27th March, 2022

To,

BSE Limited
Sir Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001
Security code: 532706

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C-1, Block G
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051
Symbol: INOXLEISUR

Dear Sir/ Madam,

SUB: Intimation of the outcome of the meeting of the Board of Directors of INOX Leisure Limited ("Company" / "Transferor Company") held on 27th March, 2022 and disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("Listing Regulations")

In compliance with Regulation 30 read with Schedule III of the Listing Regulations, we wish to inform the stock exchanges that the Board of Directors of the Company ("**the Board**") at its meeting today, i.e., 27th March, 2022, has, *inter alia*, considered and:

1. Approved Draft Scheme of Amalgamation of the Company with PVR Limited ("**Transferee Company**") and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 ("**Scheme**"). Pursuant to the proposed Scheme, shareholders of the Company, holding 10 equity shares of INR 10 each fully paid up of the Company as on the Record Date (*as defined in the Scheme*) will receive 3 equity shares of INR 10 each fully paid up of the Transferee Company.

2. Authorised execution and undertake obligations under the Merger Co-operation Agreement to be entered between the Company, the Transferee Company, GFL Limited, INOX Infrastructure Limited, Mr. Pavan Kumar Jain, Mr. Siddharth Jain, Mr. Ajay Bijli and Mr. Sanjeev Kumar (collectively, "**Parties**") (hereinafter referred to as "**Merger Co-operation Agreement**" or "**MCA**") which sets out the manner of effecting the proposed amalgamation contemplated under the Scheme, the representations and warranties being given by each party and the rights and obligations of the respective parties; and

3. Authorised execution and undertake obligations under the Binding Term Sheet ("**BTS**") between the Parties, to establish their rights *inter-se* in the Transferee Company, upon the Scheme becoming effective.

INOX Leisure Limited

The Scheme is subject to receipt of necessary approvals from the jurisdictional National Company Law Tribunal, stock exchanges, the Securities and Exchange Board of India, shareholders and such other persons and authorities, as may be required.

In terms of the Listing Regulations read with SEBI Circular No CIR/CFD/CMD/4/2015 dated September 9, 2015, we are furnishing herewith the details of the Scheme, MCA and BTS as **Annexure I**, **Annexure II** and **Annexure III**.

The meeting of the Board of the Company started at 1:30 p.m. and concluded at 2:30 p.m.

Thanking you,

Yours faithfully,
For and on behalf of INOX Leisure Limited

Parthasarathy Iyengar
Company Secretary

Annexure I – Brief details of Amalgamation/ Merger

a)	Name of the entity(ies) forming part of the amalgamation/ merger, details in brief such as size, turnover etc	1. <u>INOX Leisure Limited (Standalone)</u> Total assets – INR 3,891.71 Crore Net worth – INR 720.35 Crore (Total equity) Turnover – INR 78.98 Crore (including other income INR 9.22 Crore) as on and for the six months period ended on 30 September 2021 2. <u>PVR Limited (Standalone)</u> Total assets – INR 7,348 Crore Net worth – INR 1,478 Crore Turnover – INR 345 Crore (including other income of INR 190 Crore) as on and for the six months period ended on 30 September 2021
b)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms' length"	In terms of General Circular No. 30/2014 dated 17th July 2014 issued by Ministry of Corporate Affairs ("**MCA Circular**"), the transactions arising out of compromises, arrangements and amalgamations under the Companies Act, 2013 ("**Act**"), will not attract the requirements of Section 188 of the Act. The current transaction does not fall within the ambit of related party transaction under the Listing Regulations. In any event, the transactions contemplated in the Scheme are being undertaken at arms' length.
c)	Area of business of the entity(ies)	1. The Company is a public listed company engaged in the business of cinema exhibition, related food & beverages and allied activities. 2. The Transferee Company is a public listed company engaged in the business of exhibition, movie distribution, related food & beverages and allied activities.
d)	Rationale for amalgamation/ merger	The proposed amalgamation would be in the best interest of the parties and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation will yield advantages as set out *inter alia* below: 1. consolidation for the long-term sustainability of the business; 2. create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, innovations in technology and expanded reach with increased growth opportunities, higher cross selling opportunities to a larger base of customers, improvement in productivity and operational efficiencies, amongst others;



		3. accelerate growth and expand into Tier-2 and Tier-3 cities and take modern multiplex experience across more states and towns across India; 4. better administration and cost optimization (including optimization in administrative and other common costs by bulk negotiations); 5. pooling of resources and creating better synergies; 6. provide material realisable cost and revenue synergies for the benefit of the parties; and 7. optimal utilisation of resources and economies of scale resulting in improved efficiencies especially in the wake of Covid-19, which has impacted the film exhibition industry at large. The growth of digital OTT platforms due to higher mobile internet penetration, low cost of internet data, ease of access, multi-homing, free content and low subscription charges has already begun to have an impact and will continue to impose significant pressures on the theatrical business. The film business is going through a rapid transformational change due to advent of technology and hence, in order to compete effectively, it has become imperative to consolidate for the long term sustainability of the business.
e)	In case of cash consideration – amount or otherwise share exchange ratio	The shareholders of the Company will be issued equity shares of the Transferee Company as per below share entitlement ratio: 3 (Three) equity shares of INR 10 (Indian Rupees Ten) each of the Transferee Company, credited as fully paid up, for every 10 (Ten) equity share of INR 10 (Indian Rupees Ten) each of the Transferor Company. The share entitlement ratio has been arrived at based on joint share entitlement ratio report issued by Ms. Drushti R Desai, Registered Valuer, Bansi S. Mehta & Co., Chartered Accountants and M/s. SSPA & Co., Registered Valuers. M/s. Ernst & Young Merchant Banking Services LLP, an Independent SEBI registered Merchant Banker, has issued fairness opinion stating that the share entitlement ratio determined under the said joint share entitlement ratio report is fair.

INOX Leisure Limited

f)	Brief details of change in shareholding pattern (if any) of listed entity	Details of change in shareholding pattern of the Company and the Transferee Company is as under: For Company:

PRE			POST	
As on 31 December 2021	No of Shares	% Holding	No of Shares	% Holding
Promoters	5,38,74,509	44.04	Post the Scheme becoming effective, the Company shall be dissolved without being wound up. Accordingly, change in shareholding pattern of the Company shall not be applicable.	
Non-Promoters	6,84,64,585	55.96		
Total	**12,23,39,094**	**100**		

Upon the Scheme becoming effective, the Transferee Company will issue equity shares as mentioned in point (e) above to the equity shareholders of the Company as on the "record date" and all the equity shares of the Company shall stand extinguished.

INOX Leisure Limited

Annexure II – Agreements (Merger Co-operation Agreement) not in normal course of business

a)	Name(s) of parties with whom the agreement is entered	The MCA has been entered into amongst INOX Leisure Limited, GFL Limited, INOX Infrastructure Limited, Mr. Pavan Kumar Jain, Mr. Siddharth Jain, PVR Limited, Mr. Ajay Bijli and Mr. Sanjeev Kumar.
b)	Purpose of entering into the agreement	The MCA sets out the manner of effecting the proposed amalgamation contemplated under the Scheme, the representations and warranties being given by each party and the rights and obligations of the respective parties.
c)	Shareholding, if any, in the entity with whom the agreement is executed	The Company does not hold any shares in PVR Limited and *vice-versa*.
d)	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;	The MCA, *inter alia*, sets out the manner of effecting the proposed amalgamation contemplated under the Scheme, the representations and warranties being given by each party and the rights and obligations of the respective parties. Upon the Scheme becoming effective, and in addition to the existing promoters of the Transferee Company, GFL Limited and INOX Infrastructure Limited, will be classified as the 'Promoters' of the Transferee Company. Further, Mr. Pavan Kumar Jain being appointed as Chairman and Mr. Siddharth Jain, being appointed as Director of the Transferee Company and getting certain special management rights- of the Transferee Company, will be classified as 'Promoters'/ 'Promoter Group' of the Transferee Company upon the Scheme becoming effective.
e)	Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship	The Company is not related to promoter/ promoter group/ group companies of PVR Limited and *vice-versa*.

INOX Leisure Limited

f)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	Not applicable
g)	In case of issuance of shares to the parties, details of issue price, class of shares issued	Not applicable
h)	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc;	Not applicable
i)	In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): a) name of parties to the agreement; b) nature of the agreement; c) date of execution of the agreement; d) details of amendment and impact thereof or reasons of termination and impact thereof.	Not applicable

INOX Leisure Limited

Annexure III – Agreements (Binding Term Sheet) not in normal course of business

a)	Name(s) of parties with whom the agreement is entered	The BTS has been entered into amongst INOX Leisure Limited, GFL Limited, INOX Infrastructure Limited, Mr. Pavan Kumar Jain, Mr. Siddharth Jain, PVR Limited, Mr. Ajay Bijli and Mr. Sanjeev Kumar.
b)	Purpose of entering into the agreement	The BTS has been entered into by the parties to set out the agreement and relationship amongst them regarding their rights and obligations, in relation to the management of the Transferee Company (upon the Scheme becoming effective).
c)	Shareholding, if any, in the entity with whom the agreement is executed	The Company does not hold any shares in PVR Limited and *vice-versa*.
d)	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;	Key terms of the BTS, *inter alia*, are as under: • Upon the Scheme becoming effective, and in addition to the existing promoters of the Transferee Company, GFL Limited and INOX Infrastructure Limited, will be classified as the 'Promoters' of the Transferee Company. Further, Mr. Pavan Kumar Jain being appointed as Chairman and Mr. Siddharth Jain, being appointed as Director of the Transferee Company and getting certain special management rights- of the Transferee Company, will be classified as 'Promoters'/ 'Promoter Group' of the Transferee Company upon the Scheme becoming effective. • Respective parties to the BTS shall have certain management and governance rights in the Transferee Company post the amalgamation. • Parties shall be subject to certain share transfer restrictions, reasonable non-compete and non-solicit obligations.
e)	Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship	The Company is not related to promoter/ promoter group/ group companies of PVR Limited and *vice-versa*.
f)	Whether the transaction would fall within related party transactions? If yes,	Not applicable



	whether the same is done at "arms length"	
g)	In case of issuance of shares to the parties, details of issue price, class of shares issued	Not applicable
h)	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc;	Under the BTS, parties have agreed that subject to certain shareholding thresholds of each of the parties in the Transferee Company, relevant party shall be entitled to nominate and appoint 2 (two) nominee directors on the board of directors of the Transferee Company.
i)	In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): a) name of parties to the agreement; b) nature of the agreement; c) date of execution of the agreement; d) details of amendment and impact thereof or reasons of termination and impact thereof.	Not applicable

27th March, 2022

To,

BSE Limited
P J Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No C/1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051

Scrip Code: 532706

Symbol: INOXLEISUR

Dear Sir / Madam,

Sub.: Press Release – "INOX Leisure Limited and PVR Limited Announce Merger"

Please find enclosed a press release with title – "INOX Leisure Limited and PVR Limited Announce Merger", dated 27th March, 2022 for your information.

We request you to kindly take the same on record.

Thanking you.

Yours faithfully,
For INOX Leisure Limited

Parthasarathy Iyengar
Company Secretary & Compliance Officer



INOX Leisure Limited and PVR Limited Announce Merger

Key Highlights

- Merger to bring together two of India's best cinema brands to deliver an unparalleled consumer experience with a network of more than 1500 screens
- Significant complementarity and growth potential drives the merger
- Merger offers compelling Revenue and Cost Synergies
- Share Exchange Ratio of 3 shares of PVR for 10 shares of INOX
- Pavan Kumar Jain to be the Non-Executive Chairman of the Board and Ajay Bijli to be appointed as the Managing Director of the merged entity

Mumbai, March 27, 2022 : The Board of Directors of INOX Leisure Limited (INOX) and the Board of Directors of PVR Limited (PVR), at their respective meetings held today, have approved an all stock amalgamation of INOX with PVR.

The amalgamation is subject to approval of the shareholders of INOX and PVR respectively, stock exchanges, SEBI and such other regulatory approvals as may be required.

Upon obtaining all approvals, when the merger becomes effective, INOX will merge with PVR. Shareholders of INOX will receive shares of PVR in exchange of shares in INOX at the approved share exchange ("swap") ratio.

Merger Terms

Post the merger, the promoters of INOX will become co-promoters in the merged entity along with the existing promoters of PVR. Upon effectiveness of the scheme, the Board of Directors of the merged company would be re-constituted with total board strength of 10 members and both the promoter families having equal representation on the Board with 2 board seats each.

Pavan Kumar Jain would be appointed as the Non- Executive Chairman of the Board. Ajay Bijli would be appointed as the Managing Director and Sanjeev Kumar would be appointed as the Executive Director. Siddharth Jain would be appointed as Non-Executive Non-Independent Director in the combined entity.

The combined entity will be named as PVR INOX Limited with branding of existing screens to continue as INOX and PVR respectively. New cinemas opened post the merger will be branded as PVR INOX.

Drushti Desai, Registered Valuer, Partner at Bansi S. Mehta & Co. and SSPA & Co, Chartered Accountants, the Independent Valuers appointed by INOX and PVR respectively, have recommended a share exchange ratio, which has been accepted by the respective Boards.

Ernst & Young Merchant Banking Services LLP provided the Fairness Opinion to INOX, while Axis Capital Limited provided a Fairness Opinion to PVR on the share

exchange ratio. Accordingly, INOX shareholders will receive 3 shares of PVR for 10 shares of INOX.

Post the merger, INOX Promoters will have 16.66% stake while PVR Promoters will have 10.62% stake in the combined entity.

Strategic rationale and benefits

With INOX operating 675 screens across 160 properties in 72 cities and PVR currently operating 871 screens across 181 properties in 73 cities and, the combined entity will become the largest film exhibition company in India operating 1546 screens across 341 properties across 109 cities. The combination would augur well for the growth of the Indian cinema exhibition industry, besides ensuring tremendous value creation for all stakeholders, including customers, real estate developers, content producers, technology service providers, the state exchequer and above all, the employees.

With consumers at the core of the decision, the merger would focus on using the strengths of both the organisations to provide an exceptional customer service and cinema experience to Indian moviegoers.

While strongly countering the adversities posed by the advent of various OTT platforms and the after-effects of the pandemic, the combined entity would also work towards taking world-class cinema experience closer to the consumers in Tier 2 and 3 markets.

Commenting on the announcement, **Siddharth Jain, Director – INOX Leisure Ltd** said, "Coming together of two iconic cinema brands, which are driven by passion, is certainly the most historic moment in the Indian cinema exhibition industry. Both companies have set high service benchmarks in an endeavor to offer the best cinema experience in the world, to the most passionate moviegoers, and would continue to do so as a unified entity. As we head into the industry's revival amidst headwinds, this decisive partnership would bring in enhanced productivity through scale, a deeper reach in newer markets and numerous cost optimization opportunities, and continue to delight cinema fans with world-class experiences and landmark innovations."

Commenting on the announcement, **Ajay Bijli, Chairman and Managing Director of PVR** said – "This is a momentous occasion that brings together two companies with significantly complementary strengths. The partnership of these two brands will put consumer at the center of its vision and deliver an unparalleled movie going experience to them. The film exhibition sector has been one of the worst impacted sectors on account of the pandemic and creating scale to achieve efficiencies is critical for the long-term survival of the business and fight the onslaught of digital OTT platforms."

EY is the exclusive financial advisor on the transaction. Dhruva Advisors and Khaitan & Co acted as the transaction tax advisors and legal advisors respectively to INOX.

About INOX Leisure Limited

INOX Leisure Limited (INOX) operates 160 multiplexes and 675 screens in 72 cities, entertaining close to 70 million patrons every year. INOX has redefined movie experiences in India making it truly a 7-star experience. Each INOX property is unique with its own distinct architecture and aesthetics.

About PVR

PVR is one of the most premium film exhibition companies in India. Since its inception in 1997, the brand has redefined the way entertainment is perceived in the country. PVR currently operates a cinema circuit comprising of 871 screens at 180 properties in 73 cities (India and Sri Lanka), serving over 100 million patrons annually.

For media queries, contact:
Puneet Gupta
puneet.gupta@inoxmovies.com

27th March, 2022

To,

BSE Limited
P J Towers,
Dalal Street,
Mumbai – 400 001

Stock Code: 532706

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051

Symbol: INOXLEISUR

Dear Sir/Madam,

Sub: Intimation of closure of Trading Window in terms of SEBI (Prohibition of Insider Trading) Regulations 2015 ('PIT Regulations')

We would like to inform you that, in view of the approval of the Board of Directors of the Company to the proposed Scheme of Amalgamation of the Company with PVR Limited and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ('Scheme') and in terms of the Company's Code of Conduct to regulate, monitor and report trading by its Employees and other Connected Persons under SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended) ('PIT Regulations'), the Trading Window for dealing in the Securities of the Company shall remain closed with immediate effect, until completion of 48 hours from the time the intimation in connection with approval of the Board of Directors to the proposed Scheme was submitted to the Stock Exchanges by the Company.

The same has been intimated to all the directors, officers, designated employees and connected persons of the Company.

We request you to kindly take the above information on record.

Thanking you.

Yours faithfully,
For INOX Leisure Limited

Parthasarathy Iyengar
Company Secretary & Compliance Officer

