier Entertainment have received irrevocable undertakings from the Electing Gamesys Directors and the Electing Gamesys Shareholders to elect for the Share Alternative in respect of their entire (or, in respect of Michael Mee, part of his) beneficial holdings of Gamesys Shares amounting, in aggregate, to 28,003,501 Gamesys Shares (representing 25.6% of Gamesys' issued ordinary share capital as at close of business on the Latest Practicable Date).
- In addition, if the Combination has not completed before the ex-dividend date of 9 September 2021, the Gamesys Board reserves the right to declare an interim dividend for the six months ended 30 June 2021 of an aggregate amount of up to £16.4 million which, based on Gamesys' issued share capital as at the Latest Practicable Date, would equate to a dividend of up to 15 pence per Gamesys Share (the "**Second Gamesys Interim Dividend**").
- The Bally's Board and the Gamesys Board have agreed that Gamesys Shareholders will be entitled to receive the Agreed Dividends, if and to the extent declared in accordance with the terms set out in this Announcement, in each case without any reduction to the Consideration payable by Bally's and Premier Entertainment under the terms of the Combination.
- If any dividend and/or other distribution and/or other return of capital or value is authorised, declared, made or paid or becomes payable in respect of Gamesys Shares on or after the Announcement Date, other than, or in excess of, the Agreed Dividends, Bally's and Premier Entertainment reserve the right to reduce the Consideration by the aggregate amount of such dividend and/or other distribution and/or other return of capital or value. In such circumstances, Gamesys Shareholders would be entitled to retain any such dividend and/or distribution and/or other return of value declared, made or paid.
- **The Gamesys Directors, who have been so advised by Macquarie Capital as to the financial terms of the Cash Offer, unanimously consider the terms of the Cash Offer to be fair and reasonable. In providing its advice to the Gamesys Directors, Macquarie Capital has taken into account the commercial assessments of the Gamesys Directors. Macquarie Capital is providing independent financial advice to the Gamesys Directors for purposes of Rule 3 of the Takeover Code.**

- Accordingly, the Gamesys Directors intend unanimously to recommend that Gamesys Shareholders vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting as the Gamesys Directors who hold Gamesys Shares have irrevocably undertaken to do in respect of their own beneficial holdings (and those of certain of their close relatives and related trusts) of Gamesys Shares amounting, in aggregate, to 2,825,711 Gamesys Shares (representing 2.6% of Gamesys' issued ordinary share capital as at close of business on the Latest Practicable Date), or, if the Combination is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer. The Electing Gamesys Directors and a related trust of Keith Laslop have also irrevocably undertaken to elect for the Share Alternative in respect of their entire (or, in respect of the related trust of Keith Laslop, part of its) beneficial holdings of Gamesys Shares amounting, in aggregate, to 1,783,276 Gamesys Shares (representing 1.6% of Gamesys' issued ordinary share capital as at close of business on the Latest Practicable Date).
- In addition, Bally's and Premier Entertainment have also received irrevocable undertakings from certain other Gamesys Shareholders to vote, or procure the vote, in favour of the Scheme at the Court Meeting and all of the Resolutions to be proposed at the General Meeting in respect of their entire beneficial holdings (and those of certain of their close relatives and related trusts) of Gamesys Shares amounting, in aggregate, to 33,676,449 Gamesys Shares (representing 30.8% of Gamesys' issued ordinary share capital as at close of business on the Latest Practicable Date), or, if the Combination is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer.
- In total, therefore, irrevocable undertakings to vote in favour of the Scheme and the Resolutions have been received from Gamesys Directors and other Gamesys Shareholders representing, in aggregate, 36,502,160 Gamesys Shares (representing 33.3% of Gamesys' issued ordinary share capital as at close of business on the Latest Practicable Date).
- In addition, irrevocable undertakings to elect for the Share Alternative have been received from Gamesys Shareholders representing, in aggregate, 28,003,501 Gamesys Shares (representing approximately 25.6% of Gamesys' issued ordinary share capital as at close of business on the Latest Practicable Date).
- Further details of these irrevocable undertakings are set out in Appendix III to this Announcement.
- The Combination will be put to Gamesys Shareholders at the Court Meeting and at the General Meeting. In order to become effective, the Scheme must be approved by a majority in number of the Scheme Shareholders present and voting at the Court Meeting, either in person or by proxy, representing at least 75% in value of the Scheme Shares voted. In addition, a special resolution implementing the Scheme must be passed by Gamesys Shareholders representing at least 75% of votes cast at the General Meeting.
- The Combination is conditional upon, among other things, the approval of the issuance of the New Bally's Shares by Bally's Shareholders at the Bally's Shareholder Meeting. The Bally's Directors intend unanimously to recommend that Bally's Shareholders vote in favour of the approval of the relevant proposals at the Bally's Shareholder Meeting. Bally's and Gamesys have entered into a voting agreement with certain Bally's Directors and officers of Bally's who hold Bally's Shares, pursuant to which they have irrevocably undertaken to vote in favour of the relevant proposals at the Bally's Shareholder Meeting in respect of their beneficial and of record holdings (and those of certain of their connected persons) of Bally's Shares amounting, in aggregate, to 801,917 Bally's Shares (representing 2.5% of the outstanding issued share capital of Bally's as at the Latest Practicable Date).

- In addition, Bally's and Gamesys have entered into a voting agreement with Standard RI Ltd., pursuant to which Standard RI Ltd. has irrevocably undertaken to vote in favour of the relevant proposals at the Bally's Shareholder Meeting in respect of its shareholding of 11,251,159 Bally's Shares (representing 35.3% of the outstanding issued share capital of Bally's as at the Latest Practicable Date).
- Further details on the Bally's Director Voting Agreement and the SRI Voting Agreement are set out in Appendix III to this Announcement.
- The Combination is subject to the Conditions and further terms set out in Appendix I to this Announcement and to be set out in the Scheme Document.
- It is currently anticipated that, subject to the satisfaction or (where capable of waiver) waiver of all such Conditions, the Scheme will become effective during the fourth quarter of 2021.
- The Scheme Document, containing further information about the Combination, notices of the Court Meeting and the General Meeting and the expected timetable of the Scheme, together with the Forms of Proxy, the Form of Election and the Prospectus, will be published in due course.

Commenting on the Combination, Neil Goulden, Chairman of Gamesys said:

"The Combination would give unique optionality to Gamesys Shareholders. The recommended Cash Offer, including the Gamesys Final Dividend, provides a 41.2% premium to Gamesys' share price at the time of the original proposal from Bally's and is at a significant premium to the all time high Gamesys share price prior to the 2.4 Announcement. However, should Gamesys Shareholders wish to invest in a business with a strong foothold in the high-growth US gambling market combined with established markets in the UK and Japan, they can elect for part or all of their holding to be converted into Bally's Shares."

Commenting on the Combination, Lee Fenton, the CEO of Gamesys said:

"After more than two decades honing our craft in online gaming, this Combination would give all at Gamesys an opportunity to fully leverage the technology, product and know-how we have developed in what will become the largest regulated online gambling market in the world. I believe the highly complementary nature of our companies and the common history of being highly cash generative will leave us uniquely positioned for success."

Commenting on the Combination, Soo Kim, Chairman of Bally's said:

"We believe that this Combination would mark a transformational step in our journey to become a leading integrated, omni-channel gaming company with a B2B2C business. We think that Gamesys' proven technology platform alongside its highly respected and experienced management team, combined with the US market access that Bally's provides, should allow the Combined Group to capitalise on the significant growth opportunities in the US sports betting and online markets."

We are truly excited about the opportunities that this Combination offers and the enhanced and comprehensive experience and product offering that it would enable us to offer our customers."

This summary should be read in conjunction with, and is subject to, the full text of this Announcement including its Appendices.

Appendix I to this Announcement contains the Conditions and further terms of the Combination, Appendix II to this Announcement contains the sources of information and bases of calculations of certain information contained in this summary and this Announcement, Appendix III to this Announcement contains details of the irrevocable undertakings and the voting agreements given in relation to the Combination and Appendix IV to this Announcement contains definitions of certain terms used in this Announcement.

Investor presentation

Bally's will provide a presentation to research analysts and investors by way of a conference call and webcast at 12 p.m. (US Eastern Time) (5 p.m. (UK time)) on 13 April 2021 to discuss the Combination and the Initial Offering. To participate in this conference call, please use the following access details:

Phone Number: +1 404 975 4839

Participant Code: 481921

Information on how to access the webcast of this presentation can be found at: <https://www.ballys.com/gamesys-documentation/>

Enquiries:

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Clifford Chance LLP is acting as legal adviser to Gamesys. Jones Day is acting as legal adviser to Bally's and Premier Entertainment.

Important notice

*Deutsche Bank Aktiengesellschaft ("**Deutsche Bank**") is authorised under German Banking Law (competent authority: European Central Bank) and, in the United Kingdom, by the Prudential Regulation Authority. It is subject to supervision by the European Central Bank and by BaFin, Germany's Federal Financial Supervisory Authority and is subject to limited regulation in the United Kingdom by the Prudential Regulation Authority and Financial Conduct Authority (the "**FCA**").*

*Neither Deutsche Bank nor any of its subsidiaries, branches or affiliates (including, without limitation, Deutsche Bank, acting through its London branch ("**DB London**"), and Deutsche Bank Securities Inc. ("**DBSI**") will be responsible to any person other than Bally's and Premier Entertainment for providing any of the protections afforded to clients of Deutsche Bank (or, as the case may be, DB London or DBSI) nor for providing advice in relation to any matters referred to in this Announcement.*

Neither Deutsche Bank nor any of its subsidiaries, branches or affiliates (including, without limitation, DB London and DBSI) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Deutsche Bank (or DB London or DBSI) in connection with this Announcement, any statement contained herein or otherwise.

DB London and DBSI are acting as financial advisers to Bally's and Premier Entertainment and no other person in connection with the contents of this Announcement.

*Macquarie Capital (Europe) Limited ("**Macquarie Capital**"), which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Gamesys and for no one else in connection with the Combination and/or any other matter referred to in this Announcement and will not be responsible to anyone other than Gamesys for providing the protections afforded to its clients or for providing advice in relation to the Combination, the contents of this Announcement, or any other matters referred to in this Announcement. Macquarie Capital is not an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia), and its obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542. Macquarie Bank Limited does not guarantee or otherwise provide assurance in respect of the obligations of Macquarie Capital.*

*Numis Securities Limited ("**Numis**"), which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Gamesys and no one else in connection with the matters set out in this Announcement and will not regard any other person as its client in relation to the matters in this Announcement and will not be responsible to anyone other than Gamesys for providing the protections afforded to clients of Numis, or for providing advice in relation to any matter referred to in this Announcement. Neither Numis nor any of its affiliates owes or accepts any duty, liability or responsibility to any person who is not a client of Numis in connection with this announcement, any statement contained herein or otherwise.*

*Joh. Berenberg, Gossler & Co. KG, London Branch ("**Berenberg**"), which is authorised by the German Federal Financial Supervisory Authority and subject to limited regulation by the FCA in the United Kingdom, is acting exclusively for Gamesys and no one else in connection with the Combination and will not be responsible to anyone other than Gamesys for providing the protections afforded to clients of Berenberg nor for providing advice in relation to the Combination or any other matters referred to in this Announcement. Neither Berenberg nor any of its affiliates owes or accepts any duty, liability or responsibility to any person who is not a client of Berenberg in connection with this Announcement, any statement contained herein or otherwise.*

This Announcement is for information purposes only and is not intended to and does not constitute, or form any part of, an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Combination or otherwise nor will there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities will be made except in accordance with applicable law. The Combination will be effected solely by means of the Scheme Document (or if the Combination is implemented by way of a Takeover Offer, the offer document) which will contain the full terms and conditions of the Combination, including details of how to vote in respect of the Scheme. Any vote or decision in respect of the Scheme (or the Takeover Offer, if applicable) or other response in relation to the Combination should be made only on the basis of the information contained in the Scheme Document (or, if applicable, the offer document).

This Announcement has been prepared for the purpose of complying with English law, the Takeover Code, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and the Listing Rules and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside England.

Gamesys will prepare the Scheme Document to be distributed to Gamesys Shareholders. Bally's will prepare the Bally's Proxy Statement to be distributed to Bally's Shareholders and the Prospectus to be distributed to Gamesys Shareholders. Gamesys, Premier Entertainment and Bally's urge Gamesys Shareholders to read the Scheme Document (or, if applicable, the offer document) and the Prospectus, and urge the Bally's Shareholders to read the Bally's Proxy Statement, in each case when such documents become available because they will contain important information relating to the Combination. Any vote in respect of the Scheme of the Court Meeting or the Resolutions at the General Meeting or related matters, should be made only on the basis of the information contained in the Scheme Document, the Forms of Proxy, the Form of Election and the Prospectus.

Overseas Shareholders

The release, publication or distribution of this Announcement in jurisdictions other than the United Kingdom may be restricted by law and/or regulations. Persons who are not resident in the United Kingdom or who are subject to the laws and regulations of other jurisdictions should inform themselves of, and observe, any applicable requirements, as any failure to comply with such requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Combination disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by Bally's or Premier Entertainment or required by the Takeover Code, and permitted by applicable law and regulation, the Combination will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Combination by any such use of the mails of or any other means, instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or securities exchange of or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Announcement and all documents relating to the Combination are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Announcement and all documents relating to the Combination (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in, into or from such jurisdictions where to do so would violate the laws in those jurisdictions. If the Combination is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), such Takeover Offer may not be made available directly or indirectly, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction.

The availability of the Cash Offer and the Share Alternative to Gamesys Shareholders who are not resident in the United Kingdom (and, in particular, their ability to vote their Scheme Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf) may be affected by the laws of the relevant jurisdictions in which they are resident. The Combination will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange and the FCA. Further details in relation to Overseas Shareholders will be contained in the Scheme Document (or, if applicable, the offer document).

This Announcement does not constitute a prospectus or prospectus exempted document.

Additional information for US investors in Gamesys

The Combination relates to shares of an English company and is proposed to be effected by means of a scheme of arrangement under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the US Exchange Act of 1934 (the "US Exchange Act") and other requirements of US law.

Instead, the Combination is subject to the disclosure and procedural requirements applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of United States tender offer and proxy solicitation rules. Neither the US Securities and Exchange Commission (the "SEC"), nor any securities commission of other jurisdictions, has approved or disapproved of the Combination, passed upon the fairness of the Combination or passed upon the adequacy or accuracy of this Announcement. Any representation to the contrary is unlawful.

The New Bally's Shares have not been registered under the US Securities Act of 1933 (the "US Securities Act") and will be issued pursuant to the exemption from registration provided by Section 3(a)(10) under the US Securities Act. If, in the future, Bally's or Premier Entertainment exercises its right to implement the Combination by way of a Takeover Offer or otherwise in a manner that is not exempt from the registration requirements of the US Securities Act, it will file a registration statement with the SEC that will contain a prospectus with respect to the issuance of New Bally's Shares under the US Securities Act. In this event, Gamesys Shareholders are urged to read these documents and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they would contain important information, and such documents will be available free of charge at the SEC's website at www.sec.gov or by directing a request to Bally's contact for enquiries identified above.

New Bally's Shares issued to persons other than "affiliates" of Bally's (defined as certain control persons, within the meaning of Rule 144 under the US Securities Act) will be freely transferable under US law after the Combination. Persons (whether or not US persons) who are or will be "affiliates" of Bally's within 90 days prior to, or of the Combined Group after, the Effective Date will be subject to certain transfer restrictions relating to the New Bally's Shares under US law.

In addition, if Bally's exercises its right to implement the Combination by way of a Takeover Offer, which is to be made into the US, such Takeover Offer will be made in compliance with the applicable US laws and regulations, including Section 14(e) and Regulation 14E under the US Exchange Act.

If the Combination is implemented by way of Takeover Offer, in accordance with, and to the extent permitted by, the Takeover Code and normal UK market practice, Deutsche Bank and their respective affiliates may continue to act as exempt principal traders or exempt market makers in Gamesys Shares on the London Stock Exchange and will engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law, as permitted by Rule 14e-5(b)(9) under the US Exchange Act. In addition, in accordance with normal United Kingdom practice, Bally's, Premier Entertainment or their nominees or their brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of Gamesys outside of the US, other than pursuant to the Combination, until the date on which the Combination and/or Scheme becomes effective, lapses or is otherwise withdrawn. If such purchases or arrangements to purchase were to be made they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and would comply with applicable law, including United Kingdom laws and the US Exchange Act. Any information about such purchases or arrangements to purchase will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. To the extent that such information is required to be publicly disclosed in the United Kingdom in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the United States.

The receipt of cash consideration by a Gamesys Shareholder for the transfer of its Gamesys Shares pursuant to the Scheme will be a taxable transaction for United States federal income tax purposes and under applicable US state and local, as well as overseas and other, tax laws. The receipt of New Bally's Shares may also be taxable for such purposes. In certain circumstances, Gamesys Shareholders that are not US persons and that receive cash consideration pursuant to the Scheme may be subject to US withholding tax. Each Gamesys Shareholder is urged to consult an independent professional adviser regarding the applicable tax consequences of the Combination, including under applicable United States, state and local, as well as overseas and other, tax laws.

Financial information relating to Gamesys included in this Announcement and the Scheme Document has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom and may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States ("US GAAP"). US GAAP differs in certain significant respects from accounting standards applicable in the United Kingdom.

Gamesys is incorporated under the laws of England and Wales. In addition, some of its officers and directors reside outside the United States. Some or all of its assets are or may be located in jurisdictions outside the United States. Therefore, It may be difficult for US holders of Gamesys Shares to enforce their rights and any claim arising out of the US federal securities laws in connection with the Combination, since investors may have difficulty effecting service of process within the United States upon those persons or recovering against Gamesys or its officers or directors on judgments of United States courts, including judgments based upon the civil liability provisions of the United States federal securities laws. It may not be possible to sue Gamesys or its officers or directors in a non-US court for violations of the US securities laws.

Additional information about Bally's

This Announcement may be deemed to be solicitation material in respect of the Combination, including the issuance of the New Bally's Shares. In connection with the foregoing proposed issuance of New Bally's Shares, Bally's expects to file a proxy statement with the SEC. To the extent Bally's effects the Combination as a Scheme under English law, the issuance of New Bally's Shares would not be expected to require registration under the US Securities Act pursuant to an exemption provided by Section 3(a)(10) of the US Securities Act. If Bally's or Premier Entertainment elects (with the consent of the Panel, if required, and subject to the terms of the Cooperation Agreement) to implement the Combination by way of a Takeover Offer or otherwise in a manner that is not exempt from the registration requirements of the US Securities Act, it will file a registration statement with the SEC containing a prospectus with respect to the New Bally's Shares and include appropriate additions and amendments to the Conditions to reflect any additional related requirements. BALLY'S INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THESE MATERIALS (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND ANY OTHER RELEVANT DOCUMENTS IN CONNECTION WITH THE COMBINATION THAT BALLY'S WILL FILE WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT BALLY'S, THE PROPOSED ISSUANCE OF THE NEW BALLY'S SHARES, AND THE COMBINATION. A proxy statement filed on Schedule 14A, the registration statement/prospectus filed on Form S-4, in each case as applicable and other relevant materials in connection with the proposed issuance of New Bally's Shares and the Combination (when they become available), and any other documents filed by Bally's with the SEC, may be obtained free of charge at the SEC's website at www.sec.gov. In addition, investors and security holders may obtain free copies of the documents filed with the SEC at Bally's website, www.ballys.com, or by contacting our Investor Relations department in writing at Investor Relations, 100 Westminster Street, Providence, Rhode Island 02903.

Bally's, the Bally's Directors and Bally's executive officers may be deemed to be participants in the solicitation of proxies from Bally's Shareholders with respect to the Combination, including the proposed issuance of New Bally's Shares. Information about the Bally's Directors and Bally's executive officers and their ownership of Bally's Shares is set forth in Bally's Annual Report on Form 10-K for the fiscal year ended 31 December 2020, which was filed with the SEC on 10 March 2021 and Bally's proxy statement for its 2020 Annual Meeting of Shareholders, which was filed with the SEC on 8 April 2020. Information regarding the identity of the potential participants, and their direct or indirect interests in the solicitation, by security holdings or otherwise, will be set forth in the proxy statement and/or prospectus and other materials to be filed with the SEC in connection with the Combination and issuance of New Bally's Shares.

In accordance with applicable US state gaming regulatory requirements, Bally's charter documents contain certain restrictions pertaining to the acquisition, transfer and ownership of Bally's Shares. These restrictions include a requirement that a person seeking to acquire Bally's Shares constituting 5% or more of Bally's Shares first be found suitable and/or obtain a license from the appropriate gaming regulators to hold such Bally's Shares and a requirement that a holder of Bally's Shares, regardless of percentage, is subject to applicable gaming laws and must divest its Bally's Shares in the event it is disqualified or determined to be unsuitable.

Forward-looking statements

This Announcement (including information incorporated by reference in the Announcement), oral statements made regarding the Combination, and other information published by Bally's, Premier Entertainment and Gamesys contains certain forward-looking statements, beliefs or opinions with respect to the financial condition, results of operations and business of Bally's, Premier Entertainment and Gamesys. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts.

Forward-looking statements may often, but not always, be identified by the use of forward-looking terms such as "may," "will," "expects," "believes," "hopes," "anticipates," "aims," "plans," "estimates," "projects," "targets," "intends," "forecasts," "outlook," "impact," "potential," "confidence," "improve," "continue," "optimistic," "deliver," "comfortable," "trend," "seeks," or variations of such words or statements that certain actions, events or results "could," "should," "would" or "might" be taken, occur or be achieved or the negative of such terms or other variations on such terms or comparable terminology.

Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. These statements are based on assumptions and assessments made by Gamesys, Bally's and Premier Entertainment, as the case may be, in light of their experience and their perception of historical trends, current conditions, future developments and other factors that they believe appropriate. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors that could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements are unknown.

Although it is believed that the expectations reflected in such forward-looking statements were reasonable at the time the statements were made, no assurance is given by Gamesys, Bally's and Premier Entertainment that such expectations or the assumptions and assessments underlying them will prove to have been correct and the circumstances may change. You are therefore cautioned not to place undue reliance on these forward-looking statements. None of Gamesys, Bally's and Premier Entertainment assumes any obligation, and Gamesys, Bally's and Premier Entertainment disclaim any intention or obligation, to update or correct the information contained in this Announcement (whether as a result of new information, future events or otherwise), except as required by applicable law or regulation (including under the Disclosure Guidance and Transparency Rules of the FCA).

Except as expressly provided in this Announcement, the forward-looking statements have not been reviewed by the auditors of Gamesys, Bally's or Premier Entertainment or their respective financial advisers. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. There are many factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements is (1) the satisfaction of the Conditions, (2) any regulatory approvals required for the Combination not being obtained on the terms expected or on the anticipated schedule, (3) the ability of Gamesys, Bally's and Premier Entertainment to meet expectations regarding the timing, completion and accounting and tax treatments of the Combination, (4) the possibility that Gamesys, Bally's and Premier Entertainment may be unable to achieve any expected synergies and operating efficiencies in connection with the Combination within the expected time frames or at all and to successfully integrate the Gamesys' operations into those of Bally's, (5) uncertainties surrounding the COVID 19 pandemic, including limitations on Bally's operations, increased costs, changes in customer attitudes, impact on its employees and the ongoing impact of COVID 19 on general economic conditions, (6) unexpected costs, difficulties integrating and other events impacting Bally's recently completed and proposed acquisitions and its ability to realize anticipated benefits, (7) risks associated with Bally's rapid growth, including those affecting customer and employee retention, integration and controls, (8) risks associated with the impact of the digitalization of gaming on casino operations and the highly competitive and rapidly changing aspects of iGaming and sports betting businesses generally, and (9) the very substantial regulatory restrictions including costs of compliance; restrictions and limitations in agreements to which Bally's and Gamesys are subject, including debt financing, could significantly affect Bally's ability to operate its business and its liquidity. Such forward looking statements should therefore be construed in the light of such factors. None of Bally's, Premier Entertainment and Gamesys, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur.

No profit forecasts, estimates or quantified benefits statements

No statement in this Announcement is intended, or is to be construed, as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per share for Gamesys or Bally's for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Gamesys or Bally's, respectively.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror before the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Electronic communications

Please be aware that addresses, electronic addresses and certain other information provided by Gamesys Shareholders, persons with information rights, participants in the Gamesys Share Plans and SIP and other relevant persons for the receipt of communications from Gamesys may be provided to Bally's and Premier Entertainment during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

Publication on websites and availability of hard copies

A copy of this Announcement and the documents required to be published by Rule 26 of the Takeover Code will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions) free of charge on Gamesys' website at <https://www.gamesysgroup.com/investors/possible-offer-for-gamesys/> and on Bally's website at <https://investors.bally's.com/> by no later than 12 noon (London time) on the Business Day following the Announcement Date. For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this Announcement.

In accordance with Rule 30.3 of the Takeover Code, Gamesys Shareholders and persons with information rights, may request a hard copy of this Announcement by contacting Computershare Investor Services PLC between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (excluding public holidays in England and Wales) on 0370 889 4098 (or +44 (0370) 889 4098 if calling from outside of the UK). Calls to this number are charged at national rates or, in the case of calls from outside the UK, at the applicable international rate. Calls from a mobile device may incur network extras. You may also request that all future documents, announcements and information to be sent to you in relation to the Combination should be in hard copy form. If you have received this Announcement in electronic form, copies of this Announcement and any document or information incorporated by reference into this document will not be provided unless such a request is made.

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

General

If you are in any doubt about the contents of this Announcement or the action you should take, you should seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are a resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE, DIRECTLY OR INDIRECTLY, OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

13 April 2021

RECOMMENDED COMBINATION

of

Bally's Corporation ("Bally's")

(and Premier Entertainment Sub, LLC an indirect wholly owned subsidiary ("Premier Entertainment"))

with

Gamesys Group plc

to be effected by way of a Scheme of Arrangement under Part 26 of the Companies Act

1. Introduction

On 24 March 2021, the boards of Bally's and Gamesys announced that they had reached agreement in principle on the terms of a possible recommended combination of Bally's with Gamesys pursuant to which Bally's would acquire the entire issued and to be issued ordinary share capital of Gamesys.

The Bally's Board and the Gamesys Board are pleased to announce that they have now agreed upon the definitive terms of the Combination and completed reciprocal due diligence, both of which were pre-requisites to the issue of this Announcement, which is being made under Rule 2.7 of the Takeover Code.

It is intended that the Combination will be effected by Bally's directly or with or through Premier Entertainment, an indirect wholly owned subsidiary, and that the Combination will be implemented by means of a court-sanctioned scheme of arrangement under Part 26 of the Companies Act, or if Bally's or Premier Entertainment elects (with the consent of the Panel, if required, and subject to the terms of the Cooperation Agreement), by a Takeover Offer.

2. The Combination

Under the terms of the Combination, which will be subject to the Conditions and further terms set out in Appendix I to this Announcement and to be set out in the Scheme Document, Scheme Shareholders who are on the register of members of Gamesys at the Scheme Record Time will be entitled to receive:

for each Gamesys Share

1,850 pence in cash (the "Cash Offer")

In addition, the Gamesys Board has proposed a final dividend in respect of the year ended 31 December 2020 of £30.7 million in aggregate, which, based on Gamesys' issued share capital as at the Latest Practicable Date, would equate to 28 pence per Gamesys Share (the "**Gamesys Final Dividend**") for approval by Gamesys Shareholders at Gamesys' 2021 annual general meeting (currently expected to be held in June 2021) (the "**Gamesys AGM**").

The Cash Offer, including the Gamesys Final Dividend, represents a premium of:

- o approximately 14.4% to the Closing Price per Gamesys Share of 1,642 pence on 23 March 2021 (being the last Business Day prior to the commencement of the Offer Period);
- o approximately 41.2% to the Closing Price per Gamesys Share of 1,330 pence on 25 January 2021 (being the last Business Day prior to Bally's initial proposal to Gamesys dated 26 January 2021); and
- o approximately 36.7% to the average closing price per Gamesys Share of 1,373 pence for the three-month period ended 23 March 2021 (being the last Business Day prior to the commencement of the Offer Period) on a volume weighted average price basis.

Bally's will also make available the Share Alternative, pursuant to which Scheme Shareholders (other than Scheme Shareholders resident or located in a Restricted Jurisdiction) may elect to receive New Bally's Shares in lieu of part or all of the cash consideration to which they would otherwise be entitled under the Combination. Further details of the Share Alternative are set out in paragraph 3 below.

In addition, if the Combination has not completed before the ex-dividend date of 9 September 2021, the Gamesys Board reserves the right to declare an interim dividend for the six months ended 30 June 2021 of an aggregate amount of up to £16.4 million which, based on Gamesys' issued share capital as at the Latest Practicable Date, would equate to a dividend of up to 15 pence per Gamesys Share (the "**Second Gamesys Interim Dividend**").

The Bally's Board and the Gamesys Board have agreed that Gamesys Shareholders will be entitled to receive the Agreed Dividends, if and to the extent declared in accordance with the terms set out in this Announcement, in each case without any reduction to the Consideration payable by Bally's and Premier Entertainment under the terms of the Combination.

Further details of the Agreed Dividends and the circumstances in which they may be declared are contained in paragraph 4 below.

The Scheme Document, containing further information about the Combination, notices of the Court Meeting and the General Meeting and the expected timetable of the Scheme, together with the Forms of Proxy, the Form of Election and the Prospectus, will be published in due course. It is expected that the Court Meeting and the General Meeting will be held in the second quarter of 2021 and that, subject to the satisfaction of all relevant conditions, the Scheme will become effective during the fourth quarter of 2021.

3. Share Alternative

The Share Alternative will be made available to Scheme Shareholders (other than Scheme Shareholders resident or located in a Restricted Jurisdiction) to enable them to elect to receive New Bally's Shares instead of all or part of the cash consideration which they would otherwise be entitled to receive pursuant to the Combination, using the following exchange ratio:

for each Gamesys Share	0.343 New Bally's Shares
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Based on the Closing Price of \$60.80 per Bally's Share at close of business on the Latest Practicable Date and applying the USD:GBP exchange rate quoted by Bloomberg at 5.00 p.m. Eastern Standard Time on the same date, the Share Alternative values each Gamesys Share at 1,518 pence.

Bally's and Premier Entertainment have received irrevocable undertakings from the Electing Gamesys Directors and the Electing Gamesys Shareholders to elect for the Share Alternative in respect of their entire respective beneficial holdings of 28,003,501 Gamesys Shares (representing, in aggregate, 25.6% of Gamesys' issued share capital at close of business on the Latest Practicable Date).

Entitlements to New Bally's Shares will be rounded down to the nearest whole number. Fractional entitlements to New Bally's Shares will not be allotted or issued to Gamesys Shareholders. Instead, all fractional shares which a holder of Bally's Shares would otherwise be entitled to receive will be aggregated and sold in the market with the net cash proceeds paid in lieu of such fractional entitlements to Gamesys Shareholders.

The Share Alternative is conditional upon the Combination becoming effective in accordance with its terms and will not be available to Overseas Shareholders in Restricted Jurisdictions.

The New Bally's Shares will be issued pursuant to the exemption from registration provided by Section 3(a)(10) under the US Securities Act. If, in the future, Bally's or Premier Entertainment elects (with the consent of the Panel, if required, and subject to the terms of the Cooperation Agreement) to implement the Combination by way of a Takeover Offer or otherwise in a manner that is not exempt from the registration requirements of the US Securities Act, it will file a registration statement with the SEC that will contain a prospectus with respect to the issuance of New Bally's Shares. In this event, Bally's Shareholders are urged to read those documents and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information. Such documents will be available free of charge at the SEC's website at www.sec.gov or by directing a request to Bally's contact for enquiries identified above.

Neither the SEC nor any other state securities commission has approved or disapproved of the New Bally's Shares to be issued in connection with the Combination, or determined if this Announcement is accurate or complete. Any representation to the contrary is unlawful.

Further details of the Share Alternative, including details of those Gamesys Shareholders that will be eligible to elect for the Share Alternative, will be set out in the Scheme Document.

4. Dividends

The Gamesys Board has proposed the Gamesys Final Dividend for approval by Gamesys Shareholders at the Gamesys AGM. If the Effective Date occurs before the date of the Gamesys AGM, the Gamesys Board reserves the right instead to declare the Gamesys Final Dividend as the First Gamesys Interim Dividend.

In addition, if the Combination has not completed before the ex-dividend date of 9 September 2021 the Gamesys Board reserves the right to declare the Second Gamesys Interim Dividend.

Based on Gamesys' issued share capital as at the Latest Practicable Date:

- the Gamesys Final Dividend, or if declared, the First Gamesys Interim Dividend, would equate to a dividend of 28 pence per Gamesys Share; and
- the Second Gamesys Interim Dividend, if declared, would equate to a dividend of up to 15 pence per Gamesys Share.

If Gamesys' issued share capital changes between the Announcement Date and the record date for the relevant dividend, the amount of the relevant dividend per Gamesys Share might be different from the amounts set out above.

The Bally's Board and the Gamesys Board have agreed that Gamesys Shareholders will be entitled to receive the Agreed Dividends, if and to the extent declared in accordance with the terms set out in this Announcement, in each case without any reduction to the Consideration payable by Bally's and Premier Entertainment under the terms of the Combination.

The First Gamesys Interim Dividend, if declared, would be declared and paid in place of the Gamesys Final Dividend. Consequently, Gamesys Shareholders would not receive both the Gamesys Final Dividend and the First Gamesys Interim Dividend. In addition, if the Combination becomes effective before the ex-dividend date of 9 September 2021, the Second Gamesys Interim Dividend would not be declared and Gamesys Shareholders would not be entitled to receive it.

If, on or after the Announcement Date and on or before the Effective Date, any dividend, distribution or other return of capital or value is declared, made or paid or becomes payable in respect of Gamesys Shares, save for the Agreed Dividends or in excess of the Agreed Dividends, Bally's and Premier Entertainment reserve the right to reduce the Consideration accordingly. In such circumstances, Gamesys Shareholders would be entitled to retain any such dividend, distribution or other return of capital or value declared, made or paid. Please refer to Part C of Appendix I for further information in this regard.

5. Background to and reasons for the Combination

Bally's believes that the online gambling and sports betting sector in the US continues to exhibit many characteristics that are structurally attractive with a steep anticipated growth trajectory as favourable regulatory progress throughout the US leads to the opening of new sports betting and iGaming markets. This opportunity is reflected in industry analysts estimating a potential total addressable market size in excess of US\$45 billion. Bally's believes that having a combination of both proven, developed technology and land-based platforms across key US states, with global brands, existing customer bases and complementary product offerings will be key to taking advantage of these growth opportunities. The following factors have also been taken into consideration by Bally's in connection with the Combination:

- Bally's believes that the Combination represents a compelling strategic and financial opportunity to improve the offering and experience for customers;
- the Combination would accelerate Bally's long-term growth strategy, the objective of which is to become the premier, truly integrated, omni-channel US gaming company with a B2B2C business;
- Gamesys' existing platform would benefit from Bally's fast-growing land-based and online platform in the US, providing market access through Bally's operations in key states as the nascent iGaming and sports betting opportunity develops at this pivotal moment in the market's evolution;
- Bally's would benefit from Gamesys' proven technology platform, expertise and highly respected and experienced management team. These offerings, integrated with Bally's online sports betting platform via the pending Bet.Works acquisition and the transformational media partnership with Sinclair Broadcast Group, would place the Combined Group in a strong position to capitalise on the quickly developing US online market;
- the Combination would create one of the broadest portfolios in market of omni-channel cross-sell opportunities with land-based gaming, online sports betting, iCasino, poker, bingo, daily fantasy sports and free-to-play games;
- the Combination would create significant value for Bally's by bringing in house a technology platform to further build out iGaming offerings and create a unified player development database;
- the Combined Group is expected to be highly cash flow generative, enabling it to pursue growth opportunities through reinvestment and strategic M&A. The greater number of registered accounts and monthly active customers that would result from the Combination, together with a more diversified player community and an enhanced customer database, will, in Bally's view, create opportunities to increase growth and profitability; and

- the Combined Group will be committed to responsible gaming and industry leadership in environmental, social and corporate governance efforts, including targeting carbon neutrality and good corporate governance.

6. Recommendation by the Gamesys Directors

The Gamesys Directors, who have been so advised by Macquarie Capital as to the financial terms of the Cash Offer, unanimously consider the terms of the Cash Offer to be fair and reasonable. In providing its advice to the Gamesys Directors, Macquarie Capital has taken into account the commercial assessments of the Gamesys Directors. Macquarie Capital is providing independent financial advice to the Gamesys Directors for the purpose of Rule 3 of the Takeover Code.

Accordingly, the Gamesys Directors intend unanimously to recommend that Gamesys Shareholders vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting as the Gamesys Directors who hold Gamesys Shares have irrevocably undertaken to do in respect of their own beneficial holdings (and those of certain of their close relatives and related trusts) of Gamesys Shares amounting, in aggregate, to 2,825,711 Gamesys Shares (representing 2.6% of Gamesys' issued ordinary share capital as at close of business on the Latest Practicable Date), or, if the Combination is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer. The Electing Gamesys Directors and a related trust of Keith Laslop have also irrevocably undertaken to elect for the Share Alternative in respect of their entire (or, in respect of the related trust of Keith Laslop, part of its) beneficial holdings of Gamesys Shares amounting, in aggregate, to 1,783,276 Gamesys Shares (representing 1.6% of Gamesys' issued ordinary share capital as at close of business on the Latest Practicable Date). All of these undertakings remain binding even in the event of a higher competing offer.

The Gamesys Directors and (in providing their advice to the Gamesys Directors) Macquarie Capital express no view as to the Share Alternative in this Announcement. It is intended that their views in this regard will be provided in the Scheme Document. Gamesys Shareholders are advised to consider whether New Bally's Shares are a suitable investment in light of their own circumstances and are, therefore, strongly recommended to seek their own independent financial, tax and legal advice appropriate to their own particular circumstances and investment objectives before deciding whether they wish to elect for the Share Alternative, as well as giving full consideration to the information in this Announcement, the Scheme Document and any other transaction documents (when published).

7. Background to and reasons for the recommendation by the Gamesys Directors

Gamesys is a leading online gaming operator, having created a strong market position in online casino and online bingo through its focus on customer experience, technology, content and operations. Following the combination of JPJ Group plc and Gamesys in September 2019, Gamesys has become a leading operator in the UK and Japan.

Gamesys expects the United States to become the world's largest regulated online gaming market over the next several years, and it has been pursuing several strategies to position itself to be a leader in this fast-growing market. These initiatives led to discussions with Bally's about potential commercial partnerships.

These initial discussions developed into exploring a more comprehensive transaction regarding a strategic combination of the two groups which commenced in December 2020. On 26 January 2021, Bally's made a non-binding proposal relating to a combination with Gamesys. Since this date the parties have engaged in reciprocal confirmatory due diligence.

The Gamesys Directors, together with Gamesys' financial adviser, Macquarie Capital, have considered the proposed Combination with regard to price, structure, deliverability and with reference to the range of strategic options available to Gamesys.

While the Gamesys Directors believe that Gamesys would have a strong future as an independent listed company, they acknowledge the benefits of the Combination, including:

- o immediate market access to 11 US states for online gaming and sports betting;
- o the creation of a US omni-channel gaming business, which may reduce the cost of customer acquisition through Bally's customer database of approximately 15 million members;
- o a strong US gaming brand in Bally's, which has been enhanced through its partnership with Sinclair Broadcast Group, Inc., through which Bally's rebranded regional sports networks reach approximately 70% of US households;
- o the addition of sports betting technology through Bally's acquisition of Bet.Works Corp. which is expected to complete in the first half of 2021; and
- o significant combined cash flow to reinvest in the US market.

The Gamesys Directors welcome Bally's stated intentions concerning Gamesys' management and employees which are explained in paragraph 13 below. In particular, the Gamesys Directors are pleased that Lee Fenton, the current CEO of Gamesys, will serve as Group CEO of the Combined Group. The Gamesys Directors also note the importance that Bally's places on the skills and experience of Gamesys' employees as well as their intention to fully safeguard the existing contractual and statutory employment rights, including in relation to pensions, of all Gamesys management and employees in accordance with applicable law.

In assessing the terms of the Combination, the Gamesys Directors considered the availability of the Cash Offer, which would provide Gamesys Shareholders with the opportunity to receive an immediate and certain value in cash, while also providing the option for Gamesys Shareholders to receive equity in the Combined Group in lieu of the cash consideration.

In addition, the Gamesys Directors note that the terms of the Cash Offer, including the Gamesys Final Dividend, represent a premium of:

- o approximately 14.4% to the Closing Price per Gamesys Share of 1,642 pence on 23 March 2021 (being the last Business Day prior to the commencement of the Offer Period);
- o approximately 41.2% to the Closing Price per Gamesys Share of 1,330 pence on 25 January 2021 (being the last Business Day prior to Bally's initial proposal to Gamesys dated 26 January 2021); and
- o approximately 36.7% to the average closing price per Gamesys Share of 1,373 pence for the three-month period ended 23 March 2021 (being the last Business Day prior to the commencement of the Offer Period) on a volume weighted average price basis.

Accordingly, the Gamesys Directors intend unanimously to recommend the Cash Offer to Gamesys Shareholders as set out in paragraph 6 above.

8. Irrevocable undertakings from Gamesys Shareholders

In addition to the irrevocable undertakings given by the Gamesys Directors who hold Gamesys Shares, Bally's has also received irrevocable undertakings from certain other Gamesys Shareholders to vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting in respect of their entire beneficial holdings (and those of certain of their close relatives and related trusts) of Gamesys Shares amounting, in aggregate, to 33,676,449 Gamesys Shares (representing 30.8% of Gamesys' issued ordinary share capital at close of business on the Latest Practicable Date), or, if the Combination is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer.

The Electing Gamesys Shareholders have also irrevocably undertaken to elect for the Share Alternative in respect of their entire (or, in respect of Michael Mee, part of his) beneficial holdings (and those of certain of their close relatives and related trusts) of Gamesys Shares amounting, in aggregate, to 26,220,225 Gamesys Shares (representing 23.9% of Gamesys' issued ordinary share capital at close of business on the Latest Practicable Date).

Further details of these irrevocable undertakings are set out in Appendix III to this Announcement.

9. Bally's Shareholder Meeting and Bally's voting undertakings

Under NYSE rules, the Share Alternative will require the approval of the issuance of New Bally's Shares by Bally's Shareholders at the Bally's Shareholder Meeting.

The Bally's Directors intend unanimously to recommend that Bally's Shareholders vote in favour of the approval of the relevant proposals at the Bally's Shareholder Meeting. Bally's and Gamesys have entered into a voting agreement with certain Bally's Directors and officers of Bally's who hold Bally's Shares, pursuant to which they have irrevocably undertaken to vote in favour of the relevant proposals at the Bally's Shareholder Meeting in respect of their beneficial and of record holdings (and those of certain of their connected persons) of Bally's Shares amounting, in aggregate, to 801,917 Bally's Shares (representing 2.5% of the outstanding issued share capital of Bally's as at the Latest Practicable Date).

10. Information about Bally's

Bally's is listed on the New York Stock Exchange (NYSE) and its shares trade under the ticker symbol "BALY".

Bally's is a leading owner and operator of land-based casinos in the US. Bally's currently owns and manages 13 properties: 12 casinos across eight states, a horse racetrack and 13 authorised off-track betting licenses in Colorado. With over 6,000 employees, Bally's operations include 13,308 slot machines, 460 game tables and 3,342 hotel rooms. Following the completion of pending acquisitions, as well as the construction of a land-based casino in Centre County, Pennsylvania, Bally's will own and manage 15 casinos across 11 US states.

In November 2020, Bally's announced that it had entered into a definitive agreement to acquire Bet.Works, a US based, sports betting platform provider to operators in New Jersey, Iowa, Indiana and Colorado. Upon acquiring Bet.Works' proprietary technology stack and turnkey solutions, which include marketing, operations, customer service, risk management and compliance, Bally's believes it will position it to become a leading, full-service, vertically integrated sports betting and iGaming company in the US with physical casinos and online gaming solutions united under a single, leading brand, thus enabling it to launch its B2B2C business model.

In November 2020, Bally's announced a long-term strategic partnership with Sinclair Broadcast Group that combines its vertically-integrated, proprietary sports betting technology and expansive market access footprint with Sinclair's portfolio of local broadcast television stations and live regional sports networks, the STIRR streaming service, the Tennis Channel and digital and over-the-air television network Stadium.

Bally's recent acquisitions of Monkey Knife Fight and SportCaller provide Bally's with digital/interactive footprints, provide access to the potentially lucrative interactive mobile sports betting and iGaming markets and diversify it from a financial standpoint.

In addition, on April 13, 2021, Bally's agreed to purchase the Tropicana Las Vegas, Nevada casino from Gaming and Leisure Properties, Inc. ("GLPI"), a publicly traded gaming focused real estate investment. Bally's estimates the transaction to be valued at approximately \$300 million. The purchase price for the Tropicana property's non-land assets is \$150 million. In addition, Bally's has agreed to lease the land underlying the Tropicana property from GLPI for an initial term of 50 years at annual rent of \$10.5 million, subject to increase over time. Bally's and GLPI will also enter into a sale-and-leaseback transaction relating to Bally's Black Hawk, CO and Rock Island, IL casino properties for a cash purchase price of \$150 million payable by GLPI. The lease will have initial annual fixed rent of \$12 million, subject to increase over time. Bally's and GLPI have agreed to use commercially reasonable efforts to negotiate and enter into definitive documents with respect to these transactions as promptly as practicable in order to fully reflect the contemplated terms.

Bally's aims to continue to grow the business by actively pursuing the acquisition and development of new gaming opportunities and reinvesting in existing operations. Bally's believes that interactive gaming, including mobile sports betting and iGaming represents a significant strategic opportunity for its future growth. In addition, it seeks to increase revenues at its brick and mortar casinos through enhancing the guest experience by providing popular games, restaurants, hotel accommodations, entertainment and other amenities in attractive surroundings with high-quality guest service.

For the year ended 31 December 2019, Bally's achieved an aggregate adjusted EBITDA of \$300 million (this figure includes Bally's 2019 aggregate adjusted EBITDA of \$167 million, and the completed and pending casino acquisitions in 2019 and 2020 that collectively generated \$133 million of adjusted EBITDA in 2019). Bally's cannot give any assurance that any of the pending acquisitions will be consummated on the anticipated timeframe or at all. Aggregate Adjusted EBITDA for 2019 is a non-GAAP measure and has not been calculated on a basis compliant with US or UK requirements for pro forma financial statements.

11. Information about Premier Entertainment

Premier Entertainment is a newly incorporated Delaware company and an indirect subsidiary of Bally's. Premier Entertainment has been formed at the direction of Bally's for the purposes of implementing the Combination together with Bally's.

12. Information about Gamesys

Gamesys is listed on the premium listing segment of the Main Market of the London Stock Exchange under the ticker symbol "GYS" and is the parent company of an online gaming group that provides entertainment to a global consumer base. Through its subsidiaries, Gamesys currently offers bingo and casino games to its players using brands which include Jackpotjoy, Virgin Games, Botemania, Vera&John, Heart Bingo, Megaways, Rainbow Riches Casino and Monopoly Casino, and focuses on building its diverse portfolio of distinctive and recognisable brands that deliver best-in-class player experience and gaming content.

As a leading international online gaming operator, Gamesys' market position and diverse customer base (both geographically and demographically) positions Gamesys strongly against its competitors in addition to providing Gamesys with significant opportunities to deliver further growth. Gamesys' core brands have historically demonstrated significant rates of customer retention, achieved through a combination of Gamesys' diverse and engaging range of tailored content, strong customer relationship management and player engagement capabilities and its multi-brand strategy, which enables Gamesys to offer players a bespoke proposition catering for different player demographics and styles of play, as well as providing Gamesys with cross-marketing opportunities to improve the ultimate value derived from players.

Gamesys is well-capitalised and has demonstrated a strong track record of cash generation, with operating cash flow of £214.4 million for the year ended 31 December 2020. During the same period, Gamesys achieved annual revenues of £727.7 million (representing growth on a pro forma basis of 29% compared to 2019) and an adjusted EBITDA of £206.2 million (representing growth on a pro forma basis of 30% compared to 2019).

Gamesys is today publishing its first quarter results for 2021.

13. Directors, management, employees, research and development and locations

Bally's strategic plans for Gamesys

Bally's believes that the Combined Group has a compelling strategic and financial rationale, would create long-term value for both Gamesys and Bally's and would be consistent with Bally's long-term growth strategy, the objective of which is to create a leading, truly integrated, omni-channel US gaming company with a B2B2C business.

Gamesys would benefit from Bally's fast-growing land-based and online platform in the US, providing market access through Bally's operations in critical states as the nascent iGaming and sports betting opportunity develops in the United States. Bally's would benefit from Gamesys' proven technology platform, expertise and highly respected and experienced management team across the online gaming field. The Combined Group would be able to capitalise on the full range of opportunities available both in the US and beyond.

The Combination will also align with Bally's previously announced plan to split Bally's into two divisions: "Bally's Casinos," comprising Bally's physical gambling and entertainment properties, and "Bally's Interactive," which will include new and existing contracts for sports betting and internet gambling, including all of Bet.Works' sports betting operations, Monkey Knife Fight and SportCaller. As part of the transaction, Bally's anticipates that it will welcome Gamesys and its employees to Bally's Interactive.

Employees and management

Bally's attaches great importance to the skill and experience of Gamesys' management and employees and recognises their important contribution to what has been achieved by Gamesys.

Bally's believes that retaining key staff within Gamesys is important and has given assurances to the Gamesys Board that, following completion of the Combination, the existing employment rights, including pension rights, of the management and employees of Gamesys and its subsidiaries will be fully safeguarded in accordance with applicable law.

Bally's plans for the Gamesys Group do not involve any material change in overall headcount, conditions of employment of Gamesys' employees, or in the balance of the skills and functions of Gamesys' employees and management.

Following the proposed de-listing of Gamesys Shares and re-registration of Gamesys as a private limited company (as further described in paragraph 19 below), Bally's expects to review Gamesys' corporate headquarters and support functions, including certain functions relating to Gamesys' status as a public listed company, to determine when and how to combine such functions with the equivalent functions of Bally's. Consequently, a limited number of those functions might no longer be required, although Bally's has not made any definite plans in this regard.

It is intended that Gamesys' CEO, Lee Fenton, will become the CEO of the Combined Group and that Robeson Reeves, Gamesys' COO, and Jim Ryan, a non-executive director of Gamesys, will join the Bally's Board. It is also intended that Bally's CEO, George Papanier, will remain a member of the Bally's Board and the senior executive running the retail casino business.

It is intended that, upon completion of the Combination, each of the non-executive members of the Gamesys Board will resign as directors of Gamesys.

Pension schemes

Gamesys does not have a defined benefit pension scheme. It does, however, operate a defined contribution plan. Bally's does not intend to make any changes to this plan and intends that contributions be made to this plan in accordance with applicable law.

Incentivisation and retention arrangements

Bally's has not entered into, and has not had any discussions on proposals to enter into, any form of incentivisation arrangements with members of management of Gamesys. Nor has it agreed or entered into any arrangements with any of the Gamesys executive directors who are expected to join the Bally's Board and/or management team following completion of the Combination with regard to any changes to their existing terms of employment. Bally's does not intend to put in place any such arrangements before completion of the Combination.

Locations of business, fixed assets and headquarters

Following completion of the Combination, Gamesys' existing headquarters premises will continue to be utilised, but the headquarters of the Combined Group will be located in Providence, Rhode Island, USA. There is expected to be no material change in headcount at Gamesys' existing headquarters, except in respect of limited functions relating to Gamesys' status as a listed company which will be reviewed following the de-listing of Gamesys Shares.

Bally's has no plans to change the locations of business and fixed assets of Gamesys beyond any ordinary course changes planned by the current management of Gamesys.

Research and Development

Bally's values the investment that Gamesys has made in its technology and the infrastructure and expertise in place within the Gamesys Group to create, maintain and enhance existing product offerings. Bally's believes that it is important for the long-term success of the Combined Group and for customer satisfaction to maintain a leading product offering and intends to invest in this area following completion of the Combination through the existing Gamesys infrastructure. Bally's plans do not involve any material change to the research and developments functions of the Gamesys Group.

Trading Facilities

Gamesys is currently listed on the Official List and, as explained in paragraph 19 below, a request will be made to the London Stock Exchange to cancel trading in Gamesys Shares and de-list Gamesys from the Official List from or shortly after the Effective Date. Gamesys will then be re-registered as a private company following the Effective Date.

Views of the Gamesys Board

In considering the recommendation of the Combination to Gamesys Shareholders, the Gamesys Directors have given due consideration to Bally's intentions for the business, management, employees and locations of business of Gamesys.

The Gamesys Directors welcome Bally's intention that, following completion of the Combination, the existing contractual and statutory employment rights, including in relation to pensions, of all Gamesys management and employees will be fully safeguarded in accordance with applicable law.

14. Gamesys Share Plans

Participants in the Gamesys Share Plans and SIP will be contacted regarding the effect of the Combination on their rights under the Gamesys Share Plans and SIP and appropriate proposals will be made to such participants in the Gamesys Share Plans in due course. Further details of the terms of such proposals will be included in the Scheme Document.

15. Warrant Instrument

The Warrantholder will be contacted regarding the effect of the Combination on its rights under the Warrant Instrument and an appropriate proposal will be made to the Warrantholder consistent with its rights under the Warrant Instrument.

16. Financing

Premier Entertainment has entered into a commitment letter and interim facilities agreement ("**IFA**") for a bridge loan to be provided by Deutsche Bank Aktiengesellschaft, London Branch, Goldman Sachs Bank USA and Barclays Bank PLC to satisfy the cash element of the Consideration. The maximum cash consideration payable to Gamesys shareholders if only the Electing Gamesys Directors and the Electing Gamesys Shareholders elect for the Share Alternative would be £1.6 billion.

In connection with the IFA, Bally's has entered into a commitment letter with GLPI under which GLPI has committed to purchase Bally's Shares, or, subject to US regulatory requirements, warrants, with a value of up to \$500 million. The Bally's Shares will be valued based on a volume weighted average sales prices for the 20 trading days before issue. GLPI may elect to fund its commitment to Bally's, rather than by acquiring equity in Bally's, in the form of an advance deposit of the purchase price payable by GLPI in connection with prepaid sale leaseback transaction(s) with respect to certain designated Bally's properties, or in the form of one or more interest-bearing loan instruments that will be secured by Bally's real estate assets on a subordinated basis.

Bally's intends to seek to finance the cash element of the Consideration and refinance Gamesys' existing debt (and thereby reduce or eliminate the need for borrowings under the IFA or GLPI commitment) after the Announcement Date and prior to the Effective Date through one or more capital market transactions, which could include public or private offerings of Bally's Shares or other securities, and a new company-wide bank credit facility. It is intended that the initial offering (the "**Initial Offering**"), which will be announced shortly after the release of this Announcement, will comprise an offering of common stock and tangible equity units for a total price to the public of approximately \$850 million subject to a customary underwriter overallotment. A prospectus supplement in relation to the Initial Offering will be available at: <https://www.sec.gov/cgi-bin/browse-edgar?CIK=0001747079&owner=exclude> when published. There can be no assurances to the timing, terms or success of such capital markets transactions as are referred to above.

Bally's objective is to maintain its historically conservative capitalisation policies, providing it with the stability and financial flexibility to continue to pursue a disciplined omni-channel gaming and entertainment growth strategy. Bally's focusses on moderate leverage and ample liquidity, with a target long-term net leverage ratio in a range of 4.0x to 4.5x.

Deutsche Bank, financial adviser to Bally's and Premier Entertainment, is satisfied that sufficient resources are available to satisfy in full the cash consideration payable to Gamesys Shareholders under the terms of the Combination.

Updated information on the financing of the Combination is expected to be contained in the Scheme Document.

Under the terms of the IFA, except (i) with the consent of the lenders under the IFA, (ii) where required by the Panel, or (iii) where necessary to comply with the Takeover Code or other applicable law, Premier Entertainment may not waive, or, where it would, pursuant to Rule 13.5(a) of the Takeover Code and with the consent of the Panel, be entitled to invoke a Condition so as not to proceed with, lapse or withdraw the Combination, treat as satisfied, any material Condition to the extent that it would be materially prejudicial to the interests of the lenders under the IFA.

17. Offer-related Arrangements

Confidentiality Agreement

Bally's and Gamesys entered into a confidentiality agreement on 2 January 2021 (the "**Confidentiality Agreement**") pursuant to which each of Bally's and Gamesys has undertaken to the other to (i) keep confidential certain information related directly or indirectly to the Combination and not to disclose it to third parties (other than to permitted recipients) and (ii) use any confidential information disclosed pursuant to the Confidentiality Agreement only in connection with the Combination, subject to certain exceptions.

These confidentiality obligations will remain in force until the earlier of 30 June 2022 and the Effective Date.

The Confidentiality Agreement also includes customary non-solicitation obligations on both parties valid for twelve months from the date of the Confidentiality Agreement.

Confidentiality and Joint Defence Agreement

Bally's, Gamesys and their respective external legal counsels entered into a confidentiality and joint defence agreement (the "**Confidentiality and Joint Defence Agreement**") dated 2 March 2021 the purpose of which is to ensure that the exchange and/or disclosure of certain materials relating to the parties only takes place between their respective external legal counsels and external experts, and does not diminish in any way the confidentiality of such materials and does not result in a waiver of privilege, right or immunity that might otherwise be available.

Cooperation Agreement

On the date of this Announcement, Bally's and Gamesys entered into a cooperation agreement (the "**Cooperation Agreement**"), pursuant to which, among other things, they have agreed to cooperate for the purposes of obtaining all Authorisations and preparing the Scheme Document, the Bally's Proxy Statement and the Prospectus.

Bally's has agreed to use its reasonable endeavours to obtain all such Authorisations in sufficient time to enable the Effective Date to occur by the Long Stop Date. Gamesys and Bally's have agreed to certain undertakings to cooperate and provide each other with reasonable information, assistance and access in relation to the filings, submissions and notifications to be made in relation to such Authorisations necessary to satisfy certain regulatory conditions as well as the key shareholder documentation.

The Cooperation Agreement will terminate in certain circumstances including, among other things: (1) if agreed in writing between Bally's and Gamesys; (2) if the Effective Date has not occurred by the Long Stop Date; or (3) upon written notice by Gamesys to Bally's or Bally's to Gamesys if: (a) the Combination is withdrawn, terminated or lapses before the Long Stop Date (subject to certain exceptions); (b) Bally's decides, without the consent of Gamesys, to implement the Combination by way of a Takeover Offer; (c) the Scheme or the Resolutions (as applicable) are not approved by the requisite majorities of Gamesys Shareholders, or the Court refuses to sanction the Scheme, and in each case Gamesys does not consent within two Business Days of Bally's request to implement the Combination as a Takeover Offer; (d) the Combination is not approved by the requisite majority of Bally's Shareholders; or (e) the Gamesys Board or the Bally's Board (as applicable) announce their intention to: (i) withdraw or adversely qualify or modify their recommendation of the Combination; (ii) not convene the Court Meeting, the General Meeting or the Bally's Shareholder Meeting; or (iii) not post the Scheme Document or the Bally's Proxy Statement.

Gamesys also has the right to terminate the Cooperation Agreement if: (1) the Bally's Shareholder Meeting is not held on or before the 22nd day after the expected date of such meeting as set out in the Bally's Proxy Statement and/or the Prospectus (or such later date as the parties may agree) or (2) the Bally's Board withdraws, or the Bally's Proxy Statement does not include, the Bally's Board's recommendation to vote in favour of the shareholder resolutions necessary to approve the issuance of the New Bally's Shares.

Bally's has the right to terminate the Cooperation Agreement if: (1) the Court Meeting, the General Meeting or the Sanction Hearing is/are not held on or before the 22nd day after the expected date of such meeting or hearing as may be set out in the Scheme Document (or such later date as may be agreed between the parties); (2) the Gamesys Board withdraws, qualifies or adversely modifies its recommendation of the Combination; (3) after approval of the Resolutions, other than where an Agreed Switch (as defined in the Cooperation Agreement) occurs but without prejudice to Bally's rights to terminate the Cooperation Agreement under any other provision of the Cooperation Agreement, Gamesys Directors announce that they will not implement the Scheme; (4) the Scheme Document does not include the Gamesys Board's recommendation to Gamesys Shareholders to vote in favour of the Scheme and the Resolutions; or (5) a competing transaction is either recommended by the Gamesys Board or completes, becomes effective or is declared or becomes unconditional in all respects.

The Cooperation Agreement records Bally's and Gamesys' intention to implement the Combination by way of a Scheme, subject to the ability of Bally's to implement the Combination by way of a Takeover Offer in the circumstances described in paragraph 18 below.

The Cooperation Agreement also contains provisions that will apply in respect of certain employee-related matters and the Gamesys Share Plans.

The foregoing summary of the Cooperation Agreement does not purport to be complete and is subject to, and qualified in its entirety by, the text of the Cooperation Agreement, which is available for inspection as described in paragraph 22.

Lock-Up Agreement

Lee Fenton has entered into a lock-up agreement (the "**Lock-Up Agreement**") pursuant to which for six months after the Effective Date, he may not sell New Bally's Shares received by him as consideration pursuant to the Combination. The Lock-Up agreement is subject to customary exceptions and Lee Fenton would be entitled to sell up to 10% of his holding of New Bally's Shares, subject to normal US insider restrictions.

18. Structure of, and Conditions to, the Combination

It is intended that the Combination will be effected by means of a Court-approved scheme of arrangement between Gamesys and the Scheme Shareholders under Part 26 of the Companies Act.

The purpose of the Scheme is to provide for Bally's and Premier Entertainment to acquire the entire issued and to be issued ordinary share capital of Gamesys. This would be achieved by the transfer of the Scheme Shares to Bally's and Premier Entertainment, in consideration for which the Scheme Shareholders who are on the register of members of Gamesys at the Scheme Record Time will receive the Consideration on the basis set out in this Announcement and to be set out in the Scheme Document.

The Combination will become effective only if, among other things, the following events occur on or before the Long Stop Date:

- the approval of the Scheme by a majority in number of the Scheme Shareholders who are present and voting, whether in person or by proxy, at the Court Meeting and who represent 75% or more in value of the Scheme Shares voted by those Scheme Shareholders;
- the Resolutions being duly passed by Gamesys Shareholders representing the requisite majority or majorities of votes cast at the General Meeting;
- each of the Court Meeting, the General Meeting and the Court Hearing being held on or before the 22nd day after the expected date for each such meeting or hearing, respectively, to be set out in the Scheme Document in due course or, in any such case, such later date as Bally's or Premier Entertainment and Gamesys may agree and, if required, the Court may allow;
- the approval of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Gamesys and Bally's or Premier Entertainment);

- the delivery of a copy of the Court Order to the Registrar of Companies;
- the FCA having approved the Prospectus;
- approval of the New Bally's Shares for listing on the NYSE, subject to official notice of issuance;
- the issue of the New Bally's Shares having been approved by Bally's Shareholders at the Bally's Shareholder Meeting; and
- certain foreign direct investment and regulatory approvals, including relevant gaming regulatory consents and approvals in the UK, certain US states and certain other jurisdictions in which Bally's or Gamesys have licences.

The Scheme will lapse if it does not become effective by the Long Stop Date.

The deadlines for the timing of the Court Meeting, the General Meeting and the Court Hearing as set out above may be waived by Bally's or Premier Entertainment, and the Long Stop Date may be extended by agreement between Gamesys and Bally's or Premier Entertainment (with the Panel's consent and as the Court may approve (if such consent and/or approval is required)).

Upon the Scheme becoming effective, it will be binding on all Gamesys Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting. Each of Bally's and Premier Entertainment reserve the right to elect (with the consent of the Panel, if required, and subject to the terms of the Cooperation Agreement) to implement the Combination by way of a Takeover Offer for the entire issued and to be issued share capital of Gamesys as an alternative to the Scheme.

In such an event, a Takeover Offer will be implemented on substantially the same terms (subject to appropriate amendments, including, if the Panel so agrees, an acceptance condition set at up to 90% of the shares to which such Takeover Offer relates or such lesser percentage, being more than 50%, as Bally's or Premier Entertainment may decide), so far as applicable, as those which would apply to the Scheme.

If the Combination is effected by way of a Takeover Offer and such Takeover Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bally's intends that: (1) applications would be made to the London Stock Exchange for the cancellation of trading of the Gamesys Shares on the London Stock Exchange's market for listed securities and to the FCA for the cancellation of the listing of Gamesys Shares on the Official List and (2) to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the Companies Act to acquire compulsorily the remaining Gamesys Shares in respect of which the Takeover Offer has not been accepted.

19. De-listing and re-registration

Before the Scheme becomes effective, it is intended that Gamesys will make an application for the cancellation of trading of the Gamesys Shares on the London Stock Exchange's main market for listed securities and an application to the FCA for the cancellation of the listing of Gamesys Shares on the Official List, in each case to take effect on or shortly after the Effective Date. The last day of dealings in Gamesys Shares on the main market of the London Stock Exchange is expected to be the Business Day immediately before the Effective Date and no transfers will be registered after 6.00 p.m. on that date.

On the Effective Date, share certificates in respect of Gamesys Shares will cease to be valid and entitlements to Gamesys Shares held within the CREST system will be cancelled.

Following the Effective Date, and after its shares are delisted, Premier Entertainment intends to re-register Gamesys as a private limited company.

20. Disclosure of interests in Gamesys

Bally's made an Opening Position Disclosure, setting out the details required to be disclosed by it under Rule 8.1(a) of the Takeover Code, on 8 April 2021.

As at the close of business on the Latest Practicable Date, none of Bally's, Premier Entertainment or any person acting in concert (which has the meaning given in the Takeover Code) with either of them: (1) had any interest in or right to subscribe for or had borrowed or lent any Gamesys Shares or securities convertible or exchangeable into Gamesys Shares, or (2) had any short positions in respect of relevant securities of Gamesys (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, or (3) had borrowed or lent any relevant securities of Gamesys (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code) save for any borrowed shares which have been either on-lent or resold, or (4) is a party to any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Takeover Code.

21. General

The Combination is subject to the Conditions and further terms set out in Appendix I to this Announcement and to be set out in the Scheme Document, the Forms of Proxy and the Form of Election. The bases and sources of certain financial information contained in this Announcement are set out in Appendix II to this Announcement. A summary of the irrevocable undertakings and the voting undertakings given in relation to the Combination is contained in Appendix III to this Announcement. Certain terms used in this Announcement are defined in Appendix IV to this Announcement.

Further details of the Scheme, including an indicative timetable for its implementation, will be set out in the Scheme Document. The Scheme Document and the Forms of Proxy accompanying the Scheme Document, the Form of Election and the Prospectus will be published in due course and made available to Gamesys Shareholders at no charge to them.

Former holders of exchangeable shares in The Intertain Group Limited that have not yet been entered in the register of members of Gamesys will nevertheless receive the Forms of Proxy and be able to vote at the Court Meeting and General Meeting. Former holders of common shares in The Intertain Group Limited that have a right to receive Gamesys Shares, but that have not yet returned the requisite materials required for them to be entered in the register of members of Gamesys, do not have voting rights in respect of Gamesys Shares. All such persons are encouraged to contact Computershare Investor Services PLC between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (excluding public holidays in England and Wales) on 0370 889 4098 (or +44 (0370) 889 4098 if calling from outside of the UK) in order to facilitate their entry into the register of members of Gamesys and to determine how to obtain legal title to their respective Gamesys Shares.

The Combination is governed by the laws of England and is subject to the jurisdiction of the English courts. The Combination will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange and the FCA.

Deutsche Bank, Macquarie Capital, Numis and Berenberg have each given and not withdrawn their consent to the publication of this Announcement with the inclusion herein of the references to their names in the form and context in which they appear.

22. Documents available for inspection

Copies of the following documents will be made available, subject to certain restrictions relating to persons residing in Restricted Jurisdictions, on Bally's website at <https://investors.bally's.com/> and Gamesys' website at <https://www.gamesysgroup.com/investors/offer-for-gamesys/> until completion of the Combination:

- (i) this Announcement;
- (ii) the Cooperation Agreement;
- (iii) the Confidentiality Agreement;
- (iv) the Confidentiality and Joint Defence Agreement;
- (v) the irrevocable undertakings referred to in paragraphs 6 and 8 above and summarised in Appendix III to this Announcement;
- (vi) the Lock-Up Agreement;
- (vii) the Bally's Director Voting Agreement;
- (viii) the SRI Voting Agreement;
- (ix) the documents relating to the financing of the Combination referred to in paragraph 16; and
- (x) the consents from Deutsche Bank, Macquarie Capital, Numis and Berenberg to being named in this Announcement.

Neither the contents of the websites referred to in this Announcement nor the contents of any website accessible from hyperlinks is incorporated in, or forms part of, this Announcement.

Investor presentation

Bally's will provide a presentation to research analysts and investors by way of a conference call and webcast at 12 p.m. (US Eastern Time) (5 p.m. (UK time)) on 13 April 2021 to discuss the Combination and the Initial Offering. To participate in this conference call, please use the following access details:

Phone Number: +1 404 975 4839

Participant Code: 481921

Information on how to access the webcast of this presentation can be found at: <https://www.ballys.com/gamesys-documentation/>

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Clifford Chance LLP is acting as legal adviser to Gamesys. Jones Day is acting as legal adviser to Bally's and Premier Entertainment.

Important notice

*Deutsche Bank Aktiengesellschaft ("**Deutsche Bank**") is authorised under German Banking Law (competent authority: European Central Bank) and, in the United Kingdom, by the Prudential Regulation Authority. It is subject to supervision by the European Central Bank and by BaFin, Germany's Federal Financial Supervisory Authority and is subject to limited regulation in the United Kingdom by the Prudential Regulation Authority and Financial Conduct Authority (the "**FCA**").*

*Neither Deutsche Bank nor any of its subsidiaries, branches or affiliates (including, without limitation, Deutsche Bank, acting through its London branch ("**DB London**"), and Deutsche Bank Securities Inc. ("**DBSI**") will be responsible to any person other than Bally's and Premier Entertainment for providing any of the protections afforded to clients of Deutsche Bank (or, as the case may be, DB London or DBSI) nor for providing advice in relation to any matters referred to in this Announcement.*

Neither Deutsche Bank nor any of its subsidiaries, branches or affiliates (including, without limitation, DB London and DBSI) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Deutsche Bank (or DB London or DBSI) in connection with this Announcement, any statement contained herein or otherwise.

DB London and DBSI are acting as financial advisers to Bally's and Premier Entertainment and no other person in connection with the contents of this Announcement.

*Macquarie Capital (Europe) Limited ("**Macquarie Capital**"), which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Gamesys and for no one else in connection with the Combination and/or any other matter referred to in this Announcement and will not be responsible to anyone other than Gamesys for providing the protections afforded to its clients or for providing advice in relation to the Combination, the contents of this Announcement, or any other matters referred to in this Announcement. Macquarie Capital is not an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia), and its obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542. Macquarie Bank Limited does not guarantee or otherwise provide assurance in respect of the obligations of Macquarie Capital.*

Numis Securities Limited ("Numis"), which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Gamesys and no one else in connection with the matters set out in this Announcement and will not regard any other person as its client in relation to the matters in this Announcement and will not be responsible to anyone other than Gamesys for providing the protections afforded to clients of Numis, or for providing advice in relation to any matter referred to in this Announcement. Neither Numis nor any of its affiliates owes or accepts any duty, liability or responsibility to any person who is not a client of Numis in connection with this announcement, any statement contained herein or otherwise.

*Joh. Berenberg, Gossler & Co. KG, London Branch ("**Berenberg**"), which is authorised by the German Federal Financial Supervisory Authority and subject to limited regulation by the FCA in the United Kingdom, is acting exclusively for Gamesys and no one else in connection with the Combination and will not be responsible to anyone other than Gamesys for providing the protections afforded to clients of Berenberg nor for providing advice in relation to the Combination or any other matters referred to in this Announcement. Neither Berenberg nor any of its affiliates owes or accepts any duty, liability or responsibility to any person who is not a client of Berenberg in connection with this Announcement, any statement contained herein or otherwise.*

This Announcement is for information purposes only and is not intended to and does not constitute, or form any part of, an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Combination or otherwise nor will there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities will be made except in accordance with applicable law. The Combination will be effected solely by means of the Scheme Document (or if the Combination is implemented by way of a Takeover Offer, the offer document) which will contain the full terms and conditions of the Combination, including details of how to vote in respect of the Scheme. Any vote or decision in respect of the Scheme (or the Takeover Offer, if applicable) or other response in relation to the Combination should be made only on the basis of the information contained in the Scheme Document (or, if applicable, the offer document).

This Announcement has been prepared for the purpose of complying with English law, the Takeover Code, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and the Listing Rules and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside England.

Gamesys will prepare the Scheme Document to be distributed to Gamesys Shareholders. Bally's will prepare the Bally's Proxy Statement to be distributed to Bally's Shareholders and the Prospectus to be distributed to Gamesys Shareholders. Gamesys, Premier Entertainment and Bally's urge Gamesys Shareholders to read the Scheme Document (or, if applicable, the offer document) and the Prospectus, and urge the Bally's Shareholders to read the Bally's Proxy Statement, in each case when such documents become available because they will contain important information relating to the Combination. Any vote in respect of the Scheme of the Court Meeting or the Resolutions at the General Meeting or related matters, should be made only on the basis of the information contained in the Scheme Document, the Forms of Proxy, the Form of Election and the Prospectus.

Overseas Shareholders

The release, publication or distribution of this Announcement in jurisdictions other than the United Kingdom may be restricted by law and/or regulations. Persons who are not resident in the United Kingdom or who are subject to the laws and regulations of other jurisdictions should inform themselves of, and observe, any applicable requirements, as any failure to comply with such requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Combination disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by Bally's or Premier Entertainment or required by the Takeover Code, and permitted by applicable law and regulation, the Combination will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Combination by any such use of the mails of or any other means, instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or securities exchange of or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Announcement and all documents relating to the Combination are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Announcement and all documents relating to the Combination (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in, into or from such jurisdictions where to do so would violate the laws in those jurisdictions. If the Combination is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), such Takeover Offer may not be made available directly or indirectly, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction.

The availability of the Cash Offer and the Share Alternative to Gamesys Shareholders who are not resident in the United Kingdom (and, in particular, their ability to vote their Scheme Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf) may be affected by the laws of the relevant jurisdictions in which they are resident. The Combination will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange and the FCA. Further details in relation to Overseas Shareholders will be contained in the Scheme Document (or, if applicable, the offer document).

This Announcement does not constitute a prospectus or prospectus exempted document.

Additional information for US investors in Gamesys

The Combination relates to shares of an English company and is proposed to be effected by means of a scheme of arrangement under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the US Exchange Act of 1934 (the "**US Exchange Act**") and other requirements of US law.

Instead, the Combination is subject to the disclosure and procedural requirements applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of United States tender offer and proxy solicitation rules. Neither the US Securities and Exchange Commission (the "**SEC**"), nor any securities commission of other jurisdictions, has approved or disapproved of the Combination, passed upon the fairness of the Combination or passed upon the adequacy or accuracy of this Announcement. Any representation to the contrary is unlawful.

The New Bally's Shares have not been registered under the US Securities Act of 1933 (the "**US Securities Act**") and will be issued pursuant to the exemption from registration provided by Section 3(a)(10) under the US Securities Act. If, in the future, Bally's or Premier Entertainment exercises its right to implement the Combination by way of a Takeover Offer or otherwise in a manner that is not exempt from the registration requirements of the US Securities Act, it will file a registration statement with the SEC that will contain a prospectus with respect to the issuance of New Bally's Shares under the US Securities Act. In this event, Gamesys Shareholders are urged to read these documents and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they would contain important information, and such documents will be available free of charge at the SEC's website at www.sec.gov or by directing a request to Bally's contact for enquiries identified above.

New Bally's Shares issued to persons other than "affiliates" of Bally's (defined as certain control persons, within the meaning of Rule 144 under the US Securities Act) will be freely transferable under US law after the Combination. Persons (whether or not US persons) who are or will be "affiliates" of Bally's within 90 days prior to, or of the Combined Group after, the Effective Date will be subject to certain transfer restrictions relating to the New Bally's Shares under US law.

In addition, if Bally's exercises its right to implement the Combination by way of a Takeover Offer, which is to be made into the US, such Takeover Offer will be made in compliance with the applicable US laws and regulations, including Section 14(e) and Regulation 14E under the US Exchange Act.

If the Combination is implemented by way of Takeover Offer, in accordance with, and to the extent permitted by, the Takeover Code and normal UK market practice, Deutsche Bank and their respective affiliates may continue to act as exempt principal traders or exempt market makers in Gamesys Shares on the London Stock Exchange and will engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law, as permitted by Rule 14e-5(b)(9) under the US Exchange Act. In addition, in accordance with normal United Kingdom practice, Bally's, Premier Entertainment or their nominees or their brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of Gamesys outside of the US, other than pursuant to the Combination, until the date on which the Combination and/or Scheme becomes effective, lapses or is otherwise withdrawn. If such purchases or arrangements to purchase were to be made they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and would comply with applicable law, including United Kingdom laws and the US Exchange Act. Any information about such purchases or arrangements to purchase will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. To the extent that such information is required to be publicly disclosed in the United Kingdom in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the United States.

The receipt of cash consideration by a Gamesys Shareholder for the transfer of its Gamesys Shares pursuant to the Scheme will be a taxable transaction for United States federal income tax purposes and under applicable US state and local, as well as overseas and other, tax laws. The receipt of New Bally's Shares may also be taxable for such purposes. In certain circumstances, Gamesys Shareholders that are not US persons and that receive cash consideration pursuant to the Scheme may be subject to US withholding tax. Each Gamesys Shareholder is urged to consult an independent professional adviser regarding the applicable tax consequences of the Combination, including under applicable United States, state and local, as well as overseas and other, tax laws.

Financial information relating to Gamesys included in this Announcement and the Scheme Document has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom and may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States ("US GAAP"). US GAAP differs in certain significant respects from accounting standards applicable in the United Kingdom.

Gamesys is incorporated under the laws of England and Wales. In addition, some of its officers and directors reside outside the United States. Some or all of its assets are or may be located in jurisdictions outside the United States. Therefore, It may be difficult for US holders of Gamesys Shares to enforce their rights and any claim arising out of the US federal securities laws in connection with the Combination, since investors may have difficulty effecting service of process within the United States upon those persons or recovering against Gamesys or its officers or directors on judgments of United States courts, including judgments based upon the civil liability provisions of the United States federal securities laws. It may not be possible to sue Gamesys or its officers or directors in a non-US court for violations of the US securities laws.

Additional information about Bally's

This Announcement may be deemed to be solicitation material in respect of the Combination, including the issuance of the New Bally's Shares. In connection with the foregoing proposed issuance of New Bally's Shares, Bally's expects to file a proxy statement with the SEC. To the extent Bally's effects the Combination as a Scheme under English law, the issuance of New Bally's Shares would not be expected to require registration under the US Securities Act pursuant to an exemption provided by Section 3(a)(10) of the US Securities Act. If Bally's or Premier Entertainment elects (with the consent of the Panel, if required, and subject to the terms of the Cooperation Agreement) to implement the Combination by way of a Takeover Offer or otherwise in a manner that is not exempt from the registration requirements of the US Securities Act, it will file a registration statement with the SEC containing a prospectus with respect to the New Bally's Shares and include appropriate additions and amendments to the Conditions to reflect any additional related requirements. BALLY'S INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THESE MATERIALS (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND ANY OTHER RELEVANT DOCUMENTS IN CONNECTION WITH THE COMBINATION THAT BALLY'S WILL FILE WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT BALLY'S, THE PROPOSED ISSUANCE OF THE NEW BALLY'S SHARES, AND THE COMBINATION. A proxy statement filed on Schedule 14A, the registration statement/prospectus filed on Form S-4, in each case as applicable and other relevant materials in connection with the proposed issuance of New Bally's Shares and the Combination (when they become available), and any other documents filed by Bally's with the SEC, may be obtained free of charge at the SEC's website at www.sec.gov. In addition, investors and security holders may obtain free copies of the documents filed with the SEC at Bally's website, www.ballys.com, or by contacting our Investor Relations department in writing at Investor Relations, 100 Westminster Street, Providence, Rhode Island 02903.

Bally's, the Bally's Directors and Bally's executive officers may be deemed to be participants in the solicitation of proxies from Bally's Shareholders with respect to the Combination, including the proposed issuance of New Bally's Shares. Information about the Bally's Directors and Bally's executive officers and their ownership of Bally's Shares is set forth in Bally's Annual Report on Form 10-K for the fiscal year ended 31 December 2020, which was filed with the SEC on 10 March 2021 and Bally's proxy statement for its 2020 Annual Meeting of Shareholders, which was filed with the SEC on 8 April 2020. Information regarding the identity of the potential participants, and their direct or indirect interests in the solicitation, by security holdings or otherwise, will be set forth in the proxy statement and/or prospectus and other materials to be filed with the SEC in connection with the Combination and issuance of New Bally's Shares.

In accordance with applicable US state gaming regulatory requirements, Bally's charter documents contain certain restrictions pertaining to the acquisition, transfer and ownership of Bally's Shares. These restrictions include a requirement that a person seeking to acquire Bally's Shares constituting 5% or more of Bally's Shares first be found suitable and/or obtain a license from the appropriate gaming regulators to hold such Bally's Shares and a requirement that a holder of Bally's Shares, regardless of percentage, is subject to applicable gaming laws and must divest its Bally's Shares in the event it is disqualified or determined to be unsuitable.

Forward-looking statements

This Announcement (including information incorporated by reference in the Announcement), oral statements made regarding the Combination, and other information published by Bally's, Premier Entertainment and Gamesys contains certain forward-looking statements, beliefs or opinions with respect to the financial condition, results of operations and business of Bally's, Premier Entertainment and Gamesys. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts.

Forward-looking statements may often, but not always, be identified by the use of forward-looking terms such as "may," "will," "expects," "believes," "hopes," "anticipates," "aims," "plans," "estimates," "projects," "targets," "intends," "forecasts," "outlook," "impact," "potential," "confidence," "improve," "continue," "optimistic," "deliver," "comfortable," "trend," "seeks," or variations of such words or statements that certain actions, events or results "could," "should," "would" or "might" be taken, occur or be achieved or the negative of such terms or other variations on such terms or comparable terminology.

Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. These statements are based on assumptions and assessments made by Gamesys, Bally's and Premier Entertainment, as the case may be, in light of their experience and their perception of historical trends, current conditions, future developments and other factors that they believe appropriate. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors that could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements are unknown.

Although it is believed that the expectations reflected in such forward-looking statements were reasonable at the time the statements were made, no assurance is given by Gamesys, Bally's and Premier Entertainment that such expectations or the assumptions and assessments underlying them will prove to have been correct and the circumstances may change. You are therefore cautioned not to place undue reliance on these forward-looking statements. None of Gamesys, Bally's and Premier Entertainment assumes any obligation, and Gamesys, Bally's and Premier Entertainment disclaim any intention or obligation, to update or correct the information contained in this Announcement (whether as a result of new information, future events or otherwise), except as required by applicable law or regulation (including under the Disclosure Guidance and Transparency Rules of the FCA).

Except as expressly provided in this Announcement, the forward-looking statements have not been reviewed by the auditors of Gamesys, Bally's or Premier Entertainment or their respective financial advisers. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. There are many factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements is (1) the satisfaction of the Conditions, (2) any regulatory approvals required for the Combination not being obtained on the terms expected or on the anticipated schedule, (3) the ability of Gamesys, Bally's and Premier Entertainment to meet expectations regarding the timing, completion and accounting and tax treatments of the Combination, (4) the possibility that Gamesys, Bally's and Premier Entertainment may be unable to achieve any expected synergies and operating efficiencies in connection with the Combination within the expected time frames or at all and to successfully integrate the Gamesys' operations into those of Bally's, (5) uncertainties surrounding the COVID 19 pandemic, including limitations on Bally's operations, increased costs, changes in customer attitudes, impact on its employees and the ongoing impact of COVID 19 on general economic conditions, (6) unexpected costs, difficulties integrating and other events impacting Bally's recently completed and proposed acquisitions and its ability to realize anticipated benefits, (7) risks associated with Bally's rapid growth, including those affecting customer and employee retention, integration and controls, (8) risks associated with the impact of the digitalization of gaming on casino operations and the highly competitive and rapidly changing aspects of iGaming and sports betting businesses generally, and (9) the very substantial regulatory restrictions including costs of compliance; restrictions and limitations in agreements to which Bally's and Gamesys are subject, including debt financing, could significantly affect Bally's ability to operate its business and its liquidity. Such forward looking statements should therefore be construed in the light of such factors. None of Bally's, Premier Entertainment and Gamesys, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur.

No profit forecasts, estimates or quantified benefits statements

No statement in this Announcement is intended, or is to be construed, as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per share for Gamesys or Bally's for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Gamesys or Bally's, respectively.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror before the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Electronic communications

Please be aware that addresses, electronic addresses and certain other information provided by Gamesys Shareholders, persons with information rights, participants in the Gamesys Share Plans and SIP and other relevant persons for the receipt of communications from Gamesys may be provided to Bally's and Premier Entertainment during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

Publication on websites and availability of hard copies

A copy of this Announcement and the documents required to be published by Rule 26 of the Takeover Code will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions) free of charge on Gamesys' website at <https://www.gamesysgroup.com/investors/possible-offer-for-gamesys/> and on Bally's website at <https://investors.bally's.com/> by no later than 12 noon (London time) on the Business Day following the Announcement Date. For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this Announcement.

In accordance with Rule 30.3 of the Takeover Code, Gamesys Shareholders and persons with information rights, may request a hard copy of this Announcement by contacting Computershare Investor Services PLC between 8:30 a.m. and 5:30 p.m. (London time) Monday to Friday (excluding public holidays in England and Wales) on 0370 889 4098 (or +44 (0370) 889 4098 if calling from outside of the UK). Calls to this number are charged at national rates or, in the case of calls from outside the UK, at the applicable international rate. Calls from a mobile device may incur network extras. You may also request that all future documents, announcements and information to be sent to you in relation to the Combination should be in hard copy form. If you have received this Announcement in electronic form, copies of this Announcement and any document or information incorporated by reference into this document will not be provided unless such a request is made.

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

General

If you are in any doubt about the contents of this Announcement or the action you should take, you should seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are a resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

APPENDIX I

CONDITIONS AND FURTHER TERMS OF THE SCHEME AND THE COMBINATION

A. Conditions to the Scheme and Combination

1. The Combination is conditional upon the Scheme becoming unconditional and effective in accordance with its terms, subject to the provisions of the Takeover Code, by no later than the Long Stop Date.

Scheme approval

2. The Scheme becoming effective will be conditional upon:
 - (a) (i) approval of the Scheme at the Court Meeting (and at any separate class meeting that may be required) by a majority in number of the Scheme Shareholders (or the relevant class or classes thereof, if applicable) on the register of members of Gamesys at the Scheme Voting Record Time, who are present and voting, either in person or by proxy, representing 75% or more in value of the Scheme Shares held by those Scheme Shareholders; and (ii) such Court Meeting being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document, or such later date as Bally's and/or Premier Entertainment, on the one hand, and Gamesys, on the other, may agree and the Court may allow;
 - (b) all resolutions in connection with or required to approve and implement the Scheme as set out in the notice of the General Meeting (including, without limitation, the Resolutions) being duly passed by the requisite majority or majorities at the General Meeting;
 - (c) such General Meeting being held on or before the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document (or such later date as may be agreed by Bally's and/or Premier Entertainment, on the one hand, and Gamesys, on the other);
 - (d) the sanction of the Scheme by the Court without modification or with modification on terms acceptable to Bally's and/or Premier Entertainment, on the one hand, and Gamesys, on the other, and the delivery of a copy of the Court Order to the Registrar of Companies;
 - (e) the Court Hearing being held on or before the 22nd day after the expected date of the Court Hearing to be set out in the Scheme Document (or such later date as may be agreed by Bally's and/or Premier Entertainment, on the one hand, and Gamesys, on the other, and, if required, the Court may allow);

In addition, except as provided in Part B below, Bally's, Premier Entertainment and Gamesys have agreed that the Combination will be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme effective will not be taken unless such conditions (as amended, if appropriate) have been satisfied or where relevant, waived:

Approval by Bally's Shareholders

3. Approval of the issuance of the New Bally's Shares by a majority of the votes cast by Bally's Shareholders at the Bally's Shareholder Meeting, in accordance with the requirements of Section 312.03 of the NYSE Listed Company Manual.

Listing on the NYSE; effectiveness of registration

4. Approval of the New Bally's Shares for listing by the NYSE, subject to official notice of issuance.

Prospectus

5. The Prospectus having been approved by the FCA, and made available to the public in accordance with the Prospectus Regulation Rules.

Foreign Direct Investment clearances

6. Spain:

- (a) the Spanish Council of Ministers (*Consejo de Ministros*) or the Spanish Directorate General of International Trade and Investments (*Dirección General de Comercio Internacional e Inversiones*), as the case may be, authorising the Combination pursuant to articles 6 and 7 bis of Law 19/2003 on foreign investment and article 10 of Royal Decree 664/1999, of 23 April, on foreign investments without imposing any conditions or obligations on Bally's and/or Premier Entertainment; or
- (b) Bally's obtaining a confirmation in writing (including by e-mail) from the Spanish Subdirector General of Foreign Investments (*Subdirección General de Inversiones Exteriores*) that the Combination is not subject to prior approval;

7. United Kingdom:

if any new or amended national security, public interest or foreign investment laws, rules or regulations (including the proposed National Security and Investment Bill) become effective in the United Kingdom after the date of this Announcement that make it a legal requirement to notify the Combination before the Effective Date, any of (i) the Relevant Authority in the United Kingdom indicating that it has determined to approve the Combination; (ii) the Relevant Authority in the United Kingdom confirming in writing that notification is not a legal requirement; or (iii) all applicable review periods having expired or elapsed;

Gaming regulatory clearances

8. **Great Britain:** the determination by the GBGC, pursuant to section 102(4)(a) of the Gambling Act and made in respect of all operating licences (as such term is defined in the Gambling Act) held by members of the Gamesys Group, that all such operating licences will continue to have effect following the Effective Date, such determination to be made following applications in respect of the same submitted by Gamesys to the GBGC pursuant to section 103(3) of the Gambling Act;
9. **Gibraltar:** approval from the Gibraltar Regulator of the Combination as it relates to the activities undertaken pursuant to the operating licenses issued to the Gamesys Group by the Gibraltar Regulator;
10. **United States (New Jersey):** in respect of the Combination, all necessary approvals and/or licenses having been granted (in a form reasonably satisfactory to Bally's) by the New Jersey Casino Control Commission and the New Jersey Division of Gaming Enforcement in regard to the gaming-related business activities of Gamesys;
11. **United States (Other Jurisdictions):** in respect of the Combination, all necessary approvals and/or licenses having been granted (in a form reasonably satisfactory to Bally's) by each of the Relevant Bally's US Gaming Authorities;

Other notifications, waiting periods and Authorisations

12. all necessary notifications, filings or applications having been made in connection with the Combination and all necessary waiting periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations, in each case in respect of the Combination, in any jurisdiction having been complied with and all Authorisations necessary or appropriate in any jurisdiction for or in respect of the Combination and the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, Gamesys or any other member of the Wider Gamesys Group by any member of the Wider Bally's Group having been obtained in terms and in a form satisfactory to Bally's and/or Premier Entertainment from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any persons or bodies with whom any member of the Wider Gamesys Group or the Wider Bally's Group has entered into contractual arrangements and all such Authorisations which are deemed by Bally's and/or Premier Entertainment necessary to carry on the business of any member of the Wider Gamesys Group in any jurisdiction having been obtained and all such Authorisations remaining in full force and effect at the time at which the Combination becomes effective or otherwise wholly unconditional and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations and all such necessary statutory or regulatory obligations in any jurisdiction having been complied with;
13. other than with the consent or the agreement of Bally's and/or Premier Entertainment, no member of the Wider Gamesys Group having taken (or agreed or proposed to take) any action that requires, or would require, the consent of the Panel or the approval of Gamesys Shareholders in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code;

General regulatory

14. no Third Party having taken, instituted, implemented or threatened, or given notice of a decision or proposal to take, institute, implement or threaten, any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything or taken any steps, or having enacted or made or proposed to enact or make any statute, regulation, decision, order or change to published practice (and, in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
 - (a) require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider Bally's Group or by any member of the Wider Gamesys Group of all or any material part of its businesses, assets or property or impose any material limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof);
 - (b) require any member of the Wider Bally's Group or the Wider Gamesys Group to acquire or offer to acquire a material number of any shares, other securities (or the equivalent) or interest in any member of the Wider Gamesys Group or any asset owned by any third party (other than Scheme Shares in connection with the implementation of the Scheme), or, if relevant, pursuant to Chapter 3 of Part 28 of the Companies Act;
 - (c) impose any limitation on, or result in a delay in, the ability of any member of the Wider Bally's Group directly or indirectly to acquire, hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in or loans to any member of the Wider Bally's Group or on the ability of any member of the Wider Gamesys Group or any member of the Wider Bally's Group directly or indirectly to hold or exercise effectively all or any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise voting or management control over, any member of the Wider Gamesys Group, in each case to an extent which is material in the context of the Wider Gamesys Group taken as a whole or the Bally's Group taken as a whole or in the context of the Combination;

- (d) otherwise materially adversely affect any or all of the business, assets, prospects or profits of any member of the Wider Gamesys Group or the Wider Bally's Group;
- (e) result in any member of the Wider Gamesys Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the Wider Gamesys Group taken as a whole or in the context of the Combination (as the case may be);
- (f) make the Combination, or any aspect of the Combination, its implementation or the acquisition of any shares or other securities in, or control or management of, Gamesys by any member of the Wider Bally's Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or otherwise directly or indirectly materially prevent or prohibit, restrict, restrain, or delay or otherwise materially interfere with the implementation of, or impose additional materially adverse conditions or obligations with respect to, or otherwise materially challenge, impede, interfere or require material amendment of the Combination or the acquisition of any shares or other securities in, or control or management of, Gamesys by any member of the Wider Bally's Group;
- (g) require, prevent or materially delay a divestiture by any member of the Wider Bally's Group of any shares or other securities (or the equivalent) in any member of the Wider Gamesys Group or any member of the Wider Bally's Group; or
- (h) impose any material limitation on the ability of any member of the Wider Bally's Group or any member of the Wider Gamesys Group to conduct, integrate or co-ordinate all or any material part of its business with all or any part of the business of any other member of the Wider Bally's Group and/or the Wider Gamesys Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such antitrust, gaming or other regulator or Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any relevant jurisdiction in respect of the Combination or the acquisition of any Gamesys Shares or of management or voting control of Gamesys or any member of the Wider Gamesys Group or otherwise intervene having expired, lapsed or been terminated;

Certain matters arising as a result of any arrangement, agreement, etc.

15. except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider Gamesys Group is a party or by or to which any such member or any of its business, assets is or may be bound, entitled or be subject or which may be necessary for it to conduct its business in the ordinary course, or any event or circumstance which, as a consequence of the Combination or the acquisition or the proposed acquisition by any member of the Wider Bally's Group of any shares or other securities in Gamesys or because of a change in the control or management of any member of the Wider Gamesys Group or otherwise, could or might reasonably be expected to result in:
- (a) any monies borrowed by, or any other indebtedness, actual or contingent, of, or any grant available to, any member of the Wider Gamesys Group being or becoming repayable, or capable of being declared repayable, immediately or before its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
 - (b) the creation or enforcement of any mortgage, charge or other security interest over the whole or any material part of the business, property or assets of any member of the Wider Gamesys Group or any such mortgage, charge or other security interest (wherever created, arising or having arisen) becoming enforceable or being enforced;
 - (c) any material assets of any such member being disposed of or charged or ceasing to be available to any such member, or any right arising under which any asset could be required to be disposed of or charged or could cease to be available to any such member other than in the ordinary course of business;
 - (d) any obligation to obtain or acquire any material licence, permission, approval, clearance, permit, notice, consent, authorisation, waiver, grant, concession, agreement, certificate, exemption order or registration from any Third Party;
 - (e) any material arrangement, agreement, lease, licence, permit licence, permission, approval, clearance, notice, consent, authorisation, waiver, grant, concession, certificate, exemption order or registration or other instrument being terminated or becoming capable of being terminated or adversely modified or the rights, liabilities, obligations or interests of any member of the Wider Gamesys Group being adversely modified or adversely affected or any obligation or liability arising or any adverse action being taken or arising thereunder;
 - (f) any liability of any member of the Wider Gamesys Group to make any severance, termination, bonus or other payment to any of its directors or other officers;
 - (g) the rights, liabilities, obligations, interests or business of any member of the Wider Gamesys Group or any member of the Wider Bally's Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Gamesys Group or any member of the Wider Bally's Group in or with any other person or body or firm or company (or any arrangement or arrangement relating to any such interests or business) being or becoming capable of being terminated, or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
 - (h) any member of the Wider Gamesys Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the Wider Gamesys Group taken as a whole or in the context of the Combination;
 - (i) the value of, or the financial or trading position of, any member of the Wider Gamesys Group being prejudiced or adversely affected to an extent which is material in the context of the Wider Gamesys Group taken as a whole or in the context of the Combination; or

- (j) the creation or acceleration of any liability to an extent which is material in the context of the Wider Gamesys Group taken as a whole or the Wider Bally's Group taken as a whole or in the context of the Combination (actual or contingent and including without limitation for taxation) by any member of the Wider Gamesys Group or for which any such member may be responsible other than trade creditors or other liabilities incurred in the ordinary course of business,

and no event having occurred which, under any provision of any such arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Gamesys Group is a party or by or to which any such member or any of its business or assets are bound, entitled or subject, or which may be necessary for it to conduct its business in the ordinary course, would or could reasonably be expected to result in any of the events or circumstances as are referred to in Conditions 15(a) to (j);

16. except as Disclosed, no member of the Wider Gamesys Group having:

- (a) entered into any agreement, contract, transaction, arrangement or commitment or terminated or varied the terms of any agreement, contract, transaction, arrangement or commitment (other than in the ordinary course of business);
- (b) entered into any contract, transaction or arrangement which would be restrictive on the business of any member of the Wider Gamesys Group or the Wider Bally's Group or which is or could involve obligations which would or might reasonably be expected to be so restrictive; or
- (c) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing agreement, partnership or merger of business or corporate entities (other than the Scheme),

and which in any such case is or could be reasonably expected to be material in the context of the Wider Gamesys Group taken as a whole or in the context of the Combination.

Certain events occurring since the Accounts Date:

17. except as Disclosed, no member of the Wider Gamesys Group having since the Accounts Date:

- (a) issued, proposed or agreed to issue, or authorised or announced its intention to authorise or propose the issue, of, additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Gamesys Shares (except, where relevant, as between Gamesys and wholly owned subsidiaries of Gamesys or between the wholly owned subsidiaries of Gamesys) or redeemed, purchased or reduced any part of its share capital or sold or transferred or agreed to sell or transfer any Gamesys Shares held by Gamesys as treasury shares save as pursuant to the exercise of options or vesting of awards granted under the Gamesys Share Plans or for the grant of options or awards in accordance with normal practice under the Gamesys Share Plans or with the prior written consent of both the Panel and Bally's and/or Premier Entertainment;
- (b) except for the Agreed Dividends, recommended, declared, paid or made, or proposed to declare, pay or make any bonus, dividend or other distribution (whether payable in cash or otherwise) other than dividends (or other distributions, whether payable in cash or otherwise) lawfully paid or made by any wholly owned subsidiary of Gamesys to Gamesys or any of its wholly owned subsidiaries;
- (c) save as between Gamesys and its wholly owned subsidiaries or between such wholly owned subsidiaries, effected, authorised, proposed or announced its intention to propose any change in its share or loan capital (or equivalent thereof);

- (d) purchased, redeemed or repaid or announce any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or made any other change to any part of its share capital;
- (e) proposed or agreed to provide or modify the terms of, and no discretion having been exercised in respect of any share option scheme, share awards, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Wider Gamesys Group;
- (f) save as between Gamesys and its wholly owned subsidiaries and other than pursuant to the Combination, implemented, effected, authorised, proposed or announced its intention to propose any merger, demerger, reconstruction, arrangement, amalgamation, commitment or scheme or any acquisition or disposal or transfer of assets, shares (other than in the ordinary course of business) or loan capital (or the equivalent thereof) or any right, title or interest in any assets, shares or loan capital (or the equivalent thereof) or other transaction or arrangement in respect of itself or another member of the Wider Gamesys Group which in each case would be material in the context of the Wider Gamesys Group taken as a whole;
- (g) save as between Gamesys and its wholly owned subsidiaries, acquired or disposed of or transferred (other than in the ordinary course of business) or mortgaged, charged or encumbered any material assets or any shares or any right, title or interest in any material assets or any shares (other than in the ordinary course of business) or authorised the same or entered into, varied or terminated or authorised, proposed or announced its intention to enter into, vary, terminate or authorise any agreement, arrangement, contract, transaction or commitment (other than in the ordinary course of business and whether in respect of capital expenditure or otherwise) which is of a loss-making, long-term or unusual or onerous nature or magnitude, or which involves or could involve an obligation of such a nature or magnitude, in each case which is material in the context of the Wider Gamesys Group taken as a whole or in the context of the Combination (whether in respect of capital expenditure or otherwise);
- (h) exercised any pre-emption rights, or any similar rights that allow any member of the Wider Gamesys Group to subscribe for, or acquire, shares in any other person;
- (i) issued, authorised or proposed the issue of or made any change in or to any debentures, or (other than in the ordinary course of business) or, save as between Gamesys and its wholly owned subsidiaries, incurred or increased any indebtedness or liability, actual or contingent which is material in the context of the Wider Gamesys Group taken as a whole or the Wider Bally's Group taken as a whole or in the context of the Combination;
- (j) made, or announced any proposal to make any change or addition to any retirement, death or disability benefit or any other employment-related benefit (including, but not limited to, bonuses, retention arrangements or share incentive schemes or other benefit relating to the employment or termination of employment of any employee of the Wider Gamesys Group) of or in respect of any of its directors, employees, former directors or former employees;
- (k) except in relation to changes made or agreed to be made as required by applicable legislation or other laws in effect before the Announcement Date, having made or agreed or consented to any change to:
 - (i) the terms of the trust deeds or other documentation constituting and/or governing the pension scheme(s) (or other arrangements for the provision of retirement benefits) established by any member of the Wider Gamesys Group for its directors, employees or their dependents;

- (ii) the contributions payable to any such pension scheme(s) or other retirement benefit arrangements or the benefits which accrue or the retirement benefits which are payable thereunder;
 - (iii) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
 - (iv) the basis upon which the liabilities (including pensions or other retirement or death benefits) of such pension schemes or other retirement benefit arrangements are funded, valued or made;
- (l) save as between Gamesys and its wholly owned subsidiaries, granted any lease or third party rights in respect of any of the leasehold or freehold property owned or occupied by it or transferred or otherwise disposed of any such property;
 - (m) entered into or varied or made any offer (which remains open for acceptance) to enter into or vary the terms of any service agreement, commitment or arrangement with any director or senior executive of Gamesys or any director or senior executive of the Wider Gamesys Group;
 - (n) has created or accelerated any material liability of any member of the Wider Gamesys Group or a material adverse effect on the tax position of any such matter;
 - (o) made any amendment to its memorandum or articles of association;
 - (p) waived, compromised or settled any claim or authorised any such waiver or compromise, save in the ordinary course of business, which is material in the context of the Wider Gamesys Group taken as a whole or material in the context of the Combination;
 - (q) been unable or admitted that it is unable to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business or proposed or entered into any composition or voluntary arrangement with its creditors (or any class of them) or the filing at court of documentation in order to obtain a moratorium before a voluntary arrangement or, by reason of actual or anticipated financial difficulties, commenced negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
 - (r) taken or proposed any corporate action or had any steps taken or had any legal proceedings started or threatened against it for its winding-up (voluntary or otherwise), dissolution, striking-off or reorganisation or for the appointment of a receiver, administrator (including the filing of any administration application, notice of intention to appoint an administrator or notice of appointment of an administrator), administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or for any analogous proceedings or steps in any jurisdiction or for the appointment of any analogous person in any jurisdiction;
 - (s) taken, entered into or had started or threatened against it in a jurisdiction outside England and Wales any form of insolvency proceeding or event similar or analogous to any of the events referred to in Conditions 17(q) and 17(r) above; or
 - (t) agreed to enter into or entered into an agreement or arrangement or commitment or passed any resolution or announced any intention or made any offer (which remains open to acceptance) with respect to any of the transactions, matters or events referred to in this Condition 17;

No adverse change, litigation, regulatory enquiry or similar matter

18. except as Disclosed, there having been since the Accounts Date:

- (a) no adverse change and no circumstance having arisen which would or might reasonably be expected to result in any adverse change in, the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider Gamesys Group which is material in the context of the Wider Gamesys Group taken as a whole or is material in the context of the Combination;
- (b) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against or in respect of any member of the Wider Gamesys Group or any of the directors, officers or employees of any such member or to which any member of the Wider Gamesys Group is or may become a party (whether as claimant, defendant or otherwise) having been threatened, announced, instituted or remaining outstanding by, against or in respect of, any member of the Wider Gamesys Group, in each case which is or might reasonably be expected to be material in the context of the Wider Gamesys Group, or the Wider Bally's Group, taken as a whole or in the context of the Combination;
- (c) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Gamesys Group having been threatened, announced or instituted or remaining outstanding by, against or in respect of any member of the Wider Gamesys Group, in each case which might reasonably be expected to have a material adverse effect on the Wider Gamesys Group, or the Wider Bally's Group, taken as a whole or is material in the context of the Combination;
- (d) no contingent or other liability having arisen or increased which is reasonably likely to affect adversely the business, assets, financial or trading position or profits or prospects of any member of the Wider Gamesys Group to an extent which is material in the context of the Wider Gamesys Group taken as a whole or in the context of the Combination;
- (e) no steps having been taken and no omissions having been made which would or might reasonably be expected to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Gamesys Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which might reasonably be expected to have a material adverse effect on the Wider Gamesys Group taken as a whole or is material in the context of the Combination;

No discovery of certain matters regarding information and liabilities

19. except as Disclosed, Bally's and/or Premier Entertainment not having discovered that:

- (a) any financial, business or other information concerning the Wider Gamesys Group publicly announced before the Announcement Date or disclosed at any time to any member of the Wider Bally's Group by or on behalf of any member of the Wider Gamesys Group before the Announcement Date is misleading, contains a misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading, which was not subsequently corrected at least three Business Days before the Announcement Date by disclosure via a Regulatory Information Service, in any such case to a material extent;

- (b) any member of the Wider Gamesys Group is subject to any liability, contingent or otherwise, which is not disclosed in the annual reports and accounts of Gamesys for the financial year ended on the Accounts Date, in any such case to a material extent;
- (c) any member of the Wider Gamesys Group is subject to any material liability, contingent or otherwise.

Anti-corruption and criminal property

20. except as Disclosed, Bally's and/or Premier Entertainment not having discovered that:

- (a) any past or present member, director, officer or employee of the Wider Gamesys Group or any person that performs or has performed services for or on behalf of any such company is or has engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, as amended, or the US Foreign Corrupt Practices Act 1977, as amended, or any other anti-corruption legislation applicable to the Wider Gamesys Group;
- (b) any past or present member of the Wider Gamesys Group has engaged in any business with, or made any investments in, or made any payments to any government, entity or individual covered by, or is otherwise in breach of, any of the economic sanctions or applicable laws or regulations relating thereto, administered by the United Nations or the European Union (or any of their respective member states), HM Treasury & Customs or the United States Office of Foreign Assets Control or any other governments or supranational body or authority in any jurisdiction in breach of any such sanctions;
- (c) any asset of any member of the Wider Gamesys Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition);
- (d) any past or present member, director, officer or employee of the of Wider Gamesys Group has engaged in any business with or made any investments in, or made any payments, funds or assets available, to or received any funds or assets from: (i) any government, entity or individual in respect of which US, United Kingdom or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by US, United Kingdom or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs; or (ii) any government, entity or individual named by any of the economic sanctions of the United Nations, the United Kingdom, or the European Union or any of their respective member states, or any governments or supranational body or authority in any jurisdiction in breach of any applicable laws or sanctions; or
- (e) any member of the Wider Gamesys Group is ineligible to be awarded any contract or business under regulation 57 of the Public Contracts Regulations 2015 or regulation 80 of the Utilities Contracts Regulations 2016 (each as amended) or the US Federal Combination Regulation or Defence Federal Combination Regulation Supplement.

B. Waiver and invocation of the Conditions

1. The Scheme will not become effective unless the Conditions (other than Condition 2(d) of Part A of this Appendix I) have been fulfilled or (if capable of waiver) waived or, where appropriate, have been determined by Bally's or Premier Entertainment to be or remain satisfied by no later than 11.59 p.m. on the date before the Court Hearing.
2. Subject to the requirements of the Panel and in accordance with the Takeover Code, each of Bally's and Premier Entertainment reserves the right to waive:
 - (a) any of Conditions 2(a)(ii), 2(c) and 2(e) of Part A of this Appendix I related to the timing of the Court Meeting, the General Meeting and the Court Hearing. If any such deadline is not met, Bally's or Premier Entertainment will make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked or waived the relevant Condition or agreed with Gamesys to extend the deadline in relation to the relevant Condition; and
 - (b) in whole or in part all or any of the above Conditions 6 to 20 (inclusive) of Part A.
3. The Scheme and the Combination will lapse if:
 - (a) the Scheme or Combination or any matter arising from or relating to the Scheme or Combination constitutes a concentration with an EU dimension within the scope of Council Regulation 139/2004/EC (the "**Council Regulation**") or is referred to the European Commission pursuant to Article 4(5) of the Council Regulation and the European Commission initiates proceedings under Article 6(1)(c) of the Council Regulation; or
 - (b) the Scheme or Combination or any matter arising from or relating to the Scheme or Combination becomes subject to a CMA Phase 2 Reference,in each case, before the date of the Court Meeting and the General Meeting.
4. If Bally's and/or Premier Entertainment is required by the Panel to make an offer or offers for any Gamesys Shares under the provisions of Rule 9 of the Takeover Code, Premier Entertainment or Bally's may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.
5. Each of the Conditions will be regarded as a separate Condition and will not be limited by reference to any other Condition.
6. Under Rule 13.5 of the Takeover Code, Bally's or Premier Entertainment may not invoke a condition of the Scheme so as to cause the Scheme not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the condition are of material significance to Bally's and/or Premier Entertainment in the context of the Combination. Whether or not such condition can be invoked would be determined by the Panel. Conditions 2 to 5 (inclusive) are not subject to this provision of the Takeover Code.
7. Neither Bally's nor Premier Entertainment shall be under any obligation to waive (if capable of waiver), to determine, to be or remain satisfied or to treat as fulfilled any of Conditions 2 to 20 (inclusive) of Part A of this Appendix I (to the extent capable of waiver) by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.

C. Certain further terms of the Combination

1. Gamesys Shares will be acquired by Bally's and Premier Entertainment (or their nominee) with full title guarantee, fully paid, free from all liens, equitable interests, options, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever and together with all rights attaching to them as at the Announcement Date or subsequently attaching or accruing to them, including voting rights and the right to receive and retain, in full, all dividends and other distributions (if any) authorised, declared, made, paid or payable, or any other return of capital or value made, on or after the Announcement Date, save for the Agreed Dividends.
2. If, on or after the Announcement Date and before the Effective Date, any dividend and/or other distribution and/or other return of capital or value is authorised, declared, made or paid or becomes payable in respect of the Gamesys Shares, other than the Agreed Dividends, or in excess of the Agreed Dividends, Bally's and/or Premier Entertainment reserve the right (without prejudice to any right of Premier Entertainment, with the consent of the Panel, to invoke Condition 17(b) in Part A above), to reduce the consideration payable under the terms of the Combination for the Gamesys Shares by an amount up to the amount of such dividend and/or distribution and/or return of capital or value, or by the excess above the Agreed Dividends, in which case any reference in this Announcement or in the Scheme Document to the consideration payable under the terms of the Combination will be deemed to be a reference to the consideration as so reduced. To the extent that any such dividend and/or distribution and/or other return of capital or value is authorised, declared, made or paid or is payable before the Scheme becomes effective in accordance with its terms, other than the Agreed Dividends, or in excess of the Agreed Dividends, and it is: (i) transferred pursuant to the Combination on a basis which entitles Bally's and/or Premier Entertainment to receive the dividend or distribution or other return of capital or value and to retain it; or (ii) cancelled, the consideration payable under the terms of the Combination will not be subject to change in accordance with this paragraph. Any exercise by Bally's and/or Premier Entertainment of its rights referred to in this paragraph will be the subject of an announcement and, for the avoidance of doubt, will not be regarded as constituting any revision or variation of the Combination.
3. Each of Bally's and Premier Entertainment reserve the right to elect (with the consent of the Panel, if required, and subject to the terms of the Cooperation Agreement) to implement the Combination by way of a Takeover Offer as an alternative to the Scheme, in its or their absolute discretion. In such event, the Combination will be implemented on substantially the same terms subject to appropriate amendments, including (without limitation) an acceptance condition set at 90% (or such less percentage, being more than 50%, as Bally's or Premier Entertainment may decide) of the shares to which such offer relates, so far as applicable, as those which would apply to the Scheme.
4. The Combination will be subject, *inter alia*, to the Conditions and certain further terms which are set out in this Appendix I and those terms which will be set out in the Scheme Document and will be subject to the applicable requirements of, and such further terms as may be required to comply with, the Listing Rules and the provisions of the Takeover Code and any requirement of the Panel, the London Stock Exchange, the FCA and the Registrar of Companies.
5. The availability of the Combination and the Share Alternative to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction. Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements. Further information in relation to Overseas Shareholders will be contained in the Scheme Document.

6. The Combination (including, for the avoidance of doubt, the Share Alternative) is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any jurisdiction where to do so would violate the laws of that jurisdiction and will not be capable of acceptance by any such use, means, instrumentality or facility or from within any such jurisdiction.
7. Bally's reserves the right to implement the Combination directly or with or through any direct or indirect wholly owned subsidiary of Bally's, from time to time.
8. The New Bally's Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the existing Bally's Shares, including the right to receive in full all dividends and other distribution, if any, declared after the Effective Date.
9. Entitlements to New Bally's Shares will be rounded down to the nearest whole number. Fractional entitlements to New Bally's Shares will not be allotted or issued to Gamesys Shareholders. Instead, all fractional shares which a holder of Bally's Shares would otherwise be entitled to receive will be aggregated and sold in the market with the net cash proceeds paid in lieu of such fractional entitlements to Gamesys Shareholders.
10. The Share Alternative is conditional upon the Combination becoming effective in accordance with its terms and will not be available to Overseas Shareholders in Restricted Jurisdictions.
11. This Announcement and any rights or liabilities arising hereunder, the Combination, the Scheme, the Forms of Proxy and the Form of Election will be governed by English law and be subject to the jurisdiction of the English Courts.

APPENDIX II

SOURCES OF INFORMATION AND BASES OF CALCULATION

In this Announcement, unless otherwise stated, or the context otherwise requires, the bases and sources used are set out below.

1. The financial information relating to Bally's is extracted (without any adjustment) from the audited consolidated financial statements of Bally's for the relevant years or from the unaudited interim consolidated financial statements of Bally's for the relevant periods, prepared in accordance with US generally accepted accounting principles.
2. The financial information relating to Gamesys is extracted from the audited consolidated financial statements of Gamesys for the relevant years or from the unaudited interim consolidated financial statements of Gamesys for the relevant half years, prepared in accordance with International Financial Reporting Standards (without any adjustment to the consolidated financial statements).
3. At close of business on the Latest Practicable Date, Bally's had 31,894,089 Bally's Shares outstanding.
4. At close of business on the Latest Practicable Date, Gamesys had in issue 109,503,120 Gamesys Shares.
5. Any references to the entire issued and to be issued share capital of Gamesys are based on:
 - a) the 109,530,120 Gamesys Shares referred to in paragraph 4 above;
 - b) 2,202,583 Gamesys Shares which may be issued on or after the Announcement Date to satisfy the exercise of options or vesting of awards granted or to be granted under the Gamesys Share Plans and SIP; and
 - c) 300,000 Gamesys Shares which may be issued pursuant to the terms of the Warrant Instrument on or after the Announcement Date,in each case as at close of business on the Latest Practicable Date.
6. Unless otherwise stated, all prices for New Bally's Shares and Gamesys Shares are the Closing Price for the relevant date.
7. The exchange rate of US\$1.374:£1 for the conversion of US dollars into pounds sterling has been derived from Bloomberg and is based on the exchange rate as at 5.00 p.m. Eastern Standard Time on the Latest Practicable Date.
8. The maximum cash consideration payable to Gamesys Shareholders is based on the Cash Offer price of 1,850 pence per Gamesys Share and calculated on the basis of the entire issued and to be issued share capital of Gamesys (as set out in paragraph 5 above), less the number of Gamesys Shares beneficially held by the Electing Gamesys Directors (including the Gamesys Shares held by the related trust of Keith Laslop) and the Electing Gamesys Shareholders electing for the Share Alternative.
9. Certain figures included in this Announcement have been subject to rounding adjustments.

APPENDIX III

IRREVOCABLE UNDERTAKINGS

Gamesys Directors' Irrevocable Undertakings

Each Gamesys Director who holds Gamesys Shares has given an irrevocable undertaking to Bally's and Premier Entertainment in respect of their own beneficial holdings (and those of certain of their close relatives and related trusts) of Gamesys Shares to vote in favour of the Scheme at the Court Meeting and all of the Resolutions at the General Meeting or, if Bally's or Premier Entertainment elects (with the consent of the Panel, if required, and subject to the terms of the Cooperation Agreement) to implement the Combination by way of a Takeover Offer, to accept or procure the acceptance of any such Takeover Offer.

Name of Gamesys Director	Number of Gamesys Shares in respect of which undertaking is given	Percentage of Gamesys issued share capital in respect of which undertaking is given
Neil Goulden	125,000	0.11%
Lee Fenton	729,026	0.67%
Keith Laslop	1,078,682	0.99%
Robeson Reeves	779,250	0.71%
Tina Southall	93,762	0.09%
Colin Sturgeon	5,000	0.005%
Nigel Brewster	4,991	0.005%
Jim Ryan	10,000	0.01%
Total:	2,825,711	2.58%

Each of the Electing Gamesys Directors (and certain of their close relatives and related trusts) has irrevocably undertaken to elect for (or procure the election for) the Share Alternative in respect of their entire beneficial holding of Gamesys Shares (as set out above) save in respect of: (a) Gamesys Shares to be issued in respect of Gamesys Share Plans; and (b) the related trust of Keith Laslop, which will elect for the Share Alternative in respect of part of its beneficial holding of Gamesys Shares.

The irrevocable undertakings will lapse if: (a) following the release of this Announcement and before the publication of the Scheme Document, Bally's or Premier Entertainment announces, with the consent of the Panel, that it does not intend to proceed with the Scheme and at the same time neither Bally's nor Premier Entertainment announce an intention to proceed with a Takeover Offer; (b) the Scheme is terminated by Gamesys, lapses or is withdrawn in accordance with its terms and at or before, or within two Business Days after, the time of such lapse or withdrawal, Bally's or Premier Entertainment has not publicly confirmed that it intends to implement the Combination by way of a Takeover Offer; or (c) the Cooperation Agreement terminates pursuant to clauses 12.1.4(f), 12.1.5(b) or 12.1.5(c) save for the obligations of the Electing Gamesys Directors relating to the election for the Share Alternative and certain other provisions relevant to such obligations, which will continue in force. Sub-paragraph (c) will not apply if, in the case of clauses 12.1.4(f)(i), 12.1.5(b) or 12.1.5(c) of the Cooperation Agreement, a majority of the Bally's Board continue to recommend unconditionally that Bally's shareholders vote in favour of the Bally's Resolutions (as defined in the Cooperation Agreement).

All of the above irrevocable undertakings remain binding even in event of a higher competing offer for Gamesys. However, following the date of the Court Meeting and General Meeting, Tina Southall has the right to dispose of up to 25% of the Gamesys Shares that are subject to her irrevocable undertaking.

Gamesys Shareholders' Irrevocable Undertakings

The following Gamesys Shareholders have given irrevocable undertakings to Bally's and Premier Entertainment in respect of their own beneficial holdings (and those of certain of their close relatives and related trusts) of Gamesys Shares to vote in favour of the Scheme at the Court Meeting and all of the Resolutions at the General Meeting, or if Bally's or Premier Entertainment elects (with the consent of the Panel, if required, and subject to the terms of the Cooperation Agreement) to implement the Combination by way of a Takeover Offer, to accept or procure the acceptance of any such Takeover Offer.

Name of Gamesys Shareholder	Number of Gamesys Shares in respect of which undertaking is given	Percentage of Gamesys issued share capital in respect of which undertaking is given
Andrew Dixon	6,096,767	5.57%
Noel Hayden	15,481,844	14.14%
HG Vora Special Opportunities Master Fund Limited	6,822,165	6.23%
Michael Mee	1,585,147	1.45%
Robin Tombs	3,690,526	3.37%
Total:	33,676,449	30.75%

Each of the Electing Gamesys Shareholders has irrevocably undertaken to elect for (or procure the election for) the Share Alternative in respect of their entire (or, in the case of Michael Mee, part of his) beneficial holding of Gamesys Shares (as set out above).

The irrevocable undertakings will lapse if: (a) following the release of this Announcement and before the publication of the Scheme Document, Bally's or Premier Entertainment announces, with the consent of the Panel, that it does not intend to proceed with the Scheme and at the same time neither Bally's nor Premier Entertainment announce an intention to proceed with a Takeover Offer; (b) the Scheme is terminated by Gamesys, lapses or is withdrawn in accordance with its terms and at or before, or within two Business Days after, the time of such lapse or withdrawal, Bally's or Premier Entertainment has not publicly confirmed that it intends to implement the Combination by way of a Takeover Offer; or (c) the Cooperation Agreement terminates pursuant to clauses 12.1.4(f), 12.1.5(b) or 12.1.5(c), save for the obligations of the Electing Gamesys Shareholders relating to the election for the Share Alternative and certain other provisions relevant to such obligations, which will continue in force. Sub-paragraph part (c) will not apply if, in the case of clauses 12.1.4(f)(i), 12.1.5(b) or 12.1.5(c) of the Cooperation Agreement, a majority of the Bally's Board continue to recommend unconditionally that Bally's Shareholders vote in favour of the Bally's Resolutions (as defined in the Cooperation Agreement).

In addition to the above, the irrevocable undertakings entered into by Andrew Dixon and HG Vora will lapse if a third party announces a firm intention to make an offer for Gamesys on terms which represent an improvement of at least 5% on the value of the consideration offered in connection with the Combination (unless Bally's announces an improvement to the terms of the Combination within five Business Days of any such announcement). In such circumstances, Andrew Dixon's obligations relating to the election for the Share Alternative will remain binding. The irrevocable undertakings entered into by Noel Hayden, Michael Mee and Robin Tombs remain binding even in the event of a higher competing offer for Gamesys.

Bally's Director Voting Agreement

The following Bally's Directors and officers who hold Bally's Shares (and certain of their connected persons) have given an irrevocable undertaking to Gamesys and Bally's to vote in favour of the approval of the issuance of the New Bally's Shares at the Bally's Shareholder Meeting:

Name of Bally's Director / officer or connected person	Number of Bally's Shares in respect of which undertaking is given	Percentage of Bally's issued share capital in respect of which undertaking is given
Stephen H. Capp	210,682	0.66%
Terrence Downey	14,472	0.05%
Craig L. Eaton	131,297	0.41%
Patricia G. Capp	3,000	0.01%
George T. Papanier	327,293	1.03%
Julie Papanier	18,000	0.06%
Jeffrey W. Rollins	76,047	0.24%
Wanda Y. Wilson	15,471	0.05%
Jaymin B. Patel	5,655	0.02%
Total:	801,917	2.51%

Each of the persons listed above has the right to dispose of up to 10% of his or her Bally's Shares that are subject to the Bally's Director Voting Agreement pursuant to the terms of the Bally's Director Voting Agreement.

The Bally's Director Voting Agreement will lapse upon the earliest to occur of: (a) the Effective Date; (b) the lapse, withdrawal or termination of the Combination (subject to the Panel's consent, if required); (c) the termination of the Cooperation Agreement pursuant to clauses 12.1.4(e), 12.1.6(b), 12.1.6(d) or 12.1.6(e), unless, in the case of clauses 12.1.4(e)(i), 12.1.6(b) and/or 12.1.6(d) of the Cooperation Agreement, a majority of the Gamesys Board continue to recommend unconditionally that Gamesys Shareholders vote in favour of the Resolutions; and (d) the Long Stop Date.

The covenant to vote in favour of the approval of the issuance of the New Bally's Shares at the Bally's Shareholder Meeting will expire when such approval has been obtained.

SRI Voting Agreement

Standard RI Ltd., a Bally's Shareholder, has given an irrevocable undertaking to Gamesys and Bally's to vote in favour of the approval of the issuance of the New Bally's Shares at the Bally's Shareholder Meeting in respect of its holding of 9,730,404 Bally's Shares and to use its best efforts to cause Standard RI SPV LLC to vote in favour of the approval of the issuance of the New Bally's Shares at the Bally's Shareholder Meeting in respect of its holding of 1,520,755 Bally's Shares (together representing approximately 35.3% of the outstanding issued share capital of Bally's as at the Latest Practicable Date), 1,520,755 of which are subject to a pledge).

Absent the enforcement of the pledge mentioned above, Standard RI retains voting rights over the Bally's Shares that are subject to the pledge. Standard RI has the right to dispose of up to 10% of the Bally's Shares that are subject to the SRI Voting Agreement pursuant to the terms of the SRI Voting Agreement.

The SRI Voting Agreement will lapse upon the earliest to occur of: (a) the Effective Date; (b) the lapse, withdrawal or termination of the Combination (subject to the Panel's consent, if required); (c) the termination of the Cooperation Agreement pursuant to clauses 12.1.4(e), 12.1.6(b), 12.1.6(d) or 12.1.6(e), unless, in the case of clauses 12.1.4(e)(i), 12.1.6(b) and/or 12.1.6(d), a majority of the Gamesys Board continue to recommend unconditionally that Gamesys Shareholders vote in favour of the Resolutions; and (d) the Long Stop Date.

The covenant to vote in favour of the approval of the issuance of the New Bally's Shares at the Bally's Shareholder Meeting will expire when such approval has been obtained.

APPENDIX IV

DEFINITIONS

The following definitions apply throughout this Announcement unless the context requires otherwise:

"2.4 Announcement"	the announcement relating to the Combination made by Bally's and Gamesys on 24 March 2021 in accordance with Rule 2.4 of the Takeover Code;
"Accounts Date"	30 June 2020;
"Agreed Dividends"	(i) the Gamesys Final Dividend, or (ii) the First Gamesys Interim Dividend (if declared in accordance with the terms set out in paragraph 4 (Dividends) of this Announcement), and (iii) the Second Gamesys Interim Dividend (if declared in accordance with the terms set out in paragraph 4 (Dividends) of this Announcement);
"Announcement"	this announcement;
"Announcement Date"	the date of this Announcement;
"Authorisations"	approvals, authorisations, certificates, comfort letters, confirmations, consents, clearances, determinations, exemptions, findings of suitability, licences, orders, permissions, recognitions, and waivers;
"Bally's"	Bally's Corporation;
"Bally's Board"	the board of directors of Bally's;
"Bally's Director Voting Agreement"	the voting agreement entered into on the Announcement Date between Bally's, Gamesys and certain Bally's Directors, officers and certain of their connected persons;
"Bally's Directors"	the directors of Bally's;
"Bally's Group"	Bally's and its subsidiary undertakings (including Premier Entertainment) and, where the context permits, each of them;
"Bally's Proxy Statement"	the proxy statement which is anticipated to be sent to Bally's Shareholders in connection with their approval of the issuance of the New Bally's Shares;
"Bally's Shareholder Meeting"	the shareholder meeting of Bally's (including any adjournment thereof) to be convened for the purposes of approving the issuance of the New Bally's Shares;

"Bally's Shareholders"	holders of Bally's Shares;
"Bally's Shares"	the common stock of Bally's having a par value of \$0.01 per share;
"Berenberg"	Joh. Berenberg, Gossler & Co. KG;
"Business Day"	a day (other than Saturdays, Sundays and public holidays in the UK) on which banks are open for business in London and New York;
"Cash Offer"	1,850 pence in cash for each Gamesys Share pursuant to the Combination;
"Closing Price"	(i) the closing middle market quotation of a share derived from the Daily Official List of the London Stock Exchange in respect of Gamesys Shares or (ii) the published sales price as reported by the NYSE in respect of Bally's Shares;
"CMA"	the United Kingdom Competition and Markets Authority;
"Combination"	the proposed transaction pursuant to which Bally's will become the ultimate parent company of Gamesys by means of the direct or indirect acquisition by Bally's directly, or with or through Premier Entertainment of the entire issued and to be issued ordinary share capital of Gamesys, to be effected by means of the Scheme or by way of the Takeover Offer under certain circumstances described in this Announcement, and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
"Combined Group"	the combined Gamesys Group and Bally's Group following completion of the Combination;
"Companies Act"	the Companies Act 2006, as amended;
"Conditions"	the conditions to the implementation of the Combination, as set out in Appendix I to this Announcement and to be set out in the Scheme Document;
"Confidentiality Agreement"	the confidentiality agreement between Bally's and Gamesys dated 2 January 2021;

"Consideration"	the consideration payable to Gamesys Shareholders in cash, and/or, if a valid election is made, New Bally's Shares, pursuant to the Share Alternative, in connection with the Combination;
"Cooperation Agreement"	the cooperation agreement entered into on the Announcement Date between Bally's and Gamesys;
"Council Regulation"	Council Regulation (EC) 139/2004/EC;
"Court"	the High Court of Justice in England and Wales;
"Court Hearing"	the Court hearing at which Gamesys will seek an order sanctioning the Scheme pursuant to Part 26 of the Companies Act;
"Court Meeting"	the meeting of the Scheme Shareholders to be convened pursuant to an order of the Court pursuant to section 896 of the Companies Act, notice of which will be set out in the Scheme Document, for the purpose of considering and, if thought fit, approving the Scheme, including any adjournment or reconvening thereof;
"Court Order"	the order of the Court sanctioning the Scheme under section 899 of the Companies Act;
"CREST"	the relevant system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear;
"Daily Official List"	the daily official list of the London Stock Exchange;
"DB London"	the London branch of Deutsche Bank;
"DBSI"	Deutsche Bank Securities Inc.;
"Dealing Disclosure"	has the same meaning as in Rule 8 of the Takeover Code;
"Deutsche Bank"	Deutsche Bank Aktiengesellschaft, London Branch and Deutsche Bank Securities Inc.;

"Disclosed"	the information fairly disclosed by or on behalf of Gamesys: (i) in the annual report and accounts of Gamesys for the financial year ended 31 December 2019; (ii) in this Announcement; (iii) in any other announcement to a Regulatory Information Service by or on behalf of Gamesys before the Announcement Date; (iv) in filings made with the Registrar of Companies and appearing in Gamesys' file or those of any member of the Wider Gamesys Group at Companies House within the two years before the Announcement Date; (v) in any of the documents, papers or written information made available in the data room maintained by Datasite before 5.00 p.m. (London time) on the date which is three Business Days before the Announcement Date; or (v) at the management presentations held between members of Gamesys management and Bally's management;
"Effective Date"	the date on which: (i) the Scheme becomes effective in accordance with its terms; or (ii) if Bally's or Premier Entertainment elects to implement the Combination by way of a Takeover Offer, the date on which such Takeover Offer becomes or is declared unconditional in all respects;
"Electing Gamesys Directors"	Lee Fenton, Keith Laslop, Jim Ryan and Robeson Reeves;
"Electing Gamesys Shareholders"	Noel Hayden, Andrew Dixon, Robin Tombs and Michael Mee;
"Euroclear"	Euroclear UK and Ireland Limited;
"Excluded Shares"	(i) any Gamesys Shares beneficially owned by Bally's, Premier Entertainment, any parent or subsidiary undertaking of Premier Entertainment, or any subsidiary undertaking of any such parent immediately prior to the Scheme Record Time; or (ii) any Gamesys Shares held in treasury by Gamesys;
"FCA"	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
"First Gamesys Interim Dividend"	if the Effective Date occurs before the date of the Gamesys AGM, the interim dividend of, in aggregate, £30.7 million for the relevant period that the Gamesys Board has reserved the right to declare in place of the Gamesys Final Dividend;
"Form of Election"	the form by which Scheme Shareholders (other than Scheme Shareholders resident or located in a Restricted Jurisdiction) may elect for the Share Alternative;

"Forms of Proxy"	the forms of proxy in connection with each of the Court Meeting and the General Meeting, which will accompany the Scheme Document;
"FSMA"	the Financial Services and Markets Act 2000 (as amended from time to time);
"Gambling Act"	the UK Gambling Act 2005, as amended;
"Gamesys"	Gamesys Group plc;
"Gamesys AGM"	the 2021 annual general meeting of Gamesys (currently expected to be held in June 2021);
"Gamesys Board"	the board of directors of Gamesys;
"Gamesys Directors"	the directors of Gamesys;
"Gamesys Final Dividend"	the final dividend in respect of the year ended 31 December 2020 of, in aggregate, £30.7 million, to be proposed by the Gamesys Board for approval by Gamesys Shareholders at the Gamesys AGM;
"Gamesys Group"	Gamesys and its subsidiary undertakings and, where the context permits, each of them;
"Gamesys Shareholders"	holders of Gamesys Shares;
"Gamesys Share Plans"	the Gamesys Long Term Incentive Plan and the Gamesys Share Option Plan;
"Gamesys Shares"	the existing unconditionally allotted or issued and fully paid ordinary shares with a nominal value of 10 pence each in the capital of Gamesys and any further such ordinary shares which are unconditionally allotted or issued before the Scheme becomes effective, but excluding any such shares held or which become held in treasury;
"GBGC"	the Gambling Commission of Great Britain or any successor thereto;
"General Meeting"	the general meeting of Gamesys (including any adjournment thereof) to be convened in connection with the Scheme to approve the Resolutions, notice of which will be set out in the Scheme Document;
"Gibraltar Regulator"	the Licensing Authority (Gambling Division) of HM Government of Gibraltar;

"GLPI"	Gaming and Leisure Properties, Inc.
"Latest Practicable Date"	12 April 2021, being the last Business Day before the Announcement Date;
"Listing Rules"	the listing rules made by the FCA under Part 6 of FSMA, as amended from time to time;
"London Stock Exchange"	London Stock Exchange plc;
"Long Stop Date"	11.59 p.m. (London time) on 13 April 2022 or such time and/or later date as may be agreed in writing between Bally's and Gamesys (with the Panel's consent and as the Court may approve (if such approval(s) are required));
"Macquarie Capital"	Macquarie Capital (Europe) Limited;
"Market Abuse Regulation"	Regulation (EU) No 596/2014 (as it forms part of Retained EU Law (as defined in the European Union (Withdrawal) Act 2018);
"New Bally's Shares"	the Bally's Shares to be issued to satisfy valid elections under the Share Alternative;
"Numis"	Numis Securities Limited;
"NYSE"	New York Stock Exchange LLC;
"NYSE Listed Company Manual"	the Listed Company Manual published by the NYSE;
"Offer Period"	the offer period (as defined in the Takeover Code) relating to Gamesys, which commenced on 24 March 2021, and ending on the earlier of the Effective Date and/or the date on which it is announced that the Scheme has lapsed or been withdrawn (or such other date as the Takeover Code may provide or the Panel may decide);
"Official List"	the Official List of the FCA;
"Opening Position Disclosure"	an announcement containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the Scheme if the person concerned has such a position, as required by Rule 8 of the Takeover Code;
"Overseas Shareholders"	Gamesys Shareholders (or nominees of, or custodians or trustees for Gamesys Shareholders) not resident in, or nationals or citizens of, the United Kingdom;

"Panel"	the Panel on Takeovers and Mergers;
"Phase 2 Reference"	a reference of the Combination to the chair of the CMA under Article 33 of the Enterprise Act 2002 for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013;
"Premier Entertainment"	Premier Entertainment Sub, LLC, an indirect wholly owned subsidiary of Bally's;
"Prospectus"	the prospectus document to be produced by Bally's and made publicly available to Gamesys Shareholders (other than persons in Restricted Jurisdictions) at the same time as the Scheme Document in respect of the New Bally's Shares to be issued to eligible Gamesys Shareholders making valid elections under the Share Alternative;
"Prospectus Regulation Rules"	the rules and guidance published by the FCA in connection with Regulation 2017/1129/EU (as incorporated into domestic law by virtue of the European Union (Withdrawal) Act 2018) and contained in the FCA's publication of the same name, as amended;
"Registrar of Companies"	the Registrar of Companies in England and Wales;
"Registration Statement"	a Registration Statement under the US Securities Act then available to Bally's providing for the issuance of new Bally's Shares to Gamesys Shareholders pursuant to the Combination;
"Regulatory Information Service"	any of the services set out in Appendix I to the Listing Rules;
"Relevant Bally's US Gaming Authorities"	the Louisiana Gaming Control Board; the New Jersey Casino Control Commission and the New Jersey Division of Gaming Enforcement; the Rhode Island Department of Business Regulation and the Rhode Island Department of Revenue, Division of Lotteries; the Virginia Lottery Department and the Virginia Lottery Board;
"Resolutions"	the resolutions proposed to be passed at the General Meeting in connection with, among other things, implementation of the Scheme and such other matters as may be necessary to implement the Scheme, including the approval of the Scheme and the amendment of Gamesys' articles of association;

"Restricted Jurisdiction"	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if the Combination (including, for the avoidance of doubt, the Share Alternative) is extended or made available in that jurisdiction or if information concerning the Combination is made available in that jurisdiction or where to do so would result in a requirement to comply with any governmental or other consent or any registration, filing or other formality which Bally's, Premier Entertainment or Gamesys regards as unduly onerous;
"Scheme"	the proposed scheme of arrangement under Part 26 of the Companies Act between Gamesys and the Scheme Shareholders in connection with the Combination, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Bally's and/or Premier Entertainment and Gamesys;
"Scheme Document"	the document to be sent to Gamesys Shareholders containing, among other things, the Scheme and the notices convening the Court Meeting and the General Meeting, and accompanied by Forms of Proxy in respect of, the Court Meeting and the General Meeting and the Form of Election;
"Scheme Record Time"	the time and date to be specified in the Scheme Document;
"Scheme Shareholders"	holders of Scheme Shares;
"Scheme Shares"	<p>Gamesys Shares:</p> <ul style="list-style-type: none"> (a) in issue as at the date of the Scheme Document; (b) (if any) issued after the date of the Scheme Document and prior to the Scheme Voting Record Time; and (c) (if any) issued on or after the Scheme Voting Record Time and at or before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme, <p>but in each case other than the Excluded Shares;</p>
"Scheme Voting Record Time"	the time and date specified in the Scheme Document by reference to which entitlement to vote on the Scheme will be determined;

"SEC"	US Securities and Exchange Commission;
"Second Gamesys Interim Dividend"	an interim dividend for the six months ended 30 June 2021 of, in aggregate, up to £16.4 million, which the Gamesys Board reserves the right to declare if the Combination has not become effective before the ex-dividend date of 9 September 2021;
"Share Alternative"	the alternative whereby Scheme Shareholders (other than Scheme Shareholders resident or located in a Restricted Jurisdiction) may elect, subject to submitting a valid Form of Election, to receive Bally's Shares instead of all or part of the cash consideration which they would otherwise be entitled to receive under the Cash Offer, as referred to in paragraph 3 of this Announcement;
"Significant Interest"	in relation to any undertaking, body corporate, partnership, joint venture or person, a direct or indirect economic interest of 20% or more or of 20% or more of the total voting rights, including in relation to an undertaking, a direct or indirect interest of 20% or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking;
"SIP"	the Gamesys Share Incentive Plan (including the schedules thereto containing the International Share Incentive Plan and Partners Share Incentive Plan);
"SRI Voting Agreement"	the voting agreement entered into on the Announcement Date between Bally's, Gamesys and Standard RI;
"Standard RI"	Standard RI Ltd.;
"Takeover Code"	the City Code on Takeovers and Mergers;
"Takeover Offer"	should the Combination be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of Bally's and/or Premier Entertainment to acquire the entire issued and to be issued share capital of Gamesys and, where the context admits, any subsequent revision, variation, extension or renewal of such takeover offer;

"Third Party"	each of a central bank, ministry, governmental, quasi-governmental, national, supranational (including the European Union), statutory, regulatory (including the SEC and the NYSE), administrative, supervisory, prosecutorial, fiscal or investigative body, or agency or authority (including, without limitation, any gaming, antitrust, competition or merger control authority or body, any sectoral ministry or regulator and any foreign investment review body or authority), including without limitation any gambling authority or body, tribunal, court, trade agency, association, institution, environmental body employee representative body or any other body or person whatsoever in any jurisdiction, including, without limitation, the Panel;
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland;
"United States" or "US"	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction and any political sub-division thereof;
"US Exchange Act"	the US Securities Exchange Act of 1934, as amended;
"US Securities Act"	the US Securities Act of 1933, as amended;
"VWAP"	volume weighted average price;
"Warrant Instrument"	the deed constituting the Warrants dated 26 September 2019 executed by Gamesys;
"Warrantholder"	Virgin Enterprises Limited;
"Warrants"	the warrants to subscribe for Gamesys Shares granted pursuant to the Warrant Instrument;
"Wider Bally's Group"	Bally's and its subsidiaries (including Premier Entertainment), subsidiary undertakings and associated undertakings, and any other body corporate, person or undertaking (including a joint venture, partnership, firm or company) in which Bally's and/or such undertakings (aggregating their interests) have a Significant Interest; and
"Wider Gamesys Group"	Gamesys and its subsidiaries, subsidiary undertakings and associated undertakings, and any other body corporate, person or undertaking (including a joint venture, partnership, firm or company) in which Gamesys and/or such undertakings (aggregating their interests) have a Significant Interest.

For the purposes of this Announcement, "**subsidiary**", "**subsidiary undertaking**", "**undertaking**" and "**associated undertaking**" have the respective meanings given to them by the Companies Act.

All references to "**GBP**", "**pounds**", "**pounds Sterling**", "**Sterling**", "**£**", "**pence**", "**penny**" and "**p**" are to the lawful currency of the United Kingdom. All references to "**USD**", "**US\$**", "**\$**" and "**US Dollars**" are to the lawful currency of the United States. All the times referred to in this Announcement are London times unless otherwise stated.

All references to statutory provision or law or to any order or regulation will be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.

References to the singular include the plural and vice versa.

13 APRIL 2021

PREMIER ENTERTAINMENT PARENT, LLC
(as Parent)

PREMIER ENTERTAINMENT SUB, LLC
(as Borrower)

arranged by
DEUTSCHE BANK AG, LONDON BRANCH
GOLDMAN SACHS BANK USA
and
BARCLAYS BANK PLC
(as Arrangers)

with
DEUTSCHE BANK AG, LONDON BRANCH
(as Interim Facility Agent)
and
DEUTSCHE BANK AG, LONDON BRANCH
(as Interim Security Agent)

INTERIM FACILITIES AGREEMENT

LATHAM & WATKINS

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London EC2M 3XF
United Kingdom
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THIS AGREEMENT is made on 13 April 2021:

- (1) **PREMIER ENTERTAINMENT PARENT, LLC**, a company incorporated with limited liability under the laws of the State of Delaware (the “**Parent**”);
- (2) **PREMIER ENTERTAINMENT SUB, LLC**, a company incorporated with limited liability under the laws of the State of Delaware (the “**Borrower**”);
- (3) **DEUTSCHE BANK AG, LONDON BRANCH, GOLDMAN SACHS BANK USA** and **BARCLAYS BANK PLC** as arrangers (the “**Arrangers**”);
- (4) **THE FINANCIAL INSTITUTIONS** listed in Schedule 8 (*The Original Interim Lenders*) as lenders (the “**Original Interim Lenders**”);
- (5) **DEUTSCHE BANK AG, LONDON BRANCH** as agent of the other Interim Finance Parties (the “**Interim Facility Agent**”); and
- (6) **DEUTSCHE BANK AG, LONDON BRANCH** as security agent for the Interim Finance Parties (the “**Interim Security Agent**”).

1. INTERPRETATION

Terms defined in Schedule 1 (*Definitions and Interpretation*) to this Agreement have the same meanings when used in this Agreement. Each Schedule to this Agreement forms part of the terms of this Agreement.

2. THE INTERIM FACILITIES - AVAILABILITY

2.1 The Interim Facilities

Subject to the terms of this Agreement, the Original Interim Lenders make available to the Borrower:

- (a) an interim term loan facility in an aggregate amount equal to the Total Interim Facility (GBP) Commitments available to be utilised in Sterling (“**Interim Facility (GBP)**”); and
- (b) an interim term loan facility in an aggregate amount equal to the Total Interim Facility (EUR) Commitments available to be utilised in euro (“**Interim Facility (EUR)**”).

2.2 Availability Periods

The undrawn Interim Commitments of each Interim Lender under each Interim Facility will be automatically cancelled at 11:59 p.m. (London time) on the last day of the Certain Funds Period.

2.3 Voluntary Cancellation

The Parent may, by two (2) Business Days’ prior written notice to the Interim Facility Agent, at any time cancel any undrawn amount of any Interim Facility. Any cancellation shall reduce the Commitments of the Interim Lenders rateably under the relevant Interim Facility.

3. THE MAKING OF THE INTERIM LOANS

3.1 Conditions Precedent

- (a) The obligations of each Interim Lender to participate in each Interim Loan are subject only to the conditions precedent that on the date on which that Interim Loan is to be made:
 - (i) the Interim Facility Agent has received (or acting at the direction of the Majority Interim Lenders waived the requirement to receive) all of the documents and evidence referred to in Schedule 3 (*Conditions Precedent*), where required, in form and substance satisfactory to it (acting reasonably or on the instructions of the Majority Interim Lenders (each acting reasonably));
 - (ii) no Major Event of Default is continuing or would result from the making of the relevant Interim Loan; and
 - (iii) it is not unlawful in any applicable jurisdiction for such Interim Lender to make, or to allow to have outstanding, that Interim Loan.
- (b)
 - (i) The Interim Facility Agent shall notify the Parent and the Interim Lenders promptly upon being satisfied that the conditions described in paragraph (a)(i) above have been received by it or waived and the Interim Facility Agent shall, if requested by the Parent, promptly provide the Parent with a letter confirming the same. The Interim Lenders authorise the Interim Facility Agent to give any such notifications and/or provide any such letter.
 - (ii) The Interim Facility Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any notification and/or letter referred to in paragraph (b)(i) above (unless they result from the fraud, default or negligence of the Interim Facility Agent).

3.2 Certain Funds Period

Notwithstanding any other provision of any Interim Finance Document, during the Certain Funds Period none of the Interim Finance Parties shall:

- (a) refuse to participate in or make available any Interim Loan, provided that the condition in paragraph (a)(i) of Clause 3.1 (*Conditions Precedent*) above has been satisfied;
- (b) be entitled to take any action to rescind, terminate or cancel this Agreement (or any provision hereof or obligation hereunder) or any Interim Loan or Interim Commitment;
- (c) exercise any right of set-off, indemnification or counterclaim in respect of any Interim Loan or Interim Commitment;
- (d) accelerate any Interim Loan or otherwise demand or require repayment or prepayment of any sum from any Obligor; or

- (e) enforce (or instruct the Interim Security Agent to enforce) any Security Interest under any Interim Finance Document,

unless at any time any of the conditions in paragraphs (a)(ii) to (a)(iii) (inclusive) of Clause 3.1 (*Conditions Precedent*) above are not satisfied (which, in respect of paragraph (a)(iii) of Clause 3.1 (*Conditions Precedent*) above, shall allow the relevant Interim Lender to take such action in respect of itself only and shall not permit any other Interim Finance Parties to take such action), **provided that**, immediately upon the expiry of the Certain Funds Period, all such rights, remedies and entitlements shall be available to the Interim Finance Parties, notwithstanding that they may not have been used or been available for use during the Certain Funds Period.

3.3 Purpose

The proceeds of each Interim Loan are to be applied in or towards (directly or indirectly):

- (a) financing the cash consideration paid or payable for the Acquisition (including in respect of the acquisition of shares in Target pursuant to a Scheme or an Offer, any proposals to be made under Rule 15 of the City Code and, if applicable a Squeeze-Out or any other acquisition of shares in Target by the Borrower or other payments in connection with, related to or in lieu of such acquisition);
- (b) refinancing or otherwise discharging indebtedness of the Target Group under the Senior Facilities Agreement (as defined in the Commitment Letter) (the “**Existing Facilities**”) and paying any breakage costs, redemption premium, make-whole costs and other fees, costs and expenses payable in connection with such refinancing and/or discharge of the Existing Facilities (the “**Refinancing**”);
- (c) financing or refinancing other related amounts, including fees, premiums, expenses and other transaction costs incurred in connection with the Transactions (including but not limited to the Acquisition and/or the Refinancing) and/or the Transaction Documents; and/or
- (d) any other purpose contemplated by the Funds Flow Statement or the Tax Structure Memorandum.

3.4 Override

Notwithstanding any other term of this Agreement or any other Interim Finance Document, none of:

- (a) the actions, steps or events set out in, or reorganisations specified in or expressly contemplated by, or expressly referred to in the Tax Structure Memorandum or the Transaction Documents (or, in each case, the actions or intermediate steps necessary to implement any of those steps, actions or events); and
- (b) the actions permitted under the Existing Facilities (prior to discharge) as they relate to the Target Group,

in any case, shall constitute, or result in, a breach of any representation, warranty, undertaking or other term of the Interim Finance Documents or a Default or a Major Event of Default, actual or potential, and each such event shall be expressly permitted under the terms of the Interim Finance Documents, including the use of the proceeds of any Interim Loan for any purpose set out in the Tax Structure Memorandum or the Funds Flow Statement.

4. NATURE OF AN INTERIM FINANCE PARTY'S RIGHTS AND OBLIGATIONS

- 4.1 No Interim Finance Party is bound to monitor or verify any Interim Loan nor be responsible for the consequences of such Interim Loan.
- 4.2 The obligations of each Interim Finance Party under the Interim Finance Documents are several.
- 4.3 Failure by an Interim Finance Party to perform its obligations does not affect the obligations of any other Party under the Interim Finance Documents.
- 4.4 No Interim Finance Party is responsible for the obligations of any other Interim Finance Party under the Interim Finance Documents.
- 4.5 The rights of each Interim Finance Party under the Interim Finance Documents are separate and independent rights.
- 4.6 An Interim Finance Party may, except as otherwise stated in the Interim Finance Documents, separately enforce its rights under the Interim Finance Documents.
- 4.7 A debt arising under the Interim Finance Documents to an Interim Finance Party is a separate and independent debt.
- 4.8 Each Interim Lender will promptly notify the Parent if it becomes aware of any matter or circumstance which would entitle it not to advance or participate in any Interim Loan.

5. UTILISATION

5.1 Giving of Drawdown Requests

- (a) The Borrower may borrow an Interim Loan by giving to the Interim Facility Agent a duly completed Drawdown Request. A Drawdown Request is, once given, irrevocable.
- (b) The latest time for receipt by the Interim Facility Agent of a duly completed Drawdown Request:
 - (i) for an Interim Loan in Sterling is 09.30 a.m. (London time) on the date falling one (1) Business Day before the proposed Drawdown Date; and
 - (ii) for an Interim Loan in euro is 09.30 a.m. (London time) on the date falling one (1) Business Day before the proposed Drawdown Date, in each case, or such later time and/or date as agreed by the Interim Facility Agent.
- (c) The Interim Facility (GBP) and Interim Facility (EUR) may be drawn during the Certain Funds Period.
- (d) The Borrower may only draw fifteen (15) Interim Loans under the Interim Facility (GBP).
- (e) The Borrower may only draw two (2) Interim Loans under the Interim Facility (EUR).

5.2 Completion of Drawdown Requests

A Drawdown Request for an Interim Loan will not be regarded as having been duly completed unless:

- (a) the Drawdown Date is a Business Day within the Certain Funds Period;
- (b) the amount of the Interim Loan does not exceed the Total Interim Commitments in respect of the applicable Interim Facility; and
- (c) the currency of the Interim Loan complies with paragraph (d) of Clause 5.3 (*Advance of Interim Loans*) and the proposed Interest Period complies with paragraph (b) of Clause 7.2 (*Payment of interest*).

5.3 Advance of Interim Loans

- (a) The Interim Facility Agent must promptly notify each Interim Lender of the details of the requested Interim Loan and the amount of its share in that Interim Loan.
- (b) Each Interim Lender will participate in each Interim Loan in the proportion which its Interim Commitment under the applicable Interim Facility bears to the Total Interim Commitments under that Interim Facility, immediately before the making of that Interim Loan.
- (c) No Interim Lender is obliged to participate in any Interim Loan if as a result the amount of its share in the applicable Interim Facility would exceed its Interim Commitments under that Interim Facility.
- (d) Each Interim Loan may only be denominated in the currency or currencies in which the applicable Interim Facility is stated to be available under Clause 2.1 (*The Interim Facilities*) above, unless otherwise agreed in writing by all the Interim Lenders under the applicable Interim Facility.
- (e) If the applicable conditions set out in this Agreement have been met, each Interim Lender shall make its participation in each Interim Loan available to the Interim Facility Agent for the account of the Borrower by the Drawdown Date through its Facility Office.

6. REPAYMENT AND PREPAYMENT

6.1 Repayment

- (a) The Borrower must repay all outstanding Interim Loans (together with all outstanding interest thereon) on the Final Repayment Date or, if earlier:
 - (i) in full on the date of receipt by an Obligor of a written demand (the “**Acceleration Notice**”) from the Interim Facility Agent (acting on the instructions of the Majority Interim Lenders) following the occurrence of a Major Event of Default which is continuing requiring immediate prepayment and cancellation in full of the Interim Facilities; or
 - (ii) the date of receipt by any Obligor or any Group Company of the proceeds from the first utilisation made under any Long-term Financing (free of any escrow or similar arrangements), to the extent of such proceeds.

- (b) If an Interim Loan is, or is declared to be, due and payable in accordance with the terms of this Agreement, all interest and all other amounts accrued or outstanding in respect of that Interim Loan shall be immediately due and payable.
- (c) If an Interim Loan is, or is declared to be, due and payable, in accordance with the terms of this Agreement, on demand, all interest and all other amounts accrued or outstanding in respect of that Interim Loan shall be immediately due and payable on demand by the Interim Facility Agent on the instructions of the Majority Interim Lenders.
- (d) If an Interim Loan is, or is declared to be, due and payable in accordance with the terms of this Agreement, the Interim Facility Agent may, and shall if so directed by the Majority Interim Lenders, by notice to the Parent, exercise or direct the Interim Security Agent to exercise any or all of its rights, remedies, powers or discretions under the Interim Finance Documents.
- (e) Amounts repaid under an Interim Facility cannot be redrawn.

6.2 Prepayment

- (a) The Borrower may prepay the whole or any part of any outstanding Interim Loan (including, for the avoidance of doubt, the whole or any part of any outstanding Interim Loan owed to a particular Interim Lender to the extent provided for by the terms of this Agreement), together with accrued but unpaid interest, at any time:
 - (i) in the case of an Interim Facility (GBP) Loan, on giving one (1) Business Day prior notice in writing to the Interim Facility Agent; or
 - (ii) in the case of an Interim Facility (EUR) Loan, on giving one (1) Business Day prior notice in writing to the Interim Facility Agent.
- (b) Amounts prepaid under an Interim Facility cannot be redrawn.
- (c) On the occurrence of a prepayment under this Clause 6.2, a corresponding amount of the Interim Commitments shall be cancelled.

6.3 Cancellation of Interim Commitments

- (a) On the occurrence of any event referred to in paragraph (a) of Clause 6.1 (*Repayment*), the Interim Commitments, which, at that time, are unutilised shall be cancelled in full.
- (b) Upon the payment of funds (the “**Relevant Proceeds**”) into the Escrow Account, the Borrower (or the Parent on its behalf) shall provide a notice to the Interim Lenders as to the amount of Interim Commitments to be cancelled (the “**Commitment Reduction**”). The Commitment Reduction shall equal the aggregate sterling converted amount of the Relevant Proceeds as agreed by the Borrower and the Financial Adviser. Promptly upon receipt of notice of the Commitment Reduction, the applicable Interim Commitments shall be irrevocably cancelled in the amount of the Commitment Reduction.

6.4 Extension Option

- (a) The Parent may, by delivering an Extension Request to the Interim Facility Agent no earlier than twenty (20) days and not later than ten (10) days before the Original Final Repayment Date, request that the Final Repayment Date be extended to the Extended Final Repayment Date.

- (b) The Interim Facility Agent shall promptly notify the Interim Lenders that an Extension Request has been served following receipt of the Extension Request.
- (c) Provided that no Major Event of Default is continuing on the date of the Extension Request, the Final Repayment Date shall be automatically extended to the Extended Final Repayment Date upon receipt by the Interim Facility Agent of the Extension Request (the “**Extension Effective Date**”).
- (d) An Extension Request shall be irrevocable.

7. INTEREST

7.1 Calculation of interest – Interim Facility (GBP) Loans

- (a) The rate of interest on each Interim Facility (GBP) Loan for any day during an Interest Period is the percentage rate per annum which is the aggregate of the applicable:
 - (i) Margin; and
 - (ii) Compounded Reference Rate for that day.
- (b) If any day during an Interest Period for an Interim Facility (GBP) Loan is not an RFR Banking Day, the rate of interest on that Interim Facility (GBP) Loan for that day will be the rate applicable to the immediately preceding RFR Banking Day.

7.2 Calculation of interest – Interim Facility (EUR) Loans

The rate of interest on each Interim Facility (EUR) Loan for its Interest Period is the percentage rate per annum which is the aggregate of the applicable:

- (a) the Margin; and
- (b) EURIBOR in relation to any Interim Facility (EUR) Loan for that Interest Period.

7.3 Payment of interest

- (a) The period for which each Interim Loan is outstanding shall be divided into successive interest periods (each, an “**Interest Period**”), each of which will start on the expiry of the previous Interest Period or, in the case of the first Interest Period for an Interim Loan, on the relevant Drawdown Date.
- (b) The Borrower of each Interim Facility (GBP) Loan (or the Parent on its behalf) shall select an Interest Period as specified in the applicable Reference Rate Terms.
- (c) Prior to the Extension Effective Date, the Borrower of each Interim Facility (EUR) Loan (or the Parent on its behalf) shall select an Interest Period of one (1), two (2) or three (3) weeks, one (1) or two (2) months or ninety (90) days (or any other period agreed with the Interim Facility Agent) in each Drawdown Request and (in relation to subsequent Interest Periods for the Interim Facility (EUR) Loans) thereafter no later than 09.30 a.m. (London time) one (1) Business Day prior to the end of the existing Interest Period for the outstanding Interim Facility (EUR) Loans.

- (d) Upon and following the Extension Effective Date, the Borrower of each Interim Facility (EUR) Loan (or the Parent on its behalf) shall select an Interest Period of one (1), two (2) or three (3) months (or any other period agreed with the Interim Facility Agent) in each Drawdown Request and (in relation to subsequent Interest Periods for the Interim Facility (EUR) Loans) thereafter no later than 09.30 a.m. (London time) one (1) Business Day prior to the end of the existing Interest Period for the outstanding Interim Facility (EUR) Loans.
- (e) If the Borrower (or the Parent on its behalf) does not select an Interest Period for an Interim Facility (GBP) Loan, the default Interest Period shall (subject to paragraph (h) below) be as specified in the applicable Reference Rate Terms.
- (f) If the Borrower (or the Parent on its behalf) does not select an Interest Period for an Interim Facility (EUR) Loan, the default Interest Period shall (subject to paragraph (h) below) be one (1) month prior to the Extension Effective Date and three (3) months upon and following the Extension Effective Date (or, if earlier, a period ending on the Final Repayment Date).
- (g) The Borrower must pay accrued interest on each Interim Loan made to it on the last day of each Interest Period in respect of that Interim Loan and on any date on which that Interim Loan is repaid or prepaid.
- (h) Notwithstanding paragraphs (a), (b), (e) and (f) above, no Interest Period will extend beyond the Final Repayment Date.
- (i) Subject to paragraph (j) below, if an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not), provided that no Interest Period will extend beyond the Final Repayment Date.
- (j) If the Interim Loan is an Interim Facility (GBP) Loan, any rules specified as “Business Day Conventions” in the Reference Rate Terms shall apply to each Interest Period.
- (k) If there is a repayment, prepayment or recovery of all or any part of an Interim Loan other than on the last day of its Interest Period, the Borrower will pay the Interim Finance Parties promptly following demand their break costs (if any). The break costs (the “**Break Costs**”) will be the amount by which:
 - (i) in respect of any Interim Facility (GBP) Loan, any amount specified as such in the Reference Rate Terms; or
 - (ii) in respect of any Interim Facility (EUR) Loan, the amount (if any) by which:
 - (A) EURIBOR (disregarding for this purpose any interest rate floor) which would have been payable at the end of the relevant Interest Period on the amount of the Interim Facility (EUR) Loan repaid, prepaid or recovered; exceeds
 - (B) if positive, the amount of interest the Interim Lenders would have received by placing a deposit equal to the relevant amount with leading banks in the Relevant Interbank Market for a period starting on the Business Day following receipt and ending on the last day of the relevant Interest Period.

7.4 Interest on overdue amounts

- (a) If an Obligor fails to pay when due any amount payable by it under the Interim Finance Documents, it must immediately on demand by the Interim Facility Agent pay interest on the overdue amount from its due date up to the date of actual payment, both before, on and after judgment.
- (b) Interest on an overdue amount is payable at a rate determined by the Interim Facility Agent to be one (1) per cent. per annum above the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted part of that Interim Loan.
- (c) Interest (if unpaid) on an overdue amount will be compounded with that overdue amount on the last day of each Interest Period (or such duration as selected by the Interim Facility Agent acting reasonably) to the extent permitted under any applicable law and regulation.

7.5 Interest calculation

- (a) Interest shall be paid in the currency of the relevant Interim Loan and shall accrue from day to day and be calculated on the basis of the actual number of days elapsed and a 365 day year, or in any case where the practice in the Relevant Interbank Market differs, in accordance with that market practice.
- (b) The aggregate amount of any accrued interest in respect of the Interest Period for an Interim Facility (GBP) Loan shall be rounded to 2 decimal places.
- (c) The Interim Facility Agent shall promptly upon an Interest Payment being determined in respect of an Interim Facility (GBP) Loan notify:
 - (i) the Borrower of that Interest Payment;
 - (ii) each relevant Interim Lender of the proportion of that Interest Payment which relates to that Interim Lender's participation in the relevant Interim Facility (GBP) Loan; and
 - (iii) the relevant Interim Lenders and the Borrower of:
 - (A) each applicable rate of interest relating to the determination of that Interest Payment; and
 - (B) to the extent it is then determinable, the Market Disruption Rate (if any) relating to the relevant Interim Facility (GBP) Loan.

This paragraph (c) shall not apply to any Interest Payment determined pursuant to Clause 7.9 (*Proposed Disrupted Loans*).

- (d) The Interim Facility Agent shall promptly notify the relevant Interim Lenders and the Borrower of the determination of a rate of interest relating to an Interim Facility (GBP) Loan to which Clause 7.9 (*Proposed Disrupted Loans*) applies.

- (e) The Interim Facility Agent shall promptly notify each relevant Party of the determination of a rate of interest relating to an Interim Facility (EUR) Loan under this Agreement.
- (f) This Clause shall not require the Interim Facility Agent to make any notification to any Party on a day which is not a Business Day.

7.6 Replacement of Screen Rate

- (a) Subject to paragraphs (b) and (c) below, any amendment or waiver which relates to providing for an additional or alternative benchmark rate, base rate or reference rate to apply in relation to that currency in place of that Screen Rate or Compounded Reference Rate for an applicable Interim Facility (including any amendment, replacement or waiver to the definition of, “**EURIBOR**”, “**Compounded Reference Rate**” (or any component definition thereof) or “**Screen Rate**”, including an alternative or additional page, service or method for the determination thereof) (or which relates to aligning any provision of an Interim Finance Document to the use of that other benchmark rate, base rate or reference rate, including making appropriate adjustments to this Agreement for basis, duration, time and periodicity for determination of that other benchmark rate, base rate or reference rate for any Interest Period and making other consequential and/or incidental changes) (a “**Benchmark Rate Change**”) may be made with the consent of the Majority Interim Lenders and the Parent.
- (b) If either the Parent or the Interim Facility Agent (acting on the instructions of the Majority Interim Lenders) requests the making of a Benchmark Rate Change, the Parent shall notify the Interim Facility Agent (or, as the case may be, the Interim Facility Agent shall notify the Parent) thereof and if such Benchmark Rate Change cannot be agreed upon by the date which is five (5) Business Days before the end of the current Interest Period (or in the case of a new Interim Loan, the date which is five (5) Business Days before the date upon which the Drawdown Request will be served, as notified by the Parent to the Interim Facility Agent), the Screen Rate applicable to any Interim Lender’s share of an applicable Interim Loan shall be replaced by the rate certified to the Interim Facility Agent by that Interim Lender as soon as practicable (and in any event by the date falling two (2) Business Days before the date on which interest is due to be paid in respect of the relevant Interest Period) to be that which expresses as a percentage rate per annum of the cost to the relevant Interim Lender of funding its participation in that applicable Interim Loan in the Relevant Interbank Market.
- (c) Notwithstanding the definitions of “**EURIBOR**”, “**Compounded Reference Rate**” (or any component definition thereof) or “**Screen Rate**” in Schedule 1 (*Definitions and Interpretation*) or any other term of any Interim Finance Document, the Interim Facility Agent may from time to time (with the prior written consent of the Parent) specify a Benchmark Rate Change for any currency for the purposes of the Interim Finance Documents, and each Interim Lender authorises the Interim Facility Agent to make such specification.

7.7 Absence of quotations

- (a) If:
 - (i) there is no applicable RFR or Central Bank Rate for the purposes of calculating the Daily Non-Cumulative Compounded RFR Rate for an RFR Banking Day during an Interest Period for an Interim Facility (GBP) Loan; and

(ii) “*Cost of funds will apply as a fallback*” is specified in the Reference Rate Terms,

Clause 7.9 (*Proposed Disrupted Loans*) shall apply to that Interim Facility (GBP) Loan for that Interest Period.

(b) If EURIBOR is to be determined by reference to the Reference Banks but a Reference Bank does not supply a quotation by 12.00 noon (Brussels time) on the Rate Fixing Day then EURIBOR shall be determined on the basis of the quotations of the remaining Reference Banks, subject to Clause 7.8 (*Market Disruption Notice*).

7.8 Market Disruption Notice

If, in relation to any actual or proposed Interim Loan (a “**Disrupted Loan**”):

(a) in the case of an Interim Facility (GBP) Loan, if:

- (i) a Market Disruption Rate is specified in the Reference Rate Terms; and
- (ii) before the Reporting Time the Interim Facility Agent receives notifications from an Interim Lender or Interim Lenders (whose participations in an Interim Facility (GBP) Loan equal or exceed forty (40) per cent. of that Interim Facility (GBP) Loan) that its cost of funds relating to its participation in that Interim Facility (GBP) Loan would be in excess of that Market Disruption Rate,

then Clause 7.9 (*Proposed Disrupted Loans*) shall apply to that Interim Facility (GBP) Loan for the relevant Interest Period; and

(b) in the case of an Interim Facility (EUR) Loan:

- (i) EURIBOR is to be determined by reference to rates supplied by Reference Banks and none or only one of the Reference Banks supplies a rate by 12.00 noon (Brussels time) on the Rate Fixing Day; or
- (ii) before close of business in London on the Rate Fixing Day for the relevant Interest Period, one or more Interim Lenders whose participations in that Interim Facility (EUR) Loan equal or exceed in aggregate forty (40) per cent. of the amount of that Interim Facility (EUR) Loan notify the Interim Facility Agent that by reason of circumstances affecting the Relevant Interbank Market generally the cost to those Interim Lenders of obtaining matching deposits in the Relevant Interbank Market would be in excess of EURIBOR,

in each case, the Interim Facility Agent will promptly give notice of such event to the Parent and the Interim Lenders (a “**Market Disruption Notice**”).

7.9 Proposed Disrupted Loans

If a Market Disruption Notice is given in respect of a proposed Disrupted Loan and this Clause 7.9 applies to an Disrupted Loan for an Interest Period, Clause 7.1 (*Calculation of interest*) shall not apply to that Disrupted Loan for that Interest Period and the interest rate applicable on each Interim Lender's participation in that Disrupted Loan will be the applicable Margin plus:

- (a) in relation to a Disrupted Loan under Interim Facility (GBP), the rate certified by that Interim Lender to the Interim Facility Agent by the Reporting Time; or
- (b) in relation to a Disrupted Loan under Interim Facility (EUR), the rate certified by that Interim Lender to the Interim Facility Agent no later than five (5) Business Days after the Rate Fixing Day, in each case, to be its cost of funds (from any source which it may reasonably select).

8. TAXES

8.1 Gross-up

- (a) Each Obligor must make all payments under the Interim Finance Documents without any Tax Deduction, unless a Tax Deduction is required by law.
- (b) If the Parent or an Interim Lender becomes aware that an Obligor must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction), it shall promptly notify the Interim Facility Agent. Failure to give such notice shall not affect the obligations of any Obligor under the Interim Finance Documents. If the Interim Facility Agent receives such notification from an Interim Lender it shall notify the Parent.
- (c) If any Tax Deduction is required by law to be made by an Obligor (or by the Interim Facility Agent on behalf of an Obligor):
 - (i) except as provided in Clause 8.2 (*Exceptions from gross-up*), the amount of the payment due from such Obligor will be increased to an amount which (after taking into account any Tax Deduction including a Tax Deduction imposed on or with respect to the increased amount pursuant to this paragraph (c)(i)) leaves an amount equal to the amount which would have been due if no Tax Deduction had been required; and
 - (ii) the Parent will:
 - (A) ensure that the Tax Deduction and any payment required in connection with it does not exceed the minimum amount required by law;
 - (B) make the Tax Deduction and any payment required in connection with such Tax Deduction within the time allowed by law; and
 - (C) within thirty (30) days of making any Tax Deduction or any payment to the relevant Tax authorities required in connection with it, deliver to the Interim Facility Agent (for the Interim Finance Party entitled to the payment) evidence satisfactory to that Interim Finance Party (acting reasonably) that such Tax Deduction has been made or (as applicable) such payment paid to the appropriate authority.

8.2 Exceptions from gross-up

An Obligor is not required to make any increased payment to an Interim Finance Party under Clause 8.1 (*Gross-up*) by reason of a Tax Deduction if:

- (a) the Tax Deduction is the result of the Taxes described in paragraph (b)(i) (*Tax indemnity*); or
- (b) the Tax Deduction is on account of Tax imposed with respect to payments made by or with respect to a US Tax Obligor, if such Tax is a US Excluded Tax.

8.3 Tax indemnity

- (a) The Parent shall (or shall procure that another Group Company will) (within five (5) Business Days of demand by the Interim Facility Agent) pay to an Interim Finance Party an amount equal to the loss, liability or cost which that Interim Finance Party determines (acting reasonably and in good faith) will be or has been (directly or indirectly) suffered for or on account of Tax by that Interim Finance Party in relation to a payment received or receivable from an Obligor under an Interim Finance Document.

- (b) Paragraph (a) above shall not apply:

- (i) to any Tax assessed on an Interim Finance Party under the law of the jurisdiction (or any political subdivision thereof) in which:

- (A) that Interim Finance Party is incorporated or, if different, in which that Interim Finance Party is treated as resident for tax purposes; or
 - (B) that Interim Finance Party's Facility Office or other permanent establishment is located in respect of amounts received or receivable in that jurisdiction (or any political subdivision thereof) or in respect of amounts attributed to the permanent establishment on the basis that personnel of the Interim Finance Party are undertaking relevant functions in the jurisdiction (or any political subdivision thereof) where that permanent establishment is located; or
 - (C) that Interim Finance Party has a present or former connection (other than any connection arising solely under the Interim Facilities or any transactions contemplated thereby) in respect of amounts received or receivable under the Interim Finance Documents in that jurisdiction,

if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Interim Finance Party or if that Tax is a franchise Tax, branch profits Tax or similar Tax; or

- (ii) to the extent a loss or liability:

- (A) is compensated for by payment of an amount under Clause 8.1 (*Gross-up*);
 - (B) would have been compensated for by payment of an increased amount under Clause 8.1 (*Gross-up*) but was not so compensated solely because one of the exclusions in Clause 8.2 (*Exceptions from gross-up*) applied;
 - (C) is compensated for by payment of an amount under Clause 8.5 (*Stamp Taxes*) or Clause 8.6 (*Value added taxes*) or would have been compensated for by payment of an increased amount under such Clauses but was not so compensated solely because one of the exclusions in the applicable Clause applied;

- (D) (for the avoidance of doubt) is suffered or incurred in respect of any Bank Levy (or any payment attributable to, or liability arising as a consequence of, a Bank Levy); or
 - (E) relates to a FATCA Deduction required to be made by a party.
- (c) An Interim Finance Party making, or intending to make a claim under paragraph (a) above shall promptly notify the Parent and the Interim Facility Agent of the event which has given, or will give, rise to the claim.

8.4 Tax Credit

If an Obligor or a Group Company pays an additional amount under Clause 8.1 (*Gross-up*) or Clause 8.3 (*Tax indemnity*) and an Interim Finance Party determines (in its absolute discretion acting in good faith) that it (or one of its Affiliates) has obtained and utilised a Tax Credit attributable to that additional amount or the Tax Deduction in consequence of which the additional amount was required, then, subject to the penultimate sentence of this Clause 8.4, that Interim Finance Party shall pay to the Obligor or that Group Company (as the case may be) an amount equal to such Tax Credit (but only to the extent of the additional amounts paid under Clause 8.1 (*Gross-up*) or Clause 8.3 (*Tax indemnity*) with respect to the Taxes giving rise to such Tax Credit and subject to that penultimate sentence), net of all out-of-pocket expenses (including Taxes) of such Interim Finance Party and its Affiliates (as applicable) and without interest (other than any interest paid by the relevant governmental or tax authority with respect to such Tax Credit); provided that, the Obligor, upon the request of such Interim Finance Party, shall repay to such Interim Finance Party the amount paid over pursuant to this Clause 8.4 in the event that such Interim Finance Party (or any of its Affiliates) is required to repay such Tax Credit to the relevant governmental or tax authority or it otherwise transpires that the Interim Finance Party is unable to obtain and utilize the Tax Credit. Notwithstanding anything to the contrary in this Clause 8.4, in no event will the Interim Finance Party be required to pay any amount to the Obligor pursuant to this Clause 8.4 the payment of which would place the Interim Finance Party and its Affiliates in a less favourable net after-Tax position than the Interim Finance Party and its Affiliates would have been in if the Tax subject to indemnification and giving rise to such Tax Credit had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This Clause 8.4 shall not be construed to require any Interim Finance Party to make available its Tax returns (or the Tax returns of any Affiliate) (or any other information relating to its or any of its Affiliate's Taxes that it deems confidential) to the Borrower or any other person.

8.5 Stamp Taxes

The Parent shall pay (or shall procure that another Group Company pays) within five (5) Business Days of demand and indemnify each Interim Finance Party against all losses, costs and liabilities which that Interim Finance Party (directly or indirectly) suffers or incurs in relation to any stamp duty, stamp duty reserve tax, transfer tax, registration or other similar Tax payable in respect of any Interim Finance Document except for:

- (a) any such Tax payable in respect of any transfer, assignment, sub-participation or other disposal of an Interim Finance Party's rights or obligations under an Interim Finance Document, unless such transfer, assignment, sub-participation or other disposal is (i) pursuant to Clause 9.2 (*Mitigation*) or (ii) at the request of the Parent under Part 3 (*Replacement of an Interim Lender/Increase*) of Schedule 5 (*Impairment and Replacement of Interim Finance Parties*) other than such a request in respect of a Defaulting Lender; or

- (b) any such Tax to the extent it becomes payable upon a voluntary registration made by any Interim Finance Party if such registration is not necessary to evidence, prove, maintain, enforce, compel or otherwise assert the rights of such Interim Finance Party under an Interim Finance Document.

8.6 Value added taxes

- (a) All amounts expressed to be payable under an Interim Finance Document by any party to an Interim Finance Party which (in whole or in part) constitute the consideration for a supply or supplies for VAT purposes shall be deemed to be exclusive of any VAT which is chargeable on such supply or supplies and accordingly, subject to paragraph (b) below, if VAT is or becomes chargeable on any supply or supplies made by any Interim Finance Party to any party in connection with an Interim Finance Document, and such Interim Finance Party is required to account to the relevant tax authority for the VAT, that party shall pay to the Interim Finance Party (in addition to and at the same time as paying the consideration for that supply or supplies) an amount equal to the amount of the VAT (upon such Interim Finance Party providing an appropriate VAT invoice to such party).
- (b) If VAT is or becomes chargeable on any supply made by any Interim Finance Party (the “**Supplier**”) to any other Interim Finance Party (the “**Recipient**”) under an Interim Finance Document, and any party other than the Recipient (the “**Relevant Party**”) is required by the terms of any Interim Finance Document to pay an amount equal to the consideration for that supply to the Supplier (rather than being required to reimburse or indemnify the Recipient in respect of that consideration):
 - (i) (where the Supplier is the person required to account to the relevant tax authority for the VAT) the Relevant Party must also pay to the Supplier (at the same time as paying that amount) an additional amount equal to the amount of the VAT. The Recipient must (where this paragraph (i) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply; and
 - (ii) (where the Recipient is the person required to account to the relevant tax authority for the VAT) the Relevant Party must promptly, following demand from the Recipient, pay to the Recipient an amount equal to the VAT chargeable on that supply but only to the extent that the Recipient reasonably determines that it is not entitled to credit or repayment from the relevant tax authority in respect of that VAT.
- (c) Where an Interim Finance Document requires any party to reimburse or indemnify an Interim Finance Party for any costs or expenses, that party shall reimburse or indemnify (as the case may be) the Interim Finance Party against any VAT incurred by the Interim Finance Party in respect of the costs or expenses, to the extent that the Interim Finance Party reasonably determines that neither it nor any group of which it is a member for VAT purposes is entitled to credit or receive repayment in respect of the VAT from the relevant tax authority.

- (d) Any reference in Clause 8.6 to any party shall, at any time when such party is treated as a member of a group for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the person who is treated as making the supply or (as appropriate) receiving the supply under the grouping rules (as provided for in section 43 of the Value Added Tax Act 1994 or in Article 11 of the Council Directive 2006/112/EC (or as implemented by the relevant member state of the European Union or any other similar provision in any jurisdiction which is not a member state of the European Union)) so that a reference to a party shall be construed as a reference to that party or the relevant group or unity (or fiscal unity) of which that party is a member for VAT purposes at the relevant time or the relevant member (or head) of that group or unity (or fiscal unity) at the relevant time (as the case may be).
- (e) In relation to any supply made by an Interim Finance Party to any party under an Interim Finance Document, if reasonably requested by such Interim Finance Party, that party must promptly provide such Interim Finance Party with details of that party's VAT registration and such other information as is reasonably requested in connection with such Interim Finance Party's VAT reporting requirements in relation to such supply.

8.7 US Tax Forms

- (a) Any Interim Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Interim Finance Document by or in respect of an obligation of any Borrower that is a US Person (each, a “**US Borrower**”) shall deliver to such US Borrower (with a copy to the Interim Facility Agent), at the time or times reasonably requested by any US Borrower or the Interim Facility Agent and at the time or times prescribed by applicable law, such properly completed and executed documentation reasonably requested by such US Borrower or the Interim Facility Agent or prescribed by applicable law, as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Interim Lender, if reasonably requested by any US Borrower or the Interim Facility Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by such US Borrower or the Interim Facility Agent as will enable such US Borrower or the Interim Facility Agent to determine whether or not such Interim Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in paragraphs (b)(i) and (b)(ii) of this Clause 8.7) shall not be required if in the Interim Lender's reasonable judgment such completion, execution or submission would subject such Interim Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Interim Lender.
- (b) Without limiting the generality of the foregoing,
 - (i) any Interim Lender that is a US Person shall deliver to the US Borrower and the Interim Facility Agent on or about the date on which such Interim Lender becomes an Interim Lender under this Agreement (and from time to time thereafter upon the reasonable request of the US Borrower or the Interim Facility Agent), executed copies of IRS Form W-9 certifying that such Interim Lender is exempt from U.S. federal backup withholding tax;
 - (ii) any Interim Lender that is not a US Person (each, a “**Non-US Lender**”) shall, to the extent it is legally entitled to do so, deliver to the US Borrower and the Interim Facility Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Non-US Lender becomes an Interim Lender under this Agreement (and from time to time thereafter upon the reasonable request of the US Borrower or the Interim Facility Agent), whichever of the following is applicable:

- (A) in the case of a Non-US Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Interim Finance Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Interim Finance Document, IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;
 - (B) executed copies of IRS Form W-8ECI;
 - (C) in the case of a Non-US Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the US Code, (x) a certificate substantially in the form of the applicable portion of Schedule 13 (*Forms of US Tax Compliance Certificates*) to the effect that such Non-US Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the US Code, a “10 percent shareholder” of the US Borrower within the meaning of Section 871(h)(3)(B) of the US Code, or a “controlled foreign corporation” related to the US Borrower as described in Section 881(c)(3)(C) of the US Code (a “**US Tax Compliance Certificate**”) and (y) executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E; or
 - (D) to the extent a Non-US Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, a US Tax Compliance Certificate substantially in the form of the applicable portion of Schedule 13 (*Forms of US Tax Compliance Certificates*), IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Non-US Lender is a partnership and one or more direct or indirect partners of such Non-US Lender are claiming the portfolio interest exemption, such Non-US Lender may provide a US Tax Compliance Certificate substantially in the form of the applicable portion of Schedule 13 (*Forms of US Tax Compliance Certificates*) on behalf of each such direct and indirect partner; and
- (iii) any Non-US Lender shall, to the extent it is legally entitled to do so, deliver to the US Borrower and the Interim Facility Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Non-US Lender becomes an Interim Lender under this Agreement (and from time to time thereafter upon the reasonable request of the US Borrower or the Interim Facility Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the US Borrower or the Interim Facility Agent to determine the withholding or deduction required to be made.

- (c) Each Interim Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the US Borrower and the Interim Facility Agent in writing of its legal inability to do so.
- (d) In the event that any Borrower is a US Borrower, on or prior to the date that the Interim Facility Agent (and any successor thereto) becomes a party to this Agreement, and from time to time as reasonably requested by the US Borrower, (x) if the Interim Facility Agent is a US Person, it shall provide the US Borrower executed copies of IRS Form W-9, or (y) if the Interim Facility Agent is not a US Person, it shall provide the US Borrower executed copies of IRS Form W-8IMY certifying that the Interim Facility Agent is acting as a “nonqualified intermediary” and accompanied by any required attachments (including certification documents from each beneficial owner). In addition, with respect to any U.S.-source fees, interest or other payments received on its behalf, the Interim Facility Agent shall provide the US Borrower executed copies of IRS Form W-8BEN-E claiming an exemption under an applicable tax treaty that would allow the US Borrower to make payments to it without deduction or withholding of any U.S. federal withholding Taxes.

8.8 FATCA information

- (a) Subject to paragraph (c) below, each Party shall, within ten (10) Business Days of a reasonable request by another Party:
 - (i) confirm to that other Party whether it is:
 - (A) a FATCA Exempt Party; or
 - (B) not a FATCA Exempt Party;
 - (ii) supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party’s compliance with FATCA; and
 - (iii) supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party’s compliance with any other law, regulation or exchange of information regime.
- (b) If a Party confirms to another Party pursuant to paragraph (a)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not, or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.
- (c) Paragraph (a) above shall not oblige any Interim Finance Party to do anything, and paragraph (a)(iii) above shall not oblige any other Party to do anything, which would or might in its reasonable opinion constitute a breach of:
 - (i) any law or regulation;
 - (ii) any fiduciary duty; or

(iii) any duty of confidentiality.

(d) If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with paragraphs (a)(i) or (a)(ii) above (including, for the avoidance of doubt, where paragraph (c) above applies), then such Party shall be treated for the purposes of the Interim Finance Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

(e) If a Borrower is a US Tax Obligor, or the Interim Facility Agent reasonably believes that its obligations under FATCA or any other applicable law or regulation require it, each Interim Lender shall, within 10 Business Days of:

(i) where the Borrower is a US Tax Obligor and the relevant Interim Lender is an Original Interim Lender, the date of this Agreement;

(ii) where a Borrower is a US Tax Obligor on a Transfer Date or a date on which an increase in the Interim Commitments takes effect pursuant to paragraph 2 (*Increase*) of Part 3 (*Replacement of an Interim Lender / Increase*) of Schedule 5 (*Impairment and Replacement of Interim Finance Parties*) and the relevant Interim Lender is a New Interim Lender or an Increase Lender, the relevant Transfer Date or a date on which an increase in the Interim Commitments takes effect;

(iii) the date a new US Tax Obligor accedes as a Borrower; or

(iv) where no Borrower is a US Tax Obligor, the date of the request from the Interim Facility Agent,

supply to the Interim Facility Agent:

(A) a withholding certificate on Form W-8, Form W-9 or any other relevant form; or

(B) any withholding statement or other document, authorisation or waiver as the Interim Facility Agent may require to certify or establish the status of such Interim Lender under FATCA or that other law or regulation.

The Interim Facility Agent shall provide any withholding certificate, withholding statement, document, authorisation or waiver it receives from an Interim Lender pursuant to this paragraph (e) above to the relevant Obligor.

(f) If any withholding certificate, withholding statement, document, authorisation or waiver provided to the Interim Facility Agent by an Interim Lender pursuant to paragraph 8.9(e) above is or becomes materially inaccurate or incomplete, that Interim Lender shall promptly update it and provide such updated withholding certificate, withholding statement, document, authorisation or waiver to the Interim Facility Agent unless it is unlawful for the Interim Lender to do so (in which case the Interim Lender shall promptly notify the Interim Facility Agent in writing of its legal inability to do so). The Interim Facility Agent shall provide any such updated withholding certificate, withholding statement, document, authorisation or waiver to the relevant Obligor.

8.9 FATCA Deduction

- (a) Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.
- (b) Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), notify the Party to whom it is making the payment and, in addition, shall notify the Parent and the Interim Facility Agent, and the Interim Facility Agent shall notify the other Interim Finance Parties.

9. INCREASED COSTS

9.1 Increased Costs

- (a) If (i) the introduction of, or a change in, or a change in the interpretation, administration or application of, any law, regulation or treaty occurring after the date on which it becomes party to this Agreement, or (ii) compliance with any law, regulation or treaty made after the date on which it becomes party to this Agreement or (iii) the implementation or application of or compliance with Basel III and/or CRD IV or any other law or regulation which implements Basel III and/or CRD IV, results in any Interim Finance Party (a “**Claiming Party**”) or any Affiliate of it incurring any Increased Cost (as defined in paragraph (c) below):
 - (i) the Claiming Party will notify the Parent and the Interim Facility Agent of the circumstances giving rise to that Increased Cost as soon as reasonably practicable after becoming aware of it and will as soon as reasonably practicable provide a certificate confirming the amount of that Increased Cost with (to the extent available) appropriate supporting evidence; and
 - (ii) within five (5) Business Days of demand by the Claiming Party, the Parent will (or shall procure that another Group Company will) pay to the Claiming Party the amount of any Increased Cost incurred by it (or any Affiliate of it).
- (b) No Group Company will be obliged to compensate any Claiming Party under paragraph (a) above in relation to any Increased Cost:
 - (i) to the extent already compensated for by a payment under Clause 8 (*Taxes*) (or would have been so compensated but for an exclusion in Clauses 8.2 (*Exceptions from gross-up*), 8.3 (*Tax indemnity*), 8.5 (*Stamp Taxes*) or 8.6 (*Value added taxes*));
 - (ii) attributable to the breach by the Claiming Party of any law, regulation or treaty or any Interim Finance Document;
 - (iii) attributable to a Tax Deduction required by law to be made by an Obligor;
 - (iv) attributable to any penalty having been imposed by the relevant central bank or monetary or fiscal authority upon the Claiming Party (or any Affiliate of it) by virtue of its having exceeded any country or sector borrowing limits or breached any directives imposed upon it;

- (v) attributable to the implementation or application of or compliance with the “International Convergence of Capital Measurement and Capital Standards, a Revised Framework” published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the date of this Agreement (but excluding any amendment to Basel II arising out of Basel III (as defined in paragraph (c)(ii) below)) (“**Basel II**”) or any other law or regulation which implements Basel II (whether such implementation, application or compliance is by a government, regulator, Interim Finance Party or any of its Affiliates) but excluding any Increased Cost attributable to Basel III or any other law or regulation which implements Basel III (in each case, unless an Interim Finance Party was or reasonably should have been aware of that Increased Cost on the date on which it became an Interim Finance Party under this Agreement);
 - (vi) attributable to any Bank Levy (or any payment attributable to, or liability arising as a consequence of, a Bank Levy);
 - (vii) attributable to a FATCA Deduction required to be made by a Party;
 - (viii) attributable to the implementation or application of, or compliance with, Basel III or CRD IV or any other law or regulation which implements or applies Basel III or CRD IV, in each case, to the extent the relevant Interim Finance Party was aware of (or could reasonably be expected to have been aware of) the relevant Increased Cost at the date of this Agreement or, if later, the date it became an Interim Finance Party; or
 - (ix) not notified to the Parent in accordance with paragraph (a)(i) above.
- (c) In this Agreement:
- (i) “**Increased Cost**” means:
 - (A) an additional or increased cost;
 - (B) a reduction in any amount due, paid or payable to the Claiming Party under any Interim Finance Document; or
 - (C) a reduction in the rate of return from an Interim Facility or on the Claiming Party’s (or its Affiliates’) overall capital, suffered or incurred by a Claiming Party (or any Affiliate of it) as a result of it having entered into or performing its obligations under any Interim Finance Document or making or maintaining its participation in any Interim Loan; and
 - (ii) “**Basel III**” means:
 - (A) the agreements on capital requirements, a leverage ratio and liquidity standards contained in “Basel III: A global regulatory framework for more resilient banks and banking systems”, “Basel III: International framework for liquidity risk measurement, standards and monitoring” and “Guidance for national authorities operating the countercyclical capital buffer” published by the Basel Committee on Banking Supervision in December 2010, each as amended, supplemented or restated;

- (B) the rules for global systemically important banks contained in “Global systemically important banks: assessment methodology and the additional loss absorbency requirement Rules text” published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated; and
- (C) any further guidance or standards published by the Basel Committee on Banking Supervision relating to Basel (III); and
- (iii) “**CRD IV**” means EU CRD IV and UK CRD IV.
- (iv) “**EU CRD IV**” means:
 - (A) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms; and
 - (B) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.
- (v) “**UK CRD IV**” means:
 - (A) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the “**Withdrawal Act**”);
 - (B) the law of the United Kingdom or any part of it, which immediately before IP completion day (as defined in the European Union (Withdrawal Agreement) Act 2020) implemented Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC and its implementing measures; and
 - (C) direct EU legislation (as defined in the Withdrawal Act), which immediately before IP completion day (as defined in the European Union (Withdrawal Agreement) Act 2020) implemented EU CRD IV as it forms part of domestic law of the United Kingdom by virtue of the Withdrawal Act.

9.2 Mitigation

- (a) If circumstances arise which entitle an Interim Finance Party:
 - (i) to receive payment of an additional amount under Clause 8 (*Taxes*);

- (ii) to demand payment of any amount under Clause 9.1 (*Increased Costs*); or
- (iii) to require cancellation or prepayment to it of any amount under Clause 9.3 (*Illegality*),

then that Interim Finance Party will, in consultation with the Parent, take all reasonable steps to mitigate the effect of those circumstances (including by transferring its rights and obligations under the Interim Finance Documents to an Affiliate or changing its Facility Office or transferring its Interim Commitments and participation in each Interim Loan for cash at par plus all accrued but unpaid interest thereon to another bank, financial institution or other person nominated for such purpose by the Parent).

- (b) No Interim Finance Party will be obliged to take any such steps or action if to do so is likely in its opinion (acting in good faith) to be unlawful or to have an adverse effect on its business, operations or financial condition or breach its banking policies or require it to disclose any confidential information.
- (c) The Parent shall (or shall procure that another Group Company will), within five (5) Business Days of demand by the relevant Interim Finance Party, indemnify such Interim Finance Party for any costs or expenses reasonably incurred by it as a result of taking any steps or action under this Clause 9.2.
- (d) This Clause 9.2 does not in any way limit, reduce or qualify the obligations of the Parent under the Interim Finance Documents.

9.3 Illegality

If after the date of this Agreement (or if later, the date the relevant Interim Lender became a Party) it becomes unlawful in any applicable jurisdiction for an Interim Finance Party to participate in the Interim Facilities, maintain its Interim Commitments or participation in any Interim Loan or perform any of its obligations under any Interim Finance Documents, then:

- (a) that Interim Finance Party shall promptly so notify the Interim Facility Agent and the Parent upon becoming aware of that event; and
- (b) the Parent shall (or shall procure that a Group Company will) prepay that Interim Finance Party's participation in all outstandings under the Interim Facilities (together with any related accrued interest) and pay (or procure payment of) all other amounts due to that Interim Finance Party under the Interim Finance Documents and that Interim Finance Party's Interim Commitment will be cancelled, in each case, to the extent necessary to cure the relevant illegality and, on the date specified by that Interim Finance Party in such notice (being the last Business Day immediately prior to the illegality taking effect or the latest date otherwise allowed by the relevant law (taking into account any applicable grace period)) unless an earlier date is otherwise agreed or required by the Parent, **provided that** on or prior to such date the Parent shall have the right to require that Interim Lender to transfer its Interim Commitments and participation in each Interim Loan to another bank, financial institution or other person nominated for such purpose by the Parent which has agreed to purchase such rights and obligations at par plus accrued interest.

10. PAYMENTS

10.1 Place

- (a) Unless otherwise specified in an Interim Finance Document, on each date on which payment is to be made by any Party (other than the Interim Facility Agent) under an Interim Finance Document, such Party shall pay, in the required currency, the amount required to the Interim Facility Agent, for value on the due date at such time and in such funds as the Interim Facility Agent may specify to the Party concerned as being customary at that time for settlement of transactions in the relevant currency in the place of payment. All such payments shall be made to the account specified by the Interim Facility Agent for that purpose in the principal financial centre of the country of the relevant currency (or in relation to euro, US Dollars and Sterling, London).
- (b) Unless otherwise specified in an Interim Finance Document (including any Drawdown Request), each payment received by the Interim Facility Agent under the Interim Finance Documents for another Party shall, subject to paragraphs (c) and (d) below and to Clause 10.3 (*Assumed receipt*), be made available by the Interim Facility Agent as soon as practicable after receipt to the Party entitled to receive payment in accordance with this Agreement (in the case of an Interim Lender, for the account of its Facility Office), to such account as that Party may notify to the Interim Facility Agent by not less than five (5) Business Days' notice with a bank in the principal financial centre of the country of that currency (or in relation to euro, US Dollars and Sterling, London).
- (c) The Interim Facility Agent may with the consent of the Parent (or in accordance with Clause 16 (*Set-Off*)) apply any amount received by it for an Obligor in or towards payment (as soon as practicable after receipt) of any amount then due and payable by an Obligor under the Interim Finance Documents or in or towards purchase of any amount of any currency to be so applied.
- (d) Each Agent may deduct from any amount received by it for another Party any amount due to such Agent from that other Party but unpaid and apply the amount deducted in payment of the unpaid debt owed to it.

10.2 Currency of payment

- (a) Subject to paragraphs (b) to (e) (inclusive) below, Sterling is the currency of account and payment of any sum due from any Obligor under any Interim Finance Documents shall be made in Sterling.
- (b) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes were incurred.
- (c) Each repayment of an Interim Loan or overdue amount or payment of interest thereon shall be made in the currency of the Interim Loan or overdue amount.
- (d) Each payment under Clauses 8.1 (*Gross-up*), 8.3 (*Tax indemnity*) or 9.1 (*Increased Costs*) shall be made in the currency specified by the Interim Finance Party making the claim (being the currency in which the Tax or losses were incurred).
- (e) Any amount expressed in the Interim Finance Documents to be payable in a particular currency shall be paid in that currency.

10.3 Assumed receipt

- (a) Where an amount is or is required to be paid to the Interim Facility Agent under any Interim Finance Document for the account of another person (the “Payee”), the Interim Facility Agent is not obliged to pay that amount to the Payee until the Interim Facility Agent is satisfied that it has actually received that amount.
- (b) If the Interim Facility Agent nonetheless pays that amount to the Payee (which it may do at its discretion) and the Interim Facility Agent had not in fact received that amount, then the Payee will on demand refund that amount to the Interim Facility Agent (together with interest on that amount at the rate determined by the Interim Facility Agent to be equal to the cost to the Interim Facility Agent of funding that amount for the period from payment by the Interim Facility Agent until refund to the Interim Facility Agent of that amount), **provided that** the Obligors will have no obligation to refund any such amount received from the Interim Facility Agent and paid by it (or on its behalf) to any third party for a purpose set out in Clause 3.3 (*Purpose*).

10.4 No set-off or counterclaim

All payments made or to be made by an Obligor under the Interim Finance Documents must be paid in full without (and free and clear of any deduction for) set-off or counterclaim.

10.5 Business Days

- (a) If any payment would otherwise be due under any Interim Finance Document on a day which is not a Business Day, that payment shall be due on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).
- (b) During any such extension of the due date for payment of any principal or overdue amount, or any extension of an Interest Period, interest shall accrue and be payable at the rate payable on the original due date.

10.6 Change in currency

- (a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country:
 - (i) any reference in any Interim Finance Document to, and any obligations arising under any Interim Finance Document in, the currency of that country shall be translated into, and paid in, the currency or currency unit designated by the Interim Facility Agent (after consultation with the Parent); and
 - (ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank of that country for the conversion of that currency or currency unit into the other, rounded up or down by the Interim Facility Agent (acting reasonably).
- (b) If a change in any currency of a country occurs, the Interim Finance Documents will, to the extent the Interim Facility Agent specifies is necessary (acting reasonably and after consultation with the Parent), be amended to comply with any generally accepted conventions and market practice in any Relevant Interbank Market and otherwise to reflect the change in currency. The Interim Facility Agent will notify the other Parties to the relevant Interim Finance Documents of any such amendment, which shall be binding on all the Parties.

10.7 Application of proceeds

- (a) If the Interim Facility Agent receives a payment that is insufficient to discharge all amounts then due and payable by an Obligor under any Interim Finance Document, the Interim Facility Agent shall apply that payment towards the obligations of the Obligors under the Interim Finance Documents in the following order:
 - (i) first, in payment pro rata of any fees, costs and expenses of the Agents and the Arrangers due but unpaid under the Interim Finance Documents;
 - (ii) second, in payment pro rata of any fees, costs and expenses of the Interim Lenders, due but unpaid under the Interim Finance Documents;
 - (iii) third, in payment pro rata of any accrued interest in respect of each Interim Facility, due but unpaid under the Interim Finance Documents;
 - (iv) fourth in payment pro rata of any principal due but unpaid under each Interim Facility; and
 - (v) fifth in payment pro rata of any other amounts due but unpaid under the Interim Finance Documents; and
 - (vi) the balance, if any, in payment to the Borrower.
- (b) The Interim Facility Agent shall, if directed by all the Interim Lenders, vary the order set out in sub-paragraphs (a)(ii) to (a)(v).
- (c) Any such application by the Interim Facility Agent will override any appropriation made by any Obligor.
- (d) Any amount recovered under the Interim Security Documents will be paid to the Interim Facility Agent to be applied as set out in paragraph (a) above.

11. FEES AND EXPENSES

11.1 Costs and expenses

The Parent shall (or shall procure that another Group Company will) pay to the Interim Facility Agent, within ten (10) Business Days of demand, for the account of the Interim Finance Parties the amount of all reasonable and documented costs and expenses (including legal fees limited to one primary counsel to the Arrangers, the Agents and the Interim Lenders taken as a whole and one local and gaming counsel in each relevant material jurisdiction (which may include a single counsel acting in multiple jurisdictions)) properly incurred by them or any of their Affiliates in connection with:

- (a) the negotiation, preparation, printing, execution and perfection of any Interim Finance Document and other documents contemplated by the Interim Finance Documents executed after the date of this Agreement; and

(b) any amendment, waiver or consent made or granted in connection with the Interim Finance Documents,

provided that if the Interim Facility is not drawn no such costs and expenses will be payable (other than legal costs).

11.2 Enforcement costs

The Parent shall (or shall procure that another Group Company will) pay to each Interim Finance Party, within five (5) Business Days of demand, the amount of all reasonable and documented costs and expenses (including legal fees limited to one primary counsel to the Arrangers, the Agents and the Interim Lenders taken as a whole and one local and gaming counsel in each relevant material jurisdiction (which may include a single counsel acting in multiple jurisdictions)) properly incurred by it in connection with the enforcement of, or the preservation of any rights under, any Interim Finance Document and any proceedings instituted by or against the Interim Security Agent as a consequence of taking or holding the Interim Security or enforcing these rights.

11.3 Amendment costs

The Parent shall (or shall procure that another Group Company will) pay to the Interim Facility Agent, within ten (10) Business Days of demand, all reasonable and documented costs and expenses (including legal fees limited to one primary counsel to the Arrangers, the Agents and the Interim Lenders taken as a whole and one local and gaming counsel in each relevant material jurisdiction (which may include a single counsel acting in multiple jurisdictions)) properly incurred by the Interim Facility Agent or Interim Security Agent in connection with responding to, evaluating, negotiating or complying with any amendment, waiver or consent requested or required by the Parent, subject always to any limits as agreed between the Parent and the relevant Interim Finance Party from time to time.

11.4 Other fees

The Parent shall (or shall procure that another Group Company or Topco Group Company will) pay the Interim Finance Parties' fees in accordance with the Fee Letter.

11.5 Limitations

Notwithstanding anything to the contrary in any Interim Finance Document (including Clauses 11.1 (*Costs and expenses*) to 11.4 (*Other fees*) above):

- (a) no fees, costs, expenses or other amount shall be payable by any Group Company to any Interim Finance Party under any Interim Finance Document if the Interim Closing Date does not occur (save legal fees subject to any limit agreed prior to the date of this Agreement);
- (b) any demand for reimbursement of costs and expenses incurred by an Interim Finance Party must be accompanied by reasonable details of the amount demanded (including, at the request of the Parent in respect of any professional advisor fees, hours worked, rates charged and individuals involved); and
- (c) if an Interim Lender assigns or transfers any of its rights, benefits or obligations under the Interim Finance Documents, no Group Company shall be required to pay any fees, costs, expenses or other amounts relating to or arising in connection with that assignment or transfer (including any stamp duty, transfer or registration Taxes and any amounts relating to the perfection or amendment of the Interim Security Documents).

12. INDEMNITIES

12.1 General indemnity

The Parent will (or shall procure that another Group Company will) indemnify each Interim Finance Party within ten (10) Business Days of demand (which demand must be accompanied by reasonable details and calculations of the amount demanded) against any loss or liability (not including loss of future Margin and/or profit) which that Interim Finance Party incurs as a result of:

- (a) the occurrence of any Major Event of Default;
- (b) the operation of Clause 15 (*Pro Rata Payments*);
- (c) any failure by any Obligor to pay any amount due under an Interim Finance Document on its due date;
- (d) funding, or making arrangements to fund, its participation in an Interim Loan requested by a Borrower (or the Parent) in a Drawdown Request but not made by reason of the operation of any one or more of the provisions of this Agreement, including as a result of a Drawdown Request not being duly completed in accordance with Clause 5.2 (*Completion of Drawdown Requests*) (other than as a result of the fraud, default or negligence of that Interim Finance Party);
- (e) any Interim Loan or overdue amount under an Interim Finance Document being repaid or prepaid otherwise than in accordance with a notice of prepayment given by the Borrower (or the Parent on its behalf) or otherwise than on the last day of the then current Interest Period relating to that Interim Loan or overdue amount, other than as a result of that Interim Lender failing to advance its participation pursuant to any Long-term Financing Agreement for the purposes of refinancing the Interim Facility;

including any loss on account of funds borrowed, contracted for or utilised to fund any Interim Loan or amount payable under any Interim Finance Document.

12.2 Currency indemnity

- (a) If:
 - (i) any amount payable by an Obligor under or in connection with any Interim Finance Document is received by any Interim Finance Party (or by an Agent on behalf of any Interim Finance Party) in a currency (the “**Payment Currency**”) other than that agreed in the relevant Interim Finance Document (the “**Agreed Currency**”), and the amount produced by such Interim Finance Party converting the Payment Currency so received into the Agreed Currency is less than the required amount of the Agreed Currency; or
 - (ii) any amount payable by an Obligor under or in connection with any Interim Finance Document has to be converted from the Agreed Currency into another currency for the purpose of making, filing, obtaining or enforcing any claim, proof, order or judgment,

the Parent shall (or shall procure that another Group Company will), as an independent obligation, within ten (10) Business Days of demand indemnify the relevant Interim Finance Party for any loss or liability incurred by it as a result of the conversion, **provided that**, if the amount produced or payable as a result of the conversion is greater than the relevant amount due, that Interim Finance Party will promptly refund such excess amount to the Parent.

- (b) Any conversion required will be made at the prevailing rate of exchange on the date and in the market determined by the relevant Interim Finance Party, acting reasonably, as being most appropriate for the conversion. The Parent will also (or shall procure that another Group Company will), within ten (10) Business Days of demand, pay the reasonable costs of the conversion.
- (c) The Parent waives any right it may have in any jurisdiction to pay any amount under any Interim Finance Document in a currency other than that in which it is expressed to be payable in that Interim Finance Document.

12.3 Indemnity to the Interim Facility Agent

The Parent shall (or shall procure that another Group Company will) within ten (10) Business Days of demand (which demand must be accompanied by reasonable details and calculations of the amount demanded), indemnify the Interim Facility Agent against any cost, loss or liability incurred by the Interim Facility Agent (acting reasonably) as a result of:

- (a) investigating any event which it reasonably believes is a Major Event of Default (provided that, if after doing so it is established or determined that no Major Event of Default was continuing at the time such cost, loss or liability was incurred, such cost, loss or liability shall be for the account of the Interim Lenders); and
- (b) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised,

except where the cost, loss or liability incurred by the Interim Facility Agent is a result of fraud, wilful misconduct, gross negligence or default of the Interim Facility Agent.

12.4 Indemnity to the Interim Security Agent

- (a) The Parent shall (or shall procure that another Group Company will) within ten (10) Business Days of demand (which demand must be accompanied by reasonable details and calculations of the amount demanded), indemnify the Interim Security Agent and every Receiver and Delegate against any cost, loss or liability incurred by the Interim Security Agent, Receiver or Delegate (acting reasonably) incurred as a result of:
 - (i) the taking, holding, protection or enforcement of the Interim Security;
 - (ii) the exercise of any of the rights, powers, discretions and remedies vested in the Interim Security Agent and each Receiver and Delegate by the Interim Finance Documents or by law; and
 - (iii) any default by an Obligor in the performance of any of the obligations expressed to be assumed by it in the Interim Finance Documents,

except where, as the case may be, the cost, loss or liability incurred by the Interim Security Agent, Receiver and/or Delegate is a result of fraud, wilful misconduct, gross negligence or default of the Interim Security Agent, Receiver and/or Delegate.

- (b) The Interim Security Agent and, to the extent relevant, each other Interim Finance Party may, in priority to any payment to the Interim Finance Parties, indemnify itself out of the Charged Property over which it holds Interim Security in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this Clause 12.4 and shall have a lien on the Interim Security held by it and the proceeds of the enforcement of the Interim Security held by it for all moneys payable to it.

12.5 Acquisition Indemnity

- (a) The Parent shall (or shall procure that another Group Company will) within ten (10) Business Days of demand indemnify and hold harmless the Interim Finance Parties and any of their respective Affiliates and any of their directors, officers, agents, advisers and employees (as applicable) (each an “**Indemnified Person**”) against any cost, expense, loss, liability (including, except as specified below, legal fees and limited, in the case of legal fees and expenses, to one counsel to such Indemnified Persons taken as a whole and in the case of a conflict of interest, one additional counsel to the affected Indemnified Persons similarly situated, taken as a whole and, if reasonably necessary one local and gaming counsel in any relevant jurisdiction) incurred by or awarded against such Indemnified Person in each case arising out of or in connection with any action, claim, investigation or proceeding (including any action, claim, investigation or proceeding to preserve or enforce rights) (collectively, each a “**Proceeding**”), commenced or threatened, relating to this Agreement, the Interim Facility or the Acquisition or the use or proposed use of proceeds of the Interim Facility (except to the extent such cost, expense, loss or liability resulted from (x) the wilful misconduct, bad faith or gross negligence of such Indemnified Person or any of its affiliates or related parties (as determined in a final non-appealable judgment in a court of competent jurisdiction), (y) any material breach of the obligations of such Indemnified Person or any of its affiliates or related parties under this Agreement (as determined in a final non-appealable judgment in a court of competent jurisdiction) or (z) any dispute among Indemnified Persons (or their respective affiliates or related parties) that does not involve an act or omission by the Parent or any of its subsidiaries).
- (b) If any event occurs in relation to which indemnification will be sought from the Parent under paragraph (a) above, the relevant Indemnified Person shall use reasonable endeavours to notify the Parent in writing (where legally permissible and practicable to do so) after the relevant Indemnified Person becomes aware of such event, consult with the Parent fully and promptly (where legally permissible and practicable to do so) with respect to the conduct of the relevant claim, action or proceeding, conduct such claim, action or proceeding properly and diligently and shall consult with the Parent prior to settling any claim, action or proceeding, provided that failure to notify and/or consult with the Parent shall not relieve the Parent from any liability under this Clause 12.5 except to the extent that the Parent would have been prejudiced through loss, forfeiture or impairment of the applicable Indemnified Person’s rights or defences by such failure.
- (c) The Indemnified Person shall also be entitled to appoint one primary counsel for all Indemnified Persons (taken as a whole) in each applicable jurisdiction (and, solely in the case of a conflict of interest, one additional counsel as necessary to the affected Indemnified Persons taken as a whole) in respect of any such claim, action or proceeding.

- (d) Neither (x) any Indemnified Person, nor (y) any member of the Combined Group or any member of the Target Group (or any of their respective Affiliates), shall be liable for any indirect, special, punitive or consequential losses or damages in connection with its activities related to the Interim Facility or the Interim Finance Documents; provided that nothing contained in this paragraph (d) shall limit the Parent's and its subsidiaries' indemnification and reimbursement obligations to the extent such indirect, special, punitive or consequential losses or damages are included in any third party claim with respect to which such Indemnified Person is entitled to indemnification hereunder.
- (e) In the case of any proceeding to which the indemnities in this Clause 12 apply, such indemnities shall be effective whether or not such proceeding is brought by any member of the Combined Group or the Target Group, their respective equity holders or creditors or an Indemnified Person, whether or not an Indemnified Person is otherwise a party thereto and whether or not any aspect of the Transactions is consummated.

13. SECURITY

13.1 Responsibility

The Interim Security Agent is not liable or responsible to any other Interim Finance Party for:

- (a) any failure in perfecting or protecting the Security Interest created by any Interim Security Document; or
- (b) any other action taken or not taken by it in connection with an Interim Security Document.

13.2 Possession of documents

The Interim Security Agent is not obliged to hold in its own possession any Interim Security Document, title deed or other document in connection with any asset over which a Security Interest is intended to be created by an Interim Security Document. Without prejudice to the above, the Interim Security Agent may allow any bank providing safe custody services or any professional adviser to the Interim Security Agent to retain any of those documents in its possession.

13.3 Investments

Except as otherwise provided in any Interim Security Document, all moneys received by the Interim Security Agent under the Interim Finance Documents may be:

- (a) invested in the name of, or under the control of, the Interim Security Agent in any investment for the time being authorised by applicable law for the investment by trustees of trust money or in any other investments which may be selected by the Interim Security Agent with the consent of the Majority Interim Lenders; or
- (b) placed on deposit in the name of, or under the control of, the Interim Security Agent at such bank or institution (including any other Interim Finance Party) and upon such terms as the Interim Security Agent may think fit.

13.4 Conflict with Interim Security Documents

If there is any conflict between the provisions of this Agreement and any Interim Security Document with regard to instructions to or other matters affecting the Interim Security Agent, this Agreement will prevail.

13.5 Enforcement of Interim Security Documents

- (a) The Security Interests granted pursuant to the Interim Security Documents may only be enforced if an Acceleration Notice has been given to the Parent and remains outstanding.
- (b) If the Interim Security is being enforced pursuant to paragraph (a) above, the Interim Security Agent shall enforce the Interim Security in such manner as the Majority Interim Lenders shall instruct, or, in the absence of any such instructions, as the Interim Security Agent sees fit.
- (c) Subject to Clause 14 (*Agents and Arrangers*), each Interim Finance Party (other than the Interim Security Agent) agrees not to enforce independently or exercise any rights or powers arising under an Interim Security Document except through the Interim Security Agent and in accordance with the Interim Finance Documents.

13.6 Release of security

- (a) If:
 - (i) a disposal to a person or persons outside the Group of any asset over which a Security Interest has been created by any Interim Security Document is:
 - (A) being effected at the request of the Majority Interim Lenders in circumstances where any of the security created by the Interim Security Documents has become enforceable; or
 - (B) being effected by enforcement of the Interim Security Documents;
 - (ii) the Interim Liabilities (other than contingent obligations not then due) are repaid in full; or
 - (iii) there is a disposal of any asset over which security has been created by any Interim Security Document and which is permitted or not prohibited by the Interim Finance Documents,

the Interim Security Agent is irrevocably authorised to execute on behalf of each Interim Finance Party, the Parent and each person which has granted the relevant security (and at the cost of the Parent) the releases and disposals referred to in paragraph (b) below.

- (b) The releases referred to in paragraph (a) above are:
 - (i) any release of the security created by the Interim Security Documents over that asset; and
 - (ii) if that asset comprises all of the shares in the capital of any member of the Group (or any direct or indirect holding company of any member of the Group) held by any other member of the Group, a release of that member of the Group (or any direct or indirect holding company of any member of the Group) and its Subsidiaries from all present and future liabilities (both actual and contingent and including any liability to any other member of the Group under the Interim Finance Documents by way of contribution or indemnity) under the Interim Finance Documents and a release of all Security granted by that member of the Group (or any direct or indirect holding company of any member of the Group) and its Subsidiaries under the Security Documents.

- (c) In the case of paragraphs (a)(i)(A) and (a)(i)(B) above, the net cash proceeds of the disposal must be applied in accordance with Clause 13.7 (*Application of Proceeds - Enforcement of Interim Security*).
- (d) If the Interim Security Agent is satisfied that a release is permitted under this Clause 13.6, each Interim Finance Party must execute (at the cost of the Parent) any document which is reasonably required to achieve that release. Each other Interim Finance Party irrevocably authorises the Interim Security Agent to execute any such document. Any release will not affect the obligations of any other member of the Group under the Interim Finance Documents.

13.7 Application of Proceeds - Enforcement of Interim Security

All amounts from time to time received or recovered by the Interim Security Agent in connection with the realisation or enforcement of any Interim Security pursuant to paragraphs (a)(i)(A) or (a)(i)(B) of Clause 13.6 (*Release of Security*) shall be first applied by the Interim Security Agent in paying the costs and expenses of such enforcement and thereafter be applied in the order of priority set out in Clause 10.7 (*Application of proceeds*).

13.8 Investment of Proceeds

Prior to the application of the proceeds of the Interim Security in accordance with Clause 13.7 (*Application of Proceeds - Enforcement of Interim Security*) the Interim Security Agent may, at its reasonable discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Interim Security Agent or Interim Facility Agent with any financial institution (including itself) and for so long as the Interim Security Agent thinks fit (the interest being credited to the relevant account) pending the application from time to time of those monies at the Interim Security Agent's discretion in accordance with the provisions of this Clause 13.

13.9 Currency Conversion

- (a) For the purpose of or pending the discharge of any of the obligations secured pursuant to the Interim Security, the Interim Security Agent may convert any moneys received or recovered by the Interim Security Agent from one currency to another, at the spot rate at which the Interim Security Agent is able to purchase the currency in which the obligations secured pursuant to the Interim Security are due with the amount received.
- (b) The obligations of the Parent to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

13.10 Permitted Deductions

The Interim Security Agent shall be entitled (a) to set aside by way of reserve amounts required to meet and (b) to make and pay, any deductions and withholdings (on account of Tax or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Agreement, and to pay all Tax which may be assessed against it in respect of any of the Charged Property, or as a consequence of performing its duties, or by virtue of its capacity as Interim Security Agent under any of the Interim Finance Documents or otherwise (except in connection with its remuneration for performing its duties under this Agreement).

13.11 Discharge of Secured Obligations

- (a) Any payment to be made in respect of the obligations secured pursuant to the Interim Security by the Interim Security Agent may be made to the Interim Facility Agent on behalf of the Interim Lenders and that payment shall be a good discharge to the extent of that payment, to the Interim Security Agent.
- (b) The Interim Security Agent is under no obligation to make payment to the Interim Facility Agent in the same currency as that in which any sum due and payable but unpaid by an Obligor under the Interim Finance Documents is denominated.

13.12 Perpetuity period

If applicable to any trust created in this Agreement, the perpetuity period for that trust is 125 years.

13.13 Guarantee

Each Guarantor guarantees the Interim Facilities on the terms set out in Schedule 9 (*Guarantee*).

14. AGENTS AND ARRANGERS

14.1 Appointment of Agents

- (a) Each Interim Finance Party (other than the relevant Agent) irrevocably authorises and appoints each Agent:
 - (i) to act as its agent under and in connection with the Interim Finance Documents (and in the case of the Interim Security Agent to act as its trustee for the purposes of the Interim Security Documents) subject to 14.10 (*Role of the Interim Security Agent*) with respect to the Interim Security Documents;
 - (ii) to execute and deliver such of the Interim Finance Documents and any other document related to the Interim Finance Documents as are expressed to be executed by such Agent;
 - (iii) to execute for and on its behalf any and all Interim Security Documents and any other agreements related to the Interim Security Documents, including the release of the Interim Security Documents; and
 - (iv) to perform the duties and to exercise the rights, powers and discretions which are specifically delegated to such Agent by the terms of the Interim Finance Documents, together with all other incidental rights, powers and discretions.
- (b) Each Interim Finance Party:
 - (i) (other than the Interim Facility Agent, the Interim Security Agent and the Arrangers) irrevocably authorises and appoints, severally, each of the Agents and the Arrangers to accept on its behalf the terms of any reliance, non-reliance, hold harmless or engagement letter relating to any report, certificate or letter provided by accountants, auditors or other professional advisers in connection with any of the Interim Finance Documents or any related transactions and to bind such Interim Finance Party in respect of the addressing or reliance or non-reliance or limitation of liability of any person under any such report, certificate or letter; and

- (ii) accepts the terms and any limitation of liability or qualification in the reports or any reliance, non-reliance, hold harmless or engagement letter entered into by any of the Agents and/or the Arrangers (in each case, whether before or after such Interim Finance Party became party to this Agreement) in connection with the Interim Finance Documents.
- (c) The relationship between each Agent and the other Interim Finance Parties is that of principal and agent only. Except as specifically provided in the Interim Finance Documents, no Agent shall:
 - (i) have, or be deemed to have, any obligations to, or trust or fiduciary relationship with, any other Party or other person, other than those for which specific provision is made by the Interim Finance Documents; or
 - (ii) be bound to account to any other Interim Finance Party for any sum or the profit element of any sum received by it for its own account.
- (d) Neither Agent is authorised to act on behalf of an Interim Finance Party in any legal or arbitration proceedings relating to any Interim Finance Document without first obtaining that Interim Finance Party's consent except in any proceedings for the protection, preservation or enforcement of any Interim Security Documents otherwise permitted by this Agreement.

14.2 Agents' duties

- (a) Each Agent will only have those duties which are expressly specified in the Interim Finance Documents. The duties of the Agents are solely of a mechanical and administrative nature.
- (b) Each Agent shall promptly send to each other Interim Finance Party a copy of each notice or document delivered to that Agent by the Parent for that Interim Finance Party under any Interim Finance Document.
- (c) Each Agent shall, subject to any terms of this Agreement which require the consent of all the Interim Lenders or of any particular Interim Finance Party:
 - (i) act or refrain from acting in accordance with any instructions from the Majority Interim Lenders and any such instructions shall be binding on all the Interim Finance Parties; and
 - (ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with the instructions of the Majority Interim Lenders.
- (d) In the absence of any such instructions from the Majority Interim Lenders (or if required all Interim Lenders), each Agent may act or refrain from acting as it considers to be in the best interests of the Interim Lenders and any such action (or omission) shall be binding on all Interim Finance Parties.

- (e) The Interim Facility Agent, acting solely for this purpose as a non-fiduciary agent of the Parent, shall maintain a register for the recordation of the names and addresses of the Interim Lenders, and the commitments of, and principal amounts (and stated interest) of the Interim Loans owing to, each Interim Lender pursuant to the terms hereof from time to time (the “**Register**”). The entries in the Register shall be conclusive absent manifest error, and the Parent, the Interim Facility Agent and the Interim Lenders shall treat each person whose name is recorded in the Register pursuant to the terms hereof as an Interim Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Parent and any Interim Lender, at any reasonable time and from time to time upon reasonable prior notice.

14.3 Agents’ rights

Each Agent may:

- (a) act under the Interim Finance Documents by or through its personnel, delegates or agents (and any indemnity given to, or received by, an Agent under this Agreement extends also to its personnel, delegates or agents who may rely on this provision);
- (b) except as expressly provided to the contrary in any Interim Finance Document, refrain from exercising any right, power or discretion vested in it under the Interim Finance Documents until it has received instructions from the Majority Interim Lenders or, where relevant, all the Interim Lenders;
- (c) unless it has received notice to the contrary in accordance with this Agreement, treat the Interim Lender which makes available any portion of an Interim Loan as the person entitled to repayment of that portion (and any interest, fees or other amounts in relation thereto);
- (d) notwithstanding any other term of an Interim Finance Document, refrain from doing anything (including disclosing any information to any Interim Finance Party or other person) which would or might in its opinion breach any law, regulation, court judgment or order or any confidentiality obligation, or otherwise render it liable to any person, and it may do anything which is in its opinion necessary to comply with any such law, regulation, judgment, order or obligation;
- (e) assume that no Major Event of Default has occurred, unless it has received notice from another Party stating that a Major Event of Default has occurred and giving details of such Major Event of Default;
- (f) refrain from acting in accordance with the instructions of the Majority Interim Lenders or all the Interim Lenders until it has been indemnified and/or secured to its satisfaction against all costs, losses or liabilities (including legal fees and any associated VAT) which it may sustain or incur as a result of so acting;
- (g) rely on any notice or document believed by it to be genuine and correct and assume that any notice or document has been correctly and appropriately authorised and given;
- (h) rely on any statement made by any person regarding any matter which might reasonably be expected to be within such person’s knowledge or power to verify;
- (i) engage, obtain, rely on and pay for any legal, accounting or other expert advice or services which may seem necessary to it;

- (j) at any time, and it shall if instructed by the Majority Interim Lenders, convene a meeting of the Interim Lenders;
- (k) accept without enquiry (and has no obligation to check) any title which an Obligor may have to any asset intended to be the subject of any Security Interest to be created by the Interim Security Documents; and
- (l) deposit any title deeds, transfer documents, share certificates, Interim Security Document or any other documents in connection with any of the assets charged by the Interim Security Documents with any bank or financial institution or any company whose business includes undertaking the safe custody of deeds or documents or with any lawyer or firm of lawyers or other professional advisers (each, a “**custodian**”) and it shall not be responsible or liable for or be required to insure against any loss incurred in connection with any such deposit or the misconduct or default of any such custodian and it may pay all amounts required to be paid on account or in relation to any such deposit.

14.4 Exoneration of the Arrangers and the Agents

Neither the Arrangers nor the Agents are:

- (a) responsible for, or responsible for checking, the adequacy, accuracy or completeness of:
 - (i) any representation, warranty, statement or information (written or oral) made in or given in connection with any report, any Interim Finance Document or any notice or document delivered in connection with any Interim Finance Document or the transactions contemplated thereby; or
 - (ii) any notice, accounts or other document delivered under any Interim Finance Document (irrespective of whether the relevant Agent forwards that notice, those accounts or other documents to another Party);
- (b) responsible for the validity, legality, adequacy, accuracy, completeness, enforceability, admissibility in evidence or performance of any Interim Finance Document or any agreement or document entered into or delivered in connection therewith;
- (c) under any obligation or duty either initially or on a continuing basis to provide any Interim Finance Party with any credit, financial or other information relating to the Parent or any other Group Company or any member of the Target Group or any risks arising in connection with any Interim Finance Document, except as expressly specified in this Agreement;
- (d) obliged to monitor or enquire as to the occurrence or continuation of a Major Event of Default;
- (e) deemed to have knowledge of the occurrence of a Major Event of Default unless it has received notice from another Party stating that a Major Event of Default has occurred and giving details of such Major Event of Default;
- (f) responsible for any failure of any Party duly and punctually to observe and perform their respective obligations under any Interim Finance Document;

- (g) responsible for the consequences of relying on the advice of any professional advisers selected by it in connection with any Interim Finance Document;
- (h) responsible for any shortfall which arises on the enforcement or realisation of the Interim Security;
- (i) liable for acting (or refraining from acting) in what it believes to be in the best interests of the Interim Finance Parties in circumstances where it has not been given instructions by the Interim Lenders or the Majority Interim Lenders (as the case may be);
- (j) liable to any Interim Finance Party for anything done or not done by it under or in connection with any Interim Finance Document and any other agreement, arrangement or documents entered into, made or executed in anticipation of, under or in connection with any Interim Finance Document, save to the extent directly caused by its own fraud, negligence or wilful misconduct; or
- (k) under any obligation to enquire into or check the title of any Obligor to, or to insure, any assets or property or any interest therein which is or is purported to be subject to any Security Interest constituted, created or evidenced by any Interim Security Document.

14.5 The Arrangers and the Agents individually

- (a) If it is an Interim Lender, each of the Arrangers and Agents has the same rights and powers under the Interim Finance Documents as any other Interim Lender and may exercise those rights and powers as if it were not also acting as an Arranger or an Agent.
- (b) Each of the Agents and the Arrangers may:
 - (i) retain for its own benefit and without liability to account to any other person any fee, profit or other amount received by it for its own account under or in connection with the Interim Finance Documents or any of the activities referred to in paragraph (ii) below; and
 - (ii) accept deposits from, lend money to, provide any advisory, trust or other services to or engage in any kind of banking or other business with the Parent or any other Group Company (or Affiliate of the Parent or any other Group Company) or other Party (and, in each case, may do so without liability to account to any other person).
- (c) Except as otherwise expressly provided in this Agreement, no Arranger in its capacity as such has any obligation or duty of any kind to any other Party under or in connection with any Interim Finance Document.

14.6 Communications and information

- (a) All communications to the Parent (or any Affiliate of the Parent) under or in connection with the Interim Finance Documents are, unless otherwise specified in the relevant Interim Finance Document, to be made by or through the Interim Facility Agent. Each Interim Finance Party will notify the Interim Facility Agent of, and provide the Interim Facility Agent with a copy of, any communication between that Interim Finance Party and the Parent (or Affiliate of the Parent) on any matter concerning the Interim Facility or the Interim Finance Documents.

- (b) No Agent will be obliged to transmit to or notify any other Interim Finance Party of any information relating to any Party which that Agent has or may acquire otherwise than in connection with the Interim Facility or the Interim Finance Documents.
- (c) In acting as agent for the Interim Lenders, each Agent's agency division will be treated as a separate entity from any of its other divisions or department (the "**Other Divisions**"). Any information relating to any Group Company acquired by any of the Other Divisions of an Agent or which in the opinion of that Agent is acquired by it otherwise than in its capacity as Agent under the Interim Finance Documents may be treated by it as confidential and will not be treated as information available to the other Interim Finance Parties.

14.7 Non-reliance

- (a) Each other Interim Finance Party confirms that it has made (and will continue to make) its own independent investigation and appraisal of the assets, business, financial condition and creditworthiness of the Group and the Target Group and of any risks arising under or in connection with any Interim Finance Document, and has not relied, and will not at any time rely, on any Agent or Arranger:
 - (i) to assess the adequacy, accuracy or completeness of any information (whether oral or written) provided by or on behalf of the Parent or any Group Company or any member of the Target Group under or in connection with any Interim Finance Document (whether or not that information has been or is at any time circulated to it by an Arranger or an Agent), or any document delivered pursuant thereto, including any contained in the Reports or the transactions contemplated thereby;
 - (ii) to assess whether that Interim Finance Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Interim Finance Document;
 - (iii) to assess the assets, business, financial condition or creditworthiness of the Parent, any Group Company, the Target Group or any other person; or
 - (iv) to assess the validity, legality, adequacy, accuracy, completeness, enforceability or admissibility in evidence of any Transaction Document or any document delivered pursuant thereto.
- (b) This Clause 14.7 is without prejudice to the responsibility of the Parent for the information supplied by it or on its behalf under or in connection with the Interim Finance Documents and the Parent remains responsible for all such information.
- (c) No Party (other than the relevant Agent) may take any proceedings against any officer, delegate, employee or agent of an Agent in respect of any claim it may have against that Agent or in respect of any act or omission by that officer, delegate, employee or agent in connection with any Interim Finance Document.
- (d) No Agent will be liable for any delay (or any related consequences) in crediting an account with an amount required under the Interim Finance Documents to be paid by that Agent if that Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by that Agent for that purpose.

14.8 Know your customer

Nothing in this Agreement shall oblige the Agents or the Arrangers to carry out know your customer or other checks in relation to any person on behalf of any Interim Lender and each Interim Lender confirms to the Agents and the Arrangers that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Agents or the Arrangers.

14.9 Agents' indemnity

- (a) Each Interim Lender shall on demand indemnify each Agent for its share of any cost, loss or liability incurred by the relevant Agent in acting, or in connection with its role, as Agent under the Interim Finance Documents, except to the extent that the cost, loss or liability is incurred as a result of the relevant Agent's fraud, negligence or wilful misconduct.
- (b) An Interim Lender's share of any such loss or liability shall be the proportion which:
 - (i) that Interim Lender's participation in the outstanding Interim Loan bears to the outstanding Interim Loan at the time of demand; or
 - (ii) if there is no outstanding Interim Loan at that time, that Interim Lender's Interim Commitment bears to the Total Interim Commitments at that time; or
 - (iii) if the Total Interim Commitments have been cancelled, that Interim Lender's Interim Commitment bore to the Total Interim Commitments immediately before being cancelled.
- (c) The provisions of this Clause 14.9 are without prejudice to any obligations of the Parent to indemnify the Agents under the Interim Finance Documents.

14.10 Role of the Interim Security Agent

- (a) The Interim Security Agent declares that it shall hold the Interim Security on trust for itself and the other Interim Finance Parties on the terms contained in this Agreement and shall administer the Interim Security Documents for itself and the other Interim Finance Parties and will apply all payments and other benefits received by it under the Interim Security Documents in accordance with the Interim Finance Documents.
- (b) Each of the Parties agrees that the Interim Security Agent shall have only those duties, obligations and responsibilities expressly specified in this Agreement or in the Interim Security Documents to which the Interim Security Agent is expressed to be a party (and no others shall be implied).
- (c) Each Interim Finance Party hereby authorises the Interim Security Agent (whether or not by or through employees or agents):
 - (i) to exercise such rights, remedies, powers and discretions as are specifically delegated to or conferred upon the Interim Security Agent under the Interim Security Documents together with such powers and discretions as are reasonably incidental thereto; and
 - (ii) to take such action on its behalf as may from time to time be authorised under or in accordance with the Interim Security Documents.

- (d) The Interim Security Agent shall not be liable for any failure, omission or defect in registering, protecting or perfecting any Security Interest constituted, created or evidenced by any Interim Security Document.
- (e) The Interim Security Agent has no duty or obligation to require the deposit with it of, or to hold, any title deeds, share certificates, transfer documents or other documents in connection with any asset charged or encumbered or purported to be charged or encumbered under any Interim Security Document.
- (f) Each Interim Finance Party confirms its approval of each Interim Security Document and authorises and directs the Interim Security Agent (by itself or by such person(s) as it may nominate) to execute and enforce the same as trustee (or agent) or as otherwise provided.
- (g) It is agreed that, in relation to any jurisdiction the courts of which would not recognise or give effect to the trust expressed to be created by this Agreement, the relationship of the Interim Finance Parties to the Interim Security Agent shall be construed as one of principal and agent but, to the extent permissible under the laws of such jurisdiction, that all the other provisions of this Agreement shall have full force and effect between the parties hereto.

15. PRO RATA PAYMENTS

15.1 Recoveries

Subject to Clause 15.3 (*Exceptions to sharing*), if any amount owing by the Obligors under any Interim Finance Document to an Interim Lender (the “**Recovering Interim Lender**”) is discharged by payment, set-off or any other manner other than through the Interim Facility Agent in accordance with Clause 10 (*Payments*) (the amount so discharged being a “**Recovery**”), then:

- (a) within three (3) Business Days of receipt of the Recovery, the Recovering Interim Lender shall notify details of such Recovery to the Interim Facility Agent;
- (b) the Interim Facility Agent shall determine whether the amount of the Recovery is in excess of the amount which such Recovering Interim Lender should have received had such amount been paid to the Interim Facility Agent under Clause 10 (*Payments*) without taking account of any Tax which would have been imposed on the Interim Facility Agent in relation to the Recovery (any such excess amount being the “**Excess Recovery**”);
- (c) within three (3) Business Days of demand, the Recovering Interim Lender shall pay to the Interim Facility Agent an amount equal to the Excess Recovery;
- (d) the Interim Facility Agent shall treat that payment as if it was a payment made by an Obligor to the Interim Lenders under Clause 10 (*Payments*) and distribute it to the Interim Lenders (other than the Recovering Interim Lender) accordingly; and
- (e) on a distribution by the Interim Facility Agent under paragraph (d) above of any payment received by a Recovering Interim Lender from an Obligor as between that Obligor and the Recovering Interim Lender, the amount of the Excess Recovery shall be treated as not having been paid and (without double counting) the Obligor will owe the Recovering Interim Lender a debt (immediately due and payable) in an amount equal to the Excess Recovery.

15.2 Notification of Recovery

If any Recovery has to be wholly or partly refunded by the Recovering Interim Lender after it has paid any amount to the Interim Facility Agent under paragraph (c) of Clause 15.1 (*Recoveries*), each Interim Lender to which any part of the Excess Recovery (or amount in respect of it) was distributed will, on request from the Recovering Interim Lender, pay to the Recovering Interim Lender that Interim Lender's pro rata share of the amount (including any related interest) which has to be refunded by the Recovering Interim Lender.

15.3 Exceptions to sharing

Notwithstanding Clause 15.1 (*Recoveries*), no Recovering Interim Lender will be obliged to pay any amount to the Interim Facility Agent or any other Interim Lender in respect of any Recovery:

- (a) if it would not (after that payment) have a valid claim against an Obligor under paragraph (e) of Clause 15.1 (*Recoveries*) in an amount equal to the Excess Recovery; or
- (b) which it receives as a result of legal proceedings taken by it to recover any amounts owing to it under the Interim Finance Documents, which proceedings have been notified to the other Interim Finance Parties and where the Interim Lender concerned had a right and opportunity to, but does not, either join in those proceedings or promptly after receiving notice commence and diligently pursue separate proceedings to enforce its rights in the same or another court.

15.4 No security

The provisions of this Clause 15 shall not constitute a charge by any Interim Lender over all or any part of any amount received or recovered by it under any of the circumstances mentioned in this Clause 15.

16. SET-OFF

Subject to Clause 3.2 (*Certain Funds Period*), if a Major Event of Default has occurred and is continuing, an Interim Finance Party may set off any matured obligation (to the extent beneficially owned by the Interim Finance Party) due and payable by an Obligor to it under an Interim Finance Document against any matured obligation due and payable by it to an Obligor, regardless of currency, place of payment or booking branch of either obligation. The relevant Interim Finance Party may convert either obligation at a market rate of exchange in its ordinary course of business in order to effect such set-off.

17. NOTICES

17.1 Mode of service

- (a) Any notice, demand, consent or other communication (a "**Notice**") made under or in connection with any Interim Finance Document must be in writing and made by letter, email or any other electronic communication approved by the Interim Facility Agent or otherwise permitted pursuant to the terms of this Agreement.
- (b) An electronic communication will be treated as being in writing for the purposes of this Agreement.

- (c) The address and email address of each Party (and person for whose attention the Notice is to be sent) for the purposes of Notices given under or in connection with the Interim Finance Documents are:
 - (i) in the case of any person which is a Party on the date of this Agreement, the address and email address set out beneath its name in the signature pages to this Agreement;
 - (ii) in the case of any other Interim Finance Party, the address and email address notified in writing by that Interim Finance Party for this purpose to the Interim Facility Agent on or before the date it becomes a Party; or
 - (iii) any other address and/or email address notified in writing by that Party for this purpose to the Interim Facility Agent (or in the case of the Interim Facility Agent, notified by the Interim Facility Agent to the other Parties) by not less than five (5) Business Days' notice.
- (d) Any Notice given to an Agent will be effective only:
 - (i) if it is marked for the attention of the department or officer specified by that Agent for receipt of Notices; and
 - (ii) subject to paragraph (b) of Clause 17.2 (*Deemed service*) below, when actually received by that Agent.

17.2 Deemed service

- (a) Subject to paragraph (b) below, a Notice will be deemed to be given as follows:
 - (i) if by letter or delivered personally, when delivered;
 - (ii) if by email or any other electronic communication, when received in legible form; and
 - (iii) if by posting to an electronic website, at the time of notification to the relevant recipient of such posting or (if later) the time when the recipient was given access to such website.
- (b) A Notice given in accordance with paragraph (a) above but received on a day that is not a Business Day or after business hours in the place of receipt will only be deemed to be given on the next working day in that place.

17.3 Electronic communication

- (a) Any communication to be made between the Interim Facility Agent and an Interim Lender under or in connection with the Interim Finance Documents may be made by unencrypted electronic mail or other electronic means, if the Interim Facility Agent and the relevant Interim Lender:
 - (i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;

- (ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
 - (iii) notify each other of any change to their address or any other such information supplied by them.
- (b) Any electronic communication made between the Interim Facility Agent and an Interim Lender will be effective only when actually received in readable form and in the case of any electronic communication made by an Interim Lender to the Interim Facility Agent only if it is addressed in such a manner as the Interim Facility Agent shall specify for this purpose.

17.4 Language

- (a) Any Notice must be in English.
- (b) All other documents provided under or in connection with any Interim Finance Document must be:
 - (i) in English; or
 - (ii) if not in English, accompanied by a certified English translation, in which case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

17.5 Personal liability

No personal liability shall attach to any director, manager, officer, employee or other individual signing a certificate or other document on behalf of a Group Company which proves to be incorrect in any way, unless that individual acted fraudulently in giving that certificate or other document, in which case, any liability will be determined in accordance with applicable law.

18. CONFIDENTIALITY

- 18.1 Each Interim Finance Party will keep the Interim Finance Documents and any information supplied to it by or on behalf of any member of the Combined Group under the Interim Finance Documents confidential, provided that it may disclose any such document or information to any person:
 - (a) to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Interim Finance Documents and to any of that person's Affiliates, related funds, representatives and professional advisers on a confidential basis (provided that such person has first entered into a Confidentiality Undertaking agreeing to keep such Interim Finance Document or other document or information confidential);
 - (b) with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Interim Finance Documents and/or the Parent and to any of that person's Affiliates, related funds, representatives and professional advisers on a confidential basis (provided that such person has first entered into a Confidentiality Undertaking agreeing to keep such Interim Finance Document or other document or information confidential);

- (c) which is publicly available (other than by virtue of a breach of this Clause 18);
- (d) if and to the extent required by law or regulation or at the request of an administrative authority (including any tax or bank supervisory authority or if required pursuant to the rules of any relevant stock exchange) (in which event such Interim Finance Party shall notify the Parent promptly thereof to the extent permitted by law);
- (e) to its directors, officers, employees, auditors and professional advisers on a confidential basis;
- (f) to any direct or indirect Holding Company of the Parent, any Party or any Group Company;
- (g) to the extent reasonably necessary in connection with any legal or arbitration proceedings to which it is a party (in which event such Interim Finance Party shall notify the Parent promptly thereof to the extent permitted by law);
- (h) for the purpose of obtaining any consent, making any filing, registration or notarisation or paying any stamp or registration tax or fee in connection with any of the Interim Finance Documents;
- (i) with the agreement of the Parent;
- (j) to any Affiliate (and any of their officers, directors, employees, professional advisers, auditors, partners and representatives) in connection with the transactions contemplated hereby, on an as needed and confidential basis (and such Interim Finance Party shall be responsible for such recipient's compliance with this Clause 18.1); or
- (k) to the Financial Advisor or to any of its Affiliates (and any of their officers, directors, employees, professional advisers, auditors, partners and representatives) in connection with the transactions contemplated hereby, on an as needed and confidential basis.

18.2 This Clause 18 replaces any previous confidentiality undertaking given by any Interim Finance Party in connection with this Agreement prior to it becoming a Party.

18.3 For reasons of technical practicality, electronic communication may be sent in unencrypted form, even if the content may be subject to confidentiality and banking secrecy.

19. **KNOW YOUR CUSTOMER REQUIREMENTS**

- If:
- (a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;
 - (b) any change in the status of the Parent or the composition of the shareholders of the Parent after the date of this Agreement; or

- (c) a proposed assignment or transfer by an Interim Lender of any of its rights and/or obligations under this Agreement to a party that is not an Interim Lender prior to such assignment or transfer,

obliges the Interim Facility Agent or any Interim Lender (or, in the case of paragraph (a) of Clause 18 (*Confidentiality*) above, any prospective new Interim Lender) to comply with “know your customer” or similar identification procedures in circumstances where the necessary information is not already available to it, the Parent must promptly on the request of any Interim Finance Party supply to that Interim Finance Party any documentation or other evidence which is reasonably requested by that Interim Finance Party (whether for itself, on behalf of any Interim Finance Party or any prospective new Interim Lender) to enable an Interim Finance Party or prospective new Interim Lender to complete all applicable know your customer requirements. For the avoidance of doubt, any notification given by the Interim Facility Agent pursuant to paragraph (b) of Clause 3.1 (Conditions Precedent) shall remain valid and in full force and effect notwithstanding the occurrence of any of the circumstances in paragraphs (a) to (c) (inclusive).

20. REPRESENTATIONS, UNDERTAKINGS AND EVENTS OF DEFAULT

20.1 Representations

- (a) Each Obligor makes the representations and warranties stated in Part 1 (*Major Representations*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*), in each case, in respect of itself only to each Interim Finance Party on the date of this Agreement or if later, the date it becomes a party to this Agreement (including pursuant to an Accession Deed), the date of each Drawdown Request and the first day of each Interest Period, in each case by reference to the facts and circumstances existing at the relevant time.
- (b) Each Obligor acknowledges that each Interim Finance Party is relying on the representations and warranties made by it.
- (c) For the avoidance of doubt, no representations and warranties other than those which are set out in Part 1 (*Major Representations*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*) shall constitute a Major Representation under and pursuant to the definition thereof.

20.2 Undertakings

- (a) Each Obligor agrees to be bound by the Major Undertakings relating to it set out in Part 2 (*Major Undertakings*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*) only.
- (b) For the avoidance of doubt, no undertakings other than those which are set out in Part 2 (*Major Undertakings*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*) shall constitute a Major Undertaking under and pursuant to the definition thereof.
- (c) Each Obligor undertakes that it will procure that, so far as it is able, any director, officer, agent, employee or person acting on its behalf or following the Extension Effective Date, on behalf of any other member of the Group, is not a Restricted Person and does not act directly or indirectly on behalf of a Restricted Person.

- (d) Each Obligor shall not (and, following the Extension Effective Date, the Parent will ensure that each other member of the Group will not) directly or, to the best of its knowledge, indirectly use:
- (i) any revenue or benefit derived from any activity or dealing with a Restricted Person or in a Sanctioned Country in breach of Sanctions to be used in discharging any obligation due or owing to the Interim Lenders; or
 - (ii) the proceeds of any Interim Loan (or lend, contribute or otherwise make available such proceeds to any person) in furtherance of an offer, payment, promise to pay, or authorisation of the payment or giving of, or agreeing to give, money, anything else of value, or any financial or other advantage or inducement to any person in violation of any Anti-Corruption Laws.
- (e) Each Obligor shall not (and, following the Extension Effective Date, the Parent will ensure that each other member of the Group will not) knowingly (acting with due care and enquiry) use, permit or authorise any other person to, directly or indirectly, use, lend, make payments of, contribute or otherwise make available, all or any part of the proceeds of the Interim Facility to fund any trade, business or other activities:
- (i) involving or for the benefit of any Restricted Person or in any Sanctioned Country in breach of any Sanctions;
 - (ii) in any manner that would result in it or any Interim Lender being in breach of any Sanctions or becoming a Restricted Person; or
 - (iii) in any manner that would violate Sanctions.
- (f) This Clause 20.2 shall not be interpreted or applied in relation to any Obligor or any member of the Combined Group to the extent that the obligations of this Clause 20.2 would violate or expose such entity or any director, officer or employee thereof to any liability under anti-boycott or blocking law, regulation or statute that is in force from time to time in the European Union (and/or any of its member states) and that are applicable to such entity including, without limitation, EU Regulation (EC) No 2271/96.
- (g) The Parent will procure that no later than five (5) Business Days after the Interim Closing Date, the Borrower shall grant Interim Security over its shares in the Target and any intercompany receivables owed to it by the Target.
- (h) The Parent will procure that in respect of any shares of the Target acquired following the Interim Closing Date by TopCo or any of its Subsidiaries (other than the Borrower and its Subsidiaries), TopCo (or any relevant Subsidiary of TopCo) and the Borrower (as applicable) have entered into a contribution agreement and a stock transfer form in order to (x) transfer beneficial ownership interests in such shares to the Borrower and (y) grant a voting power of attorney in respect of such shares in favour of the Borrower, in each case, prior to or simultaneously with any drawing under the Interim Facilities made after the Interim Closing Date.
- (i) In respect of any shares of the Target acquired by TopCo or any of its Subsidiaries (other than the Borrower and its Subsidiaries), following the entry by TopCo (or any relevant Subsidiary of TopCo) and the Borrower into a contribution agreement and a stock transfer form in respect of such shares in order to transfer beneficial interest in such shares to the Borrower whether or on or prior to the Interim Closing Date or in accordance with the foregoing sub-clause (h), as applicable, the Borrower shall use its best endeavours to procure that the Target registers the Borrower in its register of members as the legal owner of such shares as soon as reasonably practicable thereafter.

(j)

- (i) At any time following the Extension Effective Date, the Borrower shall not permit the Total Leverage Ratio on the last day of any fiscal quarter (beginning with the last day of the first fiscal quarter ending after the Extension Effective Date) to exceed the ratio equal to the Borrower's Total Leverage Ratio as of the Interim Closing Date calculated based on a thirty five (35) per cent. cushion to EBITDA of the Parent and its Subsidiaries as of the most recently ended four fiscal quarter period of the Borrower ending prior to the Interim Closing Date.

(ii) **Definitions**

For the purposes of this paragraph (j) of Clause 20.2 (*Undertakings*):

"Consolidated Debt" shall mean, at any date of determination, the aggregate amount of (without duplication) all indebtedness (other than letters of credit or bank guarantees, to the extent undrawn) consisting of capital lease obligations, indebtedness for borrowed money and preferred stock of the, Parent, the Borrower and its Subsidiaries determined on a consolidated basis on such date in accordance with IFRS.

"EBITDA" shall mean, with respect to the Parent and its Subsidiaries on a consolidated basis for any period, the consolidated net income as determined in accordance with IFRS of the Parent and its Subsidiaries for such period;

- (a) **plus** the sum of (in each case without duplication and to the extent the respective amounts described in sub-paragraphs (i) through (v) of this paragraph (a) **otherwise** reduced such consolidated net income for the respective period for which EBITDA is being determined):
- (i) provision for taxes based on income, profits or capital of the Parent and its Subsidiaries for such period, including, without limitation, foreign, federal and state franchise and similar taxes and withholding taxes (including penalties and interest related to taxes or arising from tax examinations);
 - (ii) consolidated interest expense (and to the extent not included in consolidated interest expense, (x) all cash dividend payments (excluding items eliminated in consolidation) on any series of preferred stock and (y) costs of surety bonds in connection with financing activities) of the Parent and its Subsidiaries for such period (net of interest income of the Parent and its Subsidiaries for such period);
 - (iii) depreciation and amortisation expenses of the Parent and its Subsidiaries for such period including, without limitation, the amortisation of intangible assets, deferred financing fees and amortisation of unrecognised prior service costs and actuarial gains and losses related to pensions and other post-employment benefits;
 - (iv) transaction expenses in connection with this Agreement and the Acquisition; and

- (v) any other non-cash charges; provided, that, for purposes of this sub-paragraph (v) of this paragraph (a), any non-cash charges or losses shall be treated as cash charges or losses in any subsequent period during which cash disbursements attributable thereto are made (but excluding, for the avoidance of doubt, amortisation of a prepaid cash item that was paid in a prior period),
- (b) **minus** the sum of (without duplication and to the extent the amounts described in this paragraph (b) increased such consolidated net income for the respective period for which EBITDA is being determined) non-cash items increasing consolidated net income of the Parent and its Subsidiaries for such period (but excluding any such items (i) in respect of which cash was received in a prior period or will be received in a future period or (ii) which represent the reversal of any accrual of, or cash reserve for, anticipated cash charges that reduced EBITDA in any prior period).

“Total Net Debt” at any date shall mean (i) the aggregate principal amount of Consolidated Debt of the Parent and its Subsidiaries outstanding at such date, less (ii) without duplication, the aggregate amount of all Unrestricted Cash of the Parent and its Subsidiaries on such date.

“Total Leverage Ratio” shall mean, on any date, the ratio of (i) Total Net Debt as of the last day of the four fiscal quarter period most recently ended as of such date to (ii) EBITDA for the four fiscal quarter period most recently ended as of such date, all determined on a consolidated basis in accordance with IFRS.

“Unrestricted Cash” shall mean cash or cash equivalents of the Parent or its Subsidiaries that would not appear as “restricted” on a consolidated balance sheet of the Parent and its Subsidiaries, including without limitation all “cage cash”.

20.3 Events of Default

- (a) The Parent shall promptly notify the Interim Facility Agent of any Major Event of Default (and the steps, if any, being taken to remedy it) upon becoming aware of its occurrence.
- (b) Promptly upon a request by the Interim Facility Agent, if the Interim Facility Agent has reasonable grounds for believing there is an outstanding Major Event of Default, the Parent shall supply to the Interim Facility Agent a certificate signed by an authorised signatory of the Parent certifying that no Major Event of Default is continuing (or, if a Major Event of Default is continuing, specifying the Major Event of Default and the steps, if any, being taken to remedy it).
- (c) The Parent acknowledges that, in entering into the Interim Finance Documents, it has not relied on any representation or warranty by any Interim Finance Party other than those set out in the Interim Finance Documents.

21. CHANGES TO PARTIES

21.1 No transfers by the Obligors

No Obligor may assign, novate or transfer all or any part of their rights and obligations under any Interim Finance Documents.

21.2 Transfers by Interim Lenders

- (a) Subject to this Clause 21, an Interim Lender (an “**Existing Interim Lender**”) may assign any of its rights or benefits, or transfer by novation or sub-participate any of its rights or benefits and obligations under or by reference to any Interim Finance Document to another bank or financial institution or to a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets (a “**New Interim Lender**”).
 - (b) Any assignment, transfer, sub-participation or other syndication of any rights, benefits and/or obligations under or by reference to the Interim Finance Documents by an Interim Lender shall:
 - (i) on or prior to the expiry of the Certain Funds Period, require the prior written consent of the Parent (in its sole discretion); and
 - (ii) after the expiry of the Certain Funds Period, require the prior written consent of the Parent (in its sole discretion) unless:
 - (A) such assignment, transfer or sub-participation is to another Interim Lender or an Affiliate of an Interim Lender; or
 - (B) a Major Event of Default has occurred and is continuing **provided that**, in all cases (and regardless of whether a Major Event of Default has occurred and is continuing) no assignment, transfer or sub-participation shall be made to any of the following persons unless the prior written consent of the Parent (in its sole discretion) is obtained:
 - (I) an Industry Competitor or private equity sponsor; or
 - (II) any person that is (or would, upon becoming an Interim Lender, be) a Defaulting Lender,
- and **further provided** that, in all cases (other than where a Major Event of Default under paragraphs 1, 5 and 6 of Part 3 (*Major Events of Default*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*) has occurred and is continuing) no assignment, transfer or sub-participation shall be made to a Loan to Own/Distressed Investor unless the prior written consent of the Parent (in its sole discretion) is obtained.
- (c) Each New Interim Lender, by executing the relevant Transfer Certificate or Assignment Agreement, confirms, for the avoidance of doubt, that the Interim Facility Agent has authority to execute on its behalf any consent, release, waiver or amendment that has been approved by the applicable Existing Interim Lender in accordance with this Agreement on or prior to the date on which the transfer or assignment becomes effective in accordance with this Agreement and that it is bound by that agreement or consent to the same extent as the Existing Interim Lender would have been had it remained an Interim Lender.

- (d) Notwithstanding any other provision of this Agreement, neither the Parent or another Group Company shall be liable to any other Party (by way of reimbursement, indemnity or otherwise) for any stamp, transfer or registration taxes, notarial and security registration or perfection fees, costs or other amounts payable by any Party in connection with any re-taking, re-notarisation, perfection, presentation, novation, re-registration of any Interim Security or otherwise in connection with any assignment, transfer, sub-participation or other back-to-back arrangement (except where such assignment, transfer, sub-participation or other back-to-back arrangement is at the request of the Parent or, in respect of costs and liabilities which an Interim Finance Party (directly or indirectly) suffers (provided that all such costs and liabilities are reasonable) in relation to any stamp duty, stamp duty reserve tax, transfer tax, registration or other similar Tax payable in respect of any Interim Finance Document, as a result of any action taken pursuant to Clause 9.2 (*Mitigation*)).
- (e) Notwithstanding any other provision of this Agreement, Barclays Bank PLC (and its Affiliates) shall not be restricted from entering into nor required to disclose the identity of any counterparties to (or be required to give the Parent prior notice of):
- (i) any credit default or total return swap or derivative (whether disclosed, undisclosed, risk or funded) (each a “**CDS Arrangement**”);
 - (ii) any financial guarantee transaction, credit-linked note referencing a hypothetical financial guarantee, or any other form of credit hedge transaction (each a “**Guarantee Transaction**”); or
 - (iii) any other sub-participation which does not transfer voting rights,

which it enters into in connection with the Interim Facilities, **provided that** in each case, it retains exclusive control over all rights and continues to be solely responsible for satisfying all obligations in relation to the participations and commitments that are the subject of the applicable CDS Arrangement, Guarantee Transaction or sub-participation, including all voting and similar rights (for the avoidance of doubt, free of any agreement or understanding pursuant to which it is required to or will consult with any other person in relation to the exercise of any such rights and/or obligations).

- (f) Notwithstanding any other provision in the Interim Finance Documents, the Parties hereto hereby agree that Barclays Bank PLC and Goldman Sachs Bank USA, respectively, may assign any of their respective rights or transfer any of their respective rights or obligations under the Interim Finance Documents to (i) in the case of Barclays, Barclays Bank Ireland PLC and (ii) in the case of Goldman Sachs Bank USA, Goldman Sachs Lending Partners LLC, in each case, at any time without the consent of, or the requirement to notify, the other parties to the Interim Finance Documents, provided that Barclays Bank Ireland PLC or Goldman Sachs Lending Partners LLC, as applicable, shall assume and acquire the same rights and obligations against the other parties to the Interim Finance Documents as if Barclays Bank Ireland PLC or Goldman Sachs Lending Partners LLC, as applicable, was an original party to the Interim Finance Documents, and, to the extent applicable, any provisions of the Interim Finance Documents obliging Barclays Bank PLC or Goldman Sachs Bank USA, as applicable, to retain control over any rights or obligations with respect to its Interim Commitment or remain responsible for the performance of the obligations of Barclays Bank Ireland PLC or Goldman Sachs Lending Partners, as applicable, hereunder shall not apply in the context of any such assignment or transfer.
- (g) Notwithstanding any other provision in this Clause 21, if prior to the end of the Certain Funds Period, an Existing Interim Lender transfers or assigns any of its rights and obligations under any Interim Finance Document in accordance with this Clause 21, it shall remain on risk and liable to fund any amount which any New Interim Lender (or subsequent New Interim Lender), following such transfer of rights and obligations in accordance with this Clause 21, is obliged to fund during the Certain Funds Period, but has failed to fund on a date during such period, as if such transfer never occurred.

- (h) Each Interim Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Parent, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest) of each participant's interest in the Interim Loans or other obligations under the Interim Finance Documents (the "**Participant Register**"); provided that no Interim Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any participant or any information relating to a participant's interest in any commitments, loans, letters of credit or its other obligations under any Interim Finance Document) to any person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under U.S. Treasury regulations Section 5f.103-1(c) or proposed U.S. Treasury regulations section 1.163-5(b) (or, in each case, any amended or successor version).
- (i) Any reference in this Agreement to an Interim Lender includes a New Interim Lender but excludes an Interim Lender if no amount is or may become owed to it under this Agreement.
- (j) Unless the Interim Facility Agent agrees otherwise and excluding an assignment or transfer:
 - (i) to an Affiliate of an Interim Lender; or
 - (ii) to a Related Fund,

the New Interim Lender shall, on or before the date upon which an assignment or transfer to it takes effect pursuant to this Clause 21, pay to the Interim Facility Agent (for its own account) a fee of £3,500.

21.3 Limitation of responsibility of Existing Interim Lenders

- (a) Unless expressly agreed to the contrary, an Existing Interim Lender makes no representation or warranty and assumes no responsibility to a New Interim Lender for:
 - (i) the legality, validity, effectiveness, adequacy or enforceability of the Interim Security, the Transaction Documents or any other documents;
 - (ii) the financial condition of the Parent;
 - (iii) the performance and observance by the Parent or other Group Company of its obligations under the Transaction Documents or any other documents; or
 - (iv) the accuracy of any statements (whether written or oral) made in or in connection with any Transaction Document or any other document,

and any representations or warranties implied by law are excluded.

- (b) Each New Interim Lender confirms to the Existing Interim Lender and the other Interim Finance Parties that it:
 - (i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of the Parent and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Interim Lender or any other Interim Finance Party in connection with any Transaction Document or the Interim Security; and
 - (ii) will continue to make its own independent appraisal of the creditworthiness of the Parent and its related entities whilst any amount is or may be outstanding under the Interim Finance Documents or any Interim Commitments are in force.
- (c) Subject to paragraph (e) of Clause 21.2 (*Transfers by Interim Lenders*), nothing in any Interim Finance Document obliges an Existing Interim Lender to:
 - (i) accept a re-transfer or re-assignment from a New Interim Lender of any of the rights and obligations assigned or transferred under this Clause 21; or
 - (ii) support any losses directly or indirectly incurred by the New Interim Lender by reason of the non-performance by any Obligor of its obligations under the Transaction Documents or otherwise.

21.4 Procedure for transfer

- (a) Subject to the conditions set out in paragraphs (b) and (e) of Clause 21.2 (*Transfers by Interim Lenders*), a transfer is effected in accordance with paragraph (c) below when the Interim Facility Agent executes an otherwise duly completed Transfer Certificate delivered to it by the Existing Interim Lender and the New Interim Lender. The Interim Facility Agent shall, subject to paragraph (b) below, as soon as reasonably practicable after receipt by it of a duly completed Transfer Certificate appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Transfer Certificate.
- (b) The Interim Facility Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Interim Lender and the New Interim Lender once it is satisfied it has complied with all necessary “know your customer” or similar checks under all applicable laws and regulations in relation to the transfer to such New Interim Lender.
- (c) On the Transfer Date:
 - (i) subject to the conditions set out in paragraph (e) of Clause 21.2 (*Transfers by Interim Lenders*), to the extent that in the Transfer Certificate the Existing Interim Lender seeks to transfer by novation its rights and obligations under the Interim Finance Documents and, in respect of the Interim Security, each Obligor (and any provider of Interim Security) and the Existing Interim Lender shall be released from further obligations towards one another under the Interim Finance Documents and in respect of the Interim Security and their respective rights against one another under the Interim Finance Documents and in respect of the Interim Security shall be cancelled (being the “**Discharged Rights and Obligations**”);
 - (ii) the Obligors and the New Interim Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as the Obligors or another Group Company and the New Interim Lender have assumed and/or acquired the same in place of the relevant Obligors;

- (iii) subject to the conditions set out in paragraph (e) of Clause 21.2 (*Transfers by Interim Lenders*), the Interim Facility Agent, the Arrangers, the Interim Security Agent, the New Interim Lender and the other Interim Lenders shall acquire the same rights and assume the same obligations between themselves and in respect of the Interim Security as they would have acquired and assumed had the New Interim Lender been an Original Interim Lender with the rights and/or obligations acquired or assumed by it as a result of the transfer and to that extent the Interim Facility Agent, the Arrangers, the Interim Security Agent and the Existing Interim Lender shall each be released from further obligations to each other under the Interim Finance Documents; and
 - (iv) the New Interim Lender shall become a Party as an “**Interim Lender**”.
- (d) If any assignment, transfer, sub-participation or other syndication of any rights, benefits and/or obligations under or by reference to the Interim Finance Documents in accordance with Clause 21.2 (*Transfers by Interim Lenders*) is executed in breach of the provisions contemplated in this Clause 21, such assignment, transfer or sub-participation, shall be void and deemed not to have occurred.

21.5 Procedure for assignment

- (a) Subject to the condition set out in paragraphs (b) and (e) of Clause 21.2 (*Transfers by Interim Lenders*), an assignment may be effected in accordance with paragraph (c) below when the Interim Facility Agent executes an otherwise duly completed Assignment Agreement delivered to it by the Existing Interim Lender and the New Interim Lender. The Interim Facility Agent shall, subject to paragraph (b) below, as soon as reasonably practicable after receipt by it of a duly completed Assignment Agreement appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Assignment Agreement.
- (b) The Interim Facility Agent shall only be obliged to execute an Assignment Agreement delivered to it by the Existing Interim Lender and the New Interim Lender once it is satisfied it has complied with all necessary “know your customer” or similar checks under all applicable laws and regulations in relation to the assignment to such New Interim Lender.
- (c) On the Transfer Date:
 - (i) subject to paragraph (e) of Clause 21.2 (*Transfers by Interim Lenders*), the Existing Interim Lender will assign absolutely to the New Interim Lender its rights under the Interim Finance Documents and in respect of the Interim Security expressed to be the subject of the assignment in the Assignment Agreement;
 - (ii) subject to paragraph (e) of Clause 21.2 (*Transfers by Interim Lenders*), the Existing Interim Lender will be released from the obligations (the “**Relevant Obligations**”) expressed to be the subject of the release in the Assignment Agreement (and any corresponding obligations by which it is bound in respect of the Interim Security);
 - (iii) the New Interim Lender shall become a Party as an “*Interim Lender*” and will be bound by obligations equivalent to the Relevant Obligations; and

- (iv) subject to paragraph (e) of Clause 21.2 (*Transfers by Interim Lenders*), if the assignment relates only to part of the Existing Interim Lender's share in the outstanding Interim Loans, the assigned part will be separated from the Existing Interim Lender's share in the outstanding Interim Loans, made an independent debt and assigned to the New Interim Lender as a whole debt.

21.6 Copy of Transfer Certificate or Assignment Agreement to the Parent

The Interim Facility Agent shall, as soon as reasonably practicable after it has executed a Transfer Certificate or an Assignment Agreement, send a copy of that Transfer Certificate or Assignment Agreement to the Parent.

21.7 Increased costs

If:

- (a) an Interim Lender assigns, transfers, sub-participates or otherwise disposes of any of its rights or obligations under the Interim Finance Documents or changes its Facility Office or lending office or branch; and
- (b) as a result of circumstances existing at the date the assignment, transfer, sub-participation or other change occurs, an Obligor would be obliged to make a payment or increased payment to the New Interim Lender, the Interim Lender granting the sub-participation or Interim Lender acting through its new office, branch or Facility Office under Clauses 8.1 (*Gross-up*), 8.3 (*Tax indemnity*) or 9.1 (*Increased Costs*),

then the New Interim Lender, the Interim Lender granting the sub-participation or Interim Lender acting through its new office, branch or Facility Office is not entitled to receive a payment under Clauses 8.1 (*Gross-up*), 8.3 (*Tax indemnity*) or 9.1 (*Increased Costs*) to the extent such payment would be greater than the payment that would have been made to the Existing Interim Lender or Interim Lender acting through its previous office, branch or Facility Office had the assignment, transfer sub-participation or other change not occurred.

21.8 Pro rata interest settlement

- (a) If the Interim Facility Agent has notified the Interim Lenders that it is able to distribute interest payments on a "pro rata basis" to Existing Interim Lenders and New Interim Lenders then (in respect of any transfer pursuant to Clause 21.4 (*Procedure for transfer*) or any assignment pursuant to Clause 21.5 (*Procedure for assignment*) the Transfer Date of which, in each case, is after the date of such notification and is not on the last day of an Interest Period):
 - (i) any interest or fees in respect of the relevant participation which are expressed to accrue by reference to the lapse of time shall continue to accrue in favour of the Existing Interim Lender up to but excluding the Transfer Date ("**Accrued Amounts**") and shall become due and payable to the Existing Interim Lender (without further interest accruing on them) on the last day of the current Interest Period; and

- (ii) the rights assigned or transferred by the Existing Interim Lender will not include the right to the Accrued Amounts so that, for the avoidance of doubt:
 - (A) when the Accrued Amounts become payable, those Accrued Amounts will be payable for the account of the Existing Interim Lender; and
 - (B) the amount payable to the New Interim Lender on that date will be the amount which would, but for the application of this Clause 21.8, have been payable to it on that date, but after deduction of the Accrued Amounts.
- (b) In this Clause 21.8, references to “Interest Period” shall be construed to include a reference to any other period for accrual of fees.
- (c) An Existing Interim Lender which retains the right to the Accrued Amounts pursuant to this Clause 21.8 but which does not have an Interim Commitment shall be deemed not to be an Interim Lender for the purposes of ascertaining whether the agreement of any specified group of Interim Lenders has been obtained to approve any request for a consent, waiver, amendment or other vote of Interim Lenders under the Interim Finance Documents.

21.9 Additional Guarantors

- (a) A member of the Target Group shall become an Additional Guarantor if:
 - (i) the Parent and the proposed Additional Guarantor deliver to the Interim Facility Agent a duly completed and executed Accession Deed; and
 - (ii) the Interim Facility Agent has received all of the documents and other evidence listed in Schedule 11 (*Conditions precedent required to be delivered by an Additional Guarantor*) in relation to that Additional Guarantor, each in form and substance satisfactory to the Interim Facility Agent (acting reasonably).
- (b) The Interim Facility Agent shall notify the Parent and the Interim Lenders promptly upon being satisfied that it has received (in form and substance satisfactory to it, acting reasonably) all the documents and other evidence listed in Schedule 11 (*Conditions precedent required to be delivered by an Additional Guarantor*).

22. IMPAIRMENT AND REPLACEMENT OF INTERIM FINANCE PARTIES

The provisions of Schedule 5 (*Impairment and Replacement of Interim Finance Parties*) are incorporated into this Clause 22 by reference.

23. CONDUCT OF BUSINESS BY THE INTERIM FINANCE PARTIES

No provision of this Agreement will:

- (a) interfere with the right of any Interim Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige any Interim Finance Party to investigate or claim any credit, relief, remission or repayment available to it or to the extent, order and manner of any claim; or
- (c) oblige any Interim Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

24. AMENDMENTS AND WAIVERS

24.1 Required consents

- (a) Subject to Clause 24.2 (*Exceptions*), any term of the Interim Finance Documents may be amended or waived only with the consent of the Parent and the Majority Interim Lenders and any such amendment or waiver will be binding on all Parties.
- (b) The Interim Facility Agent may effect, on behalf of any Interim Finance Party, any amendment or waiver permitted by this Clause 24.

24.2 Exceptions

- (a) An amendment or waiver that has the effect of changing or which relates to:
 - (i) the definition of “**Majority Interim Lenders**”;
 - (ii) Clause 4 (*Nature of an Interim Finance Party’s Rights and Obligations*), Clause 15 (*Pro Rata Payments*) or Clause 21 (*Changes to Parties*);
 - (iii) the nature or scope of:
 - (A) the Interim Security; or
 - (B) the manner in which the proceeds of enforcement of the Interim Security are distributed;
 - (iv) the release of any Interim Security unless permitted under this Agreement or any other Interim Finance Document;
 - (v) any provision which expressly requires the consent of all of the Interim Lenders;
 - (vi) this Clause 24;
 - (vii) paragraph 8 (*Change of control*) of Part 3 (*Major Events of Default*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*); or
 - (viii) any change to the definition of Minimum Acceptance Condition to reduce the Acceptance Condition specified therein to below 75 per cent.,shall not be made without the prior consent of all the Interim Lenders.
- (b) An amendment or waiver that has the effect of changing or relates to:
 - (i) an extension to the availability periods referred to herein or the date of payment of any amount under any Interim Finance Document;
 - (ii) a reduction in the Margin or the amount of any payment to be made under any Interim Finance Document;
 - (iii) an increase in or an extension of any Interim Commitment; or

(iv) a change in currency of payment of any amount under the Interim Finance Documents,

in each case, other than as expressly contemplated or provided for in this Agreement shall only require the consent of each Interim Lender that is participating in that extension, reduction, increase or change.

(c) An amendment or waiver which relates to the rights or obligations of the Interim Facility Agent, the Arrangers or the Interim Security Agent may not be effected without the consent of the Interim Facility Agent, the Arrangers or the Interim Security Agent, as applicable.

(d) Without prejudice to the Interim Facility Agent's right to seek instruction from the Interim Lenders from time to time, this Agreement and any other Interim Finance Document may be amended solely with the consent of the Interim Facility Agent and the Parent without the need to obtain the consent of any other Interim Lender if such amendment is effected in order:

(i) to correct or cure ambiguities, errors, omissions, defects;

(ii) to effect administrative changes of a technical or immaterial nature; or

(iii) to fix incorrect cross references or similar inaccuracies in this Agreement or the applicable Interim Finance Document.

24.3 Excluded Commitment

If an Interim Lender does not either accept or reject a request from a Group Company (or the Interim Facility Agent on behalf of that Group Company) for any consent or agreement in relation to a release, waiver or amendment of any provisions of the Interim Finance Documents or other vote of Interim Lenders under the terms of the Interim Finance Documents within ten (10) Business Days (or any other period of time specified by that Group Company but, if shorter than ten (10) Business Days, as agreed by the Interim Facility Agent) of the date of such request being made (the last day of such period being the "**Exclusion Date**"), then that Interim Lender shall be automatically excluded from participating in that vote and its participations, Interim Commitments and vote (as the case may be) shall not be included (or, as applicable, required) with the Total Interim Commitments or otherwise when ascertaining whether the approval of Majority Interim Lenders, all Interim Lenders, or any other class of Interim Lenders (as applicable) has been obtained with respect to that request for a consent or agreement and its status as an Interim Lender shall be disregarded for the purpose of ascertaining whether the agreement of any specified group of Interim Lenders has been obtained to approve the request.

25. MISCELLANEOUS

25.1 Partial invalidity

If any provision of the Interim Finance Documents is or becomes illegal, invalid or unenforceable in any jurisdiction that shall not affect the legality, validity or enforceability in that jurisdiction of any other term of the Interim Finance Documents or the legality, validity or enforceability in other jurisdictions of that or any other term of the Interim Finance Documents.

25.2 Counterparts

This Agreement may be executed in any number of counterparts and all of those counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of a signed counterpart of this Agreement by email attachment or telecopy shall be an effective mode of delivery. Each party understands and agrees that its electronic signature manifests its consent to be bound by all terms and conditions set forth in this Agreement.

25.3 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Interim Finance Party, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.

25.4 Complete agreement

The Interim Finance Documents contain the complete agreement between the Parties on the matters to which they relate and may not be amended except in accordance with their terms.

25.5 No representations by Interim Finance Parties

No Interim Finance Party is liable to the Parent for any representation or warranty that is not set out in the Interim Finance Documents, except for one made fraudulently by such Interim Finance Party.

25.6 Third party rights

- (a) Unless expressly provided to the contrary in an Interim Finance Document, a person who is not a party to an Interim Finance Document may not rely on or enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.
- (b) Notwithstanding any term of any Interim Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Agreement at any time.

26. GOVERNING LAW

This Agreement (and any non-contractual obligations arising out of or in relation to this Agreement), and any dispute or proceeding (whether contractual or non-contractual) arising out of or relating to this Agreement, shall be governed by English law.

27. JURISDICTION

27.1 Submission to jurisdiction

For the benefit of each Interim Finance Party, each Obligor agrees that the courts of England have exclusive jurisdiction to hear, decide and settle any dispute or proceedings arising out of or relating to this Agreement (including as to existence, validity or termination) and for the purpose of enforcement or any judgment against its assets, the Borrower irrevocably submits to the jurisdiction of the English courts.

27.2 Forum

Each Obligor agrees:

- (a) that the courts of England are the most appropriate and convenient courts to settle any Dispute and waive any objection to the courts of England on grounds of inconvenient forum or otherwise; and
- (b) that a judgment or order of an English court in connection with a Dispute is conclusive and binding on it and may be enforced against it in the courts of any other jurisdiction.

27.3 Specific performance

Each Interim Finance Party acknowledges and agrees that:

- (a) each Obligor may be irreparably harmed by a breach of any term of the Interim Finance Documents and damages may not be an adequate remedy; and
- (b) an Obligor may be granted an injunction or specific performance for any threatened or actual breach of any term of the Interim Finance Documents.

27.4 Contractual recognition of Bail-In

Notwithstanding any other term of any Interim Finance Document or any other agreement, arrangement or understanding between the Parties, each Party acknowledges and accepts that any liability of any Party to any other Party under or in connection with the Interim Finance Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

- (a) any Bail-In Action in relation to any such liability, including (without limitation):
 - (i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
 - (ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
 - (iii) a cancellation of any such liability; and
- (b) a variation of any term of any Interim Finance Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

27.5 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, each Obligor:
 - (i) irrevocably appoints Law Debenture Corporate Services Limited as its agent for service of process in relation to any proceedings before the English courts in connection with any Interim Finance Document; and
 - (ii) agrees that failure by an agent for service of process to notify the relevant Obligor of the process will not invalidate the proceedings concerned.

- (b) If any person appointed as agent for service of process is unable for any reason to act as agent for service of process, each Obligor must promptly (and in any event within ten (10) Business Days of such event taking place) appoint another agent on terms acceptable to the Interim Facility Agent (acting reasonably and in good faith). Failing this, the Interim Facility Agent may appoint another agent for this purpose.

28. ACKNOWLEDGEMENT REGARDING ANY SUPPORTED QFCS

- (a) To the extent that the Interim Finance Documents provide support, through a guarantee or otherwise, for swap agreements or any other agreement or instrument that is a QFC (such support, “**QFC Credit Support**”, and each such QFC, a “**Supported QFC**”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “**U.S. Special Resolution Regimes**”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Interim Finance Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States): in the event a Covered Entity that is party to a Supported QFC (each, a “**Covered Party**”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Interim Finance Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Interim Finance Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.
- (b) For the purposes of this Clause 28:
 - (i) “**BHC Act Affiliate**” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.
 - (ii) “**Covered Entity**” means any of the following: (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).
 - (iii) “**Default Right**” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

- (iv) “**QFC**” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

THIS AGREEMENT HAS BEEN ENTERED INTO ON THE DATE STATED AT THE BEGINNING OF THIS AGREEMENT.

SCHEDULE 1

DEFINITIONS AND INTERPRETATION

Part 1 Definitions

“**Accession Deed**” means a document substantially in the form set out in Schedule 12 (*Form of Accession Deed*).

“**Acceleration Notice**” has the meaning given to such term in paragraph (a)(i) of Clause 6.1 (*Repayment*).

“**Acceptance Condition**” means, in relation to an Offer, a condition such that the Offer may not be declared unconditional as to acceptances until the Borrower has received acceptances in respect of a certain percentage or number of shares in Target.

“**Acquisition**” means the acquisition of the Target by the Borrower (and any other applicable entity in accordance with the Tax Structure Memorandum) pursuant to a Scheme and/or Offer and, if applicable, a Squeeze-Out or any other acquisition of the Target by the Borrower.

“**Acquisition Costs**” has the meaning given to such term in the Commitment Letter.

“**Acquisition Documents**” means the Scheme Documents and/or the Offer Documents and any other document designated as an Acquisition Document by the Parent and the Interim Facility Agent.

“**Additional Business Day**” means any day specified as such in the Reference Rate Terms.

“**Additional Guarantor**” means a company which becomes an Additional Guarantor in accordance with Clause 21.9 (*Additional Guarantors*).

“**Affiliate**” means:

- (a) in relation to any person other than an Interim Finance Party, a Subsidiary or a Holding Company of that person or any other Subsidiary of that Holding Company;
- (b) in relation to any Interim Finance Party other than a fund, any other person directly or indirectly controlling, controlled by, or under direct or indirect common control with, that Interim Finance Party; or
- (c) in relation to any Interim Finance Party which is a fund, any other fund which is advised or managed by the same investment adviser or an Affiliate of that investment adviser.

“**Agent**” means the Interim Facility Agent or the Interim Security Agent, as the context requires and Agents means both of them taken together.

“**Agreed Security Principles**” means the principles set out in the Term Sheet (as defined in and appended to the Commitment Letter).

“**Announcement**” means any press release made by or on behalf of TopCo and/or the Borrower announcing a firm intention to implement a Scheme or, as the case may be, make an Offer, in each case in accordance with Rule 2.7 of the City Code.

“**Anti-Corruption Laws**” means all laws and regulations of any jurisdiction applicable to the Obligors from time to time concerning or relating to anti-bribery or anti-corruption, including the US Foreign Corrupt Practices Act 1977, the UK Bribery Act 2010 or other similar legislation in other jurisdictions.

“**Article 55 BRRD**” means Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

“**Assignment Agreement**” means an agreement substantially in the form set out in Schedule 7 (*Form of Assignment Agreement*) or any other form agreed between the relevant assignor and assignee.

“**Authorisation**” means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration, in each case required by any applicable law or regulation.

“**Bail-In Action**” means the exercise of any Write-down and Conversion Powers.

“**Bail-In Legislation**” means:

- (a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time;
- (b) in relation to any state other than such an EEA Member Country and the United Kingdom, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation; and
- (c) in relation to the United Kingdom, the UK Bail-In Legislation.

“**Bank Levy**” means (i) any amount payable by any Interim Lender or any of its Affiliates on the basis of or in relation to its balance sheet or capital base or any part of it or its liabilities or minimum regulatory capital or any combination thereof, including the UK bank levy as set out in the Finance Act 2011 (as amended), the French *taxe bancaire de risque systémique* as set out in Article 235 ter ZE of the French Code *Général des impôts*, the French *taxe pour le financement du fonds de soutien aux collectivités territoriales* as set out by Article 235 ter ZE bis of the French Code *Général des impôts*, the German bank levy as set out in the German Restructuring Fund Act 2010 (*Restrukturierungsfondsgesetz*) (as amended), the Dutch bankenbelasting as set out in the bank levy act (*Wet bankenbelasting*), the Swedish bank levy as set out in the Swedish Act on State Support to Credit Institutions (Sw. lag (2008:814) (*lag om statligt stöd till kreditinstitut*)), the Spanish bank levy (*Impuesto sobre los Depósitos en las Entidades de Crédito*) as set out in the Law 16/2012 of 27 December 2012 and/or (ii) any other levy or tax in any jurisdiction levied on a similar basis or for a similar purpose or any financial activities taxes (or other taxes) of a kind contemplated in the European Commission consultation paper on financial sector taxation dated 22 February 2011, in each case, which has been enacted and/or which has been formally announced as proposed as at the date of this Agreement.

“**Baseline CAS**” means any rate which is either:

- (a) specified as such in the Reference Rate Terms; or
- (b) determined by the Interim Facility Agent (or by any other Interim Finance Party which agrees to determine that rate in place of the Interim Facility Agent) in accordance with the methodology specified in the Reference Rate Terms.

“**Break Costs**” has the meaning given to that term in paragraph (k) of Clause 7.2 (*Payment of interest*).

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks are open for general business in London and New York and in relation to:

- (a) any date for payment or purchase of an amount relating to an Interim Facility (GBP) Loan; or
- (b) the determination of the first day or the last day of an Interest Period for an Interim Facility (GBP) Loan, or otherwise, or in relation to the determination of the length of such an Interest Period,

an Additional Business Day relating to that Interim Facility (GBP) Loan.

“**Central Bank Rate**” has the meaning given to that term in the Reference Rate Terms.

“**Central Bank Rate Adjustment**” has the meaning given to that term in the Reference Rate Terms.

“**Certain Funds Period**” means the period from (and including) the date of this Agreement to (and including) 11:59 p.m. in London on the earliest of:

- (a) if the Acquisition is intended to be implemented pursuant to a Scheme, the date on which the Scheme lapses or is terminated (including, subject to exhausting any rights of appeal, if a relevant court refuses to sanction the Scheme) or is withdrawn with the consent of the Panel, in accordance with its terms (other than in any such case (i) where such lapse or withdrawal is as a result of, or is followed within five (5) Business Days by, the announcement of the exercise of TopCo’s or the Borrower’s right to effect a switch from the Scheme to an Offer or (ii) it is otherwise to be followed within twenty (20) Business Days by an Announcement made by TopCo or the Borrower to implement the Acquisition by a different offer or scheme (as applicable) in accordance with the terms of this Agreement);
- (b) if the Acquisition is intended to be implemented pursuant to an Offer, the date on which the Offer lapses, terminates or is withdrawn with the consent of the Panel, in accordance with its terms (other than in any such case (i) where such lapse, termination or withdrawal is as a result of, or is followed within five (5) Business Days by, the announcement of the exercise of TopCo’s or the Borrower’s right to effect a switch from the Offer to a Scheme or (ii) it is otherwise to be followed within twenty (20) Business Days by an Announcement made by TopCo or the Borrower to implement the Acquisition by a different offer or scheme (as applicable) in accordance with the terms of this Agreement);
- (c) if the first Announcement has not been released by such time, ten (10) Business Days following the date that the Borrower countersigns the Commitment Letter;
- (d) the date on which the Interim Facilities have been utilised in full or all of the Interim Commitments have been cancelled in full in accordance with the terms of this Agreement; and
- (e) the date that is the first Business Day (the “**Outside Date**”) following 27 April 2022, **provided that**, if the Interim Closing Date has occurred, the Outside Date shall be the later of (i) the first Business Day falling after 27 April 2022 and (ii) the date falling 90 days after the Interim Closing Date,

or, in each case, such later time as agreed by the Arrangers (acting reasonably and in good faith).

“**Change of Control**” means the occurrence of any of the events or circumstances described in paragraph 8 (*Change of control*) of Part 3 (*Major Events of Default*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*).

“Change of Law” means any change which occurs after the date of this Agreement or, if later, after the date on which the relevant Interim Lender became an Interim Lender pursuant to this Agreement (as applicable) in any law, regulation or treaty (or in the interpretation, administration or application of any law, regulation or treaty) or any published practice or published concession of any relevant tax authority other than any change that occurs pursuant to, or in connection with the adoption, ratification, approval or acceptance of, the MLI in or by any jurisdiction.

“Charged Property” means any assets of the Group which, from time to time, are expressed to be the subject of the Interim Security.

“City Code” means the UK City Code on Takeovers and Mergers, as administered by the Panel.

“Combined Group” means the TopCo Group and the Group.

“Compounded Reference Rate” means, in relation to any RFR Banking Day during the Interest Period of an Interim Facility (GBP) Loan, the percentage rate per annum which is the aggregate of:

- (a) the Daily Non-Cumulative Compounded RFR Rate for that RFR Banking Day; and
- (b) the applicable Baseline CAS.

“Compounding Methodology Supplement” means, in relation to the Daily Non-Cumulative Compounded RFR Rate or the Cumulative Compounded RFR Rate, a document which:

- (a) is agreed in writing by the Parent, the Interim Facility Agent (in its own capacity) and the Interim Facility Agent (acting on the instructions of the Majority Interim Lenders);
- (b) specifies a calculation methodology for that rate; and
- (c) has been made available to the Parent and each Interim Finance Party.

“Commitment Letter” means a letter dated 13 April 2021 between, among others, the Arrangers, the Initial Lenders and the Borrower setting out the terms and conditions pursuant to which the Arrangers agree to arrange and the Initial Lenders agree to underwrite certain facilities in connection with the Acquisition and the Transactions and appending the schedules thereto.

“Confidentiality Undertaking” means a confidentiality undertaking agreeing to keep the Interim Finance Documents or other documents or information confidential, on which the Parent is able to rely and which is either (i) in the form most recently published by the Loan Market Association or (ii) otherwise in form and substance satisfactory to the Parent acting reasonably.

“Court” means the High Court of Justice of England and Wales.

“Court Order” means the order of the Court sanctioning the Scheme.

“Cumulative Compounded RFR Rate” means, in relation to an Interest Period for an Interim Facility (GBP) Loan, the percentage rate per annum determined by the Interim Facility Agent (or by any other Interim Finance Party which agrees to determine that rate in place of the Interim Facility Agent) in accordance with the methodology set out in Schedule 16 (*Cumulative Compounded RFR Rate*) or in any relevant Compounding Methodology Supplement.

“Daily Non-Cumulative Compounded RFR Rate” means, in relation to any RFR Banking Day during an Interest Period for an Interim Facility (GBP) Loan, the percentage rate per annum determined by the Interim Facility Agent (or by any other Interim Finance Party which agrees to determine that rate in place of the Interim Facility Agent) in accordance with the methodology set out in Schedule 15 (*Daily Non-Cumulative Compounded RFR Rate*) or in any relevant Compounding Methodology Supplement.

“**Daily Rate**” means the rate specified as such in the Reference Rate Terms.

“**Defaulting Lender**” has the meaning given to that term in Part 5 (*Definitions*) of Schedule 5 (*Impairment and Replacement of Interim Finance Parties*).

“**Delegate**” means any delegate, agent, attorney or co-trustee appointed by the Interim Security Agent.

“**Designated Takeout Financing Proceeds**” has the meaning given to that term in the Commitment Letter.

“**Drawdown Date**” means the date of or proposed date for the making of an Interim Loan.

“**Drawdown Request**” means a signed notice requesting an Interim Loan in the form set out in Schedule 2 (*Form of Drawdown Request*).

“**EEA Financial Institution**” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in Clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a Subsidiary of an institution described in Clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“**EEA Member Country**” means any of the member states of the European Union, Iceland, Liechtenstein and Norway.

“**EEA Resolution Authority**” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegate) having responsibility for the resolution of any EEA Financial Institution.

“**EU Bail-In Legislation Schedule**” means the document described as such and published by the Loan Market Association (or any successor person) from time to time.

“**Escrow Account**” means a non-interest bearing deposit account in the name of the Borrower (Account Number: SF4360.1) held with the Escrow Agent or any other deposit account(s) from time to time subject to the Escrow Agreement.

“**Escrow Agent**” means Deutsche Bank Trust Company Americas as escrow agent under the Escrow Agreement, or any replacement or successor thereof.

“**Escrow Agreement**” means an escrow agreement between the Borrower, the Escrow Agent and the Financial Advisor dated on or around the date hereof in respect of the Escrow Account.

“**EURIBOR**” means, in relation to any Interim Loan or any overdue amount denominated in euro:

- (a) the applicable Screen Rate;
- (b) (if no Screen Rate is available for the currency or Interest Period of that Interim Loan or overdue amount) the Interpolated Screen Rate for that Interim Loan or overdue amount; or

- (c) if:
- (i) no Screen Rate is available for the currency of that Interim Loan or an overdue amount; and
 - (ii) it is not possible to calculate an Interpolated Screen Rate for that Interim Loan or overdue amount,
- the arithmetic mean (rounded upward to four decimal places) of the rates, as supplied to the Interim Facility Agent at its request, quoted by the Reference Banks to leading banks in the London interbank market,

as of 11.00 a.m. (Brussels time) on the Rate Fixing Day for the offering of deposits in the currency of that Interim Loan or overdue amount and a period comparable to that Interest Period for that Interim Loan or overdue amount provided that, if that rate is less than one (1) per cent., EURIBOR shall be deemed to be one (1) per cent.

“Excluded Jurisdiction” has the meaning given to that term in the Agreed Security Principles.

“Existing Facilities” has the meaning given in paragraph (b) of Clause 3.3 (*Purpose*).

“Existing Interim Lender” has the meaning given to that term in paragraph (a) of Clause 21.2 (*Transfers by Interim Lenders*).

“Extended Final Repayment Date” means the date falling 364 days after the first date upon which an Interim Facility is drawn.

“Extension Request” means a request by the Parent to exercise the extension option pursuant to Clause 6.4 (*Extension Option*) in form substantially as attached hereto as Schedule 10 (*Form of Extension Request*).

“Facility Office” means the office or offices through which an Interim Lender will perform its obligations under an Interim Facility as notified to the Interim Facility Agent in writing on or before the date it becomes an Interim Lender (or, following that date, by not less than five (5) Business Days’ notice).

“FATCA” means:

- (a) Sections 1471 through 1474 of the US Code (as in effect on the date of this Agreement or any amended or successor version that is substantively comparable and not materially more onerous to comply with) or any associated regulations or other official guidance;
- (b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of anything mentioned in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of anything mentioned in paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

“FATCA Application Date” means:

- (a) in relation to a “withholdable payment” described in section 1473(1)(A)(i) of the US Code (which relates to payments of interest and certain other payments from sources within the US), 1 July 2014; or

(b) in relation to a “passthru payment” described in section 1471(d)(7) of the US Code not falling within paragraph (a) above, the first date from which such payment may become subject to a deduction or withholding required by FATCA.

“**FATCA Deduction**” means a deduction or withholding from a payment under an Interim Finance Document required by FATCA.

“**FATCA Exempt Party**” means a Party that is entitled to receive payments free from any FATCA Deduction.

“**Fee Letter**” has the meaning given in the Commitment Letter.

“**Final Repayment Date**” means the Original Final Repayment Date, or, if extended pursuant to Clause 6.4 (*Extension Option*), the Extended Final Repayment Date.

“**Financial Advisor**” means Deutsche Bank AG, London Branch.

“**Funds Flow Statement**” means any funds flow statement which is prepared in respect of the Transactions.

“**Group**” means the Parent and each of its Subsidiaries from time to time.

“**Group Company**” means a member of the Group.

“**Guarantor**” means the Parent, the Borrower and each Additional Guarantor.

“**Guarantor Coverage Test**” has the meaning given to that term in the Agreed Security Principles.

“**Holding Company**” means in relation to any person, any other body corporate or other entity of which it is a Subsidiary.

“**Industry Competitor**” means any person or entity (or any of its Affiliates) which is a competitor of a member of the Group or whose business is similar or related to a member of the Group and any controlling shareholder of such persons, provided that, for the avoidance of doubt, this shall not include any person or entity (or any of its Affiliates) which is a bank, financial institution or trust, fund or other entity whose principal business or a material activity of whom is arranging, underwriting or investing in debt.

“**Initial Lenders**” has the meaning given in the Commitment Letter.

“**Interest Payment**” means in respect of an Interim Facility (GBP) Loan, the aggregate amount of interest that is, or is scheduled to become, payable under any Interim Finance Document.

“**Interest Period**” has the meaning given to such term in paragraph (a) of Clause 7.2 (*Payment of interest*).

“**Interim Closing Date**” means the first date upon which an Interim Facility is drawn.

“**Interim Commitment**” means the Interim Facility (GBP) Commitments and Interim Facility (EUR) Commitments.

“**Interim Facility**” means Interim Facility (GBP) and Interim Facility (EUR).

“**Interim Facility (EUR)**” has the meaning given in paragraph (b) of Clause 2.1 (*The Interim Facilities*).

“**Interim Facility (GBP)**” has the meaning given in paragraph (a) of Clause 2.1 (*The Interim Facilities*).

“Interim Facility (EUR) Commitment” means:

- (a) in relation to each Original Interim Lender, the amount of Interim Facility (EUR) set opposite its name in Schedule 8 (*The Original Interim Lenders*) and the amount of any other Interim Facility (EUR) Commitment transferred to it pursuant to Clause 21 (*Changes to Parties*) or assumed by it in accordance with Clause 22 (*Impairment and Replacement of Interim Finance Parties*) and paragraph 2 (*Increase*) of Part 3 (*Replacement of an Interim Lender / Increase*) of Schedule 5 (*Impairment and Replacement of Interim Finance Parties*); and
- (b) in respect of any other Interim Lender, the amount transferred to it in respect of Interim Facility (EUR) pursuant to Clause 21 (*Changes to Parties*) or assumed by it in accordance with Clause 22 (*Impairment and Replacement of Interim Finance Parties*) and paragraph 2 (*Increase*) of Part 3 (*Replacement of an Interim Lender / Increase*) of Schedule 5 (*Impairment and Replacement of Interim Finance Parties*),

in each case, to the extent not cancelled, reduced or transferred by it under and in accordance with the express terms of this Agreement.

“Interim Facility (GBP) Commitment” means:

- (a) in relation to each Original Interim Lender, the amount of Interim Facility (GBP) set opposite its name in Schedule 8 (*The Original Interim Lenders*) and the amount of any other Interim Facility (GBP) Commitment transferred to it pursuant to Clause 21 (*Changes to Parties*) or assumed by it in accordance with Clause 22 (*Impairment and Replacement of Interim Finance Parties*) and paragraph 2 (*Increase*) of Part 3 (*Replacement of an Interim Lender / Increase*) of Schedule 5 (*Impairment and Replacement of Interim Finance Parties*); and
- (b) in respect of any other Interim Lender, the amount transferred to it in respect of Interim Facility (GBP) pursuant to Clause 21 (*Changes to Parties*) or assumed by it in accordance with Clause 22 (*Impairment and Replacement of Interim Finance Parties*) and paragraph 2 (*Increase*) of Part 3 (*Replacement of an Interim Lender / Increase*) of Schedule 5 (*Impairment and Replacement of Interim Finance Parties*),

in each case, to the extent not cancelled, reduced or transferred by it under and in accordance with the express terms of this Agreement.

“Interim Facility (EUR) Loan” means the principal amount of the borrowing under Interim Facility (EUR) or the principal amount outstanding of that borrowing at any time.

“Interim Facility (GBP) Loan” means the principal amount of the borrowing under Interim Facility (GBP) or the principal amount outstanding of that borrowing at any time.

“Interim Finance Documents” means each of this Agreement, the Fee Letter, the Interim Security Documents, each Drawdown Request, each Extension Request, each Accession Deed, any Reference Rate Supplement, any Compounding Methodology Supplement and any other document designated as such in writing by the Interim Facility Agent and the Parent.

“Interim Finance Parties” means the Interim Lenders, the Arrangers, the Interim Facility Agent and the Interim Security Agent.

“Interim Lender” means:

- (a) an Original Interim Lender; and
- (b) any other bank or financial institution, trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets or other person which has become a Party as an Interim Lender pursuant to Clause 21 (*Changes to Parties*) or paragraph 2 (*Increase*) of Part 3 (*Replacement of an Interim Lender / Increase*) of Schedule 5 (*Impairment and Replacement of Interim Finance Parties*),

which, in each case, has not ceased to be an Interim Lender in accordance with the terms of this Agreement.

“Interim Liabilities” means all liabilities owed by the Obligor to the Interim Finance Parties under the Interim Finance Documents.

“Interim Loan” means an Interim Facility (GBP) Loan and Interim Facility (EUR) Loan.

“Interim Security” means the Security Interests created or expressed to be created in favour of the Interim Security Agent pursuant to the Interim Security Documents.

“Interim Security Document” means any document required to be delivered to the Interim Facility Agent under sub-paragraph (c) of paragraph 2 (*Interim Finance Documents*) of Schedule 3 (*Conditions Precedent*), paragraph 9 (*Guarantors and Security*) of Part 2 (*Major Undertakings*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*)) and any other document entered into by an Obligor pursuant to which Security Interests are created or expressed to be created in favour of the Interim Finance Parties in respect of Interim Liabilities.

“Interpolated Screen Rate” means, in relation to EURIBOR for any Interim Loan denominated in euro or an overdue amount, the rate which **results** from interpolating on a linear basis between:

- (a) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of that Interim Loan or overdue amount; and
- (b) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Interim Loan or overdue amount,

each as of 11.00 a.m. (Brussels time) on the Rate Fixing Day for the offering of deposits in the currency of that Interim Loan or an applicable amount.

“Loan to Own/Distressed Investor” means any person (including an Affiliate or a Related Fund of an Interim Lender or any transferee which satisfies the requirements set out under paragraph (b)(ii) of Clause 21.2 (*Transfers by Interim Lenders*)) whose principal business or material activity is in investment strategies whose primary purpose is the purchase of loans or other debt securities with the intention of (or view to) owning the equity or gaining control of a business (directly or indirectly), **provided that**:

- (a) any Affiliate of such persons which are a deposit taking financial institution authorised by a financial services regulator to carry out the business of banking which holds a minimum rating equal to or better than BBB- or Baa3 (as applicable) according to at least two of Moody's, S&P or Fitch which are managed and controlled independently where any information made available under the Interim Finance Documents is not disclosed or made available to other Affiliates; and
- (b) any Original Interim Lender,

shall not, in each case, be a Loan to Own/Distressed Investor.

“**Long-term Financing**” means any facilities (excluding an Interim Facility) described or contemplated in the Commitment Letter in connection with the Acquisition (including, in respect of any bridge facilities, any takeout financing related thereto).

“**Long-term Financing Agreements**” means, collectively, the facilities agreements, indentures, trust deeds or other agreements and/or instruments to be entered into for the purpose of documenting the Long-term Financing.

“**Lookback Period**” means the number of days specified as such in the Reference Rate Terms.

“**Major Event of Default**” means:

- (a) prior to the expiry of the Certain Funds Period, an event or circumstance set out in Part 3 (*Major Events of Default*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*) (but in relation to paragraph 1 (*Payment default*) thereof only insofar as it relates to payment of principal and/or interest under this Agreement and/or fees specified in the Fee Letter as payable in respect of an Interim Facility and excluding any agency fees payable thereunder); and
- (b) after the expiry of the Certain Funds Period, an event or circumstance set out in Part 3 (*Major Events of Default*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*),

in each case: (i) prior to the Extension Effective Date only, to the extent such Major Event of Default relates only to an Obligor, and for the avoidance of doubt no procurement obligation or any other matter or circumstance in respect of, or breach by, any member of the TopCo Group or the Target Group shall relate to the Obligors for these purposes and (ii) on or after the Extension Effective Date only, in respect of each Obligor or member of the Group as such Major Event of Default is applicable to it (including any procurement obligation).

“**Major Representation**” means:

- (a) prior to the expiry of the Certain Funds Period, a representation set out in Part 1 (*Major Representations*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*) (other than sub-paragraph (c) of paragraph 3 (*No conflict*) of Part 1 (*Major Representations*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*)); and
- (b) after the expiry of the Certain Funds Period, a representation set out in Part 1 (*Major Representations*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*),

in each case: (i) prior to the Extension Effective Date only, to the extent such Major Representation relates only to an Obligor, and for the avoidance of doubt no procurement obligation or any other matter or circumstance in respect of, or breach by, any member of the TopCo Group or the Target Group shall relate to the Obligors for these purposes and (ii) on or after the Extension Effective Date only, in respect of each Obligor or member of the Group as such Major Representation is applicable to it (including any procurement obligation).

“**Major Undertaking**” means:

- (a) prior to the expiry of the Certain Funds Period, an undertaking set out in Part 2 (*Major Undertakings*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*) (other than sub-paragraphs (g) and (i) of paragraph 8 (*Acquisition undertakings*) of Part 2 (*Major Undertakings*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*)); and

- (b) after the expiry of the Certain Funds Period, an undertaking set out in Part 2 (*Major Undertakings*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*),

in each case: (i) prior to the Extension Effective Date only, to the extent such Major Undertaking relates only to an Obligor, and for the avoidance of doubt no procurement obligation or any other matter or circumstance in respect of, or breach by, any member of the TopCo Group or the Target Group shall relate to the Obligors for these purposes and (ii) on or after the Extension Effective Date only, in respect of each Obligor or member of the Group as such Major Undertaking is applicable to it (including any procurement obligation).

“Majority Interim Lenders” means, at any time, Interim Lenders:

- (a) whose Interim Commitments then aggregate greater than 50 per cent. of the Total Interim Commitments; or
- (b) if the Total Interim Commitments have then been reduced to zero, whose Interim Commitments aggregated greater than 50 per cent. of the Total Interim Commitments immediately before that reduction.

“Margin” means:

- (a) in relation to an Interim Facility (GBP) Loan, 2.50 per cent. per annum; and
- (b) in relation to an Interim Facility (EUR) Loan, 2.50 per cent. per annum,

in each case, provided that the applicable margin shall increase by an additional 0.25 per cent. per annum on each of the ninety (90), hundred and eighty (180) and two hundred and seventy (270) day anniversaries of the Interim Closing Date.

“Market Disruption Rate” means the rate (if any) specified as such in the Reference Rate Terms.

“Material Adverse Effect” means any event or circumstance which in each case after taking into account all mitigating factors or circumstances including, any warranty, indemnity or other resources available to the Group or right or recourse against any third party with respect to the relevant event or circumstance and any obligation of any person in force to provide any additional equity investment:

- (a) has a material adverse effect on:
 - (i) the consolidated business, assets or financial condition of the Group (taken as a whole); or
 - (ii) the ability of the Obligors to perform any of their payment obligations under the Interim Finance Documents (taking into account the financial resources available from other Group companies); or
- (b) subject to the Reservations and any Perfection Requirements, affects the validity or the enforceability of any of the Interim Finance Documents to an extent which is materially adverse to the interests of the Interim Lenders under the Interim Finance Documents taken as a whole and, if capable of remedy, is not remedied within twenty (20) Business Days of the earlier of:
 - (i) the Parent becoming aware of the issue; and
 - (ii) the giving of written notice of the issue by the Interim Facility Agent.

“**Material Subsidiary**” has the meaning given to it in the Agreed Security Principles.

“**Member State**” means a member state of the European Union.

“**Minimum Acceptance Condition**” means, in relation to an Offer, an Acceptance Condition of not less than 75 per cent. of the issued ordinary share capital of the Target on a fully diluted basis (assuming exercise in full of all options, warrants and other rights to require allotment or issue of any shares in Target, whether or not such rights are then exercisable).

“**MLI**” means the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting of 24 November 2016.

“**New Interim Lender**” has the meaning given to that term in paragraph (a) of Clause 21.2 (*Transfers by Interim Lenders*).

“**Non-US Lender**” has the meaning given in paragraph (b) of Clause 8.7 (*US Tax Forms*).

“**Obligor**” means each Borrower and Guarantor.

“**OFAC**” means the Office of Foreign Assets Control of the United States Department of the Treasury (or any successor thereto).

“**Offer**” means the takeover offer (as defined in section 974 of the Companies Act 2006) by TopCo and/or the Borrower (and any other applicable entity in accordance with the Tax Structure Memorandum) in accordance with the City Code to acquire all of the shares in Target that are the subject of that takeover offer (within the meaning of section 975 of the Companies Act 2006) pursuant to the Offer Documents.

“**Offer Documents**” means the applicable Announcement and the offer documents dispatched to shareholders of the Target setting out the terms and conditions of an Offer.

“**Original Final Repayment Date**” means the date which falls ninety (90) days after the first date upon which an Interim Facility is drawn.

“**Panel**” means The Panel on Takeovers and Mergers.

“**Participating Member State**” means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

“**Party**” means a party to this Agreement.

“**Perfection Requirements**” means the making or the procuring of any appropriate registration, filing, recordings, enrolments, registrations, notations in stock registries, notarisations, notifications, endorsements and/or stampings of the Interim Security Documents and/or the Security Interests created thereunder.

“**Permitted Acquisition**” means, following the Extension Effective Date and in respect of the Target Group only:

- (a) any acquisition of any cash or cash equivalent investments for treasury management purposes;
- (b) an acquisition or redemption of shares (directly or indirectly) of directors and employees whose appointment and/or contract is terminated;

- (c) any acquisition of shares following the conversion of an intra-Target Group loan into equity; and
- (d) an acquisition of any assets or securities received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss.

“Permitted Disposal” means any sale, lease, licence, transfer, disposition, distribution, contribution or other disposal:

- (a) of any asset by an Obligor to another member of the Combined Group, provided that if the asset disposed of is subject to Interim Security at the time of disposal it shall be disposed of on the basis that it shall remain subject to, or otherwise become subject to, an equivalent Security Interest;
- (b) entered into in the ordinary course of the day-to-day business of an Obligor;
- (c) of cash or cash equivalent investments;
- (d) of any asset compulsorily acquired by any governmental authority, to the extent that such disposal does not result in a Major Event of Default;
- (e) required by law or regulation or any order of any governmental entity, provided that this does not result in a Major Event of Default;
- (f) which is a lease, sub-lease, licence or sub-licence of property in the ordinary course of business;
- (g) that arises as a result of a Permitted Transaction;
- (h) pursuant to any Security Interest referenced in paragraph 2 (*Negative pledge*) of Part 2 (*Major Undertakings*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*) or granted under the Interim Security Documents or Long-term Financing Agreement; and
- (i) of assets where the net consideration received for which (when aggregated with net consideration received for any other sale, lease, licence, transfer or other disposal not allowed under the preceding paragraphs) does not exceed £20,000,000 (or its equivalent in other currencies) during the life of the Interim Facilities.

“Permitted Financial Indebtedness” means, following the Extension Effective Date and in respect of the Target Group only:

- (a) financial indebtedness arising under (or issued pursuant to) a Permitted Guarantee or a Permitted Loan;
- (b) financial indebtedness arising under BACS facilities, credit card facilities or as a result of daylight exposures of any member of the Target Group in respect of banking arrangements, in each case, entered into in the ordinary course of business;
- (c) to the extent constituting financial indebtedness, any indebtedness, liabilities or obligations (i) incurred in the ordinary course of business in respect of obligations of any member of the Target Group to pay the deferred purchase price of goods or services or progress payments in connection with such goods and services and (ii) in respect of letters of credit, bankers' acceptances, bank guarantees or similar instruments supporting trade payables, warehouse receipts or similar facilities entered into in the ordinary course of business;

- (d) to the extent constituting financial indebtedness, indebtedness, liabilities or obligations of any member of the Target Group consisting of (i) the financing of insurance premiums, (ii) take-or-pay obligations contained in supply arrangements, in each case, in the ordinary course of business and/or (iii) obligations to reacquire assets or inventory in connection with customer financing arrangements in the ordinary course of business;
- (e) any other financial indebtedness resulting from customer deposits and advance payments from customers and/or suppliers in the ordinary course of business;
- (f) financial indebtedness (including obligations in respect of guarantees, letters of credit, banker's acceptances, bank guaranties, surety bonds, performance bonds or similar instruments with respect to such financial indebtedness) incurred by any member of the Target Group in respect of workers compensation claims, unemployment insurance (including premiums related thereto), other types of social security, pension obligations, vacation pay, health, disability or other employee benefits or property, casualty or liability insurances;
- (g) financial indebtedness of any member of the Target Group representing deferred compensation or other similar arrangements to directors, officers, employees, members of management, managers, independent contractors and consultants of any member of the Target Group in the ordinary course of business;
- (h) unfunded pension fund and other employee benefit plan obligations and liabilities incurred by any member of the Target Group in the ordinary course of business;
- (i) financial indebtedness in respect of performance bonds, bid bonds, appeal bonds, surety bonds and completion guarantees and similar obligations, in each case provided in the ordinary course of business consistent with past practice or industry practices;
- (j) financial indebtedness arising from the honouring by a bank or other financial institution of a cheque, draft or similar instrument drawn against insufficient funds in the ordinary course of business; and
- (k) any refinancing of the financial indebtedness incurred pursuant to any of the preceding paragraphs or this paragraph (k).

“Permitted Guarantee” means, following the Extension Effective Date and in respect of the Target Group only:

- (a) any guarantee under the Interim Finance Documents;
- (b) any guarantee in respect of financial indebtedness of any entity that is not any guarantee which, if it were a loan, would be a Permitted Loan to the extent the issuer of the relevant guarantee would have been entitled to make a loan in an equivalent amount under the definition of Permitted Loan to the person whose obligations are being guaranteed;
- (c) guarantees to landlords and counter indemnities in favour of financial institutions which have guaranteed rent obligations of a member of the Target Group or guarantees or counter indemnities for the lease obligations of suppliers, customers, franchisees and licensees, in each case, in the ordinary course of business;
- (d) the endorsement of negotiable instruments in the ordinary course of trading;

- (e) customary guarantees guaranteeing performance by a member of the Target Group under any contract entered into in the ordinary course of business;
- (f) customary guarantees and indemnities given in favour of directors and officers of any member of the Target Group in respect of their function as such;
- (g) any guarantee given in respect of cash pooling, netting or set-off arrangements permitted pursuant to paragraph (b) of Permitted Security;
- (h) indemnities given to professional advisers and consultants in the ordinary course of business;
- (i) guarantees given to creditors of members of the Target Group pursuant to capital reductions;
- (j) any guarantee or indemnity provided by a member of the Target Group for the obligations of another member of the Target Group in connection with a member of the Target Group claiming exemption from audit, the preparation and filing of its accounts or other similar exemptions (including under section 394C, 448C or 479C of the Companies Act 2006 or other similar or equivalent provisions);
- (k) to the minimum extent required, mandatory guarantees under any applicable laws;
- (l) any guarantee or indemnity in respect of unfunded pension fund and other employee benefit plan obligations and liabilities incurred by any member of the Target Group in the ordinary course of business; and
- (m) guarantees or indemnities given to regulatory authorities, or financial institutions that have issued letters of credit in respect of, or otherwise guaranteed, obligations owed by the Target Group to regulatory authorities, as required in the ordinary course of the Target Group's business.

“Permitted Loan” means, following the Extension Effective Date and in respect of the Target Group only:

- (a) loans and trade credit in the ordinary course of trading activities;
- (b) advance payments made in the ordinary course of business;
- (c) loans and the granting of credit (including in the ordinary course of intra-Target Group cash pooling arrangements) by a member of the Target Group to another member of the Target Group;
- (d) loans required to be made by mandatory provisions of law;
- (e) a loan made by a member of the Target Group in order to fund a payment to be made under an Interim Finance Document;
- (f) unfunded pension fund and other employee benefit plan obligations and liabilities incurred by any member of the Target Group in the ordinary course of business;
- (g) any prepayments or deposits in the ordinary course of business; and
- (h) loan notes issued by Gaming Realms PLC pursuant to a loan note instrument dated in or around December 2017 relating to the issue of £3,500,000 secured convertible loan notes due 2022, in a principal amount up to £3,500,000 and subscribed for by a member of the Target Group.

“Permitted Payment” means any payment:

- (a) to enable a Holding Company of the Parent to:
 - (i) pay Taxes, duties or similar amounts for which it is liable;
 - (ii) pay fees, expenses and other costs incurred in acting as, or maintaining its existence as, a holding company or arising by operation of law or in the ordinary course of administration of its business; and
 - (iii) meet substance requirements for Tax purposes;
- (b) constituting the repayment or prepayment of liabilities under the Interim Finance Documents;
- (c) for the purpose of funding transaction costs incurred in connection with the Acquisition, the Refinancing, the Interim Facilities and/or the Long-term Financing Agreements (including any such costs incurred by the TopCo Group or a Holding Company and recharged to a Group Company); and/or
- (d) set out in or contemplated by a Permitted Transaction.

“Permitted Security” means, following the Extension Effective Date and in respect of the Target Group only:

- (a) rights of set-off existing in the ordinary course of business between any member of the Target Group and its respective suppliers or customers and any Security Interest or Quasi-Security relating to purchase orders and other agreements entered into with customers, suppliers or service providers of any member of the Target Group in the ordinary course of business;
- (b) encumbrances over credit balances on bank accounts to facilitate operation of such bank accounts on a cash pooled net balance basis;
- (c) any Security Interest or Quasi-Security arising under or in connection with any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect or other agreements for the acquisition of assets on deferred payment terms in the ordinary course of business, to the extent such Security Interest is granted by the relevant member of the Target Group over assets comprised within or constituted by or in connection with such arrangements;
- (d) Security Interests over goods and documents of title to goods arising in the ordinary course of letter of credit transactions entered into in the ordinary course of business;
- (e) Security Interests which does not secure any outstanding actual or contingent liability provided that all reasonable endeavours are used to procure the release or discharge of such Security Interests;
- (f) Security Interests over rental deposits placed by a member of the Target Group with a lessor pursuant to a property lease entered into in the ordinary course of business;
- (g) (i) any Security Interests arising pursuant to an order of attachment or injunction restraining disposal of assets or similar legal process arising in connection with court proceedings which are contested by any member of the Target Group in good faith by appropriate proceedings and (ii) any pledge and/or deposit securing any settlement of litigation;
- (h) any Security Interest created pursuant to a court order or judgement or a security for costs arising pursuant to court proceedings being contested by the relevant member of the Group in good faith by appropriate proceedings;

- (i) Security Interests over insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;
- (j) (i) leases, licences (including sub-licences) or subleases granted to others or (ii) assignments of intellectual property rights granted to a customer of any member of the Target Group, in each case in the ordinary course of business;
- (k) Security Interests or Quasi-Security entered into in the ordinary course of business in connection with any workers' compensation, unemployment insurance and other social security laws or regulations and Security Interests or Quasi-Security securing liabilities owed to insurance carriers under insurance or self-insurance arrangements in respect of such obligations and Security Interests or Quasi-Security securing liabilities for reimbursement or indemnification obligations of (including obligations in respect of letters of credit or bank guarantees for the benefit of) insurance carriers providing property, casualty or liability insurance to any member of the Target Group;
- (l) Security Interests or Quasi-Security incurred in the ordinary course of business to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance and return of money bonds, bids, leases, government contracts, trade contracts, agreements with utility providers, and other obligations of a like nature (including letters of credit in lieu of any such bonds or to support the issuance thereof), in each case, incurred in the ordinary course of business including those to secure health, safety and environmental obligations in the ordinary course of business;
- (m) Security Interests or Quasi-Security incurred in connection with zoning restrictions, easements, survey exceptions, trackage rights, leases, licenses, special assessments, rights-of-way, covenants, conditions, restrictions and declarations on or with respect to the use of real estate, servicing agreements, development agreements, site plan agreements and other similar encumbrances or arrangements incurred in the ordinary course of business, including in respect of title defects or irregularities that are of a minor nature and that, in the aggregate, do not interfere in any material respect with the ordinary conduct of the business of the Target Group; and
- (n) Security Interests or Quasi-Security in favour of customs and revenue authorities arising as a matter of law to secure payments of customs duties in connection with the importation of goods.

“Permitted Transaction” means:

- (a) any step, circumstance, action or transaction contemplated by the Funds Flow Statement, the Tax Structure Memorandum or permitted expressly, contemplated or required by, the Transaction Documents or Long-term Financing Agreements (or other refinancing of the Interim Facilities) (and related documentation);
- (b) any, step, circumstance, agreement or transaction in connection with the payment, management or release of Relevant Proceeds into the Escrow Account;
- (c) any step, circumstance or transaction which is mandatorily required by law (including arising under an order of attachment or injunction or similar legal process);
- (d) any transfer of the shares in, or issue of shares by, any member of the Combined Group or any step, action or transaction including share issue or acquisition or consumption of debt, for the purpose of creating the group structure for the Acquisition or effecting the Refinancing as set out in the Tax Structure Memorandum;

- (e) any step, circumstance or transaction permitted or required or contemplated by any Major Undertaking or paragraph 5 (*Holding company status*) of Part 1 (*Major Representations*) of Schedule 4 (*Major Representations, Undertakings and Events of Default*) (which for the avoidance of doubt, in each case, will be a Permitted Transaction for all Major Undertakings and Major Representations);
- (f) any conversion of a loan, credit or any other indebtedness outstanding which is permitted under any Interim Finance Document into distributable reserves or share capital of any member of the Target Group or any other capitalisation, forgiveness, waiver, release or other discharge of that loan, credit or indebtedness, in each case on a cashless basis;
- (g) any repurchase of shares in any person upon the exercise of warrants, options or other securities convertible into or exchangeable for shares if such shares represents all or a portion of the exercise price of such warrants, options or other securities convertible into or exchangeable for shares as part of a "cashless" exercise;
- (h) any transaction to which the Interim Facility Agent (acting on the instructions of the Majority Interim Lenders) shall have given prior written consent; and
- (i) any transactions, including any Security Interests granted by a member of the Target Group, any joint ventures, guarantees, indemnities, loans or financial indebtedness existing in respect of the Target Group prior to the Extension Effective Date and which were not incurred or entered into in anticipation of the relevant member of the Target Group becoming an Additional Guarantor after the Extension Effective Date but excluding the Existing Facilities and any security granted in connection therewith.

"Post-Extension Uptake Date" means the date which is ten (10) Business Days after the Original Final Repayment Date.

"Quasi-Security" means a transaction or arrangement to:

- (a) sell, transfer or otherwise dispose of to any person who is not a member of the Target Group any of its assets on terms whereby they are or may be leased to or re-acquired by any other member of the Target Group;
- (b) sell, transfer or otherwise dispose of any of its receivables to any person who is not a member of the Group on recourse terms;
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising financial indebtedness or of financing the acquisition of an asset.

"Rate Fixing Day" means, in relation to any period for which an interest rate is to be determined if the currency is euro, two TARGET Days before the first day of that period.

"Receiver" means a receiver, receiver and manager or administrative receiver of the whole or any part of the Charged Property.

“**Reference Banks**” means, in relation EURIBOR), the principal London offices of such banks or financial institutions as may be appointed by the Interim Facility Agent after consultation with the Parent, provided that no Interim Finance Party shall be appointed as a Reference Bank without its consent.

“**Reference Rate Supplement**” means a document which:

- (a) is agreed in writing by the Parent, the Interim Facility Agent (in its own capacity) and the Interim Facility Agent (acting on the instructions of the Majority Interim Lenders);
- (b) specifies the relevant terms which are expressed in this Agreement to be determined by reference to Reference Rate Terms; and
- (c) has been made available to the Parent and each Interim Finance Party.

“**Reference Rate Terms**” means the terms set out in Schedule 14 (*Reference Rate Terms*) or in any Reference Rate Supplement.

“**Refinancing**” has the meaning given in paragraph (b) of Clause 3.3 (*Purpose*).

“**Related Fund**” in relation to a fund (the “**first fund**”), means a fund which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund.

“**Relevant Interbank Market**” means:

- (a) in relation to euro, the European interbank market; and
- (b) in relation to any other currency, the London interbank market.

“**Relevant Market**” means the market specified as such in the Reference Rate Terms.

“**Reporting Day**” means the day (if any) specified as such in the Reference Rate Terms.

“**Reporting Time**” means the relevant time (if any) specified as such in the Reference Rate Terms.

“**Reservations**” means the principle that equitable remedies may be granted or refused at the discretion of the court, the limitation on enforcement by laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws generally affecting the rights of creditors and secured creditors, the time barring of claims under any applicable limitation statutes, the possibility that a court may strike out a provision of a contract for recession or oppression, undue influence or similar reason, the possibility that an undertaking to assume liability for or to indemnify a person against non-payment of stamp duty may be void, defences of acquiescence, set-off or counterclaim and similar principles, the principles that in certain circumstances a Security Interest granted by way of fixed charge may be recharacterised as a floating charge or that a Security Interest purported to be constituted as an assignment may be recharacterised as a charge, the principle that additional or default interest imposed pursuant to any relevant agreement may be held to be unenforceable on the grounds that it is a penalty and thus void, the principle that a court may not give effect to an indemnity for legal costs incurred by an unsuccessful litigant, the principle that the creation or purported creation of a Security Interest over any asset not beneficially owned by the relevant charging company at the date of the relevant security document or over any contract or agreement which is subject to a prohibition on transfer, assignment or charging may be void, ineffective or invalid and may give rise to a breach of the contract or agreement over which a Security Interest has purportedly been created, the principle that a court may not give effect to any parallel debt provisions, covenant to pay the Interim Security Agent or other similar provisions, similar principles, rights and defences under the laws of any jurisdiction in which the relevant obligation may have to be performed and any other matters which are set out in the reservations or qualifications (however described) as to matters of law which are referred to in any legal opinion referred to in paragraph 3 (*Legal Opinions*) of Schedule 3 (*Conditions Precedent*) or under any other provision of or otherwise in connection with any Interim Finance Document.

“Resolution Authority” means any body which has authority to exercise any Write-down and Conversion Powers.

“Restricted Finance Party” means an Interim Finance Party that notifies the Interim Facility Agent that a Sanctions Provision would result in a violation of, a conflict with or liability under:

- (a) EU Regulation (EC) 2271/96; or
- (b) any similar applicable anti-boycott statute.

“Restricted Person” means a person that is:

- (a) listed on or owned or controlled by a person listed on any Sanctions List; or
- (b) resident in, incorporated under the laws of, or owned or controlled by, or acting on behalf of, a person resident in or organised under the laws of a Sanctioned Country in breach of applicable Sanctions.

“RFR” means the rate specified as such in the Reference Rate Terms.

“RFR Banking Day” means any day specified as such in the Reference Rate Terms.

“Sanctioned Country” means, at any time, a country or territory which is, or whose government is, the subject or target of comprehensive Sanctions (as at the date of this Agreement Crimea, Cuba, Iran, North Korea and Syria).

“Sanctions” means any economic, trade or financial sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced from time to time by any Sanctions Authority.

“Sanctions Authority” means (a) the United States government, (b) the United Nations Security Council, (c) the European Union and any EU member state, (d) the United Kingdom, and (e) the respective governmental institutions of any of the foregoing which administer Sanctions, including, OFAC, the United States Department of State, the United States Department of Commerce, the United States Department of Treasury and Her Majesty’s Treasury.

“Sanctions List” means the “Specially Designated Nationals and Blocked Persons” list issued by OFAC, the Consolidated List of Financial Sanctions Targets issued by Her Majesty’s Treasury, or any similar list issued or maintained and made public by any of the Sanctions Authorities as amended, supplemented or substituted from time to time.

“Sanctions Provision” means paragraphs (c), (d) and (e) of Clause 20.2 (*Undertakings*).

“Scheme” means the scheme of arrangement effected pursuant to part 26 of the Companies Act 2006 to be proposed by the Target to its shareholders to implement the Acquisition pursuant to which TopCo and/or the Borrower (and/or any other applicable entity in accordance with the Tax Structure Memorandum) will, subject to the occurrence of the Scheme Effective Date, become the holder of the shares in Target that are the subject of that scheme of arrangement.

“**Scheme Circular**” means the circular (including any supplemental circular) dispatched by the Target to shareholders of the Target setting out the resolutions and proposals for and the terms and conditions of the Scheme.

“**Scheme Documents**” means each of (i) the applicable Announcement, (ii) the Scheme Circular, and (iii) the Court Order.

“**Scheme Effective Date**” means the date on which the Court Order or copy of the Court Order sanctioning the Scheme is duly delivered on behalf of the Target to the Registrar of Companies in accordance with section 899 of the Companies Act 2006.

“**Screen Rate**” means in relation to any Interim Loan denominated in euro, the euro interbank offered rate administered by the European Union Money Market Institute (or any other person which takes over the administration of that rate) for the relevant period displayed on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate), or, on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters. If such page is replaced or service ceases to be available, the Interim Facility Agent may specify another page or service displaying the appropriate rate in accordance with Clause 7.6 (*Replacement of Screen Rate*).

“**Security Interest**” means any mortgage, charge (fixed or floating), pledge, lien, hypothecation, right of set-off, security trust, assignment, reservation of title or other security interest and any other agreement (including a sale and repurchase arrangement) having the commercial effect of conferring security.

“**Squeeze-Out**” means an acquisition of the outstanding shares in the Target that TopCo and/or the Borrower has not acquired pursuant to the procedures contained in sections 979 to 982 of the Companies Act 2006.

“**Subordinated Shareholder Document**” means any document creating Subordinated Shareholder Liabilities.

“**Subordinated Shareholder Liabilities**” means any loan or other indebtedness owed by the Parent to any (direct or indirect) shareholder of the Parent, provided that such loan or indebtedness is subordinated as to both interest and principal to the Interim Facilities on terms satisfactory to the Interim Facility Agent (acting on the instructions of the Majority Interim Lenders (acting reasonably)).

“**Subsidiary**” means, in relation to any person:

- (a) an entity (including a partnership) of which that person has direct or indirect control; and
- (b) an entity of which a person has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting capital or similar right of ownership,

and, for this purpose, “**control**” means the direct or indirect ownership of a majority of the voting share capital or similar ownership rights of that entity, or the right or ability to determine the composition of a majority of the board of directors (or equivalent body) of such entity or otherwise to direct the management of such entity whether by virtue of ownership of share capital, contract or otherwise.

“**Target**” means Gamesys Group plc.

“**TARGET Day**” means any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system is open for the settlement of payments in euro.

“**Target Group**” means the Target and its Subsidiaries.

“**Tax**” means any present or future tax, levy, assessment, impost, deduction, duty or withholding or any charge of a similar nature (including any related interest, penalty or fine).

“**Tax Credit**” means a credit against, relief or remission for, or repayment of, any Tax.

“**Tax Deduction**” means a deduction or withholding for or on account of Tax from any payment under an Interim Finance Document, other than a FATCA Deduction.

“**Tax Structure Memorandum**” means the tax structure memorandum prepared by Jones Day entitled Project Lincoln Proposed Transaction Structure in relation to the Transactions.

“**TopCo**” means Bally’s Corporation, a Delaware corporation.

“**TopCo Group**” means TopCo and its Subsidiaries (other than the Group).

“**Total Interim Commitments**” means at any time the aggregate of the Total Interim Facility (GBP) Commitments and the Total Interim Facility (EUR) Commitments.

“**Total Interim Facility (EUR) Commitments**” means at any time the aggregate of the Total Interim Facility (EUR) Commitments, being €336,000,000 as at the date of this Agreement.

“**Total Interim Facility (GBP) Commitments**” means at any time the aggregate of the Total Interim Facility (GBP) Commitments, being £1,435,000,000 as at the date of this Agreement.

“**Transaction Documents**” means the Interim Finance Documents, the Acquisition Documents and the Escrow Agreement.

“**Transactions**” has the meaning given to that term in the Commitment Letter.

“**Transfer Certificate**” means a certificate substantially in the form set out in Schedule 6 (*Form of Transfer Certificate*) or in any other form agreed between the Interim Facility Agent and the Parent.

“**Transfer Date**” means, in relation to an assignment or a transfer, the later of:

- (a) the proposed Transfer Date specified in the relevant Assignment Agreement or Transfer Certificate; and
- (b) the date on which the Interim Facility Agent executes the relevant Assignment Agreement or Transfer Certificate.

“**Treaty State**” means a jurisdiction having a double taxation agreement (a “**Treaty**”) with the United Kingdom which makes provision for full exemption from tax imposed by the United Kingdom on interest.

“**UK Bail-In Legislation**” means Part I of the United Kingdom Banking Act 2009 and any other law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings).

“**US Borrower**” has the meaning given in paragraph (a) of Clause 8.7 (*US Tax Forms*).

“**US Code**” means the US Internal Revenue Code of 1986 (and any successor legislation thereto), as amended from time to time.

“**US Excluded Tax**” means:

- (a) in the case of an Interim Lender making an Interim Loan to US Borrower, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Interim Lender with respect to an applicable interest in an Interim Loan pursuant to a law in effect on the date on which:
 - (i) such Interim Lender acquires such interest in the Interim Loan (other than pursuant to an assignment request by the Obligor under Part 3 (*Replacement of an Interim Lender/Increase*) of Schedule 5 (*Impairment and Replacement of Interim Finance Parties*)); or
 - (ii) such Interim Lender changes its lending office,except in each case to the extent that, pursuant to Clauses 8.1 (*Gross-up*) or 8.3 (*Tax indemnity*), amounts with respect to such Taxes were payable either to such Interim Lender's assignor immediately before such Interim Lender became a party hereto or to such Interim Lender immediately before it changed its lending office; and
- (b) Taxes attributable to an Interim Lender's or Interim Facility Agent's failure to comply with Clause 8.7 (*US Tax Forms*).

“**US Person**” means each person that is treated as a “United States Person” within the meaning of Section 7701(a)(30) of the US Code.

“**US Tax Compliance Certificate**” has the meaning given in paragraph (b) of Clause 8.7 (*US Tax Forms*).

“**US Tax Obligor**” means:

- (a) an Obligor which is a US Person; or
- (b) an Obligor some or all of whose payments under the Interim Finance Documents are from sources within the United States for United States federal income tax purposes.

“**VAT**” means:

- (a) any value added tax imposed by the Value Added Tax Act 1994;
- (b) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (c) any other tax of a similar nature, whether imposed in the United Kingdom or in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) or (b) above, or imposed elsewhere.

“Write-Down and Conversion Powers” means:

- (a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule;
- (b) in relation to any other applicable Bail-In Legislation other than the UK Bail-In Legislation:
 - (i) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers;
 - (ii) any similar or analogous powers under that Bail-In Legislation; and
- (c) in relation to any UK Bail-In Legislation, any powers under that UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that UK Bail-In Legislation that are related to or ancillary to any of those powers.

Part 2
Other References

1. In this Agreement, unless a contrary intention appears, a reference to:
- (a) an “**agreement**” includes any legally binding arrangement, contract, deed or instrument (in each case, whether oral or written);
 - (b) an “**amendment**” includes any amendment, supplement, variation, novation, modification, replacement or restatement (however fundamental), and amend and amended shall be construed accordingly;
 - (c) “**assets**” includes properties, assets, businesses, undertakings, revenues and rights of every kind (including uncalled share capital), present or future, actual or contingent, and any interest in any of the above;
 - (d) a “**consent**” includes an authorisation, permit, approval, consent, exemption, licence, order, filing, registration, recording, notarisation, permission or waiver;
 - (e) a “**disposal**” includes any sale, transfer, grant, lease, licence or other disposal, whether voluntary or involuntary, and dispose will be construed accordingly;
 - (f) “**financial indebtedness**” means any indebtedness for or in respect of:
 - (i) moneys borrowed and debit balances at banks or other financial institutions;
 - (ii) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);
 - (iii) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument other than performance bonds or documentary letters of credit issued in respect of obligations of the Group arising under the ordinary course of trading;
 - (iv) the amount of any liability in respect of finance leases which would be treated as finance or capital leases in accordance with IFRS;
 - (v) receivables sold or discounted;
 - (vi) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of such transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of such transaction, that amount) shall be taken into account);
 - (vii) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of payment obligations;
 - (viii) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the issuer) which mature prior to the Final Repayment Date;

- (ix) any amount of any liability under an advance or deferred purchase agreement if the primary reason behind entering into the agreement is to raise finance;
 - (x) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing and classified as borrowings under IFRS; and
 - (xi) the amount of any liability in respect of any guarantee for any of the items referred to in (i) to (x) above;
- (g) a “**guarantee**” includes:
- (i) an indemnity, counter-indemnity, guarantee or similar assurance against loss in respect of any indebtedness of any other person; and
 - (ii) any other obligation of any other person, whether actual or contingent, to pay, purchase, provide funds (whether by the advance of money to, the purchase of or subscription for shares or other investments in, any other person, the purchase of assets or services, the making of payments under an agreement or otherwise) for the payment of, to indemnify against the consequences of default in the payment of, or otherwise be responsible for, any indebtedness of any other person;
- and “**guaranteed**” and “**guarantor**” shall be construed accordingly;
- (h) “**including**” means including without limitation, and “**includes**” and “**included**” shall be construed accordingly;
- (i) “**indebtedness**” includes any obligation (whether incurred as principal, guarantor or surety and whether present or future, actual or contingent) for the payment or repayment of money;
- (j) “**losses**” includes losses, actions, damages, claims, proceedings, costs, demands, expenses (including legal and other fees) and liabilities of any kind, and loss shall be construed accordingly;
- (k) “**a month**” means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:
- (i) other than where paragraph (ii) below applies:
 - (A) (subject to paragraph (C) below) if any such period would otherwise end on a day which is not a Business Day, it shall end on the next Business Day in the same calendar month or, if there is none, on the preceding Business Day;
 - (B) if there is no numerically corresponding day in the month in which that period is to end, that period shall end on the last Business Day in that later month; and
 - (C) if an Interest Period begins on the last Business Day of a calendar month, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end; and

- (ii) in relation to an Interest Period for an Interim Facility (GBP) Loan (or any other period for the accrual of commission or fees), a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, subject to adjustment in accordance with the rules specified as Business Day Conventions in the Reference Rate Terms,

and references to “months” shall be construed accordingly;

- (l) a Major Event of Default being “**outstanding**” or “**continuing**” means that such Major Event of Default has occurred or arisen and has not been remedied or waived;
- (m) an Acceleration Notice being “**outstanding**” means that such Acceleration Notice provided by the Interim Facility Agent under paragraph (a) (i) of Clause 6.1 (*Repayment*) has not been revoked, withdrawn or cancelled by the Interim Facility Agent or otherwise ceases to have effect;
- (n) a “**person**” includes any individual, trust, firm, fund, company, corporation, partnership, joint venture, government, state or agency of a state or any undertaking or other association (whether or not having separate legal personality);
- (o) a “**regulation**” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but if not having the force of law compliance with which is customary) of any governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (p) a “**sub-participation**” means any sub-participation or sub-contract (whether written or oral) or any other agreement or arrangement having an economically substantially similar effect, including any credit default or total return swap or derivative (whether disclosed, undisclosed, risk or funded) by an Interim Lender of or in relation to any of its rights or obligations under, or its legal, beneficial or economic interest in relation to, the Interim Facilities and/or Interim Finance Documents to a counterparty and “**sub-participate**” shall be construed accordingly; and

1.2 A reference in this Agreement to a page or screen of an information service displaying a rate shall include:

- (a) any replacement page of that information service which displays that rate; and
- (b) the appropriate page of such other information service which displays that rate from time to time in place of that information service,

and, if such page or service ceases to be available, shall include any other page or service displaying that rate specified by the Interim Facility Agent after consultation with the Parent.

1.3 Any reference in this Agreement to a Central Bank Rate shall include any successor rate to, or replacement rate for, that rate.

1.4 Any Reference Rate Supplement overrides anything in:

- (a) Schedule 14 (*Reference Rate Terms*); or
- (b) any earlier Reference Rate Supplement.

- 1.5 A Compounding Methodology Supplement relating to the Daily Non-Cumulative Compounded RFR Rate or the Cumulative Compounded RFR Rate overrides anything relating to that rate in:
- (a) Schedule 15 (*Daily Non-Cumulative Compounded RFR Rate*) or Schedule 16 (*Cumulative Compounded RFR Rate*), as the case may be; or
 - (b) any earlier Compounding Methodology Supplement.
- 1.6 “\$”, “USD” and “US Dollars” denote the lawful currency of the United States of America, “£”, “GBP” and “Sterling” denote the lawful currency of the United Kingdom and “€”, “EUR” and “euro” means the single currency unit of the Participating Member States.
2. In this Agreement, unless a contrary intention appears:
- (a) a reference to a Party includes a reference to that Party’s successors and permitted assignees or permitted transferees but does not include that Party if it has ceased to be a Party under this Agreement;
 - (b) references to paragraphs, Clauses, Schedules and Parts are references to, respectively, paragraphs, clauses of, schedules to and parts of schedules to this Agreement and references to this Agreement include its schedules;
 - (c) a reference to (or to any specified provision of) any agreement (including any of the Interim Finance Documents) is to that agreement (or that provision) as amended or novated (however fundamentally) and includes any increase in, extension of or change to any facility made available under any such agreement (unless such amendment or novation is contrary to the terms of any Interim Finance Document);
 - (d) a reference to a statute, statutory instrument or provision of law is to that statute, statutory instrument or provision of law, as it may be applied, amended or re-enacted from time to time;
 - (e) a reference to a time of day is, unless otherwise specified, to London time;
 - (f) the index to and the headings in this Agreement are for convenience only and are to be ignored in construing this Agreement; and
 - (g) a reference to “permitted” under this Agreement or any Interim Finance Document is to be construed as a reference to any matter or circumstance which is not expressly prohibited.
3. Notwithstanding any other term of the Interim Finance Documents, in this Agreement:
- (a) a reference to the assets of an Obligor shall, prior to the Extension Effective Date only, exclude the assets of any member of the Target Group and other Group Company; and
 - (b) prior to the Extension Effective Date only, no matter or circumstance in respect of, or breach by, any member of the Target Group or any member of the Combined Group who is not an Obligor shall relate to an Obligor or otherwise be deemed to constitute, or result in, a breach of any representation, warranty, undertaking or other term in the Interim Finance Documents, to have a Material Adverse Effect, to constitute or give rise to a breach of a Major Undertaking or Major Representation or to have a Major Event of Default.

4. Sanctions and Restricted Finance Parties

In connection with any amendment, waiver, determination or direction relating to any part of a Sanctions Provision in relation to which:

- (a) an Interim Finance Party is a Restricted Finance Party; and
- (b) in accordance with paragraph (f) of Clause 20.2 (*General Undertakings*), that Restricted Finance Party does not have the benefit of it:
 - (i) the Interim Commitments of an Interim Lender that is a Restricted Finance Party; and
 - (ii) the vote of any other Restricted Finance Party which would be required to vote in accordance with the provisions of this Agreement,

shall be excluded for the purpose of calculating the Total Interim Commitments under the Interim Facilities when ascertaining whether any relevant percentage of Total Interim Commitments has been obtained to approve such amendment, waiver, determination or direction request and its status as an Interim Finance Party shall be disregarded for the purpose of ascertaining whether the agreement of any specified group of Interim Finance Parties has been obtained to approve such amendment, waiver, determination or direction.

5. Obligors' Agent

- (a) Each Obligor (other than the Parent) by its execution of this Agreement irrevocably appoints the Parent (acting through one or more authorised signatories) to act on its behalf as its agent in relation to the Interim Finance Documents and irrevocably authorises:
 - (i) the Parent on its behalf to supply all information concerning itself contemplated by this Agreement to the Interim Finance Parties and to give all notices and instructions, to make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Obligor notwithstanding that they may affect the Obligor, without further reference to or the consent of the Parent; and
 - (ii) each Interim Finance Party to give any notice, demand or other communication in respect of such Obligor pursuant to the Interim Finance Documents to the Parent,

and in each case the Obligor shall be bound as though it itself had given or received the notices and instructions or executed or made the agreements or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication.

- (b) Every act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication given or made by the Obligors' Agent or given to the Obligors' Agent under any Interim Finance Document on behalf of any Obligor or in connection with any Interim Finance Document (whether or not known to the Obligor) shall be binding for all purposes on the Obligor as if the Obligor had expressly made, given, received or concurred with it. In the event of any conflict between any notices or other communications of that Obligors' Agent and the Obligor, those of the Obligors' Agent shall prevail.

SCHEDULE 2

FORM OF DRAWDOWN REQUEST

To: [•] as Interim Facility Agent

From: [•]

Date: [•]

[Company] – [] Interim Facilities Agreement

dated [] (as amended from time to time) (the “Interim Facilities Agreement”)

1. We refer to the Interim Facilities Agreement. This is a Drawdown Request. Terms defined in the Interim Facilities Agreement shall have the same meanings when used in this Drawdown Request.
2. We wish to borrow an Interim Loan on the following terms:

Interim Facility: [Interim Facility (GBP)]/[Interim Facility (EUR)]

Drawdown Date: [•]

Amount: [•]

Interest Period: [•]
3. Our [payment/delivery] instructions are: [•].
4. We confirm that each condition specified in paragraphs (a)(i) to (a)(iii) (inclusive) of Clause 3.1 (*Conditions Precedent*) is satisfied at the date of this Drawdown Request or will be satisfied on or before the proposed Drawdown Date.
5. The proceeds of this Interim Loan should be credited to [•].
6. This Drawdown Request is irrevocable.

For and on behalf of

[•]

(as **Borrower**)

SCHEDULE 3

CONDITIONS PRECEDENT

1. THE OBLIGORS

- (a) *Constitutional documents*: a copy of the constitutional documents of the Parent and the Borrower (including statutory registers and a certificate of good standing).
- (b) *Board approvals*: with respect to each of the Parent and the Borrower, to the extent legally required or if required by its constitutional documents, a copy of a resolution of the board of directors or equivalent body of the Parent and the Borrower approving the Interim Finance Documents to which it is a party and the transactions contemplated thereby.
- (c) *Specimen signatures*: specimen signatures for the person(s) authorised in the resolutions referred to above (to the extent such person will execute an Interim Finance Document).
- (d) *Director's certificates*: a certificate from each of the Parent and the Borrower (signed by an authorised signatory):
 - (i) certifying that each copy document relating to it specified in paragraphs (a) to (c) above is correct, complete and (to the extent executed) in full force and effect and has not been amended or superseded prior to the date of this Agreement; and
 - (ii) confirming that borrowing or securing (as appropriate) the Total Interim Commitments would not cause any borrowing, guaranteeing, security or other similar limit binding on it to be exceeded.

2. INTERIM FINANCE DOCUMENTS

A copy of the counterparts of each of the following documents duly executed by the Parent and the Borrower (in each case to the extent they are a party to such document):

- (a) this Agreement;
- (b) the Fee Letter; and
- (c) the Interim Security Documents listed in the table below:

Name of party to Interim Security Document	Interim Security Document	Governing law of Interim Security Document
The Parent	Security agreement	New York
The Borrower	Security agreement	New York

3. LEGAL OPINIONS

- (a) An English law legal opinion from Latham & Watkins as legal advisers to the Arrangers and the Original Interim Lenders in respect of the validity and enforceability of the Interim Finance Documents governed by English law.

- (b) The following legal opinions from Jones Day as legal advisers to the Obligors:
 - (i) a Delaware law legal opinion in respect of capacity of the Obligors to enter into the Interim Finance Documents; and
 - (ii) a New York law legal opinion in respect of the validity and enforceability of the Interim Finance Documents governed by New York Law, the creation and perfection of the security interests under the Interim Security Documents governed by New York Law and the status of the Obligors under the Investment Company Act of 1940.

4. ANNOUNCEMENT

A copy of the applicable Announcement (provided that it is confirmed that such Announcement will be in form and substance satisfactory to the Interim Facility Agent if it is in the form of the draft delivered to the Original Interim Lenders prior to the date of the Commitment Letter or, in respect of any subsequent version of the Announcement, in the form of the previous Announcement, in each case, with any changes which (i) are not materially prejudicial to the interests of the Original Interim Lenders taken as a whole under the Interim Finance Documents, (ii) are approved by the Majority Interim Lenders (such approval not to be unreasonably withheld or delayed)), or (iii) where TopCo and/or the Borrower exercises its right to effect a switch from the Scheme to an Offer or vice versa, are required to reflect the switch.

5. ACQUISITION DOCUMENTS

A copy of (i) the Scheme Circular or (ii) as the case may be, the Offer Documents dispatched to shareholders of the Target by or on behalf of the Borrower (if any), provided that such documents shall not be required to be in a form and substance satisfactory to the Interim Facility Agent or any other Interim Finance Party.

6. OTHER CONDITIONS PRECEDENT

- (a) **Fees:** reasonable evidence that payment of all fees earned, due and payable to the Interim Finance Parties required to be paid under the Fee Letter on the Interim Closing Date for which invoices have been received at least three (3) business days in advance (which amounts may be offset against the proceeds of the Interim Facilities) shall have been made (or shall be made substantially contemporaneously with funding) provided that a reference to payment of such fees in a Drawdown Request (or Funds Flow Statement) shall be deemed to be reasonable evidence that this condition precedent is satisfactory to the Interim Facility Agent.
- (b) **Base Case Model:** the agreed base case model received by the Arrangers prior to the date of the Commitment Letter.
- (c) **Closing Certificate:** a certificate from the Borrower (signed by an authorised signatory) confirming that (i) in the case of a Scheme, the Scheme Effective Date has occurred or, in the case of an Offer, the Offer has become or has been declared unconditional in all respects; (ii) in respect of all shares of the Target acquired or to be acquired on or prior to the Interim Closing Date by TopCo or any of its Subsidiaries (other than the Borrower and its Subsidiaries), TopCo (or any relevant Subsidiary of TopCo) and the Borrower (as applicable) have or will have on the Interim Closing Date entered into a contribution agreement and a stock transfer form in order to (x) transfer beneficial ownership interests in such shares to the Borrower and (y) grant a voting power of attorney in respect of such shares in favour of the Borrower, in each case, prior to or simultaneously with any drawing under the Interim Facilities on the Interim Closing Date; and (iii) that the Parent and the Borrower have each been designated as an Unrestricted Subsidiary under and as defined in the Existing Parent Credit Agreement (as defined in the Commitment Letter) and the Senior Unsecured Notes (as defined in the Commitment Letter) or are otherwise permitted (whether by amendment, waiver or otherwise) to borrow the Total Interim Commitments and incur the liabilities under the Interim Finance Documents.

- (d) **Tax Structure Memorandum:** the Tax Structure Memorandum (on a non-reliance basis) and provided that the form and substance of the Tax Structure Memorandum will be satisfactory to the Interim Facility Agent if the final Tax Structure Memorandum is, in form and substance, substantially the same as the final version or draft (as applicable) received by the Original Interim Lenders prior to the date of the Commitment Letter, save for any changes which are not materially adverse to the interests of the Original Interim Lenders (taken as a whole) under the Interim Finance Documents or any other changes approved by the Original Interim Lenders (acting reasonably).
- (e) **Process Agent:** evidence that the process agent appointed in respect of the Interim Finance Documents for the Obligors has accepted its appointment as agent for service of process.

SCHEDULE 4

MAJOR REPRESENTATIONS, UNDERTAKINGS AND EVENTS OF DEFAULT

Part 1

Major Representations

1. STATUS

It is an exempted company incorporated with limited liability duly incorporated, validly existing and in good standing under the laws of its place of incorporation.

2. POWER AND AUTHORITY

- (a) Subject to the Reservations, it has (or will have on the relevant date(s)) the power to enter into and deliver, and to exercise its rights and perform its obligations under, each Interim Finance Document to which it is or will be a party.
- (b) It has taken all necessary corporate action to authorise the entry into and delivery of and the performance by it of its obligations under each Interim Finance Document to which it is or will be party.
- (c) It has the power to own its material assets and carry on its business as it is being conducted.

3. NO CONFLICT

The entry into and delivery of, and the exercise of its rights and the performance of its obligations under, each Interim Finance Document to which it is a party does not and will not, subject to the Reservations:

- (a) contravene any law, regulation or order to which it is subject in a manner which would have or be reasonably likely to have a Material Adverse Effect;
- (b) conflict with its constitutional documents in any material respect; or
- (c) breach any agreement or document binding upon it or any of its assets, or result in a default or right of any person to terminate any such agreement or document, or require it to make any payment to a third party, in each case, in a manner which would have or be reasonably likely to have a Material Adverse Effect.

4. OBLIGATIONS BINDING

Subject to the Reservations and the Perfection Requirements, the obligations expressed to be assumed by it under each Interim Finance Document to which it is a party constitute its legal, valid, binding and enforceable obligations.

5. VALIDITY AND ADMISSIBILITY IN EVIDENCE

Subject to the Reservations and the Perfection Requirements, all material Authorisations required:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Interim Finance Documents to which it is a party; and
- (b) to make each Interim Finance Document to which it is a party admissible in evidence in the courts of the jurisdiction whose laws govern the applicable Interim Finance Document,

have been (or will have been by any date required by an Interim Finance Document or, as applicable, within any applicable time limit prescribed by law) obtained or effected and are (or will be) in full force and effect.

6. **HOLDING COMPANY STATUS**

In respect of the Borrower and the Parent only, it has not traded, carried on any other business, acquired any assets or incurred any liabilities or commitments other than:

- (a) establishment and administration costs;
- (b) any Permitted Transaction;
- (c) Tax liabilities and other customary assets, rights, commitments and liabilities for a holding company;
- (d) the payment of any fees, costs and expenses, stamp, registration, land and other taxes incurred in connection with the Transaction or the Transaction Documents;
- (e) in connection with any arrangements entered into (or proposed to be entered into) for the purpose of financing, implementing or executing the Transaction and/or refinancing amounts outstanding under the Interim Finance Documents;
- (f) ownership of shares in its Subsidiaries and other assets acquired pursuant to the Transaction Documents, intra-group debit and credit balances (or other intra-Group liabilities) or cash and cash equivalents or making loans to or borrowing loans from entities as shown in the Tax Structure Memorandum; and
- (g) activities in connection with any litigation or court or other proceedings that are, in each case, being contested in good faith, those activities arising by law or court order and liabilities for, or in connection with, Taxes.

Part 2

MAJOR UNDERTAKINGS

1. ACQUISITIONS, MERGERS AND JOINT VENTURES

Save for any Permitted Transaction or Permitted Acquisition, it will not (and following the Extension Effective Date, the Parent will procure no member of the Target Group will):

- (a) acquire or subscribe for any shares, stocks, securities convertible into share capital, or ownership interests in any person, or acquire any business, or incorporate any company, other than in connection with the Acquisition;
- (b) enter into any amalgamation, merger, demerger or reconstruction; or
- (c) enter into, invest in or acquire any shares, stocks, securities convertible into share capital, or other interest in any joint venture or transfer any assets or lend to or guarantee or give an indemnity for or give security for the obligations of a joint venture or maintain the solvency of or provide working capital to any joint venture.

2. NEGATIVE PLEDGE

It will not (and following the Extension Effective Date, the Parent will procure no member of the Target Group will) create or permit to subsist any Security Interest over any of its assets, other than:

- (a) any Security Interest created or evidenced by the Interim Security Documents or the Transaction Documents;
- (b) any netting, balance transfer or set-off arrangement entered into in the ordinary course of its banking arrangements (including any hedging) for the purpose of netting debit and credit balances;
- (c) security arising under the general business conditions in the ordinary course of day-to-day business, including with any bank with whom any Group Company maintains a banking relationship, including security under the general terms and conditions of those banks;
- (d) security interests over credit balances created or subsisting pursuant to or in connection with cash pooling arrangements;
- (e) any charge or lien arising by operation of law or in the ordinary course of day-to-day business and not as a result of a default by a Group Company;
- (f) any Security Interest arising under any Permitted Transaction;
- (g) any security consisting of cash collateral (including any security over any related bank account) provided or to be provided to support letter of credit or other obligations of the Target Group to facilitate completion of the Acquisition;
- (h) security over cash paid into an escrow account pursuant to any escrow or retention of purchase price arrangements in connection with the Acquisition;
- (i) security or Quasi-Security arising as a result of legal proceedings discharged within 30 days or otherwise contested in good faith;

- (j) any security arising by operation of law in respect of Taxes being contested in good faith;
- (k) any Security Interest arising under or in connection with the Long-term Financing Agreements; and
- (l) any security not permitted under the preceding paragraphs securing financial indebtedness the outstanding principal amount of which, when aggregated with the outstanding principal amount of any other financial indebtedness which has the benefit of security granted by a Group Company other than any permitted under the preceding paragraphs, does not exceed £10,000,000 (or its equivalent in other currencies) at any time.

3. **INDEBTEDNESS**

It will not (and following the Extension Effective Date, the Parent will procure no member of the Target Group will) incur or allow to remain outstanding any financial indebtedness, other than, following the Extension Effective Date, Permitted Financial Indebtedness and any:

- (a) financial indebtedness incurred under the Transaction Documents;
- (b) any financial indebtedness in relation to a Permitted Transaction or to facilitate a Permitted Payment;
- (c) to the extent drawn down to refinance amounts outstanding under the Interim Finance Documents in full, financial indebtedness under the Long-term Financing Agreements;
- (d) any equity interests;
- (e) any Subordinated Shareholder Liabilities in respect of liabilities owed by the Parent to any Holding Company of the Parent;
- (f) loans made in the ordinary course of intra-Group cash pooling arrangements;
- (g) any financial indebtedness arising under any non-speculative hedging transaction, including but not limited to any currency hedging transaction entered into by the Parent or the Borrower in connection with the Acquisition or any Permitted Transaction;
- (h) intra-Group financial indebtedness; and
- (i) any financial indebtedness not permitted by the preceding paragraphs and the aggregate outstanding principal amount of which does not exceed £20,000,000 (or its equivalent in other currencies) at any time.

4. **DISPOSALS**

- (a) No Obligor shall and the Parent shall procure that no member of the Target Group shall following the Extension Effective Date, enter into a single transaction or series of transactions to (voluntarily or otherwise) sell, lease, transfer or otherwise dispose of any asset unless it is a Permitted Disposal or a Permitted Transaction.
- (b) The Borrower shall not dispose of any of its shares in the capital of the Target unless it is a Permitted Disposal or a Permitted Transaction.

5. **DISTRIBUTIONS**

It will not (and following the Extension Effective Date, the Parent will procure no member of the Target Group will):

- (a) declare, make or pay, directly or indirectly, any dividend, or make any other distribution, or pay any interest or other amounts, whether in cash or otherwise, on or in respect of its share capital or any class of its share capital, repay or distribute any share premium reserve, or make any other payment to its shareholders;
- (b) redeem, purchase, defease, retire or repay any of its share capital;
- (c) pay any fee (or make any similar payment) to or to the order of any of its Holding Companies which is not a Group Company or any of their Affiliates; or
- (d) repay or pay any interest or other return on or in respect of any financial indebtedness (other than under the Interim Finance Documents),

except any payment or transaction which is a Permitted Payment or any payment made or transaction entered into to facilitate a Permitted Payment.

6. **GUARANTEES**

Save for any Permitted Transaction or any Permitted Guarantee, it shall not (and following the Extension Effective Date, the Parent will procure no member of the Target Group will) incur or allow to remain outstanding any guarantee in respect of financial indebtedness other than as may arise under or in connection with any financial indebtedness permitted under paragraph 3 (*Indebtedness*) above.

7. **LOANS OUT**

Save for any Permitted Transaction or any Permitted Loan, it shall not (and following the Extension Effective Date, the Parent will procure no member of the Target Group will) be a creditor in respect of financial indebtedness other than as may arise under the Interim Finance Documents or the Subordinated Shareholder Documents and loans made to another Group Company, any credit balance held with any bank or financial institution, or any loan made for the purpose of, or to facilitate the making of, a Permitted Payment.

8. **ACQUISITION UNDERTAKINGS**

- (a) The Borrower shall comply at all times in all material respects with the City Code (subject to any waiver or dispensation of any kind granted by, or requirements of, the Panel or the Court) and all applicable laws or regulations relating to the Acquisition, save where non-compliance would not be materially prejudicial to the interests of the Interim Lenders (taken as a whole) under the Interim Finance Documents.
- (b) The Borrower shall not amend or waive or (where the Borrower would, pursuant to Rule 13.5(a) of the Takeover Code and with the consent of the Panel, be entitled to invoke a condition so as not to proceed with, lapse or withdraw the Acquisition) treat as satisfied any material term or condition relating to the Acquisition as set out in the Announcement delivered in satisfaction of paragraph 4 (*Announcement*) of Schedule 3 (*Conditions Precedent*) of this Agreement, in a manner or to the extent that would be materially prejudicial to the interests of the Interim Lenders (taken as a whole) under the Interim Finance Documents, other than any amendment or waiver:

- (i) made with the consent of the Majority Interim Lenders (such consent, in each case, not to be unreasonably withheld or delayed);
 - (ii) required or requested by the Panel or the Court, or reasonably determined by the Borrower as being necessary or desirable to comply with the requirements or requests (as applicable) of the City Code, the Panel or the Court or any other relevant regulatory body or applicable law or regulation;
 - (iii) increasing the purchase price (or a written agreement related thereto) in connection with the Acquisition (but not introducing a new form of consideration);
 - (iv) extending the period in which holders of the shares in Target may accept the terms of the Scheme or, as the case may be, the Offer (including by reason of the adjournment of any meeting or court hearing); or
 - (v) required to allow the Acquisition to switch from being effected by way of an Offer to a Scheme or from a Scheme to an Offer.
- (c) For the avoidance of doubt, in the event that:
- (i) an announcement of a Scheme pursuant to Rule 2.7 of the City Code or a Scheme Circular has been issued, nothing in this Agreement shall prevent the Borrower from subsequently proceeding with an Offer, provided that the terms and conditions contained in the relevant Offer Document include an Acceptance Condition of no lower than the Minimum Acceptance Condition (or such lower Acceptance Condition as is consented to by all the Interim Lenders pursuant to paragraph (e) below); and
 - (ii) an announcement of an Offer pursuant to Rule 2.7 of the City Code or an Offer Document has been issued, nothing in this Agreement shall prevent the Borrower from subsequently proceeding with a Scheme.
- (d) Save as required by the Panel, the Court or any other applicable law, regulation or regulatory body, or as reasonably determined by the Borrower as being necessary or desirable to comply with the requirements or requests (as applicable) of the City Code, the Panel or the Court or any other relevant regulatory body or applicable law or regulation, the Borrower shall not prior to the end of the Offer Period (as defined in the City Code) make any press release or other public statement in respect of the Acquisition which refers to the Interim Facilities, any Interim Finance Document or the Interim Finance Parties or any of them (in such capacity) which would be materially prejudicial to the interests of the Interim Lenders (taken as a whole) under the Interim Finance Documents (other than the Announcement, any Scheme Circular or any Offer Document), without (to the extent permitted by law or regulation) first obtaining the prior approval of the Interim Facility Agent (acting on the instructions of the Majority Interim Lenders), with such approval by the Interim Facility Agent and Interim Lenders (as appropriate) not to be unreasonably withheld or delayed. If the Borrower does become so required, the Borrower shall notify the Interim Facility Agent as soon as practicable (and to the extent that it does not prejudice the Borrower's ability to comply with such requirement), upon becoming aware of the requirement. For the avoidance of doubt, this paragraph shall not restrict the Borrower from making any disclosure that is required, permitted or customary in relation to the Interim Finance Documents or the identity of the Interim Finance Parties in the Announcement, any Scheme Circular or any Offer Document or making any disclosure or filings as required by the City Code or by law or its auditors or in its audited financial statements or in accordance with or in order to satisfy or comply with the terms of the Interim Finance Documents.

- (e) If the Acquisition is effected by way of an Offer, the Borrower shall not reduce the Acceptance Condition to lower than the Minimum Acceptance Condition, other than with the consent of all the Interim Lenders.
- (f) The Borrower shall not take any steps as a result of which any member of the Group is obliged to make a mandatory offer under Rule 9 of the City Code.
- (g) In the case of an Offer, where becoming entitled to do so, the Borrower shall promptly give notices under Section 979 of the Companies Act 2006 in respect of the shares of Target subject to the Offer and shall promptly (and in any event within the maximum time period prescribed by such actions) complete a Squeeze-out.
- (h) Subject always to the Companies Act 2006 and any applicable listing rules, in the case of a Scheme, within 60 days after the Scheme Effective Date, and in relation to an Offer, within 60 days after the date upon which the Borrower (directly or indirectly) owns shares in Target (excluding any shares held in treasury), which, when aggregated with all other shares in Target owned directly or indirectly by the Borrower, represent not less than 75 per cent. of all shares in Target (excluding any shares held in treasury), the Borrower shall use all reasonable endeavours to procure that such action as is necessary is taken to procure that trading in the shares in Target on the Main Market of the London Stock Exchange is cancelled and as soon as reasonably practicable thereafter, procure that the Target is re-registered as a private limited company.
- (i) Subject to any confidentiality, regulatory, legal or other restrictions relating to the supply of such information, the Borrower will keep the Interim Facility Agent informed as to any material developments in relation to the Acquisition, including if the Scheme or the Offer lapses or is withdrawn, and, will from time to time, if the Interim Facility Agent reasonably requests, give the Interim Facility Agent reasonable details as to the current level of acceptances from any Offer.
- (j) The Borrower will provide to the Interim Facility Agent a copy of (i) the Scheme Circular or (ii) as the case may be, the Offer Documents dispatched to shareholders of the Target promptly following such dispatch.
- (k) The Borrower will ensure that the Offer Documents and the Scheme Circular are substantially consistent in all material respects with the terms of the Announcement together with any amendments or other changes which would be permitted under paragraph (b) above.

9. **GUARANTORS AND SECURITY**

By no later than the Post-Extension Uptake Date and thereafter in accordance with the timing set forth in the Agreed Security Principles, the Parent shall procure that, in accordance with and subject to the Agreed Security Principles:

- (a) each member of the Group which is a Material Subsidiary has acceded to this Agreement as an Additional Guarantor; and
- (b) sufficient members of the Group have acceded to this Agreement as Additional Guarantors to ensure that the Guarantor Coverage Test is satisfied as of such date.

Part 3

MAJOR EVENTS OF DEFAULT

1. PAYMENT DEFAULT

Following the Interim Closing Date, an Obligor does not pay on the due date any amount payable by it under the Interim Finance Documents in the manner required under the Interim Finance Documents unless, in the case of principal or interest, payment is made with three (3) Business Days of the due date and, in the case of any amount not constituting principal or interest, payment is made within five (5) Business Days of the due date.

2. BREACH OF OTHER OBLIGATIONS

- (a) An Obligor does not comply with any Major Undertaking (or, after the expiry of the Certain Funds Period, any other undertaking set out in Clause 20.2 (*Undertakings*)) to the extent it is required to do so by Clause 20.2 (*Undertakings*).
- (b) No Major Event of Default will occur under paragraph (a) above (other than in respect of paragraph (j) of Clause 20.2 (*Undertakings*)) if the failure to comply is capable of remedy and is remedied within twenty one (21) Business Days of the earlier of the Parent (i) becoming aware of a failure to comply, and (ii) receiving written notice from the Interim Facility Agent notifying it of non-compliance.

3. MISREPRESENTATION

A Major Representation is incorrect or misleading in any material respect when made and, if capable of remedy, the same is not remedied within twenty one (21) Business Days of the earlier of the Parent:

- (a) becoming aware of such failure; and
- (b) receiving written notice from the Interim Facility Agent notifying it of that failure.

4. INVALIDITY/REPUDIATION

Any of the following occurs:

- (a) subject to the Reservations and the Perfection Requirements, any material obligation of an Obligor under any Interim Finance Document is or becomes invalid or unenforceable, in each case, in a manner which is materially adverse to the interests of the Interim Lenders (taken as a whole) under the Interim Finance Documents;
- (b) subject to the Reservations and the Perfection Requirements, it is or becomes unlawful in any applicable jurisdiction for an Obligor to perform any of their material obligations under any Interim Finance Document, in each case, in a manner which is materially adverse to the interests of the Interim Lenders (taken as a whole) under the Interim Finance Documents; or
- (c) an Obligor repudiates or rescinds an Interim Finance Document and such repudiation or rescission is materially prejudicial to the interests of the Interim Lenders (taken as a whole) under the Interim Finance Documents.

5. **INSOLVENCY**

An Obligor (or, following the Extension Effective Date, any member of the Target Group):

- (a) is unable to pay its debts as they fall due (other than solely as a result of liabilities exceeding assets) or suspends making payments on all or a material part of its debts or publicly announces in writing an intention to do so; or
- (b) by reason of actual or anticipated financial difficulties commences negotiations with its financial creditors generally (excluding the Interim Finance Parties) with a view to rescheduling of its indebtedness generally.

6. **INSOLVENCY PROCEEDINGS**

- (a) Any of the following occurs in respect of an Obligor (or, following the Extension Effective Date, any member of the Target Group):
 - (i) any liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, examiner, receiver, administrative receiver, administrator or similar officer is appointed in respect of it or any of its material assets; or
 - (ii) an application for the judicial winding-up or liquidation of an Obligor,
or any analogous proceedings in any jurisdiction.
- (b) Paragraph (a) above shall not apply to:
 - (i) any proceedings or actions which are contested in good faith and discharged, stayed or dismissed within twenty-eight (28) days of commencement;
 - (ii) any petition or similar presented by a creditor which is:
 - (A) being contested in good faith and due diligence and the relevant entity has demonstrated to the Interim Facility Agent (acting reasonably and in good faith) that it has sufficient financial means to meet the amount of the claim requested by the creditor;
 - (B) in the opinion of the Parent (acting reasonably and in good faith), frivolous and vexatious; or
 - (C) discharged within twenty-one (21) Business Days, or
 - (iii) any step or other matter set out in or contemplated by the Tax Structure Memorandum.

7. **SIMILAR EVENTS ELSEWHERE**

There occurs in relation to an Obligor (or, following the Extension Effective Date, any member of the Target Group) or any of its material assets (other than prior to the Extension Effective Date only, to the extent they relate to the Target, its share capital or any member of the Target Group or the TopCo Group) in any country or territory in which it is incorporated or carries on business or to the jurisdiction of whose courts it or any of its material assets are subject, any event or circumstance which corresponds to any of those mentioned in paragraphs 5 (*Insolvency*) or 6 (*Insolvency proceedings*) above.

8. **CHANGE OF CONTROL**

- (a) At any time, the members of the TopCo Group cease to directly or indirectly own and control 100 per cent. of the issued equity share capital of the Parent.
- (b) At any time, the Parent ceases to directly own and control 100 per cent. of the issued equity share capital of the Borrower.
- (c) At any time after the completion of the Acquisition, the Borrower, together with TopCo, ceases to directly own and control 100 per cent. of the issued equity share capital of the Target.

SCHEDULE 5

IMPAIRMENT AND REPLACEMENT OF INTERIM FINANCE PARTIES

Part 1 Impaired Agent

1. IMPAIRED AGENT

- (a) If, at any time, an Agent becomes an Impaired Agent, an Obligor or an Interim Lender which is required to make a payment under the Interim Finance Documents to the Agent in accordance with Clause 10 (*Payments*) or otherwise under an Interim Finance Document may instead either pay that amount direct to the required recipient or pay that amount to an interest bearing account held with an Acceptable Bank in relation to which no Insolvency Event has occurred and is continuing, in the name of the applicable Obligor or the Interim Lender making the payment and designated as a trust account for the benefit of the Party or Parties beneficially entitled to that payment under the Interim Finance Documents. In each case such payments must be made on the due date for payment under the Interim Finance Documents.
- (b) All interest accrued on the amount standing to the credit of the trust account shall be for the benefit of the beneficiaries of that trust account pro rata to their respective entitlements.
- (c) A Party which has made a payment in accordance with this paragraph 1 shall be discharged of the relevant payment obligation under the Interim Finance Documents and shall not take any credit risk with respect to the amounts standing to the credit of the trust account.
- (d) Promptly upon the appointment of a successor Agent in accordance with paragraph 3 (*Replacement of an Interim Facility Agent*) below, each Party which has made a payment to a trust account in accordance with this paragraph 1 shall give all requisite instructions to the bank with whom the trust account is held to transfer the amount (together with any accrued interest) to the successor Agent for distribution in accordance with Clause 15.1 (*Recoveries*).
- (e) A Party which has made a payment in accordance with paragraph 1 shall, promptly upon request by a recipient and to the extent:
 - (i) that it has not given an instruction pursuant to paragraph (d) above; and
 - (ii) that it has been provided with the necessary information by that recipient,

give all requisite instructions to the bank with whom the trust account is held to transfer the relevant amount (together with any accrued interest) to that recipient.

2. COMMUNICATION WHEN INTERIM FACILITY AGENT IS IMPAIRED INTERIM FACILITY AGENT

If an Agent is an Impaired Agent, the Parties may, instead of communicating with each other through the Agent, communicate with each other directly and (while the Interim Facility Agent is an Impaired Agent) all the provisions of the Interim Finance Documents which require communications to be made or notices to be given to or by the Agent shall be varied so that communications may be made and notices given to or by the relevant Parties directly. This provision shall not operate after a replacement Agent has been appointed.

3. **REPLACEMENT OF AN INTERIM FACILITY AGENT**

- (a) The Majority Interim Lenders or the Parent may by giving ten (10) days' notice to an Agent which is an Impaired Agent replace that Agent by appointing a successor Agent (which shall be acting through an office in England).
- (b) The retiring Agent shall (at its own cost, and otherwise at the expense of the Interim Lenders):
 - (i) make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Interim Finance Documents; and
 - (ii) enter into and deliver to the successor Agent those documents and effect any registrations and notifications as may be required for the transfer or assignment of all its rights and benefits under the Interim Finance Documents to the successor Agent.
- (c) The Parent must take any action and enter into and deliver any document which is necessary to ensure that any Interim Security Document provides for effective and perfected Interim Security in favour of any successor Agent.
- (d) The appointment of the successor Agent shall take effect on the date specified in the notice from the Majority Interim Lenders or the Parent to the retiring Agent. As from this date, the retiring Agent shall be discharged from any further obligation in respect of the Interim Finance Documents (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date).
- (e) Any successor Agent and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.
- (f) The Interim Facility Agent shall resign and the Majority Interim Lenders shall replace the Interim Facility Agent in accordance with paragraph (i) above if on or after the date which is three months before the earliest FATCA Application Date relating to any payment to the Interim Facility Agent under the Interim Finance Documents, either:
 - (i) the Interim Facility Agent fails to respond to a request under Clause 8.8 (*FATCA information*) and the Parent or an Interim Lender reasonably believes that the Interim Facility Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;
 - (ii) the information supplied by the Interim Facility Agent pursuant to Clause 8.8 (*FATCA information*) indicates that the Interim Facility Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date; or

- (iii) the Interim Facility Agent notifies the Parent and the Interim Lenders that the Interim Facility Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;

and (in each case) the Parent or an Interim Lender reasonably believes that a Party will be required to make a FATCA Deduction that would not be required if the Interim Facility Agent were a FATCA Exempt Party, and the Parent or that Interim Lender, by notice to the Interim Facility Agent, requires it to resign.

Defaulting Lender

1. For so long as a Defaulting Lender has any undrawn Interim Commitment, in ascertaining (i) the Majority Interim Lenders; or (ii) whether any given percentage (including, for the avoidance of doubt, unanimity) of the Total Interim Commitments under the relevant Interim Facilities or the agreement of any specified group of Interim Lenders has been obtained to approve any request for a consent, waiver, amendment or other vote of Interim Lenders under the Interim Finance Documents, that Defaulting Lender's Interim Commitments under the relevant Interim Facilities will be reduced by the amount of its undrawn Interim Commitments under the relevant Interim Facilities and, to the extent that that reduction results in that Defaulting Lender's Total Interim Commitments being zero, that Defaulting Lender shall be deemed not to be an Interim Lender for the purposes of (i) and (ii) above.
2. For the purposes of paragraph 1 above, the Interim Facility Agent may assume that the following Interim Lenders are Defaulting Lenders:
 - (a) any Interim Lender which has notified the Interim Facility Agent that it has become a Defaulting Lender;
 - (b) any Interim Lender in relation to which it is aware that any of the events or circumstances referred to in paragraphs (a), (b) or (c) of the definition of Defaulting Lender has occurred,unless it has received notice to the contrary from the Interim Lender concerned (together with any supporting evidence reasonably requested by the Interim Facility Agent) or the Interim Facility Agent is otherwise aware that the Interim Lender has ceased to be a Defaulting Lender.
3. Without prejudice to any other provision of this Agreement, the Agents may disclose and, on the written request of the Parent or the Majority Interim Lenders, shall, as soon as reasonably practicable, disclose the identity of a Defaulting Lender to the Parent and to the other Interim Finance Parties.
4. If any Interim Lender becomes a Defaulting Lender, the Parent may, at any time whilst the Interim Lender continues to be Defaulting Lender, give the Interim Facility Agent three (3) Business Days' notice of cancellation of all or any part of each undrawn Interim Commitment of that Interim Lender.

Part 3
Replacement of an Interim Lender / Increase

1. REPLACEMENT OF AN INTERIM LENDER

(a) If at any time:

- (i) any Interim Finance Party becomes or is a Non-Consenting Lender (as defined in paragraph (d) below); or
- (ii) an Obligor becomes obliged to repay any amount in accordance with Clause 9.3 (*Illegality*) or to pay additional amounts pursuant to Clause 8.1 (*Gross-up*), Clause 8.3 (*Tax indemnity*) or Clause 9.1 (*Increased Costs*) to any Interim Finance Party;
- (iii) any Interim Finance Party invokes the benefit of Clauses 7.7 (*Absence of quotations*) to 7.9 (*Proposed Disrupted Loans*) (inclusive); or
- (iv) any Interim Finance Party becomes or is a Defaulting Lender,

then the Parent may, on no less than five (5) Business Days' prior written notice (a "**Replacement Notice**") to the Interim Facility Agent and such Interim Finance Party (a "**Replaced Lender**"):

- (A) replace a participation of such Replaced Lender by requiring such Replaced Lender to (and such Replaced Lender shall) transfer pursuant to Clause 21 (*Changes to Parties*) on such dates as specified in the Replacement Notice all or part of its rights and obligations under this Agreement to an Interim Lender constituting a New Interim Lender under Clause 21.2 (*Transfers by Interim Lenders*) selected by the Parent, which confirms its (or their) willingness to assume and does assume all or part of the obligations of the Replaced Lender (including the assumption of the Replaced Lender's participations or unfunded or undrawn participations (as the case may be) on the same basis as the Replaced Lender) for a purchase price in cash payable at the time of transfer in an amount equal to the applicable outstanding principal amount of such Replaced Lender's participation in the outstanding Interim Loans and all related accrued interest, Break Costs and other amounts payable in relation thereto under the Interim Finance Documents in respect of such transferred participation; and/or
- (B) prepay on such dates as specified in the Replacement Notice all or any part of such Interim Lender's participation in the outstanding Interim Loans and all related accrued interest, Break Costs and other amounts payable in relation thereto under the Interim Finance Documents in respect of such participation; and/or

cancel all or part of the undrawn Interim Commitments of that Replaced Lender on such dates as specified in the Replacement Notice.

- (b) Any notice delivered under paragraph (a) above (or any subsequent notice for this purpose, as applicable) may be accompanied by a Transfer Certificate complying with Clause 21.4 (*Procedure for transfer*) and/or an Assignment Agreement complying with Clause 21.5 (*Procedure for assignment*) and any other related documentation to effect the transfer or assignment, which Transfer Certificate, Assignment Agreement and any other related documentation to effect the transfer or assignment (if attached) shall be promptly (and by no later than three (3) Business Days from receiving such Transfer Certificate, Assignment Agreement and any other related documentation) executed by the relevant Replaced Lender and returned to the Parent.
- (c) Notwithstanding the requirements of Clause 21 (*Changes to Parties*) or any other provisions of the Interim Finance Documents, if a Replaced Lender does not execute and/or return a Transfer Certificate, an Assignment Agreement and any other related documentation to effect the transfer or assignment as required by paragraph (b) above within three (3) Business Days of delivery by the Parent, the relevant transfer or transfers or assignment and assignments shall automatically and immediately be effected for all purposes under the Interim Finance Documents on payment of the replacement amount to the Interim Facility Agent (for the account of the relevant Replaced Lender), and the Interim Facility Agent may (and is authorised by each Interim Finance Party to) execute, without requiring any further consent or action from any other party, a Transfer Certificate, Assignment Agreement and any other related documentation to effect the transfer or assignment on behalf of the relevant Replaced Lender which is required to transfer its rights and obligations or assign its rights under this Agreement pursuant to paragraph (a) above which shall be effective for the purposes of Clause 21.4 (*Procedure for transfer*) and Clause 21.5 (*Procedure for assignment*). The Interim Facility Agent shall not be liable in any way for any action taken by it pursuant to this paragraph (c) and, for the avoidance of doubt, the provisions of Clause 14.4 (*Exoneration of the Arrangers and the Agents*) shall apply in relation thereto.
- (d) If the Parent or the Interim Facility Agent (at the request of the Parent) has requested the Interim Lenders to give a consent in relation to, or to agree to a release, waiver or amendment of, any provisions of the Interim Finance Documents or other vote of the Interim Lenders under the terms of this Agreement, where the requested consent, release, waiver or amendment is one which requires greater than Majority Interim Lender consent pursuant to this Agreement and has been agreed to by the Majority Interim Lenders, then any Interim Lender who has not consented or agreed (or fails to reject) to such request by the end of the period of ten (10) Business Days (or any other period of time notified by the Parent, with the prior agreement of the Interim Facility Agent if the period for this provision to operate is less than ten (10) Business Days) of a request being made such Interim Lender shall be deemed a “**Non-Consenting Lender**”.
- (e) If any Non-Consenting Lender fails to assist with any step required to implement the Parent’s right to prepay that Non-Consenting Lender or to replace that Non-Consenting Lender pursuant to this paragraph 1 within three (3) Business Days of a request to do so by the Parent, then that Non-Consenting Lender shall be automatically excluded from participating in that vote, and its participations, Interim Commitments and vote (as the case may be) shall not be included (or, as applicable, required) with the Total Interim Commitments or otherwise when ascertaining whether the approval of Majority Interim Lenders, all Interim Lenders, or any other class of Interim Lenders (as applicable) has been obtained with respect to that request for a consent or agreement; and its status as an Interim Lender shall be disregarded for the purpose of ascertaining whether the agreement or any specified group of Interim Lenders has been obtained to approve the request.

2. INCREASE

- (a) The Parent may by giving prior notice to the Interim Facility Agent after the effective date of a cancellation of:
- (i) the undrawn Interim Commitments of a Defaulting Lender in accordance with paragraph 3 of Part 2 (*Defaulting Lender*) of this Schedule 5; or
 - (ii) the Interim Commitments of an Interim Lender in accordance with Clause 9.3 (*Illegality*) or paragraph 1 (*Replacement of an Interim Lender*) above,
- request that the Interim Commitments be increased (and the Interim Commitments shall be so increased) up to the amount of the undrawn Interim Commitments or Interim Commitments so cancelled as described in the following paragraphs.
- (b) Following a request as described in paragraph (a) above:
- (i) the increased Interim Commitments will be assumed by one or more Interim Lenders or other banks, financial institutions, trusts, funds or other entities (each an “**Increase Lender**”) selected by the Parent and each of which confirms in writing (whether in the relevant Increase Confirmation or otherwise) its willingness to assume and does assume all the obligations of an Interim Lender corresponding to that part of the increased Interim Commitments which it is to assume, as if it had been an Original Interim Lender;
 - (ii) each Obligor and any Increase Lender shall assume obligations towards one another and/or acquire rights against one another as the Obligor and the Increase Lender would have assumed and/or acquired had the Increase Lender been an Original Interim Lender;
 - (iii) each Increase Lender shall become a Party as an Interim Lender and any Increase Lender and each of the other Interim Finance Parties shall assume obligations towards one another and acquire rights against one another as that Increase Lender and those Interim Finance Parties would have assumed and/or acquired had the Increase Lender been an Original Interim Lender;
 - (iv) the Interim Commitments of the other Interim Lenders shall continue in full force and effect; and
 - (v) any increase in the Interim Commitments shall take effect on the date specified by the Parent in the notice referred to above or any later date on which the conditions set out in paragraph (c) below are satisfied.
- (c) An increase in the Interim Commitments will only be effective on:
- (i) the execution by the Interim Facility Agent of an Increase Confirmation from the relevant Increase Lender;
 - (ii) in relation to an Increase Lender which is not an Interim Lender immediately prior to the relevant increase the Interim Facility Agent being satisfied that it has complied with all necessary “know your customer” or other similar checks under all applicable laws and regulations in relation to the assumption of the increased Interim Commitments by that Increase Lender. The Interim Facility Agent shall promptly notify the Parent and the Increase Lender upon being so satisfied.

- (d) Each Increase Lender, by executing the Increase Confirmation, confirms that the Interim Facility Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Interim Lender or Interim Lenders in accordance with this Agreement on or prior to the date on which the increase becomes effective.
- (e) The Interim Facility Agent shall, as soon as reasonably practicable after it has executed an Increase Confirmation, send to the Parent a copy of that Increase Confirmation.
- (f) Clause 21.3 (*Limitation of responsibility of Existing Interim Lenders*) shall apply mutatis mutandis in this paragraph 2 in relation to an Increase Lender as if references in that Clause to:
 - (i) an “**Existing Interim Lender**” were references to all the Interim Lenders immediately prior to the relevant increase;
 - (ii) the “**New Interim Lender**” were references to that Increase Lender; and
 - (iii) a “**re-transfer**” and “**re-assignment**” were references to respectively a transfer and assignment.

Part 4
Form of Increase Confirmation

To: [•] as Interim Facility Agent, [•] as Interim Security Agent and [•] as Parent

From: [•] (the ***Increase Lender***)

Dated: [•]

[Company] – [•] Interim Facilities Agreement
dated [•] (as amended from time to time) (the “Interim Facilities Agreement”)

1. We refer to the Interim Facilities Agreement. This agreement (the *Agreement*) shall take effect as an Increase Confirmation for the purpose of the Interim Facilities Agreement. Terms defined in the Interim Facilities Agreement have the same meaning in this Agreement unless given a different meaning in this Agreement.
2. We refer to paragraph 2 (*Increase*) of Part 3 (*Replacement of an Interim Lender / Increase*) of Schedule 5 (*Impaired Agent, Replacement of an Interim Facility Agent, Defaulting Lender, Replacement of an Interim Lender / Increase*), of the Interim Facilities Agreement.
3. The Increase Lender agrees to assume and will assume all of the obligations corresponding to the Interim Commitment specified in the Schedule (the “**Relevant Commitment**”) as if it was an Original Interim Lender under the Interim Facilities Agreement.
4. The proposed date on which the increase in relation to the Increase Lender and the Relevant Commitment is to take effect (the Increase Date) is [•].
5. On the Increase Date, the Increase Lender becomes party to the relevant Interim Finance Documents as an Interim Lender.
6. The Facility Office, address, email address and attention details for notices to the Increase Lender for the purposes of Clause 17.1 (*Mode of service*) of the Interim Facilities Agreement are set out in the Schedule.
7. The Increase Lender expressly acknowledges the limitations on the Interim Lenders’ obligations referred to in paragraph (f) of paragraph 2 (*Increase*) of Part 3 (*Replacement of an Interim Lender / Increase*) of Schedule 5 (*Impairment and Replacement of Interim Finance Parties*) of the Interim Facilities Agreement.
8. This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.
9. This Agreement and any non-contractual obligations arising out of or in connection with it are governed by [English] law.
10. This Agreement has been entered into on the date stated at the beginning of this Agreement.

Note: The execution of this Increase Confirmation may not be sufficient for the Increase Lender to obtain the benefit of the Interim Security in all jurisdictions. It is the responsibility of the Increase Lender to ascertain whether any other documents or other formalities are required to obtain the benefit of the Interim Security in any jurisdiction and, if so, to arrange for execution of those documents and completion of those formalities.

The Schedule to the Increase Confirmation

Relevant Commitment/rights and obligations to be assumed by the Increase Lender

[INSERT RELEVANT DETAILS]

[Facility office address, email address and attention details for notices and account details for payments]

[Increase Lender]

By:

This Agreement is accepted as an Increase Confirmation for the purposes of the Interim Facilities Agreement by the Interim Facility Agent.

[Interim Facility Agent]

By:

Part 5 Definitions

Capitalised terms in this Schedule 5 shall have the meanings ascribed to such terms in Schedule 1 (*Definitions and Interpretation*) and this Part 5, as applicable.

“Acceptable Bank” means a bank or financial institution which has a long-term credit rating of at least BBB- by Standard & Poor’s Rating Services or Fitch Ratings Ltd or at least Baa3 by Moody’s Investor Services Limited or a comparable rating from an internationally recognised credit rating agency; or any Interim Finance Party or any Affiliate of an Interim Finance Party.

“Authorisation” means an authorisation, consent, approval, licence, filing, notarisation or registration, in each case required by any applicable law or regulation.

“Defaulting Lender” means any Interim Lender:

- (a) which has failed to make its participation in an Interim Loan available (or has notified the Interim Facility Agent or the Parent (which has notified the Interim Facility Agent) that it will not make its participation in an Interim Loan available) by the Drawdown Date of that Interim Loan in accordance with Clause 5.3 (*Advance of Interim Loans*) or which has failed to provide cash collateral;
- (b) which has otherwise rescinded or repudiated an Interim Finance Document; or
- (c) with respect to which an Insolvency Event has occurred and is continuing.

“Impaired Agent” means an Agent at any time when:

- (a) it has failed to make (or has notified a Party that it will not make) a payment required to be made by it under the Interim Finance Documents by the due date for payment;
- (b) the Agent otherwise rescinds or repudiates an Interim Finance Document;
- (c) (if the Agent is also an Interim Lender) it is a Defaulting Lender under paragraphs (a) or (b) of the definition of Defaulting Lender; or
- (d) an Insolvency Event has occurred and is continuing with respect to the Agent,

unless, in the case of paragraph (a) above:

- (i) its failure to pay is caused by administrative or technical error or a Disruption Event and payment is made within three (3) Business Days of its due date; or
- (ii) the Agent is disputing in good faith whether it is contractually obliged to make the payment in question.

“Increase Confirmation” means a confirmation substantially in the form set out in Part 4 (*Form of Increase Confirmation*) of this Schedule 5.

“Insolvency Event” in relation to an entity means that the entity:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (d) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official;
- (e) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:
 - (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
 - (ii) is not dismissed, discharged, stayed or restrained in each case within thirty (30) days of the institution or presentation thereof;
- (f) has exercised in respect of it one or more of the stabilisation powers pursuant to Part 1 of the Banking Act 2009 and/or has instituted against it a bank insolvency proceeding pursuant to Part 2 of the Banking Act 2009 or a bank administration proceeding pursuant to Part 3 of the Banking Act 2009;
- (g) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (h) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (i) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty (30) days thereafter;
- (j) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (i) above; or
- (k) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

“Non-Consenting Lender” has the meaning given to that term in paragraph (d) of paragraph 1 (*Replacement of an Interim Lender*) of Part 3 (*Replacement of an Interim Lender / Increase*) of this Schedule 5.

SCHEDULE 6

FORM OF TRANSFER CERTIFICATE

To: [●] as Interim Facility Agent

From: [●] (the “Existing Interim Lender”) and [●] (the “New Interim Lender”)

Dated: [●]

[Company] – [●] Interim Facilities Agreement
dated [●] (as amended from time to time) (the “Interim Facilities Agreement”)

1. We refer to the Interim Facilities Agreement. This is a Transfer Certificate. Terms defined in the Interim Facilities Agreement have the same meaning in this Transfer Certificate unless given a different meaning in this Transfer Certificate.
2. We refer to Clause 21.4 (*Procedure for transfer*) of the Interim Facilities Agreement:
 - (a) Subject to paragraph (e) of Clause 21.2 (*Transfers by Interim Lenders*), the Existing Interim Lender and the New Interim Lender agree to the Existing Interim Lender transferring to the New Interim Lender by novation all or part of the Existing Interim Lender’s Interim Commitments, rights and obligations referred to in the Schedule in accordance with Clause 21.4 (*Procedure for transfer*) of the Interim Facilities Agreement.
 - (b) The proposed Transfer Date is [●].
 - (c) The Facility Office and address, email address and attention details for notices of the New Interim Lender for the purposes of Clause 17.1 (*Mode of service*) of the Interim Facilities Agreement are set out in the Schedule.
3. The New Interim Lender expressly acknowledges the limitations on the Existing Interim Lender’s obligations set out in paragraph (c) of Clause 21.3 (*Limitation of responsibility of Existing Interim Lenders*) of the Interim Facilities Agreement.
4. Notwithstanding any assignment, transfer or novation by any Interim Lender to any New Interim Lender, participant or sub-participant, of all or any part of its rights and obligations under the Interim Facilities Agreement or any of the other Interim Finance Documents, the parties hereto agree that any security interest created or guarantee given under this Agreement or any other Interim Finance Documents (or in relation to the Interim Facilities Agreement or any other Interim Finance Documents) shall be preserved and continue in full force and effect to the benefit of, among others, such New Interim Lender, participant or sub-participant.
5. This Transfer Certificate may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Transfer Certificate.
6. This Transfer Certificate and any non-contractual obligations arising out of or in connection with it are governed by [English] law.
7. This Transfer Certificate has been entered into on the date stated at the beginning of this Transfer Certificate.

Note: The execution of this Transfer Certificate may not transfer a proportionate share of the Existing Interim Lender's interest in the Interim Security in all jurisdictions. It is the responsibility of the New Interim Lender to ascertain whether any other documents or other formalities are required to perfect a transfer of such a share in the Existing Interim Lender's Interim Security in any jurisdiction and, if so, to arrange for execution of those documents and completion of those formalities.

The Schedule to the Transfer Certificate

Commitment/rights and obligations to be transferred

[INSERT RELEVANT DETAILS]

[Facility office address, email address and attention details for notices and account details for payments]

[Existing Interim Lender]

By:

[New Interim Lender]

By:

This Transfer Certificate is accepted by the Interim Facility Agent and the Transfer Date is confirmed as [●].

[Interim Facility Agent]

By:

SCHEDULE 7

FORM OF ASSIGNMENT AGREEMENT

To: [●] as Interim Facility Agent

From: [●] (the “Existing Interim Lender”) and [●] (the “New Interim Lender”)

Dated: [●]

[Company] – [●] Interim Facilities Agreement
dated [●] (as amended from time to time) (the “Interim Facilities Agreement”)

1. We refer to the Interim Facilities Agreement. This is an Assignment Agreement. Terms defined in the Interim Facilities Agreement have the same meaning in this Assignment Agreement unless given a different meaning in this Assignment Agreement.
2. We refer to Clause 21.5 (*Procedure for assignment*) of the Interim Facilities Agreement.
3. Subject to paragraph (e) of Clause 21.2 (*Transfers by Interim Lenders*), the Existing Interim Lender assigns absolutely to the New Interim Lender all the rights of the Existing Interim Lender under the Interim Facilities Agreement, the other Interim Finance Documents and in respect of the Interim Security which correspond to that portion of the Existing Interim Lender’s Interim Commitments and participations in Interim Loans under the Interim Facilities Agreement as specified in the Schedule;
4. Subject to paragraph (e) of Clause 21.2 (*Transfers by Interim Lenders*), the Existing Interim Lender is released from all the obligations of the Existing Interim Lender which correspond to that portion of the Existing Interim Lender’s Interim Commitments and participations in Interim Loans under the Interim Facilities Agreement specified in the Schedule.
5. The New Interim Lender becomes a Party as an Interim Lender and is bound by obligations equivalent to those from which the Existing Interim Lender is released under paragraph 4 above.
6. The proposed Transfer Date is [●].
7. On the Transfer Date the New Interim Lender becomes Party to the Interim Finance Documents as an Interim Lender.
8. The New Interim Lender expressly acknowledges the limitations on the Existing Interim Lender’s obligations set out in paragraph (c) of Clause 21.3 (*Limitation of responsibility of Existing Interim Lenders*) of the Interim Facilities Agreement.
9. This Assignment Agreement acts as notice to the Interim Facility Agent (on behalf of each Interim Finance Party) and, upon delivery in accordance with Clause 21.6 (*Copy of Transfer Certificate or Assignment Agreement to the Parent*) of the Interim Facilities Agreement, to the Parent of the assignment referred to in this Assignment Agreement.
10. The Facility Office and address, email address and attention details for notices of the New Interim Lender for the purposes of Clause 17.1 (*Mode of service*) of the Interim Facilities Agreement are set out in the Schedule.

11. This Assignment Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Assignment Agreement.
12. This Assignment Agreement and any non-contractual obligations arising out of or in connection with it are governed by [English] law.
13. This Assignment Agreement has been entered into on the date stated at the beginning of this Assignment Agreement.

Note: The execution of this Assignment Agreement may not transfer a proportionate share of the Existing Interim Lender's interest in the Interim Security in all jurisdictions. It is the responsibility of the New Interim Lender to ascertain whether any other documents or other formalities are required to perfect a transfer of such a share in the Existing Interim Lender's Interim Security in any jurisdiction and, if so, to arrange for execution of those documents and completion of those formalities.

The Schedule to the Assignment Agreement

Commitment/rights and obligations to be transferred by assignment, release and accession

[INSERT RELEVANT DETAILS]

[Facility office address, email address and attention details for notices and account details for payments]

[Existing Interim Lender]

By:

[New Interim Lender]

By:

This Assignment Agreement is accepted by the Interim Facility Agent and the Transfer Date is confirmed as [●].

[Signature of this Assignment Agreement by the Interim Facility Agent constitutes confirmation by the Interim Facility Agent of receipt of notice of the assignment referred to herein, which notice the Interim Facility Agent receives on behalf of each Interim Finance Party.]

[Interim Facility Agent]

By:

SCHEDULE 8**THE ORIGINAL INTERIM LENDERS**

Name of Original Interim Lender	Interim Facility (GBP) Commitment		Interim Facility (EUR) Commitment	
Deutsche Bank AG, London Branch	£	574,000,000	€	134,400,000
Goldman Sachs Bank USA	£	430,500,000	€	100,800,000
Barclays Bank PLC	£	430,500,000	€	100,800,000
	£	1,435,000,000	€	336,000,000

SCHEDULE 9

GUARANTEE

1. Guarantee and indemnity

Each Guarantor irrevocably and unconditionally jointly and severally:

- (a) guarantees to each Interim Finance Party punctual performance by each Obligor of all of that Obligor's payment obligations under the Interim Finance Documents;
- (b) undertakes with each Interim Finance Party that whenever an Obligor does not pay any amount when due under any Interim Finance Document, it shall immediately on demand pay that amount as if it was the principal obligor; and
- (c) agrees with each Interim Finance Party that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Interim Finance Party immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Interim Finance Document on the date when it would have been due. The amount payable by a Guarantor under this indemnity will not exceed the amount it would have had to pay under this Schedule 9 if the amount claimed had been recoverable on the basis of a guarantee.

2. Continuing Guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Interim Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

3. Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by an Interim Finance Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Guarantor under this Schedule 9 will continue or be reinstated as if the discharge, release or arrangement had not occurred.

4. Waiver of defences

The obligations of each Guarantor under this Schedule 9 will not be affected by an act, omission, matter or thing which, but for this Schedule 9, would reduce, release or prejudice any of its obligations under this Schedule 9 (without limitation and whether or not known to it or any Interim Finance Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or any other person;
- (b) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of any Group Company;

- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of an Interim Finance Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Interim Finance Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Interim Finance Document or any other document or security; or
- (g) any insolvency or similar proceedings.

5. Guarantor Intent

Without prejudice to the generality of paragraph 4 (*Waiver of defences*), each Guarantor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Interim Finance Documents and/or any facility or amount made available under any of the Interim Finance Documents.

6. Immediate recourse

Each Guarantor waives any right it may have of first requiring any Interim Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Guarantor under this Schedule 9. This waiver applies irrespective of any law or any provision of an Interim Finance Document to the contrary.

7. Appropriations

Until all amounts which may be or become payable by the Obligors under or in connection with the Interim Finance Documents have been irrevocably paid in full, each Interim Finance Party (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Interim Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Guarantor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from the Guarantors or on account of a Guarantor's liability under this Schedule 9 unless and until such moneys are sufficient in aggregate to discharge in full all amounts then due and payable under the Interim Finance Documents.

8. **Deferral of rights**

Until all amounts which may be or become payable by the Obligors under or in connection with the Interim Finance Documents have been irrevocably paid in full and unless the Interim Facility Agent otherwise directs, a Guarantor will not exercise any rights which it may have by reason of performance by it of its obligations under the Interim Finance Documents or by reason of any amount being payable, or liability arising, under this Schedule 9:

- (a) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Interim Finance Parties under the Interim Finance Documents or of any other guarantee or security interest taken pursuant to, or in connection with, the Interim Finance Documents by any Interim Finance Party;
- (b) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Guarantor has given a guarantee, undertaking or indemnity under paragraph 1 (*Guarantee and indemnity*);
- (c) to exercise any right of set-off against any Obligor; and/or
- (d) to claim or prove as a creditor of any Obligor in competition with any Interim Finance Party.

If a Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Interim Finance Parties by the Obligors under or in connection with the Interim Finance Documents to be repaid in full on trust for the Interim Finance Parties and shall promptly pay or transfer the same to the Interim Facility Agent or as the Interim Facility Agent may direct for application in accordance with Clause 10 (*Payments*).

9. **Release of Guarantor's right of contribution**

If any Guarantor (a "**Retiring Party**") ceases to be a Guarantor in accordance with the terms of the Interim Finance Documents for the purpose of any sale or other disposal of that Retiring Party then on the date such Retiring Party ceases to be a Guarantor:

- (a) that Retiring Party is released by each other Guarantor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Guarantor arising by reason of the performance by any other Guarantor of its obligations under the Interim Finance Documents; and
- (b) each other Guarantor waives any rights it may have by reason of the performance of its obligations under the Interim Finance Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Interim Finance Parties under any Interim Finance Document or of any other security taken pursuant to, or in connection with, any Interim Finance Document where such rights or security are granted by or in relation to the assets of the Retiring Party.

10. **Additional security**

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Interim Finance Party.

11. **Limitation**

This guarantee does not apply to any liability to the extent that it would result in this guarantee constituting unlawful financial assistance within the meaning of sections 678 or 679 of the Act and, with respect to any Additional Guarantor, is subject to any limitations set out in the Accession Deed applicable to such Additional Guarantor.

SCHEDULE 10

FORM OF EXTENSION REQUEST

To: [●] as Interim Facility Agent

From: [●] (the *Parent*)

Dated: [●]

[Company] – [] Interim Facilities Agreement

dated [] (as amended from time to time) (the “Interim Facilities Agreement”)

1. We refer to the Interim Facilities Agreement. This Extension Request shall take effect as an Extension Request for the purpose of Clause 6.4 (*Extension Option*) of the Interim Facilities Agreement. Terms defined in the Interim Facilities Agreement have the same meaning in this Extension Request unless given a different meaning in this Extension Request.
2. We refer to Clause 6.4 (*Extension Option*) of the Interim Facilities Agreement.
3. We hereby request that the Final Repayment Date be extended to the Extended Final Repayment Date.
4. We hereby confirm that no Major Event of Default is continuing on the date of this Extension Request.
5. This Extension Request and any non-contractual obligations arising out of or in connection with it are governed by English law.
6. This Extension Request has been entered into on the date stated at the beginning of this Extension Request.

[Parent]

By:

SCHEDULE 11

CONDITIONS PRECEDENT REQUIRED TO BE DELIVERED BY AN ADDITIONAL GUARANTOR

1. THE ADDITIONAL GUARANTORS

- (a) *Constitutional documents*: a copy of the constitutional documents of the Additional Guarantor (including statutory registers).
- (b) *Board approvals*: with respect to each Additional Guarantor, to the extent legally required or if required by its constitutional documents, a copy of a resolution of the board of directors or equivalent body of such Additional Guarantor approving the Interim Finance Documents to which it is a party and the transactions contemplated thereby.
- (c) *Specimen signatures*: specimen signatures for the person(s) authorised in the resolutions referred to above.
- (d) *Director's certificates*: a certificate from the Additional Guarantor (signed by an authorised signatory):
 - (i) certifying that each copy document relating to it specified in paragraphs (a) to (c) above is correct, complete and (to the extent executed) in full force and effect and has not been amended or superseded prior to the date of the relevant Accession Deed; and
 - (ii) confirming that borrowing, guaranteeing or securing (as appropriate) the Total Interim Commitments would not cause any borrowing, guaranteeing, security or other similar limit binding on it to be exceeded, subject to any guarantee limitations included in the relevant Accession Deed.

2. INTERIM FINANCE DOCUMENTS

- (a) A copy of the Accession Deed signed by the Additional Guarantor and the Parent.
- (b) Any Interim Security Documents which, subject to the Agreed Security Principles, are required by the Interim Facility Agent to be executed by the proposed Additional Guarantor.

3. LEGAL OPINIONS

- (a) A legal opinion from Latham & Watkins as English law counsel to the Arrangers and the Interim Lenders in respect of enforceability of the Accession Deed governed by English law and capacity of the Additional Guarantor incorporated in England and Wales.
- (b) If the Additional Guarantor is incorporated in a jurisdiction other than England and Wales or is executing an Interim Finance Document which is governed by a law other than English law, a legal opinion of the legal advisers to the Arrangers and the Interim Lenders or the legal advisers to the Additional Guarantors where customary in the jurisdiction of its incorporation or, as the case may be, the jurisdiction of the governing law of that Interim Finance Documents (the "**Applicable Jurisdiction**") as to the law of the Applicable Jurisdiction and in the form distributed to the Interim Lenders prior to signing the Accession Deed.

4. **OTHER CONDITIONS PRECEDENT**

- (a) **Process Agent:** if the Additional Guarantor is not incorporated in England and Wales, evidence that the process agent appointed in respect of the Interim Finance Documents for such Additional Guarantor has accepted its appointment as agent for service of process.
- (b) **Financial Statements:** a copy of the latest audited financial statements of the Additional Guarantor.
- (c) **KYC:** evidence that each of the Interim Facility Agent and the Interim Security Agent has carried out, and is satisfied with the results of, its “know your customer” checks.

SCHEDULE 12

FORM OF ACCESSION DEED

To: [] as Interim Facility Agent for itself and each of the other parties to the Interim Facilities Agreement referred to below

From: [Subsidiary] and [Parent]

Dated:

Dear Sirs

[Company] – [] Interim Facilities Agreement
dated [] (as amended from time to time) (the “Interim Facilities Agreement”)

1. We refer to the Interim Facilities Agreement. This deed (the “**Accession Deed**”) shall take effect as an Accession Deed for the purposes of the Interim Facilities Agreement. Terms defined in the Interim Facilities Agreement have the same meaning in this Accession Deed unless given a different meaning in this Accession Deed.
2. [Subsidiary] agrees to become an Additional Guarantor and to be bound by the terms of the Interim Facilities Agreement and the other Interim Finance Documents as an Additional Guarantor pursuant to Clause 21.9 (*Additional Guarantors*) of the Interim Facilities Agreement. [Subsidiary] is a [company] duly incorporated under the laws of [name of relevant jurisdiction] and is a [limited liability company] with registered number [].
3. [Subsidiary's] administrative details for the purposes of the Interim Facilities Agreement are as follows:

Address:

Email address:

Attention:
4. [Add applicable guarantee limitation language]
5. This Accession Deed and any non-contractual obligations arising out of or in connection with are governed by English law.

THIS ACCESSION DEED has been signed on behalf of the Parent and executed as a deed by [Subsidiary] and is delivered on the date stated above.

[Subsidiary]

[EXECUTED AS A DEED

By: [Subsidiary]

Director

Director/Secretary]

OR

[EXECUTED AS A DEED

By: [*Subsidiary*]

Signature of Director

Name of Director

in the presence of

Signature of witness

Name of witness

Address of witness

Occupation of witness]

The Parent

[*Parent*]

By:

SCHEDULE 13

FORM OF US TAX COMPLIANCE CERTIFICATES

(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Interim Facilities Agreement dated as of [] (as amended, supplemented or otherwise modified from time to time, the “**Interim Facilities Agreement**”), among, *inter alia*, the Parent and each Interim Lender from time to time party thereto.

Pursuant to the provisions of paragraph (b) of Clause 8.7 (*US Tax Forms*) of the Interim Facilities Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Interim Loan(s) (as well as any note(s) evidencing such Interim Loan(s)) in respect of which it is providing this certificate, (ii) it is not a “bank” within the meaning of Section 881(c)(3)(A) of the US Code, (iii) it is not a “10-percent shareholder” of the US Borrower within the meaning of Section 871(h)(3)(B) of the US Code and (iv) it is not a “controlled foreign corporation” related to the US Borrower as described in Section 881(c)(3)(C) of the US Code.

The undersigned has furnished the Interim Facility Agent and the US Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate changes, the undersigned shall promptly so inform the US Borrower and the Interim Facility Agent, and (2) the undersigned shall have at all times furnished the US Borrower and the Interim Facility Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Interim Facilities Agreement and used herein shall have the meanings given to them in the Interim Facilities Agreement.

[NAME OF INTERIM LENDER]

By: _____

Name:

Title:

Date:

(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Interim Facilities Agreement dated as of [] (as amended, supplemented or otherwise modified from time to time, the “**Interim Facilities Agreement**”), among, *inter alia*, the Parent and each Interim Lender from time to time party thereto.

Pursuant to the provisions of paragraph (b) of Clause 8.7 (*US Tax Forms*) of the Interim Facilities Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a “bank” within the meaning of Section 881(c)(3)(A) of the US Code, (iii) it is not a “10-percent shareholder” of the US Borrower within the meaning of Section 871(h)(3)(B) of the US Code and (iv) it is not a “controlled foreign corporation” related to the US Borrower as described in Section 881(c)(3)(C) of the US Code.

The undersigned has furnished its participating Interim Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate changes, the undersigned shall promptly so inform such Interim Lender in writing, and (2) the undersigned shall have at all times furnished such Interim Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Interim Facilities Agreement and used herein shall have the meanings given to them in the Interim Facilities Agreement.

[NAME OF PARTICIPANT]

By: _____

Name:

Title:

Date:

(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Interim Facilities Agreement dated as of [] (as amended, supplemented or otherwise modified from time to time, the “**Interim Facilities Agreement**”), among, *inter alia*, the Parent and each Interim Lender from time to time party thereto.

Pursuant to the provisions of paragraph (b) of Clause 8.7 (*US Tax Forms*) of the Interim Facilities Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a “bank” extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the US Code, (iv) none of its direct or indirect partners/members is a “10-percent shareholder” of the US Borrower within the meaning of Section 871(h)(3)(B) of the US Code and (v) none of its direct or indirect partners/members is a “controlled foreign corporation” related to the US Borrower as described in Section 881(c)(3)(C) of the US Code.

The undersigned has furnished its participating Interim Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner’s/member’s beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate changes, the undersigned shall promptly so inform such Interim Lender and (2) the undersigned shall have at all times furnished such Interim Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Interim Facilities Agreement and used herein shall have the meanings given to them in the Interim Facilities Agreement.

[NAME OF PARTICIPANT]

By: _____

Name:

Title:

Date:

(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Interim Facilities Agreement dated as of [] (as amended, supplemented or otherwise modified from time to time, the “**Interim Facilities Agreement**”), among, *inter alia*, the Parent and each Interim Lender from time to time party thereto.

Pursuant to the provisions of paragraph (b) of Clause 8.7 (*US Tax Forms*) of the Interim Facilities Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Interim Loan(s) (as well as any note(s) evidencing such Interim Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Interim Loan(s) (as well as any note(s) evidencing such Interim Loan(s)), (iii) with respect to the extension of credit pursuant to this Interim Facilities Agreement or any other Interim Finance Document, neither the undersigned nor any of its direct or indirect partners/members is a “bank” extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the US Code, (iv) none of its direct or indirect partners/members is a “10-percent shareholder” of the US Borrower within the meaning of Section 871(h)(3)(B) of the US Code and (v) none of its direct or indirect partners/members is a “controlled foreign corporation” related to the US Borrower as described in Section 881(c)(3)(C) of the US Code.

The undersigned has furnished the Interim Facility Agent and the US Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner’s/member’s beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate changes, the undersigned shall promptly so inform the US Borrower and the Interim Facility Agent, and (2) the undersigned shall have at all times furnished the US Borrower and the Interim Facility Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Interim Facilities Agreement and used herein shall have the meanings given to them in the Interim Facilities Agreement.

[NAME OF INTERIM LENDER]

By: _____

Name:

Title:

Date:

SCHEDULE 14

REFERENCE RATE TERMS

CURRENCY: Sterling.

**Cost of funds pursuant to Clause 7.9
(Proposed Disrupted Loans) as a
fallback**

Cost of funds will apply as a fallback.

Definitions

Additional Business Days: An RFR Banking Day.

Baseline CAS: None specified.

Break Costs: None specified.

Business Day Conventions:

- (a) If any period is expressed to accrue by reference to a month or any number of months then, in respect of the last month of that period:
 - (i) subject to paragraph (iii) below, if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;
 - (ii) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and
 - (iii) if an Interest Period begins on the last Business Day of a calendar month, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end.
- (b) If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

Central Bank Rate: The Bank of England's Bank Rate as published by the Bank of England from time to time.

Central Bank Rate Adjustment: In relation to the Central Bank Rate prevailing at close of business on any RFR Banking Day, the 20% trimmed arithmetic mean (calculated by the Interim Facility Agent, or by any other Interim Finance Party which agrees with the Company to do so in place of the Interim Facility Agent) of the Central Bank Rate Spreads for the five (5) most immediately preceding RFR Banking Days for which the RFR is available.

Central Bank Rate Spread:	<p>In relation to any RFR Banking Day, the difference (expressed as a percentage rate per annum) calculated by the Interim Facility Agent (or by any other Interim Finance Party which agrees with the Parent to do so in place of the Interim Facility Agent) of:</p> <ul style="list-style-type: none"> (a) the Daily Rate for that RFR Banking Day; and (b) the Central Bank Rate prevailing at close of business on that RFR Banking Day.
Daily Rate:	<p>The “Daily Rate” for any RFR Banking Day is:</p> <ul style="list-style-type: none"> (a) the RFR for that RFR Banking Day; or (b) if the RFR is not available for that RFR Banking Day, the percentage rate per annum which is the aggregate of: <ul style="list-style-type: none"> (i) the Central Bank Rate for that RFR Banking Day; and (ii) the applicable Central Bank Rate Adjustment ; or (c) if paragraph (b) above applies but the Central Bank Rate for that RFR Banking Day is not available, the percentage rate per annum which is the aggregate of: <ul style="list-style-type: none"> (i) the most recent Central Bank Rate for a day which is no more than five (5) RFR Banking Days before that RFR Banking Day; and (ii) the applicable Central Bank Rate Adjustment, <p>rounded, in either case, to four decimal places and if, in either case, that rate is less than one (1) per cent., the Daily Rate shall be deemed to be one (1) per cent.</p>
Lookback Period:	Five (5) RFR Banking Days.
Market Disruption Rate:	<p>The percentage rate per annum which is the aggregate of:</p> <ul style="list-style-type: none"> (a) the Cumulative Compounded RFR Rate for the Interest Period of the relevant Interim Facility (GBP) Loan; and

(b) the applicable Baseline CAS.

Relevant Market:

The sterling wholesale market.

Reporting Day:

The day which is the Lookback Period prior to the last day of the Interest Period or, if that day is not a Business Day, the immediately following Business Day.

RFR:

The SONIA (sterling overnight index average) reference rate displayed on the relevant screen of any authorised distributor of that reference rate.

RFR Banking Day:

A day (other than a Saturday or Sunday) on which banks are open for general business in London.

Interest Periods

Length of Interest Period in absence of selection
(paragraph (e) of Clause 7.2 (*Payment of interest*)):

One (1) month prior to the Extension Effective Date and three (3) months upon and following the Extension Effective Date (or, if earlier, a period ending on the Final Repayment Date).

Periods capable of selection as Interest Periods
(paragraph (b) of Clause 7.2 (*Payment of interest*)):

- (a) Prior to the Extension Effective Date, one (1), two (2) or three (3) weeks, one (1) or two (2) months or ninety (90) days (or any other period agreed with the Interim Facility Agent).
- (b) Upon and following the Extension Effective Date, one (1), two (2) or three (3) months (or any other period agreed with the Interim Facility Agent).

Reporting Times

Deadline for Interim Lenders to report market disruption in
accordance with Clause 7.8 (*Market Disruption Notice*)

Close of business in London on the Reporting Day for the relevant Interim Facility (GBP) Loan.

Deadline for Interim Lenders to report their cost of funds in
accordance with Clause 7.9 (*Proposed Disrupted Loan*)

Close of business on the date falling five (5) Business Days after the Reporting Day for the relevant Interim Facility (GBP) Loan.

SCHEDULE 15

DAILY NON-CUMULATIVE COMPOUNDED RFR RATE

The “**Daily Non-Cumulative Compounded RFR Rate**” for any RFR Banking Day “i” during an Interest Period for an Interim Facility (GBP) Loan is the percentage rate per annum (without rounding, to the extent reasonably practicable for the Interim Finance Party performing the calculation, taking into account the capabilities of any software used for that purpose) calculated as set out below:

$$(UCCDR_i - UCCDR_{i-1}) \times \frac{dcc}{n_i}$$

where:

“**UCCDR_i**” means the Unannualised Cumulative Compounded Daily Rate for that RFR Banking Day “i”;

“**UCCDR_{i-1}**” means, in relation to that RFR Banking Day “i”, the Unannualised Cumulative Compounded Daily Rate for the immediately preceding RFR Banking Day (if any) during that Interest Period;

“**dcc**” means 365 or, in any case where market practice in the Relevant Market is to use a different number for quoting the number of days in a year, that number;

“**n_i**” means the number of calendar days from, and including, that RFR Banking Day “i” up to, but excluding, the following RFR Banking Day; and

the “**Unannualised Cumulative Compounded Daily Rate**” for any RFR Banking Day (the “**Cumulated RFR Banking Day**”) during that Interest Period is the result of the below calculation (without rounding, to the extent reasonably practicable for the Interim Finance Party performing the calculation, taking into account the capabilities of any software used for that purpose):

$$ACCDR \times \frac{tn_i}{dcc}$$

where:

“**ACCDR**” means the Annualised Cumulative Compounded Daily Rate for that Cumulated RFR Banking Day;

“**tn_i**” means the number of calendar days from, and including, the first day of the Cumulation Period to, but excluding, the RFR Banking Day which immediately follows the last day of the Cumulation Period;

“**Cumulation Period**” means the period from, and including, the first RFR Banking Day of that Interest Period to, and including, that Cumulated RFR Banking Day;

“**dcc**” has the meaning given to that term above; and

the “**Annualised Cumulative Compounded Daily Rate**” for that Cumulated RFR Banking Day is the percentage rate per annum (rounded to four (4) decimal places) calculated as set out below:

$$\left[\prod_{j=1}^{d_0} \left(1 + \frac{\text{DailyRate}_{i-1} \times n_j}{dcc} \right) - 1 \right] \times \frac{dcc}{tn_i}$$

where:

“**d₀**” means the number of RFR Banking Days in the Cumulation Period;

“**Cumulation Period**” has the meaning given to that term above;

“**i**” means a series of whole numbers from one to d_0 , each representing the relevant RFR Banking Day in chronological order in the Cumulation Period;

“**DailyRate_{i,LP}**” means, for any RFR Banking Day “**i**” in the Cumulation Period, the Daily Rate for the RFR Banking Day which is the Lookback Period prior to that RFR Banking Day “**i**”;

“**n_i**” means, for any RFR Banking Day “**i**” in the Cumulation Period, the number of calendar days from, and including, that RFR Banking Day “**i**” up to, but excluding, the following RFR Banking Day;

“**dec**” has the meaning given to that term above; and

“**tn_i**” has the meaning given to that term above.

SCHEDULE 16

CUMULATIVE COMPOUNDED RFR RATE

The “**Cumulative Compounded RFR Rate**” for any Interest Period for an Interim Facility (GBP) Loan is the percentage rate per annum (rounded to the same number of decimal places as is specified in the definition of “**Annualised Cumulative Compounded Daily Rate**” in Schedule 15 (*Daily Non-Cumulative Compounded RFR Rate*)) calculated as set out below:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{DailyRate}_{i-LP} \times n_i}{d_{cc}} \right) - 1 \right] \times \frac{d_{cc}}{d}$$

where:

“**d₀**” means the number of RFR Banking Days during the Interest Period;

“**i**” means a series of whole numbers from one to **d₀**, each representing the relevant RFR Banking Day in chronological order during the Interest Period;

“**DailyRate_{i-LP}**” means for any RFR Banking Day “**i**” during the Interest Period, the Daily Rate for the RFR Banking Day which is the Lookback Period prior to that RFR Banking Day “**i**”;

“**n_i**” means, for any RFR Banking Day “**i**”, the number of calendar days from, and including, that RFR Banking Day “**i**” up to, but excluding, the following RFR Banking Day;

“**d_{cc}**” means 365 or, in any case where market practice in the Relevant Market is to use a different number for quoting the number of days in a year, that number; and

“**d**” means the number of calendar days during that Interest Period.

SIGNATORIES

THE PARENT

/s/ Craig L. Eaton
for and on behalf of

PREMIER ENTERTAINMENT PARENT, LLC

Name: Craig L. Eaton

Title: Executive Vice President, General Counsel and Secretary

Notice Details

Address:	100 Westminster Street, Providence, Rhode Island 02903
Email:	Craig@ballys.com
Attention:	Craig L. Eaton, General Counsel
Telephone:	1-401-475-8414
Fax:	1-401-727-4770

[Project Lincoln - signature page to Interim Facilities Agreement]

THE BORROWER

/s/ Craig L. Eaton
for and on behalf of

PREMIER ENTERTAINMENT SUB, LLC

Name: Craig L. Eaton

Title: Executive Vice President, General Counsel and Secretary

Notice Details

Address:	100 Westminster Street, Providence, Rhode Island 02903
Email:	Craig@ballys.com
Attention:	Craig L. Eaton, General Counsel
Telephone:	1-401-475-8414
Fax:	1-401-727-4770

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ARRANGERS

/s/ Hoby Buvat

for and on behalf of

DEUTSCHE BANK AG, LONDON BRANCH

as Arranger

Name: Hoby Buvat

Title: MD

/s/ Jeremy Sellay

for and on behalf of

DEUTSCHE BANK AG, LONDON BRANCH

as Arranger

Name: Jeremy Sellay

Title: MD

Notice details

Address:	Winchester House, 1 Great Winchester Street, 5th Floor, London UK EC2N 2DB
Email:	mark.dixson@db.com
Attention:	Mark Dixon
Telephone:	+44(20)754-74716
Fax:	+44(20)754-57130

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/s/ Robert Ehudih
for and on behalf of

GOLDMAN SACHS BANK USA
as Arranger

Name: Robert Ehudih

Title: Authorized Signator

Notice details

Address: 200 West Street New York, NY 10282
Email: gs-sbd-admin-contacts@ny.email.gs.com
Telephone: 212-902-1099
Fax: 917-977-3966

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/s/ Jeremy Hazan
for and on behalf of

BARCLAYS BANK PLC
as Arranger

Name: Jeremy Hazan

Title: Managing Director

Notice details

Address: 745 7th Avenue, New York, NY 10019
Email: Ali.Hassan2@barclays.com
Attention: Bank Debt Management/ Ali Hassan
Telephone: +1 (212) 412-1140

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ORIGINAL INTERIM LENDERS

/s/ Hoby Buvat

for and on behalf of

DEUTSCHE BANK AG, LONDON BRANCH

as Original Interim Lender

Name: Hoby Buvat

Title: MD

/s/ Jeremy Sellay

for and on behalf of

DEUTSCHE BANK AG, LONDON BRANCH

as Original Interim Lender

Name: Jeremy Sellay

Title: MD

Notice details

Address: Winchester House, 1 Great Winchester Street, 5th Floor, London UK EC2N 2DB

Email: mark.dixson@db.com

Attention: Mark Dixson

Telephone: +44(20)754-74716

Fax: +44(20)754-57130

[Project Lincoln - signature page to Interim Facilities Agreement]

/s/ Robert Ehudin
for and on behalf of

GOLDMAN SACHS BANK USA
as Original Interim Lender

Name: Robert Ehudin

Title: Authorized Signator

Notice details

Address: 200 West Street New York, NY 10282
Email: gs-sbd-admin-contacts@ny.email.gs.com
Telephone: 212-902-1099
Fax: 917-977-3966

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/s/ Jeremy Hazan
for and on behalf of

BARCLAYS BANK PLC
as Original Interim Lender

Name: Jeremy Hazan

Title: Managing Director

Notice details

Address: 745 7th Avenue, New York, NY 10019
Email: Ali.Hassan2@barclays.com
Attention: Bank Debt Management/ Ali Hassan
Telephone: +1 (212) 412-1140

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INTERIM FACILITY AGENT

/s/ Vikki Adams

for and on behalf of

DEUTSCHE BANK AG, LONDON BRANCH

as Interim Facility Agent

Name: Vikki Adams

Title: Vice President

/s/ Craig Hoepfl

for and on behalf of

DEUTSCHE BANK AG, LONDON BRANCH

as Interim Facility Agent

Name: Craig Hoepfl

Title: Vice President

Notice details

Address: Winchester house, 1 Great Winchester Street, London, EC2N 2DB

Email: vikki.adams@db.com

Attention: Vikki Adams

Telephone: +44(20)754-75855

[Project Lincoln - signature page to Interim Facilities Agreement]

INTERIM SECURITY AGENT

/s/ Vikki Adams

for and on behalf of

DEUTSCHE BANK AG, LONDON BRANCH

as Interim Security Agent

Name: Vikki Adams

Title: Vice President

/s/ Craig Hoepfl

for and on behalf of

DEUTSCHE BANK AG, LONDON BRANCH

as Interim Security Agent

Name: Craig Hoepfl

Title: Vice President

Notice details

Address: Winchester house, 1 Great Winchester Street, London, EC2N 2DB

Email: vikki.adams@db.com

Attention: Vikki Adams

Telephone: +44(20)754-75855

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GAMING & LEISURE PROPERTIES, INC.
845 BERKSHIRE BLVD.
WYOMISSING, PA 19610

April 13, 2021

Bally's Corporation
100 Westminster Street
Providence, Rhode Island 02903

Ladies and Gentlemen:

This agreement sets forth the irrevocable commitment of Gaming & Leisure Properties, Inc. ("GLPI") to make an equity contribution in Bally's Corporation ("Bally's") on the terms set forth herein and subject solely to the conditions Section 3 hereof.

Substantially simultaneously herewith, Bally's is announcing, in accordance with Rule 2.7 of the United Kingdom ("UK") City Code on Takeovers and Mergers (the "Rule 2.7 Announcement"), an offer to acquire (the "Combination") the entire issued and to be issued ordinary share capital of Gamesys Group plc ("Gamesys"). The Combination is intended to be implemented by a court-sanctioned scheme of arrangement under Part 26 of the UK Companies Act 2006, but could be implemented through another form of transaction. In connection with the Combination, Bally's subsidiaries Premier Entertainment Parent, LLC, as Parent, and Premier Entertainment Sub, LLC, as Borrower ("Bidco"), have entered into a (1) a Senior Secured 364-Day Bridge Facility Commitment Letter dated the date hereof (the "Bridge Commitment Letter and the commitments there, the "Bridge Commitment") with Deutsche Bank AG, London Branch ("Deutsche Bank") and other lenders as Initial Lenders thereunder and (2) an Interim Facilities Agreement (the "IFA") with Deutsche Bank and other lenders arranged by Deutsche Bank and such other lenders as arrangers and Original Interim Lenders thereunder, with Deutsche Bank as Interim Facility Agent and Interim Security Agent (the "Bridge Commitment" and together with the IFA, the "Debt Financing" and the definitive documentation relating there to, the "Debt Financing Documents"). Initial capitalized terms used but not defined herein have the meanings given to them in the Debt Financing Documents.

1. **Commitment.** GLPI hereby irrevocably commits (the "Commitment"), on the terms and subject solely to the conditions set forth in Section 3 hereof, to make an equity contribution to Bally's for cash in an aggregate amount as specified by Bally's as herein provided (but in no event more than the Committed Equity Amount (the "Specified Amount")) at least three Business Days prior to the Funding Date (such amount, the "Committed Equity Amount"); provided, that Bally's will have the right, if Bally's deems it necessary to allow it to timely satisfy the repayment of the Existing Facilities on the Funding Date, to request and receive the Specified Amount more than three Business Days prior to the Funding Date but in all events upon three Business Days' notice to GLPI. Bally's will use the proceeds thereof to fund a portion of the aggregate cash consideration, acquisition costs and fees and expenses incurred by Bally's and its affiliated entities related to the Combination or to refinance Gamesys debt and/or refinance the Existing Facilities ("Deal Costs"). GLPI will not, under any circumstances, be obligated to invest more than \$500 million (the "Committed Equity Amount"); provided, however, that the Committed Equity Amount will be reduced dollar-for-dollar to the extent any equity capital raised by Bally's prior to the Funding Date exceeds \$850 million. GLPI may effect the transactions contemplated by this Section 1 through one or more wholly owned subsidiaries designated by it, but no such action will reduce the amount of the Commitment or otherwise affect the obligations of GLPI or rights of Bally's under this agreement. In the event (and only to the extent) that Bally's does not request the funding of the entire Committed Equity Amount, the amount to be funded under this agreement may be reduced by Bally's to an amount that Bally's determines it requires to pay Deal Costs.

2. **Calculation of Share Issuance.** (a) Other than to the extent GLPI has elected an alternative contribution structure as specified in Section 4 below, upon payment of the Specified Amount, Bally's will issue to GLPI or its wholly owned subsidiary the number of Common Shares equal to the Specified Amount divided by the volume-weighted average price per share of the Common Shares on the New York Stock Exchange for the 20 consecutive trading days ending on the trading day immediately preceding the date of notice from Bally's under Section 1 hereof (as equitably adjusted to reflect any stock split, division or subdivision of shares, stock dividend, reverse stock split, consolidation of shares, reclassification, recapitalization or other similar transaction with respect to the Common Shares during such five trading day period) (such price, the "VWAP Price").

(b) Notwithstanding any other provision hereof, in the event and to the extent that GLPI would beneficially own Common Shares equal to or greater than 4.99% of the outstanding Common Shares ("Excess Shares"), such Excess Shares will not be issued pursuant to Section 2.1(a) and, in lieu thereof, Bally's will issue a warrant granting GLPI or its wholly owned subsidiary (as applicable) the right to acquire such Excess Shares, or require that they be transferred to a wholly owned subsidiary, in the form substantially identical to the form of warrant filed by Bally's with the Securities and Exchange Commission as Exhibit 4.6 to its 2020 Annual Report on Form 10-K, the exercise of which will be subject only to written notice by GLPI or its designee and the provision of evidence reasonably satisfactory to Bally's that such Excess Shares may be issued upon such exercise in accordance with applicable law and the gaming regulatory restrictions contained in Bally's Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws.

(c) GLPI anticipates that it will have to borrow under its revolving bank credit facilities up to 100% of the Committed Equity Amount. In such event and to such extent, following the issuance of Common Shares provided in Section 2(a) hereof (the "Closing"), Bally's will reimburse GLPI for GLPI's out-of-pocket cash interest paid on such borrowings for up to 18 months after funding or, if earlier, the closing date of any SLB Transaction (such interest, "Revolver Interest"). Such reimbursements will be made within 20 Business Days of the presentment of evidence of payment for the relevant period not more frequently than monthly. It is understood and agreed that the ability of GLPI to make any such borrowing under its revolving bank credit facilities will not be a condition to GLPI's Commitment and its failure or inability to borrow will not relieve it of its obligations to fund any portion of the Commitment hereunder.

3. **Conditions.** The obligations of GLPI set forth in Sections 1 and 2 hereof will be subject solely to the occurrence of the Funding Date.

4. **Alternative Contribution Election** Notwithstanding the terms of Sections 1 and 2 hereof, upon receipt by GLPI of a notice from Bally's advising of a Specified Amount to be funded by GLPI on or prior to the Funding Date, GLPI may elect at its sole discretion to fund the Specified Amount in the form of either:

(a) *Prepaid SLB Transaction(s)*, pursuant to which the Specified Amount, rather than being used to acquire equity in Bally's, will be paid as an advance deposit of the purchase price payable by GLPI in connection with prepaid sale-leaseback transaction(s) ("SLB Transactions") among GLPI, Bally's and their respective affiliates with respect to one or more "Designated Properties" (which include Bally's Biloxi, Kansas City, Black Hawk, Atlantic City and Rock Island (if then owned by Bally's) casinos, and such other properties (if any) to which the parties agree). Upon such election by GLPI, the documentation for any SLB Transaction will be on terms and conditions as are customary and reasonable for transactions of this nature, size and scope, with such modifications as agreed by the parties, each acting reasonably, to account for the particular circumstances of the transaction. Unless otherwise agreed by the parties, (i) the rent payable by Bally's under each SLB Transaction will be 50% the applicable Designated Property's trailing 12-month Consolidated EBITDA, as adjusted by Bally's forecasts of Consolidated EBITDA for the next full calendar year following the date of signing of the definitive SLB Transaction documents as may be agreed between the parties, each acting reasonably, and other adjustments (if any) as agreed by the parties, and (ii) the real estate purchase price payable by GLPI in each SLB Transaction will be 12.5X the rent payable by Bally's per clause (i) above. As applicable, Consolidated EBITDA for a Designated Property will be calculated in accordance with the definition thereof in the Existing Parent Credit Agreement or, if the Existing Parent Credit Agreement is replaced or refinanced, as set forth in the documentation relating to such replacement or refinanced credit agreement. Upon closing of any SLB Transaction(s), such Designated Property(ies) will be added to the existing GLPI-Bally's master lease. In the event GLPI makes an election under this Section 4(a), the parties agree that the real estate purchase price payable by GLPI at the time of closing of any SLB Transaction as described above will be reduced by an amount equal to 3.75% per annum of the Specified Amount, pro-rated for partial periods, to reflect the interim funding costs of GLPI but only to the extent that Bally's had not reimbursed GLPI for Revolver Interest under Section 2(c) hereof; or

(b) *Subordinated Secured Loans*, pursuant to which the Specified Amount, rather than being used to acquire equity in Bally's, will be funded by GLPI to Bally's in the form of one or more interest-bearing loan instruments that will be secured by Bally's real estate assets on a subordinated basis and otherwise on customary market terms as are reasonably agreed between GLPI and Bally's, each acting reasonably; provided that an election by GLPI under this subclause (b) may only be made to the extent the incurrence of such indebtedness would then be permitted on a pro forma basis by (i) the terms and conditions of the Existing Parent Credit Agreement or, if the Existing Parent Credit Agreement is replaced or refinanced, as set forth in the documentation relating to such replacement or refinancing, (ii) Bally's Rhode Island regulatory agreement, and (iii) the rules and regulations of any gaming authorities then applicable to Bally's.

5. **Conversion.** To the extent GLPI has not elected or was unable to elect an alternative contribution structure as specified in Section 4 above, at GLPI's written request after the Funding Date, as promptly as reasonably practicable but in no event more than 10 Business Days after such request, Bally's and GLPI will meet to discuss implementing one or more potential SLB Transactions on the terms described in Section 4(a) above. Upon closing of such SLB Transaction(s), in lieu of payment of the real estate purchase price by GLPI in connection therewith, a number of Common Shares issued under Section 2(a) hereof, valued at the same VWAP Price, will be transferred by GLPI to Bally's or its designee and such real estate purchase price will be reduced accordingly.

6. **Additional Transactions.** If Bally's and GLPI enter into an agreement for a sale-leaseback of any other Bally's casino between the date hereof and the closing of an SLB Transaction but such sale-leaseback has not closed before the closing of the SLB Transaction, such other casino may, upon notice given by Bally's not less than ten Business Days before the closing of the SLB Transaction, become a Designated Property.

7. **Representations.** (a) GLPI hereby represents and warrants to Bally's as of the date hereof and as of the Funding Date that (1) it is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania, (2) it has all requisite corporate power and authority to execute, deliver and perform this agreement and the execution, delivery and performance of this agreement have been duly and validly authorized by all necessary action under, and do not contravene any provision of GLPI's organizational documents or any applicable law or contractual restriction binding on GLPI or its assets, (3) all consents, approvals, authorizations, permits of, filings with and notifications to, any Governmental Body or any other Person necessary for the due execution, delivery and performance of this agreement by GLPI have been obtained or made and all conditions thereof have been duly complied with, and no other action by, and no notice to or filing with, any Governmental Body or any other Person is required in connection with the execution, delivery or performance of this agreement, (4) this agreement constitutes a legal, valid and binding obligation of GLPI enforceable against GLPI in accordance with its terms, except as may be limited by bankruptcy laws or other similar laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies, (5) it is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D, able to bear the economic risks of an investment in the Common Shares and, is able to afford a complete loss of such investment, (6) it has had the opportunity to review Bally's public disclosures (including the risk factors related to an investment in the Common Shares) and has been furnished with all materials relating to the business, finances and operations of Bally's sufficient in its view to enable it to evaluate its investment, (7) it understands that the Common Shares are being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that Bally's is relying in part upon the truth and accuracy of GLPI's representations set forth herein, and (8) it understands that the Common Shares will bear a restrictive legend indicating that the shares transfer of the shares are subject to restrictions.

(b) Bally's hereby represents and warrants to GLPI as of the date hereof and as of the Funding Date that (1) it is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, (2) it has all requisite corporate power and authority to execute, deliver and perform this agreement and the execution, delivery and performance of this agreement have been duly and validly authorized by all necessary action under, and do not contravene any provision of Bally's organizational documents or any applicable law or contractual restriction binding on Bally's or its assets, (3) all consents, approvals, authorizations, permits of, filings with and notifications to, any Governmental Body or any other Person necessary for the due execution, delivery and performance of this agreement by Bally's have been obtained or made and all conditions thereof have been duly complied with, and no other action by, and no notice to or filing with, any Governmental Body or any other Person is required in connection with the execution, delivery or performance of this agreement, (4) this agreement constitutes a legal, valid and binding obligation of Bally's enforceable against Bally's in accordance with its terms, except as may be limited by bankruptcy laws or other similar laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies, and (5) it agrees to use the proceeds of the Commitment, together with the proceeds of the Debt Financing, to consummate the Combination.

8. **Public Disclosure.** GLPI acknowledges and agrees with Bally's that the contents of this agreement will be subject to public disclosure in connection with the Rule 2.7 Announcement and other public disclosures required to be made by Bally's in the United Kingdom and the US without any further consent from GLPI.

9. **Termination.** This agreement and the obligation of GLPI to fund the Commitment will terminate without further action upon the earlier to occur of the Funding Date (at which time the obligation will be fulfilled) and end of the Certain Funds Period. Prior to such date, Bally's will have the right to terminate in whole or reduce in part the Committed Equity Amount upon written notice to GLPI.

10. **Fees and Expenses.** Each party will bear all costs and expenses incurred by it in connection with the matters contemplated by this agreement except that if Bally's brings any legal proceeding to enforce any provision of this agreement, then in addition to any other remedies available to the prevailing party in such legal proceeding, the non-prevailing party in such proceeding will reimburse the prevailing party for any and all reasonable costs and expenses (including attorneys' fees) incurred by the prevailing party in connection with such proceeding.

11. **Specific Performance.** GLPI agrees that Bally's could suffer irreparable damage for which monetary damages, even if available, would not be an adequate remedy in the event that GLPI does not perform its obligations under the provisions of this agreement accordance with its specified terms. GLPI acknowledges and agrees that (a) this agreement may be specifically enforced, without proof of damages and (b) such rights of specific performance are an integral part of the Combination contemplated by the Rule 2.7 Announcement, the Debt Financing and this agreement and without such rights, Bally's would not have issued the Rule 2.7 Announcement. GLPI agrees that it will not oppose the granting of specific performance of this agreement on the basis that Bally's has an adequate remedy at law or an award of specific performance is not an appropriate remedy for any reason at law or in equity. GLPI acknowledges and agrees that, if Bally's seeks to enforce specifically the terms and provisions of this agreement, then Bally's will not be required to provide any bond or other security in connection with any such order or injunction.

12. **Entire Agreement; Counterparts; Exchanges by Electronic Delivery.** This agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof. This agreement may be executed in the form of one or more counterparts in like form, each of which will be deemed to be an original when taken together and will constitute one and the same document. Delivery of an executed signature page to this agreement by facsimile or other electronic transmission (including documents in Adobe PDF format) will be effective as delivery of a manually executed counterpart to this agreement.

13. **Governing law; Jurisdiction and Venue; WAIVER OF JURY TRIAL.** (a) This agreement (together with all documents to be entered into pursuant to it which are not expressed to be governed by another law), and all claims or causes of action (whether in contract or tort) that may be based upon, arise out of or relate to it (including any contractual or non-contractual obligation arising from or connected with it and any claim or cause of action based upon, arising out of or related to any representation or warranty made in or in connection with this agreement or as an inducement to enter into this agreement) will be governed by and construed in accordance with the laws of the State of Delaware without regard to conflict of laws principles that would require or permit the application of the laws of another jurisdiction; provided, that (1) the laws of England and Wales will govern in determining whether the Combination has been consummated in accordance with the terms of the Acquisition Documents (as defined in the IFA) and any claim or disputes arising out of any interpretation or determination or any aspect thereof (in each case, without regard to the principles of conflicts of laws thereof, to the extent that the same are not mandatorily applicable by statute and would require or permit the application of the law of another jurisdiction), and (2) subject to the foregoing clause (1), the laws of the State of New York or the laws of England and Wales, as applicable, will govern in connection with any term or provision that is referenced herein relating to the Debt Financing Documents and any claim or disputes arising out of any interpretation or determination or any aspect thereof (in each case, without regard to the principles of conflicts of laws thereof, to the extent that the same are not mandatorily applicable by statute and would require or permit the application of the law of another jurisdiction).

(b) The parties hereto hereby submit to the exclusive jurisdiction of the Delaware Court of Chancery or, if jurisdiction is unavailable in the Delaware Court of Chancery, the federal courts of the United States located in the State of Delaware, in each case, in respect of the interpretation and enforcement of the provisions of this agreement and any dispute or controversy related to the transactions contemplated hereby and hereby waive, and agree not to assert, any defense in any action, suit or proceeding for the interpretation or enforcement of this agreement or any dispute or controversy related to the transactions contemplated hereby, that they are not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in such courts or that this agreement may not be enforced in or by such courts or that their property is exempt or immune from execution, that the suit, action or proceeding is brought in an inconvenient forum, or that the venue of the suit, action or proceeding is improper.

(c) Each party hereto acknowledges and agrees that any controversy that may arise under this agreement is likely to involve complicated and difficult issues and, therefore, each such party hereto irrevocably and unconditionally waives any right such party may have to a trial by jury in respect of any legal action arising out of or relating to this agreement or the transactions contemplated hereby. Each party hereto certifies and acknowledges that (1) no other party hereto has represented, expressly or otherwise, that such other party would not seek to enforce the foregoing waiver in the event of a legal action, (2) such party has considered the implications of this waiver, (3) such party makes this waiver voluntarily, and (4) such party has been induced to enter into this agreement by, among other things, the mutual waivers and certifications in this Section 11(c).

14. **Amendment; Waiver.** No variation, amendment, supplement, deletion or replacement of or from this agreement or any of its terms will be effective unless made in writing and signed by or on behalf of each the parties hereto. No delay or omission on the part of any party to this agreement in exercising any right, power or remedy provided under this agreement will impair such right, power or remedy or operate as a waiver of such right, power or remedy. No waiver of any of the provisions of this agreement will be deemed to be or will constitute a continuing waiver. No waiver will be binding unless executed in writing by the party hereto making the waiver.

15. **No Third-Party Beneficiaries; No Assignment.** This agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors, legal representatives and permitted assigns. Except as set forth in Section 1, no party to this agreement may assign any of its rights or delegate any of its obligations under this agreement, by operation of law or otherwise, without the prior written consent of the other party hereto, except that, without the prior written consent of Bally's, GLPI may delegate its obligations under this agreement to one or more of its affiliates that agree in writing to assume all of GLPI's obligations under this agreement, it being understood that any such delegation (a) will not relieve GLPI of any of its obligations hereunder and (b) may only take place if it would not be reasonably expected to prevent, impede or delay the consummation of the Combination contemplated by the Rule 2.7 Announcement. Except as set forth in or contemplated by this Section 12, nothing in this agreement, express or implied, is intended to confer upon any Person, other than the parties hereto and their respective successors, legal representatives and permitted assigns (all of whom are intended third-party beneficiaries hereof), any rights or remedies under or by reason of this agreement.

16. **Headings**. The bold-faced headings set forth in this agreement are for convenience of reference only and will not affect or be utilized in construing or interpreting this agreement.

17. **Severability**. If any term or other provision of this agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms or provisions of this agreement will nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto will negotiate in good faith to modify this agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

SIGNED on the date first above written.

GAMING & LEISURE PROPERTIES, INC.

By: /s/ Steven Ladany

Name: Steven Ladany

Title: SVP, Chief Development Officer

BALLY'S CORPORATION

By: /s/ Stephen H. Capp

Name: Stephen H. Capp

Title: Executive Vice President and Chief Financial Officer

CONSENT OF INDEPENDENT ACCOUNTANTS

Bally's Corporation
Providence, Rhode Island

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-254448 and No. 333-254450) and Form S-4 (No. 333-228973) and Form S-8 (No. 333- 230675) of Bally's Corporation of our report dated April 13, 2021, relating to the consolidated financial statements of Gamesys Group plc, which appears in the Form 8-K of Bally's Corporation dated April 13, 2021.

We also consent to the reference to us under the caption "Experts" in the Prospectus Supplements dated April 13, 2021.

/s/ BDO LLP

BDO LLP
London, United Kingdom

April 13, 2021



BALLY'S CORPORATION AND GAMESYS GROUP PLC ANNOUNCE DEFINITIVE TERMS OF COMBINATION

Combination Is Consistent with Companies' Long-Term Growth Strategies and Positions Bally's for Sustained Value Creation

PROVIDENCE, R.I., April 13, 2021 -- Bally's Corporation (NYSE: BALY), a leading U.S. omni-channel provider of land-based gaming and interactive entertainment, today announced that the Company and Gamesys Group plc (LON: GYS) have agreed on definitive terms by which Bally's will combine with Gamesys, a leading, global, online gaming operator. The announcement, which was published under Rule 2.7 of the U.K. Takeover Code, along with a webcast discussing the combination, can be found at <https://www.ballys.com/gamesys-documentation>.

Consistent with U.K. regulatory requirements, Bally's arranged interim financing for the transaction from Deutsche Bank Aktiengesellschaft, London Branch, Goldman Sachs Bank USA and Barclays Bank PLC. Bally's intends to seek to refinance the bridge facility and Gamesys' debt through one or more capital market transactions, which could include public or private offerings of Bally's shares or other securities and a company-wide bank credit facility. There can be no assurance to the timing or terms of such capital markets transactions.

Commenting on the combination, Soo Kim, Chairman of Bally's Corporation, said, "We believe that this combination will mark a transformational step in our journey to become a leading integrated, omni-channel gaming company with a B2B2C business. We think that Gamesys' proven technology platform alongside its highly respected and experienced management team, combined with the US market access that Bally's provides, should allow the combined group to capitalize on the significant growth opportunities in the US sports betting and online markets. We are truly excited about the opportunities that this combination would offer and the enhanced and comprehensive experience and product offering that it would enable us to offer our customers."

Bally's and Gamesys' boards of directors believe that the combination has a compelling strategic and financial rationale, would create long-term value for both companies and would be consistent with the companies' respective long-term growth strategies. Gamesys would benefit from Bally's fast-growing land-based and online platform in the United States, providing market access through Bally's operations in key states as the nascent iGaming and sports betting opportunity develops in the US. In turn, Bally's would benefit from Gamesys' proven technology platform, expertise and highly respected and experienced management team across the online gaming field. The combined entity would be well positioned to capitalize on the full range of opportunities available both in the US and abroad.

Commenting on the combination, Neil Goulden, Chairman of Gamesys, said, "The combination would give unique optionality to Gamesys shareholders. The recommended cash offer, including the Gamesys FY20 dividend, provides a 41.2% premium to the Gamesys share price at the time of the original proposal from Bally's and is at a significant premium to the all-time high Gamesys share price prior to the 2.4 announcement. However, should Gamesys shareholders wish to invest in a business with a strong foothold in the high-growth US gambling market combined with established markets in the UK and Japan, they can elect for part or all of their holding to be converted into Bally's shares."

Investor Presentation

Bally's will provide a presentation to research analysts and investors by way of a conference call and webcast at 12:00 p.m. (US Eastern Time) (5:00p.m. (UK time)) on April 13, 2021 to discuss the combination.

To participate in this conference call, please use the following access details:

Phone Number: +1 404 975 4839

Participant Code: 481921

Information on how to access the webcast of this presentation can be found at: <https://www.ballys.com/gamesys-documentation/>.

Advisors

Bally's legal and financial advisors are Jones Day and Deutsche Bank. Gamesys' legal and financial advisors are Clifford Chance and Macquarie Capital.

About Bally's Corporation

Bally's Corporation currently owns and manages 12 casinos across eight states, a horse racetrack and 13 authorized OTB licenses in Colorado. With more than 6,000 employees, the Company's operations include 13,308 slot machines, 460 game tables and 3,342 hotel rooms. Following the completion of pending acquisitions, which include Tropicana Evansville (Evansville, IN) and Jumer's Casino & Hotel (Rock Island, IL), as well as the construction of a land-based casino near the Nittany Mall in State College, PA, Bally's will own and manage 15 casinos across 11 states. Bally's also maintains a multi-year market access partnership with Elite Casino Resorts through which it will provide mobile sports betting in Iowa, as well as a temporary sports wagering permit to conduct online sports betting in the Commonwealth of Virginia. Its shares trade on the New York Stock Exchange under the ticker symbol "BALY."

About Gamesys Group plc

Gamesys Group plc is the parent company of an online gaming group that provides entertainment to a global consumer base. Through its subsidiaries, Gamesys Group plc currently offers bingo and casino games to its customers using brands which include Jackpotjoy (www.jackpotjoy.com), Virgin Games (www.virgingames.com), Botemania (www.botemania.es), Vera&John (www.verajohn.com), Heart Bingo (www.heartbingo.co.uk), Monopoly Casino (www.monopolycasino.com), Rainbow Riches Casino (www.rainbowrichescasino.com) and MEGAWAYS Casino (www.megawayscasino.com).

Cautionary Note Regarding Forward-Looking Statements

This document includes forward-looking statements within the meaning of the securities laws. Forward-looking statements are statements as to matters that are not historical facts, and include statements about Bally's plans, objectives, expectations and intentions.

Forward-looking statements are not guarantees and are subject to risks and uncertainties. Forward-looking statements are based on Bally's current expectations and assumptions. Although Bally's believes that its expectations and assumptions are reasonable at this time, they should not be regarded as representations that Bally's expectations will be achieved. Actual results may vary materially. Forward-looking statements speak only as of the time of this document and Bally's does not undertake to update or revise them as more information becomes available, except as required by law.

Important factors beyond those that apply to most businesses, some of which are beyond Bally's control, that could cause actual results to differ materially from our expectations and assumptions include, without limitation:

- uncertainties surrounding the COVID-19 pandemic, including limitations on Bally's operations, increased costs, changes in customer attitudes, impact on Bally's employees and the ongoing impact of COVID-19 on general economic conditions;
- unexpected costs, difficulties integrating and other events impacting Bally's recently completed and proposed acquisitions and Bally's ability to realize anticipated benefits;
- risks associated with Bally's rapid growth, including those affecting customer and employee retention, integration and controls, and whether Bally's recently announced combination will be completed and its timing;
- risks associated with the impact of the digitalization of gaming on Bally's casino operations, Bally's expansion into iGaming and sports betting and the highly competitive and rapidly changing aspects of Bally's new interactive businesses generally;
- the very substantial regulatory restrictions applicable to Bally's, including costs of compliance;
- restrictions and limitations in agreements governing Bally's debt could significantly affect Bally's ability to operate our business and our liquidity; and
- other risks identified in Part I. Item 1A. "Risk Factors" of Bally's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 as filed with SEC on March 13, 2020 and other filings with the SEC.

The foregoing list of important factors is not exclusive and does not include matters like changes in general economic conditions that affect substantially all gaming businesses.

You should not to place undue reliance on Bally's forward-looking statements.

Investor Contact

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**BALLY'S CORPORATION ANNOUNCES PRELIMINARY FIRST QUARTER 2021 RESULTS; PROVIDES BUSINESS UPDATE****MARCH REVENUE ACCELERATION SETS STAGE FOR STRONG 2021**

Providence, Rhode Island – April 13, 2021 – Bally's Corporation (NYSE: BALY), a leading U.S. omnichannel provider of land-based gaming and interactive entertainment, today announced preliminary financial results for the first quarter ended March 31, 2021. Bally's currently estimates that for the three months ended March 31, 2021, consolidated revenue was greater than \$185.0 million and Adjusted EBITDA was greater than \$50.0 million, compared to revenue and Adjusted EBITDA of \$109.1 million and \$22.1 million, respectively, for the quarter ended March 31, 2020. These results were due in large part to a month-to-month revenue cadence that accelerated dramatically in March as more COVID-19 restrictions were relaxed across the country.

George Papanier, President and Chief Executive Officer of Bally's Corporation, said "We are extremely encouraged by our trends and March numbers. Increased demand assisted by a relaxation of COVID-19 restrictions contributed to outstanding performance toward the end of the quarter, which, based on early indications, has continued into April. We believe this combination of factors will set us up for a strong 2021 as we continue to welcome more and more Bally's customers back to our casinos, as well as enhance our iGaming platform."

Bally's actual operating results remain subject to the completion of our quarter-end closing process, which includes review by management, the audit committee and its independent auditor. While carrying out such procedures, Bally's may identify items that would require it to make adjustments to the preliminary estimates of its revenue and Adjusted EBITDA set forth above. As a result, Bally's actual revenue and Adjusted EBITDA could be different than the expectation set forth and such differences could be material. Additionally, Bally's estimates of revenue and Adjusted EBITDA are forward-looking statements based solely on information available as of the date of this release and may differ materially from its actual operating results as a result of developments that occur after the date of this release. Therefore, you should not place undue reliance on these preliminary estimates. See "Cautionary Note Regarding Forward-Looking Statements."

About Bally's Corporation

Bally's Corporation currently owns and manages 12 casinos across eight states, a horse racetrack and 13 authorized OTB licenses in Colorado. With more than 6,000 employees, Bally's operations include 13,308 slot machines, 460 game tables and 3,342 hotel rooms. Following the completion of pending acquisitions, which include Tropicana Evansville (Evansville, IN) and Jumer's Casino & Hotel (Rock Island, IL), as well as the construction of a land-based casino near the Nittany Mall in State College, PA, Bally's will own and manage 15 casinos across 11 states. Bally's also maintains a multi-year market access partnership with Elite Casino Resorts through which it will provide mobile sports betting in Iowa, as well as a temporary sports wagering permit to conduct online sports betting in the Commonwealth of Virginia. Its shares trade on the New York Stock Exchange under the ticker symbol "BALY."

Cautionary Note Regarding Forward-Looking Statements

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Forward-looking statements are not guarantees and are subject to risks and uncertainties. Forward-looking statements are based on Bally's current expectations and assumptions. Although Bally's believes that its expectations and assumptions are reasonable at this time, they should not be regarded as representations that Bally's expectations will be achieved. Actual results may vary materially. Forward-looking statements speak only as of the time of this document and Bally's does not undertake to update or revise them as more information becomes available, except as required by law.

Important factors beyond those that apply to most businesses, some of which are beyond Bally's control, that could cause actual results to differ materially from our expectations and assumptions include, without limitation:

- uncertainties surrounding the COVID-19 pandemic, including limitations on Bally's operations, increased costs, changes in customer attitudes, impact on Bally's employees and the ongoing impact of COVID-19 on general economic conditions;
- unexpected costs, difficulties integrating and other events impacting Bally's recently completed and proposed acquisitions and Bally's ability to realize anticipated benefits;
- risks associated with Bally's rapid growth, including those affecting customer and employee retention, integration and controls, and whether Bally's recently announced combination with Gamesys will be completed and its timing for completion;
- risks associated with the impact of the digitalization of gaming on Bally's casino operations, Bally's expansion into iGaming and sports betting and the highly competitive and rapidly changing aspects of Bally's new interactive businesses generally;
- the very substantial regulatory restrictions applicable to Bally's, including costs of compliance;
- restrictions and limitations in agreements governing Bally's debt could significantly affect Bally's ability to operate its business and its liquidity; and
- other risks identified in Part I. Item 1A. "Risk Factors" of Bally's Annual Report on Form 10-K for the fiscal year ended December 31, 2020 as filed with SEC on March 10, 2021 and other filings with the SEC.

The foregoing list of important factors is not exclusive and does not include matters like changes in general economic conditions that affect substantially all gaming businesses. You should not to place undue reliance on Bally's forward-looking statements.

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Reconciliation of Non-GAAP Measures

Bally's has included Adjusted EBITDA, a non-GAAP financial measure, in this press release.

Adjusted EBITDA is earnings, or loss, for Bally's before interest expense, net of interest income, (benefit) provision for income taxes, depreciation and amortization, non-operating income, acquisition, integration and restructuring expense, goodwill and asset impairment, expansion and pre-opening expenses, share-based compensation, rebranding, change in fair value of naming rights liabilities, gain on bargain purchases, professional and advisory fees associated with capital return program, CARES Act credit, credit agreement amendment expenses, storm related losses, net of insurance recoveries, Bet.Works and Sinclair, sports and iGaming licensing, and certain other gains or losses.

Bally's management has historically used Adjusted EBITDA when evaluating operating performance because Bally's believes that the inclusion or exclusion of certain recurring and non-recurring items is necessary to provide a full understanding of Bally's core operating results and as a means to evaluate period-to-period performance. Management also believes that Adjusted EBITDA is a measure that is widely used for evaluating operating performance of companies in Bally's industry and a principal basis for valuing resort and gaming companies like Bally's. Management of Bally's believes that while certain items excluded from Adjusted EBITDA may be recurring in nature and should not be disregarded in evaluating Bally's earnings performance, it is useful to exclude such items when comparing current performance to prior periods because these items can vary significantly depending on specific underlying transactions or events that may not be comparable between the periods presented or they may not relate specifically to current operating trends or be indicative of future results. Adjusted EBITDA should not be construed as an alternative to GAAP net income as an indicator of Bally's performance. In addition, Adjusted EBITDA as used by Bally's may not be defined in the same manner as other companies in Bally's industry, and, as a result, may not be comparable to similarly titled non-GAAP financial measures of other companies.

Net income or loss is the most closely comparable GAAP measure to Adjusted EBITDA. The table below reconciles net loss to Adjusted EBITDA for the three months ended March 31, 2020. Bally's is unable to present net income for the three months ended March 31, 2021 at this time without unreasonable effort or expense given that, among other things, Bally's is in the process of its quarterly closing procedures.

BALLY'S CORPORATION

Reconciliation of Net Loss to Adjusted EBITDA (unaudited)

<i>(in thousands)</i>		Three Months Ended March 31, 2020
Net loss	\$	(8,878)
Interest expense, net of interest income		11,373
Benefit for income taxes		(5,664)
Depreciation and amortization		8,979
Acquisition, integration and restructuring expense		1,786
Goodwill and asset impairment		8,708
Share-based compensation		5,542
Professional and advisory fees associated with capital return program		(16)
Credit Agreement amendment expenses ⁽¹⁾		239
Storm related losses, net of insurance recoveries ⁽²⁾		(883)
Other ⁽³⁾		875
Adjusted EBITDA	\$	22,061

(1) Credit Agreement amendment expenses include costs associated with amendments made to the Company's Credit Agreement.

(2) Gain related to insurance recovery proceeds received for a damaged roof at the Company's Arapahoe Park racetrack.

(3) Other includes the following non-recurring items for the applicable periods (i) expenses incurred associated with the Rhode Island State Police investigation into a tenant in the Lincoln property and a former employee of the Company, (ii) expenses incurred associated with the campaign attempting to create an open bid process for the Rhode Island Lottery Contract, (iii) non-routine legal expenses incurred in connection with certain litigation matters (net of insurance reimbursements), and (iv) costs incurred in connection with the implementation of a new human resources information system.

**BALLY'S TO ACQUIRE TROPICANA LAS VEGAS HOTEL AND CASINO**

Property Represents Company's First Las Vegas Asset with Significant Online Gaming Exposure

Expected To Be Accretive To Bally's Shareholders Long-Term; Requires No Cash Outlay at Closing from Bally's

Transaction Expected To Offer Cross Marketing Opportunities and Bolster Bally's Robust Customer Database

PROVIDENCE, R.I., April 13, 2021 -- Bally's Corporation (NYSE: BALY), a leading U.S. omnichannel provider of land-based gaming and interactive entertainment, today announced that it has agreed to purchase the Tropicana Las Vegas, Nevada casino from Gaming and Leisure Properties, Inc. ("GLPI"), a publicly traded gaming focused real estate investment trust ("REIT"). Bally's estimates the transaction to be valued at approximately \$308 million.

The purchase price for the Tropicana property's non-land assets is \$150 million. In addition, Bally's has agreed to lease the land underlying the Tropicana property from GLPI for an initial term of 50 years at annual rent of \$10.5 million, subject to increase over time. Bally's and GLPI will also will enter into a sale-and-leaseback transaction relating to Bally's Black Hawk, CO and Rock Island, IL casino properties for a cash purchase price of \$150 million payable by GLPI. The lease will have initial annual fixed rent of \$12 million, subject to increase over time.

The transaction is expected to be accretive to Bally's shareholders long-term and will require no cash outlay from Bally's at closing. Bally's and GLPI have agreed to use commercially reasonable efforts to negotiate and enter into definitive documents with respect to these transactions as promptly as practicable in order to fully reflect the contemplated terms.

George Papanier, President and Chief Executive Officer of Bally's Corporation, said, "Landing a preeminent spot on the Las Vegas Strip is a key step for us. The Strip is visited by over 40 million players and guests per year, which we believe will significantly enhance Bally's customer base and player database, as well as unlock marketing opportunities to leverage the iconic Bally's brand. This expansion will also support the growth and development of our online and interactive business. We look forward to exploring significant redevelopment of the property, which we believe will enhance its financial profile."

The Tropicana Las Vegas Hotel and Casino is located in Las Vegas, Nevada on a 35-acre parcel on the corner of Tropicana Boulevard and Las Vegas Boulevard. It includes 1,470 guest rooms, 50,000 square feet of casino space with 1,000 gaming positions, a 1,200 seat performance theater and 100,000 square feet of convention and meeting space.

The transaction is expected to close in early 2022, subject to customary real estate and working capital adjustments, receipt of required regulatory approvals and other customary closing conditions. Bally's is already licensed in Nevada as a result of the recently closed acquisition of the MontBleu Resort Casino & Spa.

Advisors

Jones Day represented Bally's on the transaction. GLPI was represented by Goodwin Proctor.

About Bally's Corporation

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- uncertainties surrounding the COVID-19 pandemic, including limitations on Bally's operations, increased costs, changes in customer attitudes, impact on Bally's employees and the ongoing impact of COVID-19 on general economic conditions;
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- risks associated with the impact of the digitalization of gaming on Bally's casino operations, Bally's expansion into iGaming and sports betting and the highly competitive and rapidly changing aspects of Bally's new interactive businesses generally;
- the very substantial regulatory restrictions applicable to Bally's, including costs of compliance;
- restrictions and limitations in agreements governing Bally's debt could significantly affect Bally's ability to operate our business and our liquidity; and
- other risks identified in Part I. Item 1A. "Risk Factors" of Bally's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 as filed with SEC on March 13, 2020 and other filings with the SEC.

The foregoing list of important factors is not exclusive and does not include matters like changes in general economic conditions that affect substantially all gaming businesses.

You should not to place undue reliance on Bally's forward-looking statements.

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Independent Auditor's Report

Board of Directors
Gamesys Group plc
London, United Kingdom

Opinion

We have audited the consolidated financial statements of Gamesys Group plc and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2020 and 2019, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

/s/ BDO LLP

BDO LLP
London, United Kingdom
April 13, 2021

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended 31 December 2020 (£m, except per share amounts)	Year ended 31 December 2019 (£m, except per share amounts)
Revenue⁶	727.7	415.1
Costs and expenses		
Distribution costs ^{6,7}	399.9	214.2
Administrative costs ^{6,7}	221.5	147.5
Impairment of financial assets ^{3,6,16}	5.0	3.9
Severance costs ⁶	1.9	–
Transaction related costs ⁶	1.8	15.8
Foreign exchange loss/(gain) ⁶	4.2	(1.5)
Total costs and expenses	634.3	379.9
Fair value adjustments on contingent consideration	–	0.5
Interest income ⁸	(0.5)	(0.4)
Interest expense ⁸	24.0	21.8
Accretion on financial liabilities ⁸	1.2	1.3
Total financing expenses	24.7	23.2
Net income for the year before taxes from continuing operations	68.7	12.0
Tax expense ⁹	1.5	2.9
Net income for the year after taxes from continuing operations	67.2	9.1
Net loss from discontinued operations	–	(0.7)
Net income for the year attributable to owners of the parent	67.2	8.4
Other comprehensive income/(loss): Items that will or may be reclassified to profit or loss in subsequent periods		
Foreign currency translation (loss)/gain on retranslation of overseas subsidiaries	(7.5)	1.3
Gain/(loss) on currency swap ¹⁷	2.0	(9.3)
Gain on foreign exchange forward	–	2.7
Loss on interest rate swap ¹⁷	(1.6)	(1.2)
Other comprehensive loss for the year	(7.1)	(6.5)
Total comprehensive income for the year attributable to owners of the parent	60.1	1.9
Net income for the year per share		
Basic ¹⁰	61.8p	10.1p
Diluted ¹⁰	61.5p	10.0p
Net income for the year per share – continuing operations		
Basic ¹⁰	61.8p	10.9p
Diluted ¹⁰	61.5p	10.9p

See accompanying notes

CONSOLIDATED BALANCE SHEETS

	As at 31 December 2020 (£m)	As at 31 December 2019 (£m)
ASSETS		
Non-current assets		
Tangible assets ¹²	8.9	9.5
Intangible assets ^{5,13}	407.6	484.5
Goodwill ^{5,13}	526.2	524.2
Right-of-use assets ¹⁸	21.9	22.2
Deferred tax asset ^{3,9}	9.9	—
Other long-term receivables ^{14,23}	5.1	5.2
Total non-current assets	979.6	1,045.6
Current assets		
Cash ^{15,23,27}	212.6	100.3
Restricted cash ^{15,23}	—	6.3
Player deposits ^{15,23}	29.6	12.4
Trade and other receivables ^{16,23}	39.9	33.2
Taxes receivable ⁹	3.8	13.7
Total current assets	285.9	165.9
Total assets	1,265.5	1,211.5
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities ^{19,21,23}	98.6	78.0
Other short-term payables ^{21,23}	0.3	5.6
Current portion of provisions ²⁰	—	3.8
Current portion of currency and interest rate swap payable ^{11,17,23}	3.7	3.7
Current portion of lease liabilities ^{11,18,21,23}	6.1	4.7
Interest payable ^{11,23}	1.9	1.0
Payable to players ^{21,23}	29.6	12.4
Taxes payable ⁹	16.9	13.4
Total current liabilities	157.1	122.6
Non-current liabilities		
Other long-term payables ^{11,17,21,23,24}	13.1	16.6
Provisions ²⁰	6.8	6.0
Lease liabilities ^{11,18,21,23}	16.6	18.0
Deferred tax liability ^{3,5,9}	44.4	53.2
Long-term debt ^{11,21,22,23}	508.1	530.3
Total non-current liabilities	589.0	624.1
Total liabilities	746.1	746.7
Equity		
Retained earnings	246.3	190.8
Share capital ²⁵	11.0	10.9
Share premium	8.9	4.7
Other reserves	253.2	258.4
Total equity	519.4	464.8

Total liabilities and equity	<u>1,265.5</u>	<u>1,211.5</u>
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See accompanying notes

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share Capital (£m)	Share Premium (£m)	Merger Reserve (£m)	Share- Based Payment Reserve (£m)	Translation Reserve (£m)	Hedge Reserve (£m)	Retained Earnings (£m)	Total (£m)
Balance at 1 January 2019	7.4	2.1	(6.1)	10.4	24.1	(1.1)	182.5	219.3
Comprehensive income/(loss) for the year:								
Net income for the year (continued and discontinued operations)	–	–	–	–	–	–	8.4	8.4
Other comprehensive income/(loss)	–	–	–	–	1.3	(7.8)	–	(6.5)
Total comprehensive income/(loss) for the year:	–	–	–	–	1.3	(7.8)	8.4	1.9
Contributions by and distributions to shareholders:								
Issue of common shares, net of costs	3.4	–	240.6	–	–	–	(1.4)	242.6
Reclassification of foreign exchange forward	–	–	–	–	–	(2.7)	–	(2.7)
Exercise of options	0.1	2.6	–	(0.8)	–	–	0.8	2.7
Issuance of ordinary share warrants ²⁵	–	–	–	–	–	–	0.5	0.5
Share-based compensation	–	–	–	0.5	–	–	–	0.5
Total contributions by and distributions to shareholders:	3.5	2.6	240.6	(0.3)	–	(2.7)	(0.1)	243.6
Balance at 1 January 2020	10.9	4.7	234.5	10.1	25.4	(11.6)	190.8	464.8
Comprehensive income/(loss) for the year:								
Net income for the year	–	–	–	–	–	–	67.2	67.2
Other comprehensive (loss)/income	–	–	–	–	(7.5)	0.4	–	(7.1)
Total comprehensive (loss)/income for the year:	–	–	–	–	(7.5)	0.4	67.2	60.1
Contributions by and distributions to shareholders:								
Shareholder dividends ²⁵	–	–	–	–	–	–	(13.0)	(13.0)
Exercise of options ²⁵	0.1	4.2	–	(1.3)	–	–	1.3	4.3
Payment of long-term incentive plan	–	–	–	(0.4)	–	–	–	(0.4)
Share-based compensation ²⁵	–	–	–	3.6	–	–	–	3.6
Total contributions by and distributions to shareholders:	0.1	4.2	–	1.9	–	–	(11.7)	(5.5)
Balance at 31 December 2020	11.0	8.9	234.5	12.0	17.9	(11.2)	246.3	519.4

See accompanying notes

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended 31 December 2020 (£m)	Year ended 31 December 2019 (£m)
Operating activities		
Cash generated from operations ²⁷	225.6	78.1
Income taxes paid	(11.2)	(3.1)
Total cash provided by operating activities	214.4	75.0
Financing activities		
Proceeds from exercise of options	4.3	2.7
Payment of long-term incentive plan	(0.4)	–
Payment of shareholder dividends ²⁵	(13.0)	–
Proceeds from long-term debt ^{5,22}	–	173.6
Debt issuance and repricing costs ^{11,22}	(0.3)	(2.6)
Principal payments made on long-term debt ^{11,22}	(40.0)	–
Lease payments ^{11,18}	(5.9)	(3.6)
Repayment of non-compete liability ¹¹	(4.7)	(6.0)
Interest and swap payments ¹¹	(25.0)	(21.0)
Total cash (used in)/provided by financing activities	(85.0)	143.1
Investing activities		
Purchase of tangible assets ¹²	(2.8)	(3.8)
Purchase of intangible assets ¹³	(16.7)	(12.9)
Disposal of discontinued operation	–	18.0
Business acquisitions, net of cash acquired ⁵	–	(199.7)
Total cash used in investing activities	(19.5)	(198.4)
Net increase in cash during the year	109.9	19.7
Cash, beginning of year	100.3	84.4
Exchange gain/(loss) on cash and cash equivalents	2.4	(3.8)
Cash, end of year	212.6	100.3

See accompanying notes



SUPPLEMENTARY NOTES FOR THE YEAR ENDED 31 DECEMBER 2020

1. Corporate information

Gamesys Group plc is an online gaming holding company that was incorporated under the *Companies Act 2006* (England and Wales) on 29 July 2016. Gamesys Group plc's registered office is located at 10 Piccadilly, London, United Kingdom. Unless the context requires otherwise, use of 'Group' in these accompanying notes means Gamesys Group plc and its subsidiaries, as applicable, and use of 'Parent Company' means Gamesys Group plc.

The Group currently offers bingo, casino and other games to its players using the Jackpotjoy, Starspins, Botemania, Virgin Games, Heart Bingo, Virgin Casino, Monopoly Casino, Rainbow Riches Casino, Vera&John, InterCasino and VIP Casino brands. All brands operate off proprietary software owned by the Group.

These non-statutory consolidated financial statements were authorized for issue by the Board of Directors of Gamesys Group plc on 13 April 2021.

2. Basis of preparation

Basis of presentation

This financial information does not constitute the Group's statutory accounts for 2020 or 2019. Statutory accounts for the years ended December 31, 2020 and December 31, 2019 have been reported on by the Independent Auditors in the United Kingdom. Copies of the statutory accounts for the year ended December 31, 2019, are available from the Company's website where copies of the statutory accounts for the year ended December 31, 2020 will be available in due course. The Independent Auditors' Report on the Annual Report and Financial Statements for the years ended December 31, 2020 and December 31, 2019, were unqualified and did not contain a statement under 498(2) or 498(3) of the United Kingdom Companies Act 2006. The Independent Auditors' Report on the Annual Report and Financial Statements for the year ended December 31, 2020 and December 31, 2019 did not draw attention to any matters by way of emphasis.

Statutory accounts for the year ended 31 December 2019 have been delivered to the UK Registrar of Companies. The statutory accounts for the year ended 31 December 2020 will be delivered to the Registrar of Companies in due course.

In accordance with Rule 3-05, the Directors have prepared these non-statutory financial statements for the years ended December 31, 2020 and December 31, 2019 for inclusion in prospectus supplements to be submitted by Bally's Corporation to the United States Securities and Exchange Commission ('SEC') in relation to the proposed acquisition of the Company by Bally's Corporation (See Note 33 Events after the reporting date). These consolidated financial statements have therefore been prepared, in conformity with International Financial Reporting Standards and International Accounting Standards and Interpretations as issued by the International Accounting Standards Board (hereafter 'IFRS').

In adopting the going concern basis of preparation of these Consolidated Financial Statements, management considered the Group's latest trading performance, including its cash position, and conducted analysis of COVID-19 impact on the Group's online gaming business in key markets. Based on this examination, management concluded that the Group is well positioned to manage the risks and uncertainties it faces and is expected to have adequate financial resources to continue its normal operations for the foreseeable future, being over one year from the date of authorisation of these Consolidated Financial Statements.

These Consolidated Financial Statements have been prepared under the historical cost convention, other than for the measurement at fair value of the Group's Interest Rate Swap, Currency Swap and certain loans receivable.



Basis of consolidation

The Group assesses control by evaluating matters relating to its power over an entity, its exposure or rights to variable returns from involvement with an entity and its ability to use its power over the entity to affect those returns. In certain situations, the assessment of control in accordance with the Group's accounting policies may require the exercise of management judgement.

Gamesys Group plc's Consolidated Financial Statements consolidate all wholly owned subsidiaries and other entities that the Group controls. All transactions and balances between companies that the Group controls are eliminated on consolidation.

3. Summary of significant accounting policies

Business combinations and goodwill

The acquisition method of accounting is used to account for the acquisition of subsidiaries by Gamesys Group plc, whereby the purchase consideration is allocated to the identifiable assets and liabilities on the basis of fair value at the date of acquisition. Provisional fair values allocated at a reporting date are finalised as soon as the relevant information is available, within a period not exceeding a year from the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred, and equity interests issued by Gamesys Group plc. Transaction related costs are expensed as incurred.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to Gamesys Group plc's cash-generating units that are expected to benefit from the combination.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Makers. The Chief Operating Decision Makers, who are responsible for allocating resources and assessing the performance of the operating segments, have been identified as the management team comprising of the Chief Executive Officer and Chief Financial Officer.

Revenue recognition

The Group earns its revenue from operating online bingo and casino websites ('Net Gaming Revenue'). Other revenue streams comprise of licencing of its proprietary software to third parties, affiliate aggregation services and game aggregation services (in combination, 'B2B Revenue').

Net Gaming Revenue

Revenue from online bingo and casino consists of the difference between total amounts wagered by players less all winnings payable to players, bonuses allocated and jackpot contributions. Players transact with the Group's businesses under agreed terms, which form the basis for the contractual arrangement. There are no significant judgements required in applying IFRS 15 – *Revenue From Contracts With Customers* ('IFRS 15') to these arrangements.



Net Gaming Revenue is recognised upon satisfaction of the Group's performance obligation to the player, which is the point in time when the player completes one of the games offered by the Group and the outcome of the game is honoured with the appropriate payout being made.

There is no significant degree of uncertainty involved in quantifying the amount of Net Gaming Revenue earned, including bonuses, jackpot contributions, and loyalty points. Bonuses, jackpot contributions and loyalty points are measured at fair value at each reporting date.

B2B Revenue

B2B Revenue is measured based on the amount to which the Group is contractually entitled, typically based on a percentage of revenue earned by the Group's business partners from use of its software and other services. B2B Revenue is recognised when the Group's performance obligations, as defined by the terms of the relevant contracts, are fulfilled. There are no significant judgements required in applying IFRS 15 to these arrangements and there is no significant degree of uncertainty involved in quantifying the amount of B2B Revenue earned.

B2B Revenue is substantially similar to Net Gaming Revenue with regards to the revenue recognition principles applied. There is only a limited degree of uncertainty attached to the measurement and recognition of B2B Revenues, and consequently, further analysis of B2B Revenue has not been presented.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market accessible by the Group for the asset or liability.

Gamesys Group plc uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

Foreign currency translation

Functional and presentation currency

The Group's Consolidated Financial Statements are presented in pounds sterling. Management determines the functional currency for each subsidiary within the Group based on the principal economic environment in which the subsidiary is active. Items included in the financial statements of each subsidiary are measured using that functional currency. Differences arising on the retranslation of subsidiaries whose functional currency is not pounds sterling are recorded in other comprehensive income and accumulated in a translation reserve. The functional currency of the Parent Company is pounds sterling.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the respective entity of Gamesys Group plc, using the exchange rates prevailing at the dates of the transactions (spot rates). Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates as at the reporting date. Foreign exchange gains and losses resulting from the settlement or translation of monetary items are recognised in profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item.

Financial instruments

Financial assets and financial liabilities are recognised when Gamesys Group plc becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire, or when the financial asset and all substantial risks and rewards are transferred. Financial liabilities are derecognised when extinguished, discharged, cancelled, or when they expire.

The Group classifies its financial assets and liabilities under the following categories: fair value through profit or loss ('FVPL'), fair value through other comprehensive income ('FVOCI'), financial assets at amortised cost and financial liabilities at amortised cost. All financial instruments are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of a financial instrument classified as other than at FVPL are added to the carrying amount of the asset or liability.

The accretion of these costs is recognised over the life of the instrument in accretion on financial liabilities under the effective interest rate method described below.

Financial assets at amortised cost

Financial assets at amortised cost are non-derivative financial instruments with fixed or determinable payments that are not quoted in an active market. After initial measurement, such instruments are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income or expense in the Consolidated Statements of Comprehensive Income. This category generally applies to cash, restricted cash, player deposits, trade and other receivables, and other long-term receivables.

The Group uses the simplified Expected Credit Loss model ('ECL') ('ECL Model') for its trade receivables in accordance with IFRS 9 – *Financial Instruments* ('IFRS 9'). Other receivables have been evaluated under the standard ECL Model.

Certain high-risk balances in transit from, and rolling reserves held with payment service providers are considered trade and other receivables that fall under the scope of IFRS 9. In order to determine the amount of ECL on these balances to be recognised in the Consolidated Financial Statements, the Group has set up a risk rating system to determine credit risk of each counter party.



On confirmation that any trade or other receivables will not be collectable, the gross carrying value of the relevant assets is written off against the associated provision.

Financial liabilities at amortised cost

With the exception of derivatives, all financial liabilities are measured at amortised cost using the effective interest rate method. This category generally applies to interest payable, accounts payable and accrued liabilities, other short-term payables, payable to players, lease liabilities, long-term debt, and other long-term payables. All interest-related charges are reported in profit or loss within interest expense.

Convertible loan receivable

The Group holds a convertible loan receivable that can be converted to equity of the borrower after 12 months following the date of the loan agreement.

The convertible loan receivable is shown as a single asset and is measured at fair value through profit or loss. Fair value is established using a risk neutral simulation model.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount reported in the Consolidated Balance Sheets, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Gamesys Group plc uses derivative instruments for risk management purposes. The Group does not use derivative instruments for speculative trading purposes. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to fair value at each reporting period end. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The method of recognising unrealised and realised fair value gains and losses depends on whether the derivatives are designated as hedging instruments. For derivatives not designated as hedging instruments, unrealised and realised gains and losses are recorded in interest income/expense in the Consolidated Statements of Comprehensive Income. For derivatives designated as hedging instruments, unrealised and realised gains and losses are recognised according to the nature of the hedged item and where the hedged item is a non-financial asset, amounts recognised in the hedging reserve are reclassified and the non-financial asset is adjusted accordingly.

Hedge accounting

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which are recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

The Group elected to use hedge accounting for the purposes of recognising realised and unrealised gains and losses associated with its Interest Rate Swap and Currency Swap.

IFRS 9 permits hedge accounting under certain circumstances provided that the hedging relationship is:

- formally designated and documented, including the entity's risk management objective and strategy for undertaking the hedge, identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the entity will assess the hedging instrument's effectiveness;

- expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk as designated and documented, and effectiveness can be reliably measured; and
- assessed on an ongoing basis and determined to have been highly effective.

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a risk associated with a recognised asset or liability or a highly probable forecast transaction; and
- hedges of a net investment in a foreign operation.

Cash flow hedges

The Group uses interest rate and foreign currency contracts as hedges of its exposure to interest rate and foreign currency risks, respectively, in forecast transactions and firm commitments. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The ineffective portion relating to interest rate and foreign currency contracts is recognised in financing expenses. Amounts recognised in other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised.

If the hedging instrument or hedged item expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in other comprehensive income remains in equity separately until the forecast transaction occurs (or is no longer expected to occur) or the foreign currency firm commitment is met.

At 31 December 2020, the Group designated its Interest Rate Swap and Currency Swap as cash flow hedges.

Income taxes

Income tax expense consists of current and deferred tax expenses. Income tax expense is recognised in the Consolidated Statements of Comprehensive Income. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year-end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities are recognised for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred taxes are not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realised, or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the Consolidated Statements of Comprehensive Income in the period that substantive enactment occurs.



A deferred tax asset is recognised for differences in timing of distribution of taxed profits through intercompany dividend declarations. Other deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. To the extent that the Group does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced. As at 31 December 2020, the Group's deferred tax asset consists primarily of balances that will become receivable from the Maltese tax authorities upon distribution of taxed profits through intercompany dividends.

Where there is uncertainty about the appropriate tax treatment of certain transactions or circumstances, the Group applies the guidance of IFRIC 23 – *Uncertainty Over Income Tax Treatments* and recognises and measures its current and deferred tax assets and liabilities in accordance with its evaluation of the likelihood that a taxation authority will accept the uncertain tax treatment. Where it is considered probable that a taxation authority will accept the Group's uncertain tax treatment, the Group determines its taxable profit consistently with the tax treatment used or planned to be used in its income tax filings. Where it is considered unlikely that a taxation authority will accept the Group's uncertain tax treatment, the Group reflects the effect of uncertainty in determining its taxable profit following the method it expects to better predict the resolution of the uncertainty.

Cash

Cash includes cash in hand and deposits held at call with banks. Cash excludes restricted cash.

The effect on the Consolidated Statements of Cash Flows of restrictions either taking effect on, or being lifted from, cash balances are reported with regard to the linkage principle, under which changes in cash are classified based on the purpose for which the restricted cash is used. Under this principle, changes (such as cash, which is restricted for the purposes of applying for a business licence) are treated as an operating cash outflow.

Tangible assets

Tangible assets are recorded at cost less accumulated depreciation and impairment, if any. These assets are depreciated over their estimated useful lives as follows:

Computer hardware	33% - 50% per annum
Office furniture	20% - 50% per annum
Freehold property	Over 50 years
Leasehold improvements	Over the lesser of either the term of the lease or useful economic life

Depreciation is recorded under administrative costs in the Consolidated Statements of Comprehensive Income.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Amortisation expense is reflected in the Consolidated Statements of Comprehensive Income. Amortisation for the material categories of finite life intangible assets is recorded under administrative costs and is calculated at the following rates:

Brand	5% per annum
Gaming licences	5% per annum
Platform and software	7% - 33% per annum
Player relationships and partnership agreements	8% - 20% per annum (variable, according to the expected pattern of consumption)

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit ('CGU') level. If any indication of impairment exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows independently of other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell (measured according to level 3 in the fair value hierarchy) and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

In instances when a part of a particular CGU is disposed of, the value of goodwill associated with the disposal is measured on the basis of the relative value of the operation disposed of as a portion of the unit retained. The relative value is derived by analysing various methods available for the asset being disposed of and concluding on the method that is most appropriate for each individual disposal.

Share-based compensation and long-term incentive plan

Compensation expense for equity-settled share options awarded under the share option plan is measured at the fair value at the grant date using the Black-Scholes valuation model and is recognised using the graded vesting method over the vesting period of the options granted. Compensation expense for equity-settled stock options awarded under the LTIP, LTIP2, LTIP3 and LTIP4 (as defined in note 25) is measured at the fair value at the grant date using the Black-Scholes valuation model for the EPS and EPS CAGR Tranches (as defined in note 25) and the Monte Carlo model for the TSR Tranches, including TSR Peer and TSR Index Tranches (as defined in note 25). Compensation expense for equity-settled share options awarded under the G MINE SIP (as defined in note 25) is measured at the fair value at the grant date using the Black-Scholes valuation model and is recognised using the graded vesting method over the vesting period of the options granted.

Compensation expense recognised is adjusted to reflect the number of options that has been estimated by management for which conditions attached to service will be fulfilled as of the grant date until the vesting date so that the ultimately recognised expense corresponds to the options that have actually vested. The compensation expense credit is attributed to the share-based payment reserve when the expense is recognised in the Consolidated Statements of Comprehensive Income. On exercise of options granted, the associated portion of the share-based payment reserve is reclassified to retained earnings.

Earnings per share

Basic earnings per share is calculated by dividing the net income or loss for the year attributed to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share are calculated using the same method as for basic earnings per share and adjusting the weighted average of ordinary shares outstanding during the year to reflect the dilutive impact, if any, of options and warrants assuming they were exercised for that number of ordinary shares calculated by applying the treasury stock method. The treasury stock method assumes that all proceeds received by Gamesys Group plc when options and warrants are exercised will be used to purchase ordinary shares at the average market price during the reporting period.

Provisions

Provisions are recognised when the Group has a present obligation, legal or constructive, as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- its intention to complete and its ability to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins the same month the asset is recognised and is charged over the period of expected future economic benefit to the Group. During the period of development, the asset is tested for impairment annually as part of the CGU to which it relates.

Leases

Under IFRS 16 – *Leases*, the Group amortises its right-of-use assets and accretes interest on its lease liabilities, except for leases of low value assets and leases with a duration of one year or less.

Lease liabilities are measured at the present value of contractual payments due to the lessor over the term of the lease, with discount rates determined by reference to the Group's incremental borrowing rate, where no rate is specified in the lease agreement itself. Right-of-use assets are initially measured at the amount of the lease liability. The Group makes judgements regarding extension and break clauses, where necessary.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease.

When the Group revises its estimate of the term of any lease, the carrying amount of the lease liabilities is adjusted to reflect the payments required to be made over the revised term, which are discounted using a revised discount rate. Equivalent adjustments are made to the value of the right-of-use assets, with the revised carrying amount being amortised over the remaining revised lease term. If the carrying amount of the right-of-use assets is adjusted to zero, any further reduction is recognised in profit or loss.

4. Summary of significant accounting judgements, estimates and assumptions

The preparation of Gamesys Group plc's Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Estimates and judgements are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The effect of a change in an accounting estimate is recognised prospectively by including it in the Consolidated Statements of Comprehensive Income in the period of the change, if the change affects that period only; or in the period of the change and future periods if the change affects both.



The Group has reviewed its significant accounting estimates and assumptions considering the impact of COVID-19 and no new significant accounting estimates and assumptions were identified, nor have the current estimates and assumptions been materially impacted.

The estimates and judgements that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Goodwill and intangible assets

Goodwill and intangible assets are reviewed for impairment annually, or more frequently when there are indicators that impairment may have occurred, by comparing the carrying value to its recoverable amount. Management uses judgement in estimating the recoverable values of the Group's CGUs and uses internally developed valuation models that consider various factors and assumptions including forecasted cash earnings, growth rates and discount rates. The use of different assumptions and estimates could influence the determination of the existence and extent of impairment and the valuation of intangible assets.

Taxes

Group companies may be subject to indirect taxation on transactions, which have been treated as exempt supplies of gambling, or on supplies which have been zero rated where legislation provides that the services are received or used and enjoyed in the country where the service provider is located. Revenue earned from players located in any particular jurisdiction may give rise to further taxes in that jurisdiction. If such taxes are levied, either on the basis of current law or the current practice of any tax authority, or by reason of a change in the law or practice, then this may have a material adverse effect on the amount of tax payable by the Group, its financial position or its reported results. Where it is considered probable that a previously identified contingent liability will give rise to an actual outflow of funds, then a provision is made in respect of the relevant jurisdiction and period impacted. Where the likelihood of a liability arising is considered less than probable the contingency is not recognised as a liability at the balance sheet date.

The Group is also exposed to a range of different corporation and other tax regimes. Any given tax jurisdiction may have complex legislation operating both domestically and potentially beyond the borders of the country in question. This requires the Group to make judgements on the basis of detailed tax analysis and recognise payables or provisions and disclose contingent liabilities as appropriate in the circumstances. Should the Group's judgement change as it is revisited over time, or the associated estimates be updated as more information comes to light, tax expense recorded in the Consolidated Statements of Comprehensive Income in future reporting periods will be affected. Further information on recognised provisions is included in note 20.

Expected credit loss

Trade and other long-term and short-term receivables are reviewed for impairment every reporting period. Use of the ECL Model requires management to exercise judgement in evaluating which balances in transit from, and rolling reserves held with payment service providers are considered high-risk. It also requires management to make assumptions about the likelihood of collectability of certain trade and other receivables. The use of different assumptions and estimates could influence the amount of impairment of financial assets recognised in a given period.

Capitalised software development costs

Capitalisation of certain software development costs requires management to exercise judgement in identifying costs to be capitalised as well as the rate at which such costs are capitalised. In particular, judgement is exercised when identifying and quantifying directly attributable costs necessary to create, produce and prepare software to be capable of operating in the manner intended by management. The use of different assumptions on what constitutes directly attributable costs and use of different estimates for calculating these costs could influence the amount of capitalised software development.



Business combinations

Business combinations require management to exercise judgement in measuring the fair value of the assets acquired, equity instruments issued and liabilities assumed. In particular, a high degree of judgement is applied in determining which assets and liabilities are included in a business combination, the fair value of the separable intangible assets acquired and their useful economic lives.

5. Business combinations

On 26 September 2019, the Group completed the Gamesys Acquisition, which includes the Virgin Games, Heart Bingo, Virgin Casino and Monopoly Casino brands and related assets. The purchase was completed for £237.3 million in cash (net of gains from hedging), of which £173.6 million was funded by an add-on to the Group's existing Term Facility, £9.9 million in deferred consideration (net of working capital adjustments) and 33,653,846 newly issued ordinary shares of the Parent Company, which at the prevailing share price of £7.25 on 26 September 2019 amounted to £244.0 million. The deferred consideration is payable in March 2022 and is subject to an annual interest rate of 5.0% plus LIBOR. The Gamesys Acquisition has been accounted for as a business combination.

The purchase price allocation set forth below represents the allocation of the purchase price to the fair value of assets acquired and liabilities assumed. No indemnification assets have been recognised due to the uncertainty of any such amounts being agreed.

Effect of acquisition on the financial position of the Group

	26 September 2019 (£m)
Assets acquired	
Cash	40.3
Restricted cash	1.2
Player deposits	9.0
Trade and other receivables	14.0
Other non-current assets	5.9
Right-of-use assets	18.8
Intangible assets (note 13)	309.0
Goodwill (note 13)	252.7
	650.9
Liabilities assumed	
Accounts payable and accrued liabilities	75.5
Player liabilities	9.0
Deferred tax liabilities	52.4
Provisions (note 20)	3.8
Lease liabilities	19.0
	159.7
Net assets acquired	491.2
Consideration	
Cash	240.0
Realised gain on FX Forward	(2.7)
Deferred consideration	10.0
Working capital adjustment	(0.1)
Shares issued	244.0
	491.2

The excess purchase consideration over the net fair value of financial and other tangible and intangible assets and liabilities acquired was allocated to goodwill. The goodwill recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of Gamesys (Holdings) Limited with those of the Group.



None of the goodwill is expected to be deductible for income tax purposes.

In connection with the issuance of shares as part of the consideration for the Gamesys Acquisition, Gamesys Group plc applied the requirements of the *Companies Act 2006* in relation to merger relief, and recorded excess of the nominal value of the shares issued in the merger reserve.

On 1 January 2020, amendments to the definition of a business under IFRS 3 – *Business Combinations* came into effect. The Group did not complete any acquisitions during the year ended 31 December 2020 and the amendments do not permit the Group to reassess whether acquisitions occurring prior to 1 January 2020 meet the revised definition of a business. As a result, the Group's Consolidated Financial Statements for the year ended 31 December 2020 were not affected by these amendments.

6. Segment information

Under IFRS 8 – *Operating Segments* ('IFRS 8') segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Makers (as defined in note 3).

The Group has determined that it has a single operating segment, being online gaming. The online gaming segment consists of online bingo and casino operating results of the Jackpotjoy, Star spins, Virgin Games, Heart Bingo, Botemania, Rainbow Riches Casino, Virgin Casino, Monopoly Casino, Vera&John, InterCasino and VIP Casino brands.

Management believes that this segmentation is most appropriate because online gaming is the Group's primary business that is being managed on a combined basis without central business costs or operating expenses being allocated to any particular geography or product.



The following tables present selected financial results for online gaming and the unallocated corporate costs:

Year ended 31 December 2020:

	Online gaming (£m)	Unallocated corporate costs (£m)	Total (£m)
Revenue	727.7	—	727.7
Distribution costs	399.9	—	399.9
Amortisation and depreciation	99.5	0.5	100.0
Impairment of purchase price intangibles	4.1	—	4.1
Compensation, professional, and general and administrative expenses	100.4	17.0	117.4
Impairment of financial assets	5.0	—	5.0
Severance costs	1.1	0.8	1.9
Transaction related costs	—	1.8	1.8
Foreign exchange (gain)/loss	(1.0)	5.2	4.2
Financing, net	0.9	23.8	24.7
Income/(loss) for the year before taxes	117.8	(49.1)	68.7
Tax expense	1.2	0.3	1.5
Net income/(loss) for the year after taxes	116.6	(49.4)	67.2
Net income/(loss) for the year after taxes	116.6	(49.4)	67.2
Interest expense, net	0.9	22.6	23.5
Accretion on financial liabilities	—	1.2	1.2
Tax expense	1.2	0.3	1.5
Amortisation and depreciation	99.5	0.5	100.0
Impairment of purchase price intangibles	4.1	—	4.1
EBITDA	222.3	(24.8)	197.5
Severance costs	1.1	0.8	1.9
One-off tax charges	0.8	—	0.8
Transaction related costs	—	1.8	1.8
Foreign exchange (gain)/loss	(1.0)	5.2	4.2
Adjusted EBITDA	223.2	(17.0)	206.2
Net income/(loss) for the year after taxes	116.6	(49.4)	67.2
Severance costs	1.1	0.8	1.9
One-off tax charges	0.8	—	0.8
Transaction related costs	—	1.8	1.8
Foreign exchange (gain)/loss	(1.0)	5.2	4.2
Amortisation of acquisition related purchase price intangibles	82.9	—	82.9
Impairment of purchase price intangibles	4.1	—	4.1
Accretion on financial liabilities	—	1.2	1.2
Deferred tax on purchase price intangibles	(8.7)	—	(8.7)
Adjusted net income/(loss)	195.8	(40.4)	155.4

Year ended 31 December 2019:

	Online gaming (£m)	Unallocated corporate costs (£m)	Total (£m)
Revenue	415.1	—	415.1
Distribution costs	214.2	—	214.2
Amortisation and depreciation	61.2	1.0	62.2
Compensation, professional, and general and administrative expenses	71.3	14.0	85.3
Impairment of financial assets	3.9	—	3.9
Transaction related costs	0.2	15.6	15.8
Foreign exchange loss/(gain)	1.3	(2.8)	(1.5)
Financing, net	0.5	22.7	23.2
Income/(loss) for the year before taxes from continuing operations	62.5	(50.5)	12.0
Tax expense	2.6	0.3	2.9
Net income/(loss) for the year after taxes from continuing operations	59.9	(50.8)	9.1
Net income/(loss) for the year after taxes from continuing operations	59.9	(50.8)	9.1
Interest expense, net	0.5	20.9	21.4
Accretion on financial liabilities	—	1.3	1.3
Tax expense	2.6	0.3	2.9
Amortisation and depreciation	61.2	1.0	62.2
EBITDA	124.2	(27.3)	96.9
One-off tax charges	6.0	—	6.0
Fair value adjustments on contingent consideration	—	0.5	0.5
Transaction related costs	0.2	15.6	15.8
Foreign exchange loss/(gain)	1.3	(2.8)	(1.5)
Adjusted EBITDA¹	131.7	(14.0)	117.7
Net income/(loss) for the year after taxes from continuing operations	59.9	(50.8)	9.1
One-off tax charges	6.0	—	6.0
Fair value adjustments on contingent consideration	—	0.5	0.5
Transaction related costs	0.2	15.6	15.8
Foreign exchange loss/(gain)	1.3	(2.8)	(1.5)
Amortisation of acquisition related purchase price intangibles	52.7	—	52.7
Accretion on financial liabilities	—	1.3	1.3
Deferred tax on purchase price intangibles ²	(0.4)	—	(0.4)
Adjusted net income/(loss)^{1,2}	119.7	(36.2)	83.5

¹Figures for the year ended 31 December 2019 have been amended to include share-based compensation expense that is no longer excluded from adjusted EBITDA and adjusted net income.

²Figures for the year ended 31 December 2019 have been amended to exclude deferred tax on purchase price intangibles.

During the year ended 31 December 2020, revenue was earned from players situated in the following locations: United Kingdom – 58% (year ended 31 December 2019 – 52%), Japan – 27% (year ended 31 December 2019 – 26%), Spain – 5% (year ended 31 December 2019 – 8%), rest of Europe – 4% (year ended 31 December 2019 – 9%), rest of world – 6% (year ended 31 December 2019 – 5%).



During the year ended 31 December 2020, the Group's B2B Revenue comprised 4% (year ended 31 December 2019 – 4%) of total Group revenues, with the remaining portion being revenues earned from Net Gaming Revenue operations.

Non-current assets by geographical location as at 31 December 2020 were as follows: Europe £98.8 million (31 December 2019 – £85.3 million), Americas £6.1 million (31 December 2019 – £383.9 million) and United Kingdom £874.7 million (31 December 2019 – £576.4 million).

7. Costs and expenses

	Year ended 31 December 2020 (£m)	Year ended 31 December 2019 (£m)
Distribution costs:		
Selling and marketing	155.9	81.7
Licensing fees	63.2	45.3
Gaming taxes	116.5	59.2
Processing fees	64.3	28.0
	<u>399.9</u>	<u>214.2</u>
Administrative costs:		
Compensation and benefits	91.8	55.6
Professional fees	7.7	5.1
General and administrative	17.9	24.6
Tangible and right-of-use asset depreciation	8.8	4.4
Intangible asset amortisation	91.2	57.8
Impairment of purchase price intangibles	4.1	—
	<u>221.5</u>	<u>147.5</u>

8. Interest income/expense

	Year ended 31 December 2020 (£m)	Year ended 31 December 2019 (£m)
Total interest income	<u>0.5</u>	<u>0.4</u>
Interest accrued and paid on long-term debt	22.4	21.4
Fair value adjustment on secured convertible loan	(0.1)	(0.2)
Interest accrued on deferred consideration	0.5	—
Interest accrued and paid on lease liabilities	1.2	0.6
Total interest expense	<u>24.0</u>	<u>21.8</u>
Debt issue costs and accretion recognised on long-term debt	1.2	0.7
Interest accretion recognised on other long-term liabilities	—	0.6
Total accretion on financial liabilities	<u>1.2</u>	<u>1.3</u>

9. Taxes and deferred taxes

	Year ended 31 December 2020 (£m)	Year ended 31 December 2019 (£m)
UK	8.1	—
Overseas jurisdictions	12.0	9.4
Adjustments for prior years	(3.4)	0.9
Current tax expense	16.7	10.3
Tax effect of temporary differences	(6.5)	(7.0)
Reversal of temporary differences related to business combinations	(8.7)	(0.4)
Deferred tax credit	(15.2)	(7.4)
Total tax expense	1.5	2.9

The difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year is as follows:

	Year ended 31 December 2020 (£m)	Year ended 31 December 2019 (£m)
Profit for the year before taxes (continuing operations)	68.7	11.3
Tax using Gamesys Group plc's domestic tax rate of 19% (2019 – 19%)	13.1	2.1
<i>Adjusted for effects of:</i>		
Non-deductible expenses	3.1	(0.4)
Different tax rates applied in overseas jurisdictions	(13.3)	(0.5)
Non-capital loss for which no tax benefit has been recorded	6.1	1.7
Adjustments for prior years	(3.4)	—
Utilisation of brought forward losses not previously recognised as an asset	(1.5)	—
Other differences	(2.6)	—
Total tax expense	1.5	2.9

As at 31 December 2020, taxes payable and receivable balances consist primarily of taxes related to the 2018, 2019 and 2020 fiscal years.

The Group has tax losses amounting to £4.5 million (year ended 31 December 2019 – £8.7 million) for which no deferred tax asset has been recognised due to reduced certainty over the existence of future taxable profits in the affected subsidiaries.

	Deferred tax asset (£m)	Deferred tax liability (£m)
Balance, 1 January 2019	—	1.2
Arising on business combinations	—	52.4
Deferred tax on purchase price intangibles	—	(0.4)
Balance, 31 December 2019	—	53.2
Deferred tax on purchase price intangibles	—	(8.7)
Transfer from current taxes receivable	7.2	—
Accrued tax rebates	4.8	—
Temporary differences: intangible assets	1.7	—
Transfer to current taxes receivable	(3.8)	—
Foreign exchange translation	—	(0.1)
Balance, 31 December 2020	9.9	44.4



Deferred tax assets relate to differences in timing of distribution of taxed profits through intercompany dividend declarations (£8.2 million) and other temporary differences (£1.7 million). Deferred tax liabilities relate exclusively to balances arising on business combinations.

10. Earnings per share

The following table presents the calculation of basic and diluted earnings per share:

	Year ended 31 December 2020 (£m)	Year ended 31 December 2019 (£m)
Numerator:		
Net income attributable to owners of the parent – basic	67.2	8.4
Net income attributable to owners of the parent – diluted	67.2	8.4
Numerator:		
Net income from continuing operations – basic	67.2	9.1
Net income from continuing operations – diluted	67.2	9.1
Numerator:		
Net loss from discontinued operations – basic	—	(0.7)
Net loss from discontinued operations – diluted ¹	—	(0.7)
Denominator:		
Weighted average number of shares outstanding – basic	108.8	83.3
Weighted average effect of dilutive share options ²	0.5	0.3
Weighted average number of shares outstanding – diluted	109.3	83.6
Net income per share ^{3,4}		
Basic	61.8p	10.1p
Diluted	61.5p	10.0p
Net income per share ^{3,4} – continuing operations		
Basic	61.8p	10.9p
Diluted	61.5p	10.9p
Net loss per share ^{1,3,4} – discontinued operations		
Basic	—	(0.8)p
Diluted	—	(0.8)p

¹ In case of a net loss, the effect of share options potentially exercisable on diluted loss per share will be anti-dilutive; therefore, basic and diluted net loss per share will be the same.

² As at 31 December 2020, performance conditions related to LTIP2 are considered satisfied and, as such, ordinary shares issuable under LTIP2 are included in the number of the weighted average dilutive share options.

³ Basic net income per share is calculated by dividing the net income by the weighted average number of shares outstanding during the year.

⁴ Diluted net income per share is calculated by dividing the net income by the weighted average number of shares outstanding during the year and adjusted for the number of potentially dilutive share options and contingently issuable instruments.

11. Liabilities arising from financing activities

The following is a reconciliation of liabilities arising from financing activities:

	Long-term debt (£m)	Interest payable (£m)	Non-compete clauses (£m)	Interest rate swap liability (£m)	Currency swap liability (£m)	Deferred/Contingent consideration (£m)	Lease liabilities (£m)	Total (£m)
Balance, 1 January 2019	371.4	0.3	10.1	0.5	—	4.5	—	386.8
Cash flows	171.0	(20.4)	(6.0)	(0.6)	—	—	(3.6)	140.4
Non-cash flows:								
Fair value adjustments	—	—	—	1.2	9.3	0.5	—	11.0
Interest expense	—	21.4	—	—	—	—	0.6	22.0
Lease liabilities recognised	—	—	—	—	—	—	25.7	25.7
Accretion	0.7	—	0.6	—	—	—	—	1.3
Arising on business combinations	—	—	—	—	—	10.0	—	10.0
Set-off against acquired assets	—	—	—	—	—	(5.0)	—	(5.0)
Foreign exchange translation	(12.8)	(0.3)	—	—	—	—	—	(13.1)
Balance, 31 December 2019	530.3	1.0	4.7	1.1	9.3	10.0	22.7	579.1
Cash flows	(40.3)	(21.8)	(4.7)	(0.9)	(2.3)	—	(5.9)	(75.9)
Non-cash flows:								
Fair value adjustments	—	—	—	1.6	(2.0)	—	—	(0.4)
Interest expense	—	22.9	—	—	—	—	1.2	24.1
Lease liabilities recognised	—	—	—	—	—	—	4.6	4.6
Accretion	1.2	—	—	—	—	—	—	1.2
Foreign exchange translation	16.9	(0.2)	—	—	—	—	0.1	16.8
Balance, 31 December 2020	508.1	1.9	—	1.8	5.0	10.0	22.7	549.5

12. Tangible assets

As at 31 December 2020

	Fixtures and fittings (£m)	Hardware and equipment (£m)	Total (£m)
Cost			
Balance, 1 January 2020	7.2	5.5	12.7
Additions	1.0	1.8	2.8
Disposals	(0.1)	(0.2)	(0.3)
Translation	(0.1)	0.2	0.1
Balance, 31 December 2020	8.0	7.3	15.3
Accumulated depreciation			
Balance, 1 January 2020	0.8	2.4	3.2
Depreciation	1.2	2.3	3.5
Disposals	(0.1)	(0.1)	(0.2)
Translation	—	(0.1)	(0.1)
Balance, 31 December 2020	1.9	4.5	6.4

Carrying value			
Balance, 31 December 2020	6.1	2.8	8.9

As at 31 December 2019

	Fixtures and fittings (£m)	Hardware and equipment (£m)	Total (£m)
Cost			
Balance, 1 January 2019	1.3	2.3	3.6
Additions	5.9	3.2	9.1
Balance, 31 December 2019	7.2	5.5	12.7
Accumulated depreciation			
Balance, 1 January 2019	0.3	1.1	1.4
Depreciation	0.6	1.2	1.8
Translation	(0.1)	0.1	—
Balance, 31 December 2019	0.8	2.4	3.2
Carrying value			
Balance, 31 December 2019	6.4	3.1	9.5

13. Intangible assets and goodwill

As at 31 December 2020

	Player relationships (£m)	Software (£m)	Brand (£m)	Partnership agreements (£m)	Goodwill (£m)	Total (£m)
Cost						
Balance, 1 January 2020	515.0	123.0	68.2	17.5	544.4	1,268.1
Additions	—	16.8	—	—	—	16.8
Translation	1.2	2.2	0.3	0.3	1.3	5.3
Balance, 31 December 2020	516.2	142.0	68.5	17.8	545.7	1,290.2
Accumulated amortisation/impairment						
Balance, 1 January 2020	188.4	25.6	16.5	8.7	20.2	259.4
Amortisation	72.4	12.0	3.4	3.4	—	91.2
Impairment ¹	—	—	—	4.1	—	4.1
Translation	1.2	1.1	0.1	—	(0.7)	1.7
Balance, 31 December 2020	262.0	38.7	20.0	16.2	19.5	356.4
Carrying value						
Balance, 31 December 2020	254.2	103.3	48.5	1.6	526.2	933.8

¹ During the year ended 31 December 2020, a number of the Group's purchase price partnership agreements have either expired or have been terminated. As a result, the Group recognised a £4.1 million impairment for the unamortised portion of the relevant contracts.

As at 31 December 2019

	Player relationships (£m)	Software (£m)	Brand (£m)	Partnership agreements (£m)	Non-compete clauses (£m)	Goodwill (£m)	Total (£m)
Cost							
Balance, 1 January 2019	320.1	31.0	70.3	12.9	20.4	309.1	763.8
Additions	223.3	94.0	—	4.6	—	252.7	574.6
Disposals	(27.2)	(0.4)	(1.6)	—	—	(14.3)	(43.5)
Translation	(1.2)	(1.6)	(0.5)	—	—	(3.1)	(6.4)
Balance, 31 December 2019	515.0	123.0	68.2	17.5	20.4	544.4	1,288.5
Accumulated amortisation/impairment							
Balance, 1 January 2019	172.6	18.3	13.6	6.1	17.9	20.8	249.3
Amortisation	41.6	8.7	3.4	2.6	2.5	—	58.8
Disposals	(24.7)	(0.3)	(0.4)	—	—	—	(25.4)
Translation	(1.1)	(1.1)	(0.1)	—	—	(0.6)	(2.9)
Balance, 31 December 2019	188.4	25.6	16.5	8.7	20.4	20.2	279.8
Carrying value							
Balance, 31 December 2019	326.6	97.4	51.7	8.8	—	524.2	1,008.7

Goodwill impairment testing

As discussed in note 1, the Group offers bingo, casino and other games to its players through brands that operate off proprietary software, comprised of two platforms, Excite and Enjoy. The Jackpotjoy, StarSpins, Botemania, Virgin Games, Heart Bingo, Virgin Casino, Monopoly Casino and Rainbow Riches Casino brands operate off the Excite platform, with Vera&John and InterCasino brands operating off the Enjoy platform. Therefore, the Group designated Excite and Enjoy as its CGUs.

For the purpose of the annual impairment test, goodwill has been allocated to each CGU of the business. The recoverable amount of the Excite CGU has been determined based on a fair value less selling costs calculation using cash flow projections from financial forecasts approved by senior management covering a five-year period. The pre-tax discount rate applied to cash flow projections is 16.0% (year ended 31 December 2019 – 14.0%) and cash flows beyond the five-year period are extrapolated using a 2.0% (year ended 31 December 2019 – 2.0%) growth rate. At 31 December 2020, the carrying amount of goodwill related to the Excite CGU is £469.8 million (year ended 31 December 2019 – £469.8 million).

The recoverable amount of the Enjoy CGU has been determined based on a fair value less selling costs calculation using cash flow projections from financial forecasts approved by senior management covering a five-year period. The pre-tax discount rate applied to cash flow projections is 18.0% (year ended 31 December 2019 – 19.0%) and cash flows beyond the five-year period are extrapolated using a 2.0% (year ended 31 December 2019 – 2.0%) growth rate. At 31 December 2020, the carrying amount of goodwill related to the Enjoy CGU is £56.4 million (year ended 31 December 2019 – £54.4 million).

The fair value less selling costs calculations are based on level 3 in the fair value hierarchy. As at 31 December 2020, there was no indication of impairment of goodwill, nor does senior management expect any reasonably possible change in a key assumption that may give rise to an impairment.

14. Other long-term receivables

	31 December 2020 (£m)	31 December 2019 (£m)
Secured convertible loan	3.9	3.8
Long-term loan receivable (net of ECL provision discussed in note 16)	1.0	1.2
Other	0.2	0.2
	<u>5.1</u>	<u>5.2</u>

15. Cash, restricted cash and player deposits

	31 December 2020 (£m)	31 December 2019 (£m)
Cash	212.6	100.3
Restricted cash	—	6.3
	<u>212.6</u>	<u>106.6</u>
Player deposits – restricted cash ¹	<u>29.6</u>	<u>12.4</u>

¹ Player deposits – restricted cash consists of cash held by the Group in relation to amounts payable to players.

16. Trade and other receivables

	31 December 2020 (£m)	31 December 2019 (£m)
Trade receivables	8.4	5.5
Due from payment service providers	20.4	12.2
Prepaid expenses	12.4	10.4
Sales tax receivable	4.7	4.8
Other receivables	3.5	4.8
ECL on above balances	(9.5)	(4.5)
	<u>39.9</u>	<u>33.2</u>

The above ECL figure includes an £8.6 million (31 December 2019 – £3.6 million) provision on certain high-risk balances in transit from, and rolling reserves held with payment service providers, as discussed in note 3, as well as a £0.9 million (31 December 2019 – £0.9 million) provision on trade and other receivables discussed below.

The following table summarises the movement of the Group's expected credit loss provision on trade and other receivables:

	(£m)
Balance, 1 January 2019	0.6
ECL on trade and other receivables	0.3
ECL on certain balances held with PSPs	3.6
Balance, 31 December 2019	4.5
ECL on certain balances held with PSPs	5.0
Balance, 31 December 2020	<u>9.5</u>

ECL on certain high-risk balances in transit from, and rolling reserves held with payment service providers is calculated as approximately 42% (year ended 31 December 2019 – 30%) of certain high-risk balances in transit from, and rolling reserves held with payment service providers. If the ECL rate percentage increased by 10%, net income before taxes would decrease by 3%.

Under the ECL Model, the Group's trade receivables are classified in stage 1 – financially healthy assets that are expected to perform in line with their contractual terms and which show no signs of increased credit risk.

In order to determine the amount of ECL to be recognised in the Consolidated Financial Statements on trade and other receivables, the Group has set up a provision matrix based on its historical credit loss experience. The matrix is adjusted for forward-looking estimates and establishes that ECL should be calculated as follows:

- 0-30 days past due: 1% of carrying value (year ended 31 December 2019 – 1%);
- 31-60 days past due: 15% of carrying value (year ended 31 December 2019 – 15%);
- 61-90 days past due: 19% of carrying value (year ended 31 December 2019 – 19%); and
- More than 90 days past due: 25% of carrying value (year ended 31 December 2019 – 25%).

The following table summarises the Group's expected credit loss on its trade and other receivables and other long-term receivables at 31 December 2020:

	0-30 days (£m)	31-60 days (£m)	61-90 days (£m)	90 days + (£m)	Total (£m)
Trade and other receivables	0.1	—	0.1	0.7	0.9
Other long-term receivables (note 14)	—	—	—	0.4	0.4
	<u>0.1</u>	<u>—</u>	<u>0.1</u>	<u>1.1</u>	<u>1.3</u>

The following table summarises the Group's expected credit loss on its trade and other receivables and other long-term receivables at 31 December 2019:

	0-30 days (£m)	31-60 days (£m)	61-90 days (£m)	90 days + (£m)	Total (£m)
Trade and other receivables	0.1	—	—	0.8	0.9
Other long-term receivables (note 14)	—	—	—	0.4	0.4
	<u>0.1</u>	<u>—</u>	<u>—</u>	<u>1.2</u>	<u>1.3</u>

17. Currency swap and interest rate swap

A fundamental reform of major interest rate benchmarks is being undertaken, including the replacement of some interbank offered rates ('IBORs') with alternative nearly risk-free rates (the 'IBOR Reform'). The Group has exposure to IBORs on its financial instruments that will be replaced or reformed as part of this initiative. The Group will monitor and manage its transition to alternative rates by evaluating the extent to which its contracts reference IBOR and whether such contracts need to be amended as a result of the IBOR Reform.

IBOR Reform amendments to IFRS 9 are effective as of 1 January 2020. However, the amendments provide relief in applying the requirements of IFRS 9 to certain hedges and allow the Group to assume that interest rate benchmarks on which hedged cash flows are based will not be altered as a result of the IBOR Reform. Consequently, hedging relationships that may have otherwise been impacted by the IBOR Reform have remained in place and no additional ineffective portions of the hedges have been recognised during the year ended 31 December 2020.

As at 31 December 2020, the Group's main floating rate was LIBOR.

Currency swap

The Group manages its foreign exchange risk by utilising currency swaps.

On 1 August 2019, the Group entered into a cross currency swap agreement (the 'Currency Swap') in order to minimise the Group's increased exposure to exchange rate fluctuations between GBP and EUR impacting the Group's EUR Term Facility. The Currency Swap had an effective date of 30 September 2019 and a maturity date of 30 September 2022.

As at 31 December 2020, the fair value of the Currency Swap was a £5.0 million payable (31 December 2019 – £9.3 million). The Group has included £2.9 million of this amount in current liabilities (31 December 2019 – £3.3 million), with the remaining balance included in other long-term payables, as discussed in note 24. For the year ended 31 December 2020, the Group recognised a gain of £2.0 million in other comprehensive income (year ended 31 December 2019 – loss of £9.3 million).

	(£m)
Balance, 1 January 2019	—
FVOCI	9.3
Balance, 31 December 2019	9.3
FVOCI ¹	(4.3)
Balance, 31 December 2020	5.0

¹The difference between the total gain/(loss) on the Currency Swap and the portion connected to fair value revaluations relates to cash payments made on the Currency Swap.

The Group considers there to be a clear economic relationship between the EUR Term Facility and the Currency Swap. Therefore, due to the straightforward nature of this relationship, the Group has not experienced, nor does it expect to experience, any notable hedge ineffectiveness.

Interest rate swap

The Group manages its interest rate risk by utilising interest rate swaps.

On 5 August 2019, Gamesys Group plc amended the terms of its existing Interest Rate Swap to further minimise its exposure to interest rate fluctuations. Under the new terms, the Group will pay a margin rate as per the terms of its GBP Term Facility plus a fixed 1.08% rate of interest instead of a margin rate as per the terms of its GBP Term Facility plus floating GBP LIBOR. On 15 August 2019, the starting Notional Amount went back to being 60% of the GBP Term Facility (£150.0 million) and will decrease to £69.0 million by 15 June 2021.

As at 31 December 2020, the fair value of the Interest Rate Swap was a £1.8 million payable (31 December 2019 – £1.1 million). The Group has included £0.8 million of this payable in current liabilities (31 December 2019 – £0.4 million), with the value of the remaining balance included in other long-term payables, as discussed in note 24. For the year ended 31 December 2020, the Group recognised a loss of £1.6 million in other comprehensive income (year ended 31 December 2019 – £1.2 million).

	(£m)
Balance, 1 January 2019	0.5
FVOCI ¹	0.6
Balance, 31 December 2019	1.1
FVOCI ¹	0.7
Balance, 31 December 2020	1.8

¹The difference between the total loss on the Interest Rate Swap and the portion connected to fair value revaluations relates to cash payments made on the Interest Rate Swap.

The Group considers there to be a clear economic relationship between the GBP Term Facility and the Interest Rate Swap. Therefore, due to the straightforward nature of this relationship, the Group has not experienced, nor does it expect to experience, any notable hedge ineffectiveness.

As at 31 December 2020, the Group's exposure to LIBOR designated in hedging relationships is £90.0 million, representing the Notional Amount in effect at the reporting date.

18. Leases

The Group's leasing activity consists solely of leases of property. As at 31 December 2020, the carrying value of the right-of-use assets amounted to £21.9 million and the carrying value of lease liabilities amounted to £22.7 million, with £6.1 million (year ended 31 December 2019 – £4.7 million) of this balance shown in current liabilities and the remaining portion of £16.6 million (year ended 31 December 2019 – £18.0 million) reflected under non-current liabilities.

Right-of-use assets

	(£m)
Balance, 1 January 2019	3.2
Additions	5.3
Additions arising on business combination	18.8
Depreciation	(2.6)
Effect of modification of lease terms	(2.5)
Balance, 31 December 2019	22.2
Additions	4.2
Depreciation	(5.3)
Effect of modification of lease terms	0.4
Foreign exchange movements	0.4
Balance, 31 December 2020	21.9

The lease liabilities balances were calculated using an incremental borrowing rate range of 2.0% - 5.0%.

Lease liabilities

	(£m)
Balance, 1 January 2019	3.2
Additions	5.3
Additions arising on business combination	19.0
Interest expense	0.6
Effect of modification of lease terms	(1.8)
Lease payments	(3.6)
Balance, 31 December 2019	22.7
Additions	4.2
Interest expense	1.2
Effect of modification of lease terms	0.4
Lease payments	(5.9)
Foreign exchange movements	0.1
Balance, 31 December 2020	22.7

19. Accounts payable and accrued liabilities

	31 December 2020 (£m)	31 December 2019 (£m)
Trade payables	12.2	20.3
Accruals	52.3	30.2
Gaming taxes, social security and other taxes	34.1	27.5
	98.6	78.0

20. Provisions

	(£m)
Balance, 1 January 2019	—
Arising on business combination (note 5)	3.8
Provisions in the year	6.0
Balance, 31 December 2019	9.8
Transfer to taxes payable	(3.8)
Release of provisions in the year	(6.0)
Provisions in the year	6.8
Balance, 31 December 2020	6.8

During the year ended 31 December 2019, the Group recognised a provision arising on business combinations of £3.8 million as per a probability-based estimate of the fair value of potential UK tax liabilities, which have been disclosed under HMRC's Profit Diversion Compliance Facility. During the year ended 31 December 2020, the £3.8 million provision has been transferred to taxes payable.

During the year ended 31 December 2019, the Group recognised a tax liability of £6.0 million relating to income derived from UK players. Having taken further external advice, the directors of the Group consider that the liability is no longer probable, and the £6.0 million provision has been released.

During the year ended 31 December 2020, a provision of £6.8 million (31 December 2019 – £nil) has been made for additional foreign gaming tax and interest liabilities attributable to changing norms in calculation criteria, which would be paid on assessment, if any.

21. Financial risk management

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. As at 31 December 2020, the Group is largely exposed to credit risk through its relationship with its service providers as well as its cash balances. Credit risk also arises from payment services providers ('PSPs'). Prior to accepting new PSPs, credit checks are performed using a reputable external source, where available. Management monitors PSP balances on a weekly basis and promptly takes corrective action if pre-agreed limits are exceeded. As at 31 December 2020 the Group recognised a £9.9 million provision (31 December 2019 – £4.9 million) for potentially uncollectable trade and other receivables and other long-term receivables, as explained in note 3. With the exception of the balances discussed in note 16, no other receivables are considered past due or impaired. Quantitative analysis of the Group's exposure to credit risk arising from its receivables is included in note 16 and analysis of the Group's exposure to its credit risk arising from cash is presented below.

A significant amount of cash is held with institutions with the following credit ratings:

Financial Institution Rating ^{1,2}	31 December 2020 (£m)	31 December 2019 (£m)
AA-	2.1	1.5
A+	33.8	12.8
A	70.8	25.3
A-	9.3	5.3
BBB	49.0	38.2
BBB-	6.0	2.2
BB-	18.2	2.4

¹Balances as of 31 December 2019 have been adjusted to reflect the revised ratings of financial institutions as of 31 December 2020.

²Figures exclude balances held with unrated institutions.

The Group monitors the credit ratings of counterparties regularly and at the reporting date does not expect any losses from non-performance by the counterparties. The Group's policy is to transfer significant concentrations of cash held at lower-rated financial institutions to higher-rated financial institutions as swiftly as possible.

Interest rate risk

Interest rate risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Gamesys Group plc is exposed to cash flow interest rate risk on its credit facilities, described in note 22, which bear interest at variable rates. A one percentage point increase (decrease) in interest rates would have decreased (increased) net earnings before income taxes by approximately £5.1 million for the year ended 31 December 2020 (year ended 31 December 2019 – £4.2 million), with all other variables held constant.

Management monitors movements in interest rates by reviewing the LIBOR on a frequent basis.

Gamesys Group plc has an Interest Rate Swap in place to mitigate its exposure to interest rate volatility. A one percentage point increase (decrease) in interest rates would have increased (decreased) the fair value of the Interest Rate Swap by approximately £1.8 million for the year ended 31 December 2020 (year ended 31 December 2019 – £2.7 million), with all other variables held constant.

Foreign exchange risk

Foreign exchange risk arises when individual group entities enter into transactions denominated in a currency other than their functional currency. Gamesys Group plc's policy is, where possible, to allow the Group's entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency. Where Gamesys Group plc's entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them), cash already denominated in that currency will, where possible, be transferred from elsewhere within the Group.

Apart from these particular cash flows, the Group aims to fund expenses and investments in their respective currencies and to manage foreign exchange risk at a local level by matching the currency in which revenue is generated and expenses are incurred, as well as by matching the currency of its debt structure with the currency cash is generated in.

The following table summarises the Group's discounted net financial assets/liabilities by currency and the approximate effects on total comprehensive income, and therefore total equity as a result of a 10% change in the value of the foreign currencies against pounds sterling where the Group has significant exposure. The analysis assumes that all other variables remain constant.

At 31 December 2020

	Net foreign currency financial assets/(liabilities) (£m)	Effect of 10% strengthening in foreign exchange rates on comprehensive income (£m)	Effect of 10% weakening in foreign exchange rates on comprehensive income (£m)
Canadian dollar	1.2	0.1	(0.1)
EURO	(214.0)	(21.4)	21.4
United States dollar	6.8	0.7	(0.7)

At 31 December 2019

	Net foreign currency financial assets/(liabilities) (£m)	Effect of 10% strengthening in foreign exchange rates on comprehensive income (£m)	Effect of 10% weakening in foreign exchange rates on comprehensive income (£m)
Canadian dollar	(0.1)	—	—
EURO	(245.5)	(24.5)	24.5
United States dollar	5.1	0.5	(0.5)

Liquidity risk

The Group requires capital and liquidity to fund existing and future operations and future cash payments. The Group's policy is to maintain sufficient capital levels to fund its financial position and meet future commitments and obligations in a cost-effective manner.

Liquidity risk arises from the Group's ability to meet its financial obligations as they become due. The following tables summarise the Group's undiscounted financial and other liabilities as at 31 December 2020 and 31 December 2019:

At 31 December 2020

	On demand (£m)	Less than 1 year (£m)	2-3 years (£m)	4-5 years (£m)	After 5 years (£m)
Accounts payable and accrued liabilities	98.6	—	—	—	—
Other payables	0.3	3.7	13.1	—	—
Lease liabilities	—	6.1	10.0	8.6	2.4
Payable to players	29.6	—	—	—	—
Long-term debt	—	—	—	513.4	—
Interest payable on long-term debt	—	20.0	37.6	18.8	—
	128.5	29.8	60.7	540.8	2.4

At 31 December 2019

	On demand (£m)	Less than 1 year (£m)	2-3 years (£m)	4-5 years (£m)	After 5 years (£m)
Accounts payable and accrued liabilities	78.0	—	—	—	—
Other payables	1.0	8.4	16.7	—	—
Lease liabilities	—	4.7	8.9	8.0	5.8
Payable to players	12.4	—	—	—	—
Long-term debt	—	—	—	536.3	—
Interest payable on long-term debt	—	25.8	51.5	52.6	—
	91.4	38.9	77.1	596.9	5.8

The Group manages liquidity risk by monitoring actual and forecasted cash flows in comparison with the maturity profiles of financial assets and liabilities. The Group does not anticipate fluctuations in its financial obligations as they largely stem from interest payments related to the EUR Term Facility (as defined below) and the GBP Term Facility (as defined below). Management believes that the cash generated from the Group's business activities is sufficient to fund the working capital and capital expenditure needs in the short and long term, assuming there are no significant adverse changes in the markets in which the Group operates. The Group is actively managing its capital resources to ensure sufficient resources will be in place when Term Facilities (as defined below) repayments and interest payments become due.

Subject to meeting certain financial covenants, the Group may have the ability to draw on the £13.5 million RCF (as defined below) as a further capital resource.

22. Credit facilities

	EUR Term Facility (£m)	GBP Term Facility (£m)	Total (£m)
Balance, 1 January 2019	124.4	247.0	371.4
Add-on Debt	173.6	—	173.6
Debt issuance costs	(2.6)	—	(2.6)
Accretion ¹	0.3	0.4	0.7
Foreign exchange translation	(12.8)	—	(12.8)
Balance, 31 December 2019	282.9	247.4	530.3
Accretion ¹	0.7	0.5	1.2
Repayment	—	(40.0)	(40.0)
Debt repricing costs	—	(0.3)	(0.3)
Foreign exchange translation	16.9	—	16.9
Balance, 31 December 2020	300.5	207.6	508.1
Current portion	—	—	—
Non-current portion	300.5	207.6	508.1

¹Effective interest rates are as follows: EUR Term Facility – 3.51% (2019 – 4.26%), GBP Term Facility – 4.56% (2019 – 5.97%).

On 6 December 2017, Gamesys Group plc entered into a senior facilities agreement ('Senior Facilities Agreement') pursuant to which debt facilities were made available to Gamesys Group plc and certain of its subsidiaries in an aggregate sterling equivalent amount of approximately £388.5 million, comprised of (i) a €140.0 million term facility (the 'EUR Term Facility', (ii) a £250.0 million term facility (the 'GBP Term Facility and, together with the EUR Term Facility', the 'Term Facilities') and (iii) a £13.5 million revolving credit facility (the 'RCF' and, together with the Term Facilities, the 'Facilities'). Proceeds from the RCF can be applied to, among other things, working capital and general corporate purposes and financing or refinancing capital expenditure.



On 1 July 2019, the Group completed the syndication of a €196.0 million additional term loan facility (the ‘Add-on Debt’) to fund the Gamesys Acquisition. The Group’s new incremental term loan facility is fungible with the Group’s existing EUR Term Facility and the syndication came into effect on 26 September 2019.

The Term Facilities are non-amortising and mature in December 2024. The RCF matures in December 2023 and remains undrawn as at 31 December 2020.

On 6 February 2020, the Facilities have been repriced to lower the overall cost of debt by 50 basis points while maintaining the step downs based on reduction in SSLR (as defined below).

As a result of the above, the EUR Term Facility now has an interest rate of EURIBOR (with a 0% floor) plus an opening margin of 3.75% per annum, subject to a margin ratchet with step downs of 0.25% to 3.0% based on reductions in the senior secured net leverage ratio (‘SSLR’) and meeting certain ratings requirements. The GBP Term Facility now has an interest rate of LIBOR (with a 0% floor) plus an opening margin of 4.75% per annum, subject to a margin ratchet with step downs of 0.25% to 4.0% based on reductions in the SSLR and meeting certain ratings requirements. The RCF now has an interest rate of EURIBOR (for Euro loans, with a 0% floor) or LIBOR (for GBP loans, with a 0% floor) plus, in each case, an opening margin of 3.75% per annum, subject to a margin ratchet with step downs of 0.50% to 2.75% based on reductions in the SSLR.

The Senior Facilities Agreement contains certain restrictions on, amongst other things, asset disposals, debt incurrence, loans and guarantees, joint ventures and acquisitions, subject in each case to various permissions. The Senior Facilities Agreement also contains a SSLR maintenance covenant and an interest cover maintenance covenant.

Gamesys Group plc was in compliance with the terms of the Senior Facilities Agreement as at 31 December 2020.

23. Financial instruments

The principal financial instruments used by the Group are summarised below:

Financial assets

	Financial assets as subsequently measured at amortised cost	
	31 December 2020 (£m)	31 December 2019 (£m)
Cash and restricted cash	212.6	106.6
Trade and other receivables	35.2	28.4
Other long-term receivables	1.2	1.4
Player deposits	29.6	12.4
	278.6	148.8

Financial liabilities

	Financial liabilities as subsequently measured at amortised cost	
	31 December 2020 (£m)	31 December 2019 (£m)
Accounts payable and accrued liabilities	64.5	50.5
Other short-term payables	0.3	5.6
Deferred consideration payable	10.0	10.0
Interest payable	1.9	1.0
Payable to players	29.6	12.4
Lease liabilities	22.7	22.7
Long-term debt	508.1	530.3
	637.1	632.5

The carrying values of the financial instruments noted above approximate their fair values.

Other financial instruments

	Financial instruments at fair value through profit or loss – assets/(liabilities)	
	31 December 2020 (£m)	31 December 2019 (£m)
Interest Rate Swap	(1.8)	(1.1)
Currency Swap	(5.0)	(9.3)
Other long-term receivables	3.9	3.8
	(2.9)	(6.6)

Fair value hierarchy

All of the Group's financial instruments carried at fair value are classified in level 2 of the hierarchy.

The Interest Rate Swap and Currency Swap balances represent the fair values of expected cash flows under the Interest Rate Swap and Currency Swap agreements. Counterparty valuation reports are used as the basis of fair values of these instruments.

Other long-term receivables represent the fair value of the loan receivable from Gaming Realms. The key inputs into the fair value estimation of this balance include the share price of Gaming Realms on the date of cash transfer, a 2-year risk-free interest rate of 0.0278%, and an estimated share price return volatility rate of Gaming Realms of 73.0%.

24. Other long-term payables

	31 December 2020 (£m)	31 December 2019 (£m)
Deferred consideration payable	10.0	10.0
Interest Rate Swap (note 17)	1.0	0.7
Currency Swap (note 17)	2.1	5.9
	13.1	16.6



25. Share capital

	Ordinary shares of 10p	
	(£m)	#
Balance, 1 January 2019	7.4	74,328,930
Issue of shares, net of costs	3.4	33,653,846
Exercise of options	0.1	682,472
Balance, 31 December 2019	10.9	108,665,248
Exercise of options	0.1	630,000
Issue of shares under the G MINE SIP	—	27,066
Balance, 31 December 2020	11.0	109,322,314

Ordinary shares

During the year ended 31 December 2020, Gamesys Group plc did not issue any additional ordinary shares, except as described below. The issued share capital is fully paid up.

Dividends

During the year ended 31 December 2020, Gamesys Group plc declared and paid an interim dividend of 12.0p per share amounting to a total dividend of £13.0 million (year ended 31 December 2019 – £nil). On 8 March 2021, the Group declared a final dividend of 28.0p per share for the year ended 31 December 2020.

Share options

The share option plan (the ‘Share Option Plan’) was approved by the Board of Directors on 5 September 2016. Upon completion of the plan of arrangement, all options over common shares of Intertain under Intertain’s stock option plan were automatically exchanged for options of equivalent value over ordinary shares of Gamesys Group plc on equivalent terms and subject to the same vesting conditions under Intertain’s share option plan. The strike price of each grant was converted from Canadian dollars to pound sterling at the foreign exchange rate of 0.606, being the exchange rate at the date of the plan of arrangement. Following the grant of the replacement options, no further options were, or will be, granted under the Share Option Plan.

The changes in the number of share options outstanding during the year ended 31 December 2020 were as follows:

	Share options (#)	Weighted average exercise price (£)
Balance, 1 January 2019	2,395,490	6.66
Forfeited	(121,166)	7.53
Exercised	(682,472)	3.93
Balance, 31 December 2019	1,591,852	7.76
Exercised	(630,000)	6.79
Expired	(587,186)	9.42
Balance, 31 December 2020	374,666	6.79

Long-term incentive plan

On 25 March 2020 (the ‘Grant Date’), Gamesys Group plc granted additional equity-settled awards over ordinary shares of Gamesys Group plc under the Group’s long-term incentive plan (‘LTIP4’). The awards will (i) vest on the date on which the remuneration committee determines the extent to which the performance conditions (as described below) have been satisfied and (ii) are subject to a holding period of two years beginning on the vesting date. At 31 December 2020, the number of ordinary shares that may be allotted under the Group’s LTIP4 awards is 877,876.



The performance condition as it applies to 50% of each LTIP4 award (the 'TSR Peer Tranche') is based on the Group's total shareholder return compared with the total shareholder return of the companies constituting Gamesys' peer group over three years commencing on 1 January 2020.

The performance condition as it applies to another 25% of each LTIP4 award (the 'TSR Index Tranche') is based on the Group's total shareholder return compared with the total shareholder return of the companies constituting the FTSE250 index (excluding investment trusts and financial services companies) over three years commencing on 1 January 2020.

The performance condition as it applies to the remaining 25% of the award (the 'EPS Tranche') is based on the compound annual growth rate ('CAGR') of the Group's earnings per share ('EPS') over a three-year period commencing on 1 January 2020 and vests as to 25% if the EPS CAGR equals 5.0%, between 25% and 100% (on a straight-line basis) if final year EPS CAGR is more than 5.0% but less than 14.0%, and 100% if final year EPS CAGR is 14.0% or more.

As discussed in note 3, the Group uses the Monte Carlo model to value the TSR Peer and TSR Index Tranches and the Black-Scholes model to value the EPS Tranche. The key inputs into the fair value estimation under the models include an exercise price of £nil, a risk-free interest rate of 0.13%, expected dividend yield of 0%, expected term of 5.02 years and an estimated share price return volatility rate of 28.0%.

During the year ended 31 December 2020, the Group recorded £1.7 million (year ended 31 December 2019 – £0.5 million) in share-based compensation expense relating to its long-term incentive plans with a corresponding increase in share-based payment reserve.

Employee share incentive plan

During the year ended 31 December 2020, the Group introduced an employee share incentive plan (the 'G MINE SIP'), whereby eligible employees can acquire Gamesys Group plc ordinary shares and have their contributions matched, up to a certain maximum annual amount, by an equal number of ordinary shares issued by the Group for UK participants or as a right to an equal number of ordinary shares issued by the Group for non-UK participants. Any dividends received by participants are reinvested in further shares, which are held in the G MINE SIP. At 31 December 2020, the number of ordinary shares allotted under the G MINE SIP was 27,066.

During the year ended 31 December 2020, the Group recorded £0.1 million (year ended 31 December 2019 – £nil) in share-based compensation expense relating to its G MINE SIP with a corresponding increase in share-based payment reserve. Additionally, during the year ended 31 December 2020, the Group recorded an additional £1.8 million (year ended 31 December 2019 – £nil) in share-based compensation expense for a one-time share distribution to the Group's employee base with a corresponding increase in share-based payment reserve.

Warrants

On 26 September 2019, the Group granted a warrant to subscribe for 300,000 ordinary shares of Gamesys Group plc to Virgin Enterprises Limited. The warrant confers the right, but not the obligation, on the warrant holder to subscribe for the ordinary shares at a price of 892.878p per ordinary share. The warrant was valued using the Black-Scholes model, applying a risk-free interest rate of 2.10%, expected term of five years and an estimated share price return volatility rate of 29.0%. The entire value of the warrant was expensed during the year ended 31 December 2019.

Reserves

The following describes the nature and purpose of each reserve within the Group's Consolidated Statements of Changes in Equity.



Share capital

The purpose of this reserve is to show Gamesys Group plc's issued share capital at its nominal value of 10p per share.

Share premium

The purpose of this reserve is to show the amount subscribed for Gamesys Group plc's issued share capital in excess of nominal value.

Merger reserve

The purpose of this reserve is to present the Consolidated Statements of Changes in Equity under the merger method of accounting, as if Gamesys Group plc has always been the Parent Company and owned all of the subsidiaries.

In connection with the issuance of shares as part of the consideration for the Gamesys Acquisition, Gamesys Group plc applied the requirements of the *Companies Act 2006* in relation to merger relief, and recorded excess of the nominal value of the shares issued in the merger reserve.

Share-based payment reserve

The purpose of this reserve is to show cumulative share-based compensation expense relating to the Group's Share Option Plan, G MINE SIP, LTIP, LTIP2, LTIP3 and LTIP4.

Translation reserve

The purpose of this reserve is to show gains and losses arising on retranslating the financial information of the Group companies with functional currencies other than GBP.

Hedge reserve

The purpose of this reserve is to show unrealised gains and losses arising from the changes in the fair value of the Group's Interest Rate Swap and Currency Swap.

Retained earnings

The purpose of this reserve is to show cumulative net gains and losses recognised in the Consolidated Statements of Comprehensive Income.

26. Capital management

Gamesys Group plc defines the capital that it manages as its aggregate shareholders' equity. Its principal source of cash is operating activities and, in earlier periods, the issuance of common shares, and long-term debt. Gamesys Group plc's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to meet its financial obligations as they become due. To maintain or adjust the capital structure, Gamesys Group plc may attempt to issue new shares, issue new debt, or acquire or dispose of assets.

The Group monitors its SSLR, which is calculated in accordance with the Senior Facilities Agreement, on a frequent basis as this ratio impacts, among other things, the amount of excess cash flow required to be applied in prepayment of the Term Facilities. Commencing on 31 December 2018, if the Group's SSLR is greater than 2.5, 50% of the Group's excess cash flow is required to be applied in prepayment of the Term Facilities. If the Group's SSLR falls between 2.0 and 2.5, 25% of the Group's excess cash flow is required to be applied in prepayment of the Term Facilities. If the Group's SSLR falls below 2.0, 0% of the Group's excess cash flow is required to be applied in prepayment of the Term Facilities. At 31 December 2020 the Group's SSLR is below 2.0.



Excess cash flow is calculated in accordance with the Senior Facilities Agreement and is based on consolidated EBITDA (also calculated in accordance with the Senior Facilities Agreement) to which certain adjustments are made (such as the deduction of certain items such as debt prepayments). Gamesys Group plc is not subject to any externally imposed capital requirements. Gamesys Group plc manages the Group's capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the Group's underlying assets.

There have been no changes to Gamesys Group plc's approach to capital management or in the items the Group manages as capital during the year ended 31 December 2020.

27. Cash generated from operations

The following table provides a reconciliation of net income for the year to cash generated from operations:

	Year ended 31 December 2020 (£m)	Year ended 31 December 2019 (£m)
Net income for the year	67.2	8.4
Adjustments for:		
Share-based compensation expense	3.6	0.5
Issuance of ordinary share warrants	—	0.5
Amortisation and depreciation	100.0	63.2
Impairment of purchase price intangibles	4.1	—
Tax expense	1.5	2.9
Interest expense, net	24.7	22.7
Fair value adjustments on contingent consideration	—	0.5
Foreign exchange loss/(gain)	4.2	(1.5)
Loss on sale of discontinued operation, net of tax	—	0.1
Release/(restriction) of cash balances	6.4	(1.4)
Increase in trade and other receivables	(5.4)	(6.3)
Reduction /(increase) in other long-term receivables	0.2	(0.1)
Increase in accounts payable and accrued liabilities	19.0	6.3
Reduction in other short-term payables	(0.7)	(23.7)
Increase in provisions	0.8	6.0
Cash generated from operations	225.6	78.1

28. Contingent liabilities

Indirect taxation

Gamesys Group plc subsidiaries may be subject to indirect taxation on transactions, including those that have been treated as exempt supplies of gambling, or on supplies that have been zero rated where legislation provides that the services are received or used and enjoyed in the country where the service provider is located. Revenue earned from players located in any particular jurisdiction may give rise to further taxes in that jurisdiction for example, by way of gaming taxes levied on the Group's revenues. If such taxes are levied, either on the basis of current law or the current practice of any tax authority, or by reason of a change in the law or practice, then this may have a material adverse effect on the amount of tax payable by the Group or on its financial position.

Where it is considered probable that a previously identified contingent liability will give rise to an actual outflow of funds, then a provision is made in respect of the relevant jurisdiction and period impacted. Where the likelihood of a liability arising is considered less than probable the contingency is not recognised as a liability at the balance sheet date.

29. Related party transactions

Compensation of key management

Key management is comprised of officers and members of management of the Group. The composition of the key management group has been revisited during the year ended 31 December 2020 and the comparative financial information for the year ended 31 December 2019 has been updated accordingly. Key management personnel compensation for services rendered is as follows:

	Year ended 31 December 2020 (£m)	Year ended 31 December 2019 (£m)
Salaries, bonuses and benefits	7.8	6.0
Share-based compensation	0.9	0.3
	8.7	6.3

30. Employees

	Year ended 31 December 2020 (£m)	Year ended 31 December 2019 (£m)
Wages and salaries ¹	79.4	37.3
Pensions	2.4	0.9
Social security	7.9	3.7
Benefits	1.4	0.5
	91.1	42.4

¹Wages and salaries figures include severance costs.

The average headcount of employees on a full-time and part-time basis during the year was as follows:

	31 December 2020 (#)	31 December 2019 (#)
Group	1,530	600

31. Auditors' remuneration

BDO LLP's remuneration for the auditing of these Consolidated Financial Statements and for other services provided is as follows:

	Year ended 31 December 2020 (£000's)	Year ended 31 December 2019 (£000's)
Audit fees for the audit of the Group's annual accounts	650	588
Audit fees for the audit of the Group's subsidiaries	257	110
Audit related assurance services	93	167
Services relating to corporate finance transactions	15	1,528
Tax compliance services	26	—
	1,041	2,393

32. Recent accounting pronouncements

New standards that have been adopted in the Group's Consolidated Financial Statements for the year ended 31 December 2020 but have not had a significant effect on the Group are:

- IAS 1 – *Presentation of Financial Statements*; and IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors* (definition of material);
- IFRS 3 – *Business Combinations* (definition of a business), as discussed in note 5; and
- IBOR reform and its effects on financial reporting – phase 1, as discussed in note 17.

New standards, interpretations and amendments not yet effective:

- IAS 37 – *Onerous Contracts* (cost of fulfilling a contract - effective 1 January 2022);
- IAS 16 – *Property, Plant and Equipment* (proceeds before intended use - effective 1 January 2022);
- Annual Improvements to IFRS Standards 2018 - 2020: amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41 - effective 1 January 2022);
- IFRS 3 – *Business Combinations* (reference to conceptual framework - effective 1 January 2022); and
- IAS 1 – *Presentation of Financial Statements* (classification of liabilities as current or non-current - effective 1 January 2023).

The Group will not be adopting any of the above standards prior to their effective dates and they are not expected to have a material impact on the Group's reporting.

33. Events after the reporting date

On April 13, 2021, we announced the terms of a recommended offer pursuant to the Takeover Code for Bally's Corporation ("Bally's"), a company incorporated in Delaware in the United States of America, and listed on the New York Stock Exchange, to acquire all of the issued and outstanding share capital of the Company for a mixture of cash and common stock of Bally's (the "Combination").

Under the terms of the Combination, the Company's shareholders would have the option to receive, for each of their shares of the Company, 1,850 pence in cash or shares of Bally's common stock (at an exchange ratio of 0.343 for each share) or a combination of both.

It is intended that the Combination will be effected by means of a Court-approved scheme of arrangement between the Company and our shareholders under part 26 of the Companies Act 2006 (the "Scheme"). The Combination is, among other things, subject to shareholder approval at (i) a Court of Justice in England and Wales-convened meeting of our shareholders and (ii) a general meeting of our shareholders.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The unaudited pro forma condensed combined financial information (“Unaudited Pro Forma Financial Information”) included herein presents the unaudited pro forma condensed combined balance sheet (“Pro Forma Balance Sheet”) and the unaudited pro forma condensed combined statement of operations (“Pro Forma Statement of Operations”) based upon the audited historical financial statements of Bally’s Corporation (“Bally’s” or the “Company”), the Acquired Companies (as defined below) and Gamesys Group plc (“Gamesys”), after giving effect to the acquisitions of the Acquired Companies (the “Completed Acquisitions”) and the Company’s planned combination with Gamesys (the “Gamesys Combination”), the Financing Transaction (as defined below) and the Equity Offerings (as defined below) (collectively, the “Transactions”), and the adjustments described in the accompanying notes.

The Pro Forma Statement of Operations for the year ended December 31, 2020 gives effect to the Transactions as if each of them had occurred on January 1, 2020. The Pro Forma Balance Sheet as of December 31, 2020 gives effect to the Company’s acquisition (the “MontBleu Acquisition”) of MontBleu Resort Casino & Spa (“MontBleu”), the Gamesys Combination, the Financing Transaction, and the Equity Offerings as if each of them had occurred on December 31, 2020.

The Unaudited Pro Forma Financial Information set out below have been prepared in accordance with Article 11 of Regulation S-X, as amended by the Securities and Exchange Commission (“SEC”) Final Rule Release No. 33 10786, Amendments to Financial Disclosures About Acquired and Disposed Businesses using accounting policies in accordance with principles generally accepted in the United States of America (“U.S. GAAP”).

The Unaudited Pro Forma Financial Information reflects transaction related adjustments management believes are necessary to present fairly Bally’s Pro Forma Balance Sheet and Pro Forma Statement of Operations.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only. The hypothetical financial position or results included in the Unaudited Pro Forma Financial Information may differ from the Company’s actual financial position or results following the Transactions. The Unaudited Pro Forma Financial Information has been prepared on the basis set out in the notes below and has been prepared in a manner consistent with the accounting policies applied by the Company in its historical financial statements for the year ended December 31, 2020. In preparing the Unaudited Pro Forma Financial Information, no adjustments have been made to reflect the potential operating synergies and administrative cost savings or the costs of integration activities that could result from the combination of Bally’s, the Acquired Companies and Gamesys.

Completed Acquisitions

On July 1, 2020, the Company closed its acquisition of each of IOC-Kansas City, Inc. (“Casino KC”) and Rainbow Casino-Vicksburg Partnership, L.P. (“Casino Vicksburg”) from Caesars Entertainment, Inc., formerly Eldorado Resorts, Inc. (“Caesars”), for an aggregate purchase price of \$230,000,000 in cash, subject to customary post-closing adjustments pursuant to the terms of an Equity Purchase Agreement, dated July 10, 2019, among Bally’s, Caesars and various of their affiliates. This acquisition was funded with available cash on hand at July 1, 2020 and from borrowings under the Company’s revolving credit facility.

On December 23, 2020, the Company closed its acquisition of Eldorado Resort Casino Shreveport (“Shreveport”) from Caesars for a purchase price of \$140,000,000 in cash, subject to customary post-closing adjustments pursuant to the terms of an Equity Purchase Agreement, dated April 24, 2020 (the “Shreveport/MontBleu Agreement”), among Bally’s, Caesars and certain of their affiliates. This acquisition was funded with available cash on hand at December 23, 2020 and from borrowings under the Company’s revolving credit facility.

On April 6, 2021, the Company completed its acquisition of MontBleu from Caesars for a purchase price of \$15,000,000 in cash, payable one year from the closing date, subject to customary post-closing adjustments pursuant to the terms of the Shreveport/MontBleu Agreement. The Company expects that this acquisition will be funded with available cash on hand or available borrowings under the Company’s existing debt agreements when due in April 2022.

The acquisitions of Casino KC, Casino Vicksburg, Shreveport and MontBleu (together the “Acquired Companies”) are being accounted for as business combinations using the acquisition method with Bally’s as the accounting acquirer in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 805, *Business Combinations* (“ASC 805”). Under this method of accounting the respective purchase prices for the Completed Acquisitions will be allocated to the Acquired Companies’ assets acquired and liabilities assumed based upon their estimated fair values at the date of consummation of the relevant acquisition.

Gamesys Combination

On April 13, 2021, the Company issued an announcement pursuant to Rule 2.7 of the United Kingdom City Code on Takeovers and Mergers disclosing the terms of the Gamesys Combination pursuant to which Bally’s would acquire the entire issued and to be issued ordinary share capital of Gamesys. Under the terms of the Gamesys Combination, Gamesys shareholders would be entitled to receive 1,850 pence in cash for each share of Gamesys or, under a share alternative, Gamesys shareholders would be able to elect to receive newly issued common shares of the Company in lieu of part or all of the cash consideration to which they would be entitled to elect to receive under the Gamesys Combination at an exchange ratio of 0.343 new Bally’s common shares for each Gamesys share. The minimum number of shares to be issued, per agreement with certain shareholders, is 9,196 thousand which is the number of shares assumed to be issued for purposes of this Unaudited Pro Forma Financial Information. An increase in the number of shares issued could materially impact the Unaudited Pro Forma Financial Information. The Gamesys Combination is expected to be accounted for as a business combination using the acquisition method with Bally’s as the accounting acquirer in accordance with ASC 805. In arriving at the conclusion that Bally’s is the accounting acquirer, the Company considered the structure of the transaction, relative outstanding share ownership, the composition of the combined company’s board of directors, the relative size of Bally’s and Gamesys, and the designation of certain senior management positions of the combined company.

Financing Transaction

On April 13, 2021, Bally’s entered into a \$2,378 million secured bridge loan agreement (the “Bridge Facility”), subject to limited conditions, under which the lenders party thereto agreed to provide the financing necessary to pay the cash portion of the consideration payable to Gamesys’ shareholders (\$2,143 million) upon consummation of the Gamesys Combination and related fees and expenses of \$14.3 million. The remaining proceeds from the Bridge Facility, together with partial proceeds from the Equity Offerings and, if funded, the GLPI Commitment (defined below), will be utilized to repay the outstanding balance of Gamesys’ EUR and GBP Term Facilities (\$693 million). The amount of the Bridge Commitment may be reduced by certain proceeds from the Equity Offering.

Bally’s has also entered into a commitment letter (the “GLPI Commitment Letter”) with Gaming & Leisure Properties, Inc. (“GLPI”) pursuant to which GLPI has irrevocably committed to purchase shares of our common stock, or, subject to U.S. regulatory requirements, warrants, with a value of up to \$500 million (the “GLPI Commitment”) at a price per share based on the volume-weighted average price determined over a period of time prior to such issuance. The proceeds may be used to fund a portion of the aggregate cash consideration for the Combination, acquisition costs and fees and expenses incurred by Bally’s and its affiliated entities related to the Combination, or to refinance the existing indebtedness of Gamesys. The GLPI Commitment contemplates that Bally’s and GLPI will affect one or more takeout sale and leaseback transactions, thereby reducing the number of Bally’s shares (or warrants) to be issued to GLPI. The amount of the GLPI Commitment may be reduced by certain net proceeds from the Equity Offerings.

The incurrence of the Bridge Facility and issuance of shares pursuant to the GLPI Commitment are collectively referred to as the “Financing Transaction”.

Equity Offerings

Common Stock Offering. The Company expects to offer and issue (the “Common Stock Offering”) \$600 million of its common stock, par value \$0.01 (the “Common Stock”). The Unaudited Pro Forma Financial Information assumes a public offering price in the Common Stock Offering of \$62.01 per share, which is the last reported sale price of the Common Stock on the New York Stock Exchange on April 7, 2021, and would result in the issuance of 9,674 thousand shares in the Common Stock Offering, subject to changes in stock price among other factors. The Company has estimated total net proceeds for the Common Stock Offering of \$579 million, net of estimated issuance costs of \$21 million. The amounts set forth above in this paragraph and elsewhere in the Unaudited Pro Forma Financial Information assume no exercise of the underwriters’ option to purchase additional shares of the Company’s common stock in connection with the Common Stock Offering.

TEU Offering. The Company expects to offer and issue (the “TEU Offering” and, together with the Common Stock Offering, the “Equity Offerings”) \$250 million of tangible equity units (each, a “TEU”). Each TEU will be comprised of two parts: (1) a prepaid stock purchase contract (a “TEU purchase contract”) and (2) a senior amortizing note (a “TEU amortizing note”) that will pay equal quarterly installments. Unless earlier redeemed by the Company in connection with a Gamesys Combination termination redemption or settled earlier at the holder’s option or at the Company’s option, each TEU purchase contract will, subject to postponement in certain limited circumstances, automatically settle on April 15, 2024, and the Company will deliver a specified number of shares of Common Stock per TEU based upon applicable settlement rates and the market value of the Company’s Common Stock. The TEU amortizing notes are expected to have a specified initial principal amount and a specified interest rate and the Company will make specified payments of interest and partial repayments of principal on quarterly installment payment dates.

The Unaudited Pro Forma Financial Information reflects the expected issuance of the TEU purchase contract portion of the TEUs as additional paid-in-capital, net of issuance costs, and the TEU amortizing notes portion of the TEU as long-term debt, net of issuance costs. The Company has estimated total net proceeds for the TEU Offering of \$241.25 million, net of estimated issuance costs of \$8.75 million, which has been allocated to the TEU purchase contracts and the TEU amortizing notes based on the relative fair values of the respective components, determined based on the most recent fair market estimates at the time of filing. The Company has estimated that the allocation of the net proceeds of the TEU is \$201.0 million, net of issuance costs of \$7.3 million for the TEU purchase contracts and \$41.8 million, net of issuance costs of \$1.5 million for the TEU purchase contracts.

Based on the expected structure of the TEU, the Company currently expects the TEU purchase contracts to meet equity classification. The classification of the TEU will be subject to detailed assessment once finalized and a different conclusion may result in a material impact on the information presented.

The Company intends to use the net proceeds from the Equity Offerings to partially fund the cash portion of the consideration payable for the Gamesys Combination. Upon the consummation of the Equity Offerings, all or substantially all of the net proceeds will be placed in an escrow account with one of the banks that have committed to finance the Gamesys Combination to reduce such financing commitments. If the Gamesys Combination is terminated, lapses or is withdrawn for any reason prior to the consummation of the Gamesys Combination, the net proceeds of the Equity Offerings will be released to the Company from escrow and, after payment of any cash redemption amount and/or repurchase price, used for general corporate purposes. The Equity Offerings are not contingent on the consummation of the Gamesys Combination, and the consummation of the Gamesys Combination is not contingent on the consummation of the Equity Offerings, and, as a result, it is possible that the Equity Offerings occur and the Gamesys Combination does not occur and vice versa.

Unaudited Pro Forma Condensed Combined Balance Sheet as of December 31, 2020
(in thousands)

	Pro forma adjustments									
	Bally's Historical (Note 2)	MontBleu pre- acquisition results and reclassifications (Note 5)	MontBleu Combination Adjustments (Note 6)	Gamesys (US GAAP) (Note 7)	Gamesys Combination Adjustments (Note 8)	Financing Transaction (Note 9)		Equity Offerings (Note 10)		Pro forma Combined Company
(In thousands)										
Assets										
Cash and cash equivalents	\$ 123,445	\$ 2,494	\$ -	\$ 289,788	\$ (2,877,130) 8(a)	\$ 2,864,022 9(a)	\$ 5,250 10(a)	\$		407,869
Restricted cash	3,110	-	-	-	-	-	-			3,110
Players deposit	-	-	-	40,347	-	-	-			40,347
Accounts receivable, net	14,798	1,370	-	54,386	-	-	-			70,554
Inventory	9,296	537	-	-	-	-	-			9,833
Tax receivable	84,483	-	-	-	-	-	-			84,483
Prepaid expenses and other current assets	53,823	1,271	-	5,180	-	-	-			60,274
Total current assets	288,955	5,672	-	389,701	(2,877,130)	2,864,022	5,250			676,469
Property and equipment, net	749,029	56,259	(49,345) 6(a)	12,131	-	-	-			768,074
Right of use assets, net	36,112	41,636	16,171 6(a)	29,851	-	-	-			123,770
Goodwill, net	186,979	5	(5) 6(a)	717,245	1,268,861 8(a)	-	-			2,173,086
Intangible assets, net	663,395	4,368	4,532 6(a)	555,586	1,047,380 8(b)	-	-			2,275,261
Deferred tax assets	-	-	-	13,494	-	-	-			13,494
Other assets	5,385	8	-	6,952	-	-	-			12,345
Total assets	\$ 1,929,855	\$ 107,948	\$ (28,647)	\$ 1,724,960	\$ (560,888)	\$ 2,864,022	\$ 5,250			\$ 6,042,499
Liabilities and Shareholders' Equity										
Current portion of long-term debt	\$ 5,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$		5,750
Current portion of lease obligations	1,520	550	1,877 6(a)	8,315	-	-	-			12,262
Current portion of cross currency and interest rate swap payable	-	-	-	5,043	-	-	-			5,043
Accounts payable	15,869	661	-	17,038	-	-	-			33,568
Payable to players	-	-	-	40,347	-	-	-			40,347
Accrued liabilities	120,055	2,263	15,000 6(b)	143,395	26,580 8(c)	-	-			307,292
Total current liabilities	143,194	3,474	16,877	214,138	26,580	-	-			404,262
Lease obligations, net of current portion	62,025	65,790	(14,051) 6(a)	22,627	-	-	-			136,391
Long-term debt, net of current portion	1,094,105	-	-	692,574	(692,574) 8(c)	2,364,022 9(b)	(774,711) 10(a),(b),(d)			2,683,415
Pension benefit obligations	9,215	-	-	-	-	-	-			9,215
Deferred tax liability	36,983	-	1,675 6(a)	60,520	244,043 8(f)	-	-			343,221
Naming rights liabilities	243,965	-	-	-	-	-	-			243,965
Other long-term liabilities	13,770	436	-	27,125	-	-	-			41,331
Total liabilities	\$ 1,603,257	\$ 69,700	\$ 4,501	\$ 1,016,984	\$ (421,951)	\$ 2,364,022	\$ (774,711)			\$ 3,861,801
Shareholders' equity										
Common stock	307	-	-	14,994	(14,898) 8(g)	81 9(c)	97 10(c)			580
Additional paid-in capital	294,643	-	-	12,131	583,391 8(g)	499,919 9(c)	808,153 10(b),(c)			2,198,238
Treasury stock, at cost	-	-	-	-	-	-	-			-
Retained earnings	34,792	38,248	(33,148) 6(a),(c)	335,723	(362,303) 8(g)	-	(28,289) 10(d)			(14,977)
Other reserves	-	-	-	345,128	(345,128) 8(g)	-	-			-
Accumulated other comprehensive loss	(3,144)	-	-	-	-	-	-			(3,144)
Total shareholders' equity	326,598	38,248	(33,148)	707,976	(138,938)	500,000	779,961			2,180,698
Total liabilities and shareholders' equity	\$ 1,929,855	\$ 107,948	\$ (28,647)	\$ 1,724,960	\$ (560,888)	\$ 2,864,022	\$ 5,250			\$ 6,042,499

See accompanying notes to the Unaudited Pro Forma Financial Information, which are an integral part of these statements.

Unaudited Pro Forma Condensed Combined Statement of Operations for the year ended December 31, 2020
(in thousands, except share and per share amounts)

	Pro forma adjustments							
	Bally's Historical (Note 2)	Completed Acquisitions pre-acquisition results and reclassifications (Note 3) (a)	Completed Acquisitions Adjustments (Note 4)	Gamesys (US GAAP) (Note 7)	Gamesys Combination Adjustments (Note 8)	Financing Transaction (Note 9)	Equity Offerings (Note 10)	Pro forma Combined Company
(In thousands, except for shares and share price)								
Revenues	\$ 372,792	\$ 124,348	\$ -	\$ 934,398	\$ -	\$ -	\$ -	\$ 1,431,538
Operating costs and expenses								
Gaming, racing, hotel, food and beverage, retail, entertainment and other	138,669	56,911	-	513,489	-	-	-	709,069
Advertising, general and administrative	176,943	44,069	2,920 4(a)	170,778	-	-	-	394,710
Goodwill and asset impairment	8,659	-	-	-	-	-	-	8,659
Expansion and pre-opening	921	-	-	-	-	-	-	921
Acquisition, integration and restructuring expense	13,257	-	-	4,751	26,580 8(c)	-	28,289 10(d)	72,876
Storm related losses, net of insurance recoveries	14,095	-	-	-	-	-	-	14,095
Rebranding	792	-	-	-	-	-	-	792
Depreciation and amortization	37,842	14,553	(2,780) 4(b),(c)	121,599	50,532 8(d)	-	-	221,745
Foreign Exchange Gain/Loss	-	-	-	5,393	-	-	-	5,393
Total operating costs and expenses	391,178	115,533	140	816,009	77,111	-	28,289	1,428,260
Income (loss) from operations	(18,386)	8,815	(140)	118,389	(77,111)	-	(28,289)	3,278
Other income (expense)								
Interest income	612	-	-	642	-	-	-	1,254
Interest expense, net of amounts capitalized	(63,248)	(6,167)	(498) 4(d)	(30,817)	30,817 8(e)	(53,161) 9(d)	(955) 10(e)	(124,029)
Change in value of naming rights liabilities	(57,660)	-	-	-	-	-	-	(57,660)
Gain on bargain purchases	63,871	-	5,100 4(e)	-	-	-	-	68,971
Total other expense	(56,425)	(6,167)	4,602	(30,175)	30,817	(53,161)	(955)	(111,464)
Income (loss) before provision for income taxes	(74,811)	2,648	4,462	88,214	(46,294)	(53,161)	(29,243)	(108,187)
Provision (Benefit) for income taxes	(69,324)	322	1,249 4(f)	1,926	(8,796) 8(f)	(14,885) 9(e)	(8,188) 10(f)	(97,696)
Net income (loss)	\$ (5,487)	\$ 2,326	\$ 3,212	\$ 86,288	\$ (37,498)	\$ (38,276)	\$ (21,055)	\$ (10,491)
Earning per share (Note 11):								
Basic	\$ (0.18)							\$ (0.18)
Diluted	\$ (0.18)							\$ (0.18)
Weighted average shares outstanding (Note 11)								
Basic	31,315,151				9,605,201 11(a)	8,063,216 11(a)	9,675,859 11(a)	58,659,426
Diluted	31,315,151				9,605,201 11(a)	8,063,216 11(a)	9,675,859 11(a)	58,659,426

- (a) Includes pre-acquisition results for (1) Casino KC and Casino Vicksburg for the period from January 1, 2020 through June 30, 2020, (2) Shreveport for the period from January 1, 2020 through December 22, 2020 and (3) MontBleu for the period from January 1, 2020 through December 31, 2020. See Note 3 for reclassification adjustments made to conform the Completed Acquisitions to the presentation used by Bally's.

See accompanying notes to the Unaudited Pro Forma Financial Information, which are an integral part of these statements.

Notes to the Unaudited Pro Forma Condensed Combined Financial Information

Note 1 — Description of Transaction and Basis of Presentation

The Unaudited Pro Forma Financial Information has been prepared based on U.S. GAAP and pursuant to the rules and regulations of Securities and Exchange Commission's ("SEC") Regulation S-X and presents the Pro Forma Balance Sheet and Pro Forma Statement of Operations of the combined companies based upon the historical financial information of Bally's, the Acquired Companies and Gamesys, after giving effect to the following transactions:

- The Completed Acquisitions;
- The Gamesys Combination;
- The Financing Transaction; and
- The Equity Offerings.

The Unaudited Pro Forma Financial Information is not necessarily indicative of what Bally's consolidated statements of operations or consolidated balance sheet would have been had the Acquisitions been completed as of the dates indicated or will be for any future periods. The Unaudited Pro Forma Financial Information does not purport to project the future financial position or results of operations of Bally's following the Transactions. The Unaudited Pro Forma Financial Information reflects transaction related adjustments management believes are necessary to present fairly Bally's Pro Forma Balance Sheet and Pro Forma Statement of Operations assuming the Transactions (other than, in the case of Bally's Pro Forma Balance Sheet, the Casino KC, Casino Vicksburg and Shreveport acquisitions) had been consummated as of December 31, 2020 and January 1, 2020, respectively. The transaction related adjustments are based on currently available information and assumptions management believes are, under the circumstances and given the information available at this time, reasonable, and reflective of adjustments necessary to report Bally's financial condition and results of operations as a result of the closing of the Transactions. All dollar amounts are presented in thousands, unless otherwise noted.

Bally's has concluded that the MontBleu Acquisition and the Gamesys Combination each represent business combinations pursuant to ASC 805. As of the date of this filing, the calculations necessary to estimate the fair values of the assets acquired and liabilities assumed have been performed based on a preliminary valuation for the MontBleu Acquisition, and based on publicly available benchmarking information as well as a variety of other assumptions, including market participant assumptions for the Gamesys Combination. The Company will continue to refine its identification and valuation of assets acquired and the liabilities assumed as further information becomes available. Using the total consideration for the transactions, Bally's has preliminarily allocated the purchase price to such assets and liabilities as of January 31, 2021. These preliminary purchase price allocations have been used to prepare pro forma adjustments in the Unaudited Pro Forma Financial Information. The final purchase price allocations will be determined when Bally's has completed the Gamesys Combination and the detailed valuations and other studies and necessary calculations. The final purchase price allocations could differ materially from the preliminary purchase price allocations. The final purchase price allocations may include changes in allocations to intangible assets, goodwill and bargain purchase based on the results of certain valuations and other studies that have yet to be completed and other changes to assets and liabilities.

The Unaudited Pro Forma Financial Information has been compiled in a manner consistent with the accounting policies adopted by Bally's, and reflect certain adjustments to the Acquired Companies' and Gamesys' historical financial information to conform to the accounting policies of Bally's based on a preliminary review of the Acquired Companies' and Gamesys accounting policies.

The pro forma adjustments are based on preliminary estimates and currently available information and assumptions that Bally's management believes are reasonable. The notes to the Unaudited Pro Forma Financial Information describe how such adjustments were derived and presented in the Pro Forma Balance Sheet and Pro Forma Statement of Operations. Changes in facts and circumstances or discovery of new information may result in revised estimates. As a result, there may be material adjustments to the Unaudited Pro Forma Financial Information. Certain historical financial statement caption amounts for Gamesys and the Acquired Companies have been reclassified or combined to conform to Bally's presentation and disclosure requirements.

The Unaudited Pro Forma Financial Information should be read in conjunction with the audited consolidated financial statements and related notes of Bally's, the Acquired Companies and Gamesys as of and for the year ended December 31, 2020.

Note 2 — Bally's historical financial statements

The results and net assets of Bally's as of and for the year ended December 31, 2020 have been extracted from the audited consolidated financial statements of Bally's, as set out in Bally's Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

Note 3 — Completed Acquisitions pre-acquisition results and reclassifications

Certain reclassifications were directly applied to the pre-acquisition historical financial statements of the Acquired Companies to conform to the financial statement presentation of Bally's.

Reclassifications in the Pro Forma Statement of Operations are as follows:

	Year Ended December 31, 2020					
	Casino KC and Casino Vicksburg Before Reclassification	Shreveport Before Reclassification	MontBleu Reported	Reclassifications	Notes	Historical Acquisitions After Reclassifications
(In thousands)	Note (a)	Note (b)	Note (c)			
Revenues	\$ 25,130	\$ 67,763	\$ 31,455	\$ -		\$ 124,348
Operating costs and expenses						
Gaming, racing, hotel, food and beverage, retail, entertainment and other	10,493	34,974	13,819	(2,375)	(d)	56,911
Marketing & promotions	1,144	2,248	-	(3,392)	(d)	-
Advertising, general and administrative	9,068	11,765	14,893	8,343	(d)	44,069
Management Fee	514	2,062	-	(2,576)	(d)	-
Depreciation and amortization	2,913	6,904	4,736	-		14,553
Total operating costs and expenses	24,132	57,953	33,448	-		115,533
Income from operations	998	9,810	(1,993)	-		8,815
Other income (expense)			-			
Interest expense, net of amounts capitalized	(1,730)	(4,437)	-	-		(6,167)
Total other expense	(1,730)	(4,437)	-	-		(6,167)
			-			
Income before provision for income taxes	(732)	5,373	(1,993)	-		2,648
(Benefit) Provision for income taxes	322	-	-	-		322
Net income (loss)	<u>\$ (1,054)</u>	<u>\$ 5,373</u>	<u>\$ (1,993)</u>	<u>\$ -</u>		<u>\$ 2,326</u>

(a) The results of Casino KC and Casino Vicksburg for the period from January 1, 2020 through June 30, 2020 have been extracted from the audited combined financial statements of Casino KC and Casino Vicksburg, as set out in Bally's Current Report on Form 8-K filed with the SEC on February 3, 2021.

(b) The results of Shreveport for the period from January 1, 2020 through December 22, 2020 have been extracted from the audited consolidated financial statements of Shreveport, as set out in Bally's Current Report on Form 8-K filed with the SEC on February 12, 2021.

(c) The results of MontBleu for the year ended December 31, 2020 have been extracted from the audited consolidated financial statements of MontBleu, as set out in Bally's Current Report on Form 8-K filed with the SEC on March 16, 2021.

(d) Represents the reclassification of balances in "Gaming, racing, hotel, food and beverage, retail, entertainment and other" (\$2,375), "Marketing & promotions" (\$3,392), and "Management Fee" (\$2,576) to Advertising, general and administrative expenses.

Note 4 — Completed Acquisitions adjustments

The pro forma adjustments are based on preliminary estimates and assumptions that are subject to change. The following adjustments have been reflected in the Unaudited Pro Forma Financial Information:

4(a) Represents a \$2,920 increase in lease expense related to changes in the fair value of right of use asset and lease liabilities of the Acquired Companies.

4(b) Represents decrease in depreciation expense related to acquired property and equipment resulting from the fair value adjustment of assets acquired in the Completed Acquisitions. Bally's estimated that the fair value of property and equipment was less than MontBleu's book value by \$49.3 million, greater than Shreveport's book value by \$45.9 million and less than Casino KC and Casino Vicksburg's book value by \$8.0 million. Therefore, depreciation expense decreased by a total of \$2.9 million on a combined basis for the year ended December 31, 2020 using the straight-line method of depreciation, including a reduction in MontBleu depreciation expense of \$2.5 million. The estimated remaining useful lives of acquired property and equipment from the Completed Acquisitions ranged from 2 years to 40 years:

<i>(In thousands)</i>	Fair Value	Weighted Average Useful Life (Years)	Depreciation Method	Year ended December 31, 2020
Land improvements	\$ 6,100	10	Straight Line	\$ 428
Buildings and improvements	114,419	37	Straight Line	2,676
Furniture, fixtures and equipment	26,374	6	Straight Line	4,101
Vessels and automobiles	26,751	12	Straight Line	2,191
Total depreciation expense				9,396
Less: historical depreciation expense				(9,765)
Casino KC, Casino Vicksburg, and Shreveport Pro forma adjustment				(369)
Reduction in MontBleu depreciation expense				(2,536)
Total Pro forma Adjustment				\$ (2,905)

4(c) Represents the amortization of intangible assets related to the Completed Acquisitions over a three- to ten-year period as if the Completed Acquisitions occurred on January 1, 2020. The estimated useful lives were determined based on a review of the time period over which economic benefit is expected to be generated as well as additional factors. Factors considered include contractual life, the period over which a majority of cash flow is expected to be generated, and management's expectations based on historical experience with similar assets:

<i>(In thousands)</i>	Fair Value	Weighted Average Useful Life (Years)	Amortization Method	Year ended December 31, 2020
Rated player relationships	1,300	8	Straight Line	\$ 107
Total acquired finite lived intangible assets	1,300			107
Less: historical intangible asset amortization expense				(52)
Casino KC, Casino Vicksburg, and Shreveport Pro forma adjustment				55
Increase in MontBleu amortization expense				70
Total Pro forma Adjustment				\$ 125

4(d) Represents the reversal of interest expense on intercompany loans recorded by Casino KC and Casino Vicksburg (\$1,730) and Shreveport (\$4,437). Additionally, represents the interest expense for borrowings that would have been needed to finance the \$230 million purchase price of Casino KC and Casino Vicksburg and the \$140 million purchase price of Shreveport had each of the acquisitions closed on January 1, 2020. The adjustment to record interest expense assumes the additional borrowings for Casino KC, Casino Vicksburg, and Shreveport were obtained on January 1, 2020 for both transactions and was outstanding until the point the Company had financing in place to fund each acquisition.

For the Casino KC and Casino Vicksburg transaction, interest expense of \$2,540 was calculated using a weighted average rate of 4.43% for the first three months of 2020 at which point the Company had financing in place to fund the acquisition.

Interest expense of \$4,125 for the Shreveport transaction was calculated assuming the additional debt of \$140 million was outstanding at a weighted average rate of 3.8% until October 2020 at which point the Company had financing in place to fund the acquisition:

<i>(In thousands)</i>	Casino KC and Casino Vicksburg	Shreveport	Total Pro Forma Adjustment
Elimination of historical interest expense	\$ (1,730)	\$ (4,437)	\$ (6,167)
Interest expense related to net borrowings	2,540	4,125	6,665
Pro forma adjustment to interest expense	\$ 810	\$ (312)	\$ 498

4(e) Represents the non-recurring gain on bargain purchase recorded in connection with the MontBleu Acquisition.

4(f) Reflects the income tax effect of the Completed Acquisitions adjustments, calculated using Bally's statutory tax rate of 28%. This rate may be subject to change and may not be reflective of Bally's effective tax rate for future periods after consummation of the Transactions:

<i>(In thousands)</i>	Casino KC, Casino Vicksburg, and Shreveport	MontBleu	Total
Total Pro forma tax adjustment	\$ (37)	\$ 1,286	\$ 1,249

Note 5 – MontBleu pre-acquisition results and reclassifications

Certain reclassifications were directly applied to the pre-acquisition historical financial statements of MontBleu to conform to the financial statement presentation of Bally's.

MontBleu reclassifications in the Pro Forma Balance Sheet are as follows:

<i>(In thousands)</i>	MontBleu Reported December 31, 2020	Reclassifications	Note	MontBleu After Reclassifications December 31, 2020
Assets				
Cash and cash equivalents	\$ 2,494	\$ -		\$ 2,494
Accounts receivable, net	1,370	-		1,370
Inventory	537	-		537
Prepaid expenses and other current assets	1,271	-		1,271
Total current assets	5,672	-		5,672
Property and equipment, net	56,259	-		56,259
Right of use assets, net	-	41,636	(a)	41,636
Goodwill, net	5	-		5
Intangible assets, net	4,368	-		4,368
Other assets	41,644	(41,636)	(a)	8
Total assets	\$ 107,948	\$ -		\$ 107,948
Liabilities and Shareholders' Equity				
Current portion of lease obligations	-	550	(b)	550
Accounts payable	661	-		661
Accrued liabilities	2,813	(550)	(b)	2,263
Total current liabilities	3,474	-		3,474
Lease obligations, net of current portion	-	65,790	(c)	65,790
Deferred credits and other liabilities	66,226	(66,226)	(c)	-
Other long-term liabilities	-	436	(c)	436
Total liabilities	69,700	-		69,700
Commitments and contingencies	-	-		-
Shareholders' equity:				
Retained earnings	38,248	-		38,248
Total shareholders' equity	38,248	-		38,248
Total liabilities and shareholders' equity	\$ 107,948	\$ -		\$ 107,948

(a) Represents the reclassification of Other Assets (\$41,636) to Right of Use Assets, net.

(b) Represents the reclassification of Accrued liabilities (\$550) to Current portion of lease obligations.

(c) Represents the reclassification of Deferred credits and other liabilities (\$66,226) to Lease obligations, net of current portion (\$65,790) and Other long-term liabilities (\$436).

Note 6 — MontBleu combination adjustments

6(a) Preliminary purchase consideration and purchase price allocation

The acquisition of MontBleu, which closed on April 6, 2021, resulted in Bally's acquiring all of the outstanding equity securities of MontBleu for a purchase price of \$15 million in cash, payable one year from the closing date, subject to certain customary post-closing adjustments.

Bally's has performed a preliminary valuation analysis of the fair market value of MontBleu's assets and liabilities. The following table summarizes the allocation of the preliminary purchase price as of the acquisition date:

<i>(In thousands)</i>	
Purchase price	\$ 15,000
Write-down/(write-up) of assets:	
Property and equipment, net	49,345
Right of use assets	(16,171)
Intangible assets	(4,532)
Historical goodwill	5
(Write-down)/write-up of liabilities:	
Lease obligations (current portion)	1,877
Lease obligations	(14,051)
Deferred income taxes	1,675
Elimination of equity:	
Retained earnings	(38,248)
Bargain Purchase	\$ (5,100)

Under the acquisition method of accounting, the total purchase price is allocated to the acquired tangible and intangible assets and assumed liabilities of MontBleu based on its estimated fair value as of the closing date.

6(b) Represents the total purchase price for MontBleu, which is due in cash on the one-year anniversary of the closing of the transaction.

6(c) Represents the \$5,100 non-recurring gain on bargain purchase recorded in connection with the MontBleu Acquisition.

Note 7— Gamesys reclassifications and IFRS to U.S. GAAP adjustments

Gamesys' historical financial statements were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"), which differ in certain significant respects from U.S. GAAP as applied by Bally's. Adjustments were made to Gamesys' financial statements to convert them from IFRS to U.S. GAAP and to Bally's existing accounting policies after evaluating potential areas of differences.

The historical financial information of Gamesys was prepared in accordance with IFRS and presented in Pounds Sterling. The historical financial information was translated from Pounds Sterling to U.S. dollars using the December 31, 2020 spot rate to translate the Balance Sheet and the average daily exchange rate for 2020 to translate the Statement of Operations:

GBP £ / USD \$	
December 31, 2020 spot rate	1.3631
Year ended December 31, 2020 average exchange rate	1.2840

These exchange rates may differ from future exchange rates which would have an impact on the Unaudited Pro Forma Financial Information and would also impact purchase accounting upon consummation of the acquisition. As an example, utilizing the daily closing exchange rate at April 7, 2021 of £1/US\$1.379 would increase the translated amounts of net income for the year ended December 31, 2020, as well as increase total assets as of December 31, 2020, presented below, by approximately \$6,361 and \$19,785, respectively.

Refer below for impacted line items and adjustments to the Unaudited Pro Forma Balance Sheet:

<i>(In thousands)</i>	Gamesys Reported IFRS (GBP) (a)	Reclassifications (GBP)	Note	Gamesys U.S. GAAP (GBP)	Gamesys U.S. GAAP (USD)
Current assets					
Cash and cash equivalents	212,600	-		212,600	289,788
Player deposits	29,600	-		29,600	40,347
Accounts receivable, net	39,900	-		39,900	54,386
Taxes receivable	3,800	(3,800)	(b)	-	-
Prepaid expenses and other current assets	-	3,800	(b)	3,800	5,180
Total current assets	285,900	-		285,900	389,701
Non-current assets					
Property and equipment, net	8,900	-		8,900	12,131
Intangible assets	407,600	-		407,600	555,586
Goodwill	526,200	-		526,200	717,245
Right-of-use assets	21,900	-		21,900	29,851
Deferred tax asset	9,900	-		9,900	13,494
Other long-term receivables	5,100	(5,100)	(c)	-	-
Other assets	-	5,100	(c)	5,100	6,952
Total assets	1,265,500	-		1,265,500	\$ 1,724,960
Liabilities and Equity					
Current liabilities					
Accounts payable and accrued liabilities	98,600	(98,600)	(d),(e)	-	-
Accounts payable	-	12,500	(d)	12,500	17,038
Accrued liabilities	-	105,200	(e)	105,200	143,395
Other short-term payables	300	(300)	(d)	-	-
Current portion of cross currency and interest rate swap payable	3,700	-		3,700	5,043
Current portion of lease obligations	6,100	-		6,100	8,315
Interest payable	1,900	(1,900)	(e)	-	-
Payable to players	29,600	-		29,600	40,347
Provision for taxes	16,900	(16,900)	(e)	-	-
Total current liabilities	157,100	-		157,100	214,138
Non-current liabilities					
Other long-term payables	13,100	(13,100)	(f)	-	-
Other long-term liabilities	-	19,900	(f)	19,900	27,125
Provisions	6,800	(6,800)	(f)	-	-
Lease obligations, net of current portion	16,600	-		16,600	22,627
Deferred tax liability	44,400	-		44,400	60,520
Long-term debt, net of current portion	508,100	-		508,100	692,574
Total liabilities	746,100	-		746,100	1,016,984
Equity					
Retained earnings	246,300	-		246,300	335,723
Share capital	11,000	(11,000)	(g)	-	-
Common stock	-	11,000	(g)	11,000	14,994
Share premium	8,900	(8,900)	(g)	-	-
Additional paid-in capital	-	8,900	(g)	8,900	12,131
Other reserves	253,200	-		253,200	345,128
Total shareholders' equity	519,400	-		519,400	707,976
Total liabilities and shareholders' equity	1,265,500	-		1,265,500	\$ 1,724,960

(a) The net assets of Gamesys as at December 31, 2020 have been extracted from the audited consolidated financial statements of Gamesys, as set out in Bally's Current Report on Form 8-K, dated April 13, 2021, incorporated by reference herein.

The classification of certain items presented by Gamesys under IFRS have been modified in order to align with the presentation used by Bally's under U.S. GAAP. There were no other material adjustments made to the balance sheet to align with U.S. GAAP based on management's preliminary assessment of differences between IFRS and U.S. GAAP. The following modifications were made to the Unaudited Pro Forma Balance Sheet presentation:

(b) Reclassification of Taxes receivable to Prepaid expenses and other current assets.

(c) Reclassification of Other long-term receivables to Other assets.

(d) Reclassification of £12.2 million of trade payables from Accounts payable and accrued liabilities to Accounts payable and £0.3 million of Other short-term payables to Accounts payable.

(e) Reclassification of Interest payable, Provision for taxes, and £86.4 million of accrued liabilities included in Accounts payable and accrued liabilities to Accrued Liabilities.

(f) Reclassification of Other long-term payables and Provisions to Other long-term liabilities.

(g) Reclassification of Share capital and Share premium to Common stock and Additional paid-in capital, respectively.

Refer below for impacted line items and adjustments to the Unaudited Pro Forma Statement of Operations:

(In thousands)	Gamesys Reported IFRS (GBP) (a)	Reclassification and IFRS to GAAP adjustments (GBP)			Gamesys US GAAP (GBP)	Gamesys US GAAP (USD)
		Reclassification Adjustments	Leases	Notes		
Revenues	727,700	-	-		727,700	\$ 934,398
Operating costs and expenses	-	-	-		-	-
Distribution costs	399,900	(399,900)	-	(b)	-	-
Gaming, racing, hotel, food and beverage, retail, entertainment and other	-	399,900	-	(b)	399,900	513,489
Administrative costs	221,500	(221,500)	-	(c),(d)	-	-
Impairment of financial assets	5,000	(5,000)	-	(d)	-	-
Advertising, general and administrative	-	126,500	6,500	(d),(g)	133,000	170,778
Severance costs	1,900	(1,900)	-	(e)	-	-
Transaction related costs	1,800	(1,800)	-	(e)	-	-
Acquisition, integration and restructuring expense	-	3,700	-	(e)	3,700	4,751
Depreciation and amortization	-	100,000	(5,300)	(c),(g)	94,700	121,599
Foreign exchange loss/(gain)	4,200	-	-		4,200	5,393
Total operating costs and expenses	634,300	-	1,200		635,500	816,009
Income (loss) from operations	93,400	-	(1,200)		92,200	118,389
Other income (expense)						
Fair value adjustments on contingent consideration	-	-	-		-	-
Interest income	(500)	-	-		(500)	(642)
Interest expense	24,000	(24,000)	-	(f)	-	-
Accretion on financial liabilities	1,200	(1,200)	-	(f)	-	-
Interest expense, net of amounts capitalized	-	25,200	(1,200)	(f),(g)	24,000	30,817
Total other expense	24,700	-	(1,200)		23,500	30,175
Income (loss) before provision for income taxes	68,700	-	-		68,700	88,214
Tax expense	1,500	-	-		1,500	1,926
Net income (loss)	67,200	-	-		67,200	\$ 86,288

(a) The results of Gamesys for the year ended December 31, 2020 have been extracted from the audited consolidated financial statements of Gamesys, as set out in Bally's Current Report on Form 8-K, dated April 13, 2021, incorporated by reference herein.

The classification of certain items presented by Gamesys under IFRS has been modified in order to align with the presentation used by Bally's under U.S. GAAP. The following modifications were made to the Unaudited Pro Forma Statement of Operations presentation:

(b) Reclassification of Distribution costs to Gaming, racing, hotel, food and beverage, retail, entertainment and other.

- (c) Includes the reclassification of £91.2 million and £8.8 million of amortization and depreciation, respectively to Depreciation and amortization.
- (d) Reclassification of £5.0 million of Impairment of financial assets and £121.5 million of Administrative costs to Advertising, general and administrative.
- (e) Reclassification of Severance costs and Transaction related costs to Acquisition, integration and restructuring expense
- (f) Reclassification of Interest expense and Accretion on financial liabilities to Interest expense, net of amounts capitalized.

(g) Reflects reclassification of £5.3 million of depreciation and £1.2 million of interest expense related to leased assets to lease expense. Under IFRS, leases are not classified as operating or finance leases. A single recognition and measurement model is applied to all leases, which results in nearly all leases under IFRS being treated similarly to finance leases under U.S. GAAP. Under U.S. GAAP, leases are classified as either operating or finance leases on the basis of specific lease classification criteria. Management performed a preliminary assessment and concluded that Gamesys' leases would be classified as operating leases under U.S. GAAP with lease expense recognized on a straight-line basis as part of Advertising, general and administrative expenses. Management concluded that there would not be a material difference between the expense already recognized and measuring lease expense on a straight-line basis under U.S. GAAP. Therefore, no further adjustment has been recorded.

Note 8 — Gamesys Combination adjustments

8(a) Preliminary purchase consideration and allocation

The Gamesys Combination, which is expected to close in the fourth quarter of 2021, will result in Bally's acquiring all of the outstanding equity securities of Gamesys for an estimated purchase price of \$3,429 million funded through debt financing and the issuance of equity, subject to certain customary post-closing adjustments. The Company will acquire both the operations and real estate of Gamesys.

Bally's has performed a preliminary analysis of the fair value of Gamesys' assets and liabilities based on publicly available benchmarking information as well as a variety of other factors, including market participant assumptions. The following table summarizes the allocation of the preliminary purchase price as of the acquisition date:

(In thousands, except share and share price amounts)

Gamesys shares expected to be exchanged	28,003,501 (i)
Gamesys purchase price per share translated using April 7, 2021 spot rate	\$ 25.51
Bally's closing share price on April 7, 2021	\$ 62.01
Exchange ratio	0.343 (i)
Total Bally's shares to be issued	9,605,201
Total value of Bally's shares to be issued	\$ 595,619 (i)
Total cash consideration paid at \$25.43 price per Gamesys Share	\$ 2,142,556 (ii)
Repayment of Gamesys Debt	\$ 692,574 (iii)
Total purchase consideration	\$ 3,430,748
Less total cash acquired	\$ (247,788) (iv)
Purchase consideration, net of cash acquired	\$ 3,182,960
Allocation of purchase consideration, net of cash acquired:	
Estimated fair values of assets acquired	
Current assets, excluding cash	\$ 99,913 (v)
Intangible assets	\$ 1,602,966 (v)
Other non current assets	\$ 62,428 (v)
Total estimated fair values of liabilities assumed, excluding debt	\$ (263,890) (v)
Deferred tax liability	\$ (304,563) (v)
Residual Goodwill	\$ 1,986,107
Less Gamesys' historical goodwill	\$ (717,245)
Goodwill adjustment	\$ 1,268,861 (vi)

- (i) Upon closing of the Gamesys Combination, Bally's will provide Gamesys shareholders who elect to exchange their shares, 0.343 shares of Bally's common stock for each share of Gamesys common stock. The remaining shares of Gamesys common stock will be settled in cash for which shareholders will be entitled to receive £18.50 per share. The table above assumes an exchange rate of \$1.379 per Pound Sterling, based on the April 7, 2021 spot rate, which was used to translate the Gamesys price from Pounds Sterling to U.S. Dollars. Certain of Gamesys' current shareholders holding an aggregate amount of 25.6% of Gamesys' shares have agreed to receive shares of Bally's Common Stock in the Combination. As such, for purposes of this Unaudited Pro Forma Financial Information, Bally's estimates an aggregate amount of 25.6% of Gamesys' outstanding shares (109,503,120 shares on April 7, 2021) will be exchanged for 9,605 thousand shares of Bally's Common Stock, and the balance of Gamesys' outstanding shares will be exchanged for cash. For purposes of this Unaudited Pro Forma Financial Information, Bally's estimates that 74.43% of Gamesys' outstanding shares will be exchanged for cash, resulting in aggregate cash consideration of \$2,143 million to be financed through borrowings under the Bridge Facility (\$2,378 million). The remaining proceeds from the Bridge Facility along with a portion of proceeds from the Equity Offerings will be used for the repayment of Gamesys' EUR and GBP Term Facilities. The GLPI Commitment will be leveraged to the extent the proceeds from the equity offering are not sufficient.

The actual amount of purchase consideration that will be settled in equity will be determined upon consummation of the Gamesys Combination. A hypothetical 10% increase or decrease in the number of outstanding Gamesys shares that are exchanged for Bally's Common Stock, all other factors remaining constant, would result in a corresponding increase or decrease in the equity consideration of \$57.1 million, or 920 thousand shares of Bally's Common Stock.

- (ii) Cash consideration assumes 74.43% of outstanding Gamesys shares will be exchanged for cash equal to £18.50 per share. In addition to the current Gamesys shares outstanding, an additional 2,502 thousand Gamesys shares are expected to vest immediately prior to the transaction which are also included in the calculation of cash consideration.
- (iii) Under the terms of the Gamesys Combination, Bally's will repay the outstanding balance of Gamesys debt. The value of the Gamesys debt at December 31, 2020 has been included in the calculation of preliminary purchase consideration, however actual purchase consideration will reflect the balance of Gamesys' debt outstanding as of the acquisition date.
- (iv) Cash acquired excludes \$42 million dividend (28 pence per share) declared by Gamesys on March 8, 2021, payment of which will be accelerated upon transaction closing.
- (v) Under the acquisition method of accounting, the total purchase price is allocated to the acquired tangible and intangible assets and assumed liabilities of Gamesys based on its estimated fair value as of the closing date. Except as discussed in the notes below, the carrying value of Gamesys' assets and liabilities are considered to approximate their fair values.
- (vi) The preliminary fair value adjustments are based on benchmark data available to Bally's and is subject to change upon completion of the final purchase price allocation. Any change in the estimated fair value of the assets and liabilities acquired will have a corresponding impact on the amount of the goodwill recorded. Goodwill is attributable to the assembled workforce of Gamesys and planned growth in new markets through continued investment. Goodwill recorded is not expected to be deductible for tax purposes.

8(b) Represents the fair value of intangible assets acquired. This includes the total acquired finite-lived intangible assets less the historical intangible assets recorded by Gamesys.

	Year ended December 31, 2020
<i>(In thousands)</i>	
Trademarks and trade names	\$ 184,014
Customer relationships	995,038
Developed technology (Software)	395,289
Partnership Agreement	28,624
Total acquired finite lived intangible assets	1,602,966
Less: historical intangible assets	(555,586)
Pro forma adjustment	\$ 1,047,380

8(c) Represents non-recurring transaction costs that are expected to be incurred that have not been recognized in the historical financial statements of Gamesys.

8(d) Represents incremental amortization expense of \$50,532 related to identified intangible assets acquired in connection with the Gamesys Combination. The estimated useful lives were determined based on a review of the time period over which economic benefit is estimated to be generated as well as additional factors. Factors considered include contractual life, the period over which a majority of cash flow is expected to be generated or management's view based on historical experience with similar assets.

	Fair Value	Useful Life (Years)	Amortization Method	Year ended December 31, 2020
<i>(In thousands)</i>				
Trademarks and trade names	\$ 184,014	10	Straight Line	\$ 17,335
Customer relationships	995,038	10	Straight Line	93,735
Developed technology (Software)	395,289	7	Straight Line	53,196
Partnership Agreement	28,624	8	Straight Line	3,371
Gaming Licenses	N/A	N/A	Straight Line	-
Non-compete Agreements	N/A	N/A	Straight Line	-
Total acquired finite lived intangible assets	1,602,966	-	-	167,637
Less: historical intangible asset amortization expense				(117,105)
Pro forma adjustment				\$ 50,532

The value of intangible assets is preliminary. A 10% change in the valuation of intangible assets would cause a corresponding increase or decrease in the balance of goodwill of \$160.3 million and annual amortization expense of approximately \$28.1 million, assuming an overall weighted average useful life of 9.22 years.

8(e) Represents repayment of Gamesys' EUR and GBP Term Facilities (\$692,574) and reversal of related interest expense (\$30,817).

8(f) Reflects the income tax effect of pro forma adjustments the year ended December 31, 2020.

Bally's has used a UK statutory tax rate of 19 percent to calculate the financing and acquisition related adjustments to the Pro Forma Balance Sheet. The total adjustment to deferred tax liabilities is related to the following estimated fair value adjustments:

<i>(In thousands)</i>	Fair Value	Tax rate	Pro Forma Deferred Tax Adjustment
Intangible assets, net	\$ 1,602,966	19%	\$ 304,563
Less: deferred taxes on historical intangible assets			(60,520)
Pro forma adjustment			\$ 244,043

The tax impact of the financing and acquisition business-related adjustments to the Pro Forma Statement of Operations was a \$8,796 tax benefit. This adjustment includes amortization, elimination of interest expense, interest expense related to borrowing costs, and transaction costs. The total tax impact was calculated using a tax rate of 19 percent.

8(g) Represents adjustments to equity related to the Gamesys Combination:

	Eliminate Gamesys' Equity	Issuance to Gamesys Shareholders	Transaction Costs	Total Acquisition Adjustments to Equity
Common stock	(14,994)	96	-	(14,898)
Additional paid-in capital	(12,131)	595,522	-	583,391
Treasury stock, at cost	-	-	-	-
Retained earnings	(335,723)	-	(26,580)	(362,303)
Other reserves	(345,128)	-	-	(345,128)
Accumulated other comprehensive loss	-	-	-	-
Total shareholders' equity	(707,976)	595,619	(26,580)	(138,938)

Note 9 — Financing Transaction adjustments

Adjustments to the Pro Forma Balance Sheet related to the Bridge Facility and GLPI Commitment include the following:

9(a) Represents an increase in cash related to net proceeds from the \$2,378 million Bridge Facility entered into by Bally's and proceeds from the \$500 million GLPI Commitment to provide the financing necessary to pay the cash portion of the consideration payable to Gamesys' shareholders upon consummation of the Gamesys Combination, net of related fees and expenses of \$14.3 million for refinancing existing indebtedness from Gamesys upon consummation of the Combination and to pay fees, costs and expenses incurred in connection with the Combination:

<i>(in thousands except for per share amounts)</i>	
Bally's share price on April 7, 2021	\$ 62.01
Bally's shares to be issued to GLPI	8,063
Proceeds from GLPI	\$ 500,000
Gross proceeds of Bridge Facility	\$ 2,378,291
Bridge Facility fees	\$ (14,270)
Net proceeds from Bridge Facility	\$ 2,364,022
Total proceeds from Financing Transactions	\$ 2,864,022

9(b) Represents a \$2,378 million increase in debt from the Bridge Facility, net of \$14.3 million related fees and expenses.

9(c) Represents a \$81 adjustment to common stock related to the issuance of 8.0 million shares, at par value of \$0.01 per share, expected to be issued to GLPI (at an assumed purchase price equal to the closing sale price of Bally's common stock on NYSE on April 7, 2021), and a \$499.9 million adjustment to additional paid in capital related to the GLPI Commitment, as discussed above.

Adjustments to the Unaudited Pro Forma Income Statement related the Bridge Facility include the following:

9(d) Comprised of amortization of \$14,227 of fees incurred in connection with the Bridge Facility and \$38,934 of interest expense related to the Bridge Facility. The adjustment to record interest expense assumes the \$2,378 Bridge Facility was obtained on January 1, 2020 and paid down to \$1,559 million using proceeds from the Equity Offerings. The adjustment further assumes that this amount was outstanding for the full year 2020 at a weighted average rate of 2.66%. This rate is based on the 1 Month LIBOR rate at December 31, 2020 plus 2.50%. A change in the underlying interest rate of 1/8 of a percentage point would result in an increase or decrease in interest expense of \$1,830.

9(e) Represents the tax benefit related to the Financing Transaction adjustments.

Note 10 — Equity Offerings adjustments

Adjustments to the Pro Forma Balance Sheet and Pro Forma Statement of Operations related to the Equity Offerings include the following:

10(a) Represents the net proceeds from the Equity Offerings which was used to pay down a portion of the Bridge Facility. A reconciliation of the gross proceeds from the Equity Offerings to the net cash proceeds after repayment of the Bridge Facility is set forth below:

(In thousands except per share amounts)

Class A common stock public offering price per share	\$ 62.01
Shares of Class A common stock issued	9,676
Gross proceeds	600,000
Less: Underwriting discounts, commissions, and offering expenses	(21,000)
Net cash proceeds	579,000
TEU stated price	50.00
TEUs issued	5,000
Gross proceeds	250,000
Less: Underwriting discounts, commissions, and offering expenses	(8,750)
Net cash proceeds	241,250
Total net cash proceeds from offering	820,250
Cash proceeds from offering used to repay Bridge Facility	815,000
Net cash proceeds after repayment of Bridge Facility	\$ 5,250

10(b) Represents an adjustment related to the TEUs, which includes (1) a \$208.3 million adjustment to additional paid-in-capital for the TEU purchase contracts, which will, subject to postponement in certain limited circumstances, automatically settle on April 15, 2024, at which point the Company will deliver a specified number of shares of Common Stock per TEU based upon applicable settlement rates and the market value of the Company's Common Stock at that time and (2) a \$40.3 million increase in long-term debt related to the TEU amortizing note net of issuance costs.

10(c) Represents a \$97 adjustment to common stock related to the issuance of 9.7 million shares, par value \$0.01 per share, expected to be issued pursuant to the Common Stock Offering, and a \$599.9 million adjustment to additional paid in capital related to the Common Stock Offering, as discussed above.

10(d) Represents a \$28.3 million adjustment to the Pro Forma Statement of Operations and retained earnings related to the issuance fees and offering expenses for the Common Stock Offering and the TEU purchase contract, and a \$1.5 million adjustment to the Pro Forma Balance Sheet to decrease long-term debt related to deferred financing costs associated with the TEU amortizing note.

10(e) Represents the net adjustment to interest expense related to (1) \$2,038 rebate received for fees in connection with the Bridge Facility, resulting from repayment of the Bridge Facility with offering proceeds, (2) \$2,505 interest expense on the TEU amortizing notes based on an interest rate of 6%, and (3) \$487 amortization of deferred financing costs related to the TEU amortizing note. The terms of the TEU amortizing notes are subject to change based on completion of the TEU offering. A 1/8 of a percentage point change in the interest rate would affect interest expense by approximately \$52.

10(f) Represents the tax benefit related to the Equity Offerings adjustments.

Note 11 — Pro forma earnings per share information

11(a) Represents the net earnings per share calculated using the historical weighted average shares outstanding and the issuance of additional shares in connection with the Gamesys Combination, the Financing Transactions and the Equity Offerings, assuming the shares were outstanding since January 1, 2020. As the Gamesys Combination, the Financing Transactions and the Equity Offerings are being reflected as if they had occurred at the beginning of the period presented, the calculation of weighted average shares outstanding assumes that the shares issuable relating to the Gamesys Combination, the Financing Transactions and the Equity Offerings have been outstanding for the entire period presented. For shares redeemed, this calculation is retroactively adjusted to eliminate such shares. Basic and diluted earnings per share are equal as the combined company has a pro forma net loss and the effect of converting the TEUs to common stock would be anti-dilutive.

<i>(In thousands, except shares and per share amounts)</i>		December 31, 2020
Pro forma net loss	\$	(10,491)
Basic and diluted weighted average common shares outstanding:		
Historical share count		31,315,151
Expected shares issuable to Gamesys Shareholders		9,605,201
Additional issuance in Common Stock Offering		9,675,859
Additional issuance to GLPI		8,063,216
Basic and diluted weighted average common shares outstanding used in pro forma loss per share		58,659,426
Pro forma loss per share, basic and diluted	\$	(0.18)

**BALLY'S CORPORATION ANNOUNCES COMMENCEMENT OF COMMON STOCK AND TANGIBLE EQUITY UNIT OFFERINGS**

PROVIDENCE, R.I., April 13, 2021 /PRNewswire/ -- Bally's Corporation (NYSE: BALY) ("Bally's") today announced that it has commenced concurrent public offerings, subject to market and other conditions, of \$600 million of its common stock and \$250 million of its tangible equity units ("Units"). Bally's intends to grant the underwriters in each of the offerings an option for a period of 30 days to purchase up to an additional 15% of common stock or Units, as applicable.

Bally's expects to apply the net proceeds from the offerings to fund a portion of the cash consideration payable to shareholders of Gamesys Group plc ("Gamesys") upon consummation of the previously announced combination of Bally's and Gamesys (the "Combination"). If the Combination is not consummated, Bally's expects to apply the net proceeds from the offerings for general corporate purposes, which may include repayment of debt, repurchases of its common stock, the redemption of the Units, capital expenditures, acquisitions and investments.

The common stock offering and Unit offerings are separate public offerings made by means of separate prospectus supplements and are not contingent on each other or upon the consummation of the Combination.

Each Unit will consist of a prepaid stock purchase contract and an amortizing note due April 15, 2024, each issued by Bally's. Unless earlier settled or redeemed, each stock purchase contract will automatically settle on April 15, 2024 (subject to postponement in certain limited circumstances) for shares of Bally's common stock. The amortizing notes will pay equal quarterly cash installments that will constitute a payment of interest and a partial repayment of principal. The amortizing notes will have a final installment payment date of April 15, 2024 and will be unsecured senior obligations of Bally's.

Bally's common stock is listed on the New York Stock Exchange under the symbol "BALY" and Bally's has applied to list the Units on the New York Stock Exchange under the symbol "BALX."

Deutsche Bank Securities Inc., Goldman Sachs & Co. LLC and Barclays Capital Inc. are the joint book-running managers for the offerings.

A shelf registration statement relating to the securities being offered in the offerings has been filed with the Securities and Exchange Commission (the "SEC") and has become effective. The offerings are being made only by means of an applicable preliminary prospectus supplement and accompanying prospectus. A preliminary prospectus supplement and accompanying prospectus relating to each of the common stock offering and Unit offering have been filed with the SEC and are available free of charge on the SEC's website at <http://www.sec.gov>. Copies of the preliminary prospectus supplements and accompanying prospectus relating to the offerings may also be obtained from Deutsche Bank Securities Inc. at Deutsche Bank Securities Inc., Prospectus Group, 60 Wall Street, New York, NY 10005, or by telephone at (800) 503-4611, or by email at prospectus.CPDG@db.com and from Goldman Sachs & Co. LLC at Goldman Sachs & Co. LLC, Attention: Prospectus Department, 200 West Street, New York, NY 10282, by phone at (866) 471-2526, or by email at prospectus-ny@ny.email.gs.com.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities described herein, nor will there be any sale of the securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities law of any such jurisdiction.

About Bally's Corporation

Bally's Corporation currently owns and manages 12 casinos across eight states, a horse racetrack and 13 authorized OTB licenses in Colorado. With more than 6,000 employees, Bally's operations include 13,308 slot machines, 460 game tables and 3,342 hotel rooms. Following the completion of pending acquisitions, which include Tropicana Evansville (Evansville, IN) and Jumer's Casino & Hotel (Rock Island, IL), as well as the construction of a land-based casino near the Nittany Mall in State College, PA, Bally's will own and manage 15 casinos across 11 states. Bally's also maintains a multi-year market access partnership with Elite Casino Resorts through which it will provide mobile sports betting in Iowa, as well as a temporary sports wagering permit to conduct online sports betting in the Commonwealth of Virginia. Its shares trade on the New York Stock Exchange under the ticker symbol "BALY."

Cautionary Note Regarding Forward-Looking Statements

This press release includes forward-looking statements within the meaning of the securities laws. Forward-looking statements are statements as to matters that are not historical facts, and include statements about Bally's plans, objectives, expectations and intentions.

Forward-looking statements are not guarantees and are subject to risks and uncertainties. Forward-looking statements are based on Bally's current expectations and assumptions. Although Bally's believes that its expectations and assumptions are reasonable at this time, they should not be regarded as representations that Bally's expectations will be achieved. Actual results may vary materially. Forward-looking statements speak only as of the time of this document and Bally's does not undertake to update or revise them as more information becomes available, except as required by law.

Important factors beyond those that apply to most businesses, some of which are beyond Bally's control, that could cause actual results to differ materially from our expectations and assumptions include, without limitation:

- uncertainties surrounding the COVID-19 pandemic, including limitations on Bally's operations, increased costs, changes in customer attitudes, impact on Bally's employees and the ongoing impact of COVID-19 on general economic conditions;

- unexpected costs, difficulties integrating and other events impacting Bally's recently completed and proposed acquisitions and Bally's ability to realize anticipated benefits;
- risks associated with Bally's rapid growth, including those affecting customer and employee retention, integration and controls, and whether Bally's recently announced combination with Gamesys will be completed and its timing for completion;
- risks associated with the impact of the digitalization of gaming on Bally's casino operations, Bally's expansion into iGaming and sports betting and the highly competitive and rapidly changing aspects of Bally's new interactive businesses generally;
- the very substantial regulatory restrictions applicable to Bally's, including costs of compliance;
- restrictions and limitations in agreements governing Bally's debt could significantly affect Bally's ability to operate its business and its liquidity; and
- other risks identified in Part I. Item 1A. "Risk Factors" of Bally's Annual Report on Form 10-K for the fiscal year ended December 31, 2020 as filed with SEC on March 10, 2021 and other filings with the SEC.

The foregoing list of important factors is not exclusive and does not include matters like changes in general economic conditions that affect substantially all gaming businesses.

You should not to place undue reliance on Bally's forward-looking statements.

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