

27th March, 2022

National Stock Exchange of India Limited

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Company Code: PVR / 532689

Sub: Press Release

Dear Sir / Madam,

Please find attached the Press Release titled 'PVR Limited and INOX Leisure Limited Announce Merger'.

This is for your information and records.

Thanking You.

Yours faithfully,
For **PVR Limited**



Mukesh Kumar
SVP- Company Secretary
& Compliance Officer



PVR LIMITED

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PVR Limited and INOX Leisure 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
- Ajay Bijli to be appointed as the Managing Director of the merged entity and Pavan Kumar Jain to be the Non-Executive Chairman of the Board

Delhi, March 27, 2022 : The Board of Directors of PVR Limited (PVR) and the Board of Directors of INOX Leisure Limited (INOX), 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 PVR and INOX 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.

Ajay Bijli would be appointed as the Managing Director and Sanjeev Kumar would be appointed as the Executive Director. Pavan Kumar Jain would be appointed as the Non- Executive Chairman of the Board. 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 PVR and INOX respectively. New cinemas opened post the merger will be branded as PVR INOX

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

Axis Capital Limited provided a Fairness Opinion to PVR on the share exchange ratio while Ernst & Young Merchant Banking Services LLP provided the Fairness Opinion to INOX. Accordingly, INOX shareholders will receive 3 shares in PVR for 10 shares of INOX.

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

Strategic rationale and benefits

With PVR currently operating 871 screens across 181 properties in 73 cities and INOX operating 675 screens across 160 properties in 72 cities, 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, **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 "

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."

EY is the exclusive financial advisor on the transaction.

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 181 properties in 73 cities (India and Sri Lanka), serving over 100 million patrons annually.

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.