

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**PART 2 (EXPLANATORY STATEMENT) OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT.**

**This document contains a proposal which, if implemented, will result in the cancellation of the listing of Gamesys Shares on the Official List and of trading of Gamesys Shares on the London Stock Exchange. If you are in any doubt as to the contents of this document or the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are taking advice in a territory outside the United Kingdom.**

If you sell, or have sold or otherwise transferred, all of your Gamesys Shares, please send this document (but not any accompanying personalised documents) at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. If you sell, or have sold or otherwise transferred, only part of your holding of Gamesys Shares, please retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

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## **Recommended Combination**

of

### **Bally's Corporation**

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

with

### **Gamesys Group plc**

**to be effected by means of a scheme of arrangement under Part 26 of  
the Companies Act 2006**

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The distribution of this document and/or the accompanying documents (in whole or in part) in or into jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Neither this document nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Combination or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This document is not a prospectus or prospectus equivalent document.

Gamesys Shareholders should read carefully the whole of this document and the accompanying Forms of Proxy and Form of Election. Your attention is drawn to the letter from the Chair of Gamesys in Part 1 (*Letter from the Chair of Gamesys Group plc*) of this document, which contains the unanimous recommendation of the Gamesys Directors that you vote in favour of the Scheme at the Court Meeting and in favour of the Special Resolution to be proposed at the Gamesys General Meeting. A letter from Macquarie Capital explaining the Scheme in greater detail is set out in Part 2 (*Explanatory Statement*) of this document.

**Notices of the Court Meeting and the Gamesys General Meeting, both to be held at 10 Piccadilly, London W1J 0DD on 30 June 2021, are set out at the end of this document. The Court Meeting will start at 2:00 p.m. and the Gamesys General Meeting will start at 2:15 p.m. (or as soon thereafter as the Court Meeting has been concluded or adjourned).**

**The action to be taken by Gamesys Shareholders in respect of the Court Meeting and Gamesys General Meeting is set out on pages 15 to 17. Gamesys Shareholders are asked to please complete and sign both Forms of Proxy accompanying this document, BLUE for the Court Meeting and WHITE for the Gamesys General Meeting, in accordance with the instructions set out in Part 11 (*Notice of Court Meeting*) and Part 12 (*Notice of Gamesys General Meeting*) of this document and return them to Gamesys' registrars, Computershare, as soon as possible, and in any event so as to be received not later than 2:00 p.m. on 28 June 2021 in the case of the BLUE Form of Proxy for the Court Meeting**

**and by 2:15 p.m. on 28 June 2021 in the case of the WHITE Form of Proxy for the Gamesys General Meeting.**

If the blue Form of Proxy for the Court Meeting is not lodged by 2:00 p.m. on 28 June 2021, it may be emailed to #UKCSBRS.ExternalProxyQueries@computershare.co.uk any time prior to the commencement of the Court Meeting. Please note that any Forms of Proxy sent to this email address before 2:00 p.m. on 28 June 2021 may be discounted as invalid. However, in the case of the Gamesys General Meeting, if the white form of proxy for the Gamesys General Meeting is not lodged by 2:15 p.m. on 28 June 2021, using one of the methods listed above, it will be invalid.

If you hold your Gamesys Shares in uncertificated form through CREST, you may vote using the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the Gamesys General Meeting set out at the end of this document). Proxies submitted via CREST (under CREST participant ID 3RA50) must be received by Computershare not later than 2:00 p.m. on 28 June 2021 in the case of the Court Meeting and by 2:15 p.m. on 28 June 2021 in the case of the Gamesys General Meeting or, in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting.

Gamesys Shareholders that hold their Gamesys Shares in certificated form and who wish to make an election under the Share Alternative should also complete, sign and return the green Form of Election in accordance with the instructions contained in Part 5 (*Notes for Making Elections under the Share Alternative*) of this document. If you hold your Gamesys Shares in uncertificated form and wish to make an election for the Share Alternative, you must do so electronically via the procedure set out in Part 5 (*Notes for Making Elections under the Share Alternative*) of this document.

The Prospectus in respect of New Bally's Shares to be issued to eligible Scheme Shareholders making valid elections under the Share Alternative may be found on Bally's website at <https://www.ballys.com/gamesys-documentation/>.

## **COVID-19**

Notices of the Court Meeting and the Gamesys General Meeting, both of which will be held at 10 Piccadilly, London W1J 0DD and through the electronic facilities that are being made available via the Lumi online meeting platform (the "**Virtual Meeting Platform**") on 30 June 2021 are set out in Part 11 (*Notice of Court Meeting*) and Part 12 (*Notice of Gamesys General Meeting*) of this document. The Court Meeting will start at 2:00 p.m. on that date and the Gamesys General Meeting at 2:15 p.m. or as soon thereafter as the Court Meeting concludes or is adjourned.

The Gamesys Board notes that the COVID-19 situation is constantly evolving, and the UK Government may impose restrictions or implement further measures relating to the holding of shareholder meetings during the affected period. In order to protect the health and safety of Gamesys' shareholders and directors, the Gamesys Shareholder Meetings are each to be held using a hybrid format incorporating physical and remote participation via the Virtual Meeting Platform. Shareholders should continue to monitor the Company's website and exchange news services for any updates in relation to arrangements for the Gamesys Shareholder Meetings, should the position change.

Scheme Shareholders and Gamesys Shareholders that intend to participate in the Gamesys Shareholder Meetings remotely should refer to the further details provided below in relation to the Virtual Meeting Platform and also in the Virtual Meeting Guide.

### **Instructions for accessing the Virtual Meeting Platform**

Scheme Shareholders and Gamesys Shareholders will be given the opportunity to remotely attend, submit questions and vote at the Court Meeting and the Gamesys General Meeting via a virtual meeting platform provided by Lumi (the "**Virtual Meeting Platform**"). Gamesys Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Gamesys Shareholder Meeting at any time up to 48 hours before the relevant Gamesys Shareholder Meeting by emailing GamesysGM2021@gamesysgroup.com.

Scheme Shareholders and Gamesys Shareholders can access the Virtual Meeting Platform via a mobile web client, which is compatible with the latest browser versions of Chrome, Firefox, Internet Explorer 11 (Internet Explorer v. 10 and below are not supported), Edge and Safari and can be accessed using any web

browser, on a PC or smartphone device. To attend remotely, submit questions and/or vote using this method, please go to <https://web.lumiagm.com>.

Once you have accessed <https://web.lumiagm.com> from your web browser, you will be asked to enter the Lumi Meeting ID which is 120-862-547. You will then be prompted to enter your Shareholder Reference Number (“SRN”) and PIN number. Your SRN, including any zeros, and your PIN number can be found printed on your Form of Proxy. If you are not in receipt of your SRN this can also be found on a share certificate or Dividend Confirmation (tax voucher), or alternatively, if you are already registered on this website, you can sign in to <https://www-uk.computershare.com/Investor/#Home> to obtain your SRN. Access to the Gamesys Shareholder Meetings via the website will be available from 1:00 p.m. on 30 June 2021, as further detailed below. If you are unable to access your SRN and PIN, please call Computershare 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 (0)370 889 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. Calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare cannot provide advice on the merits of the Combination or give any financial, legal or tax advice.

Although access to the Gamesys Shareholder Meetings will be available from 1:00 p.m. on 30 June 2021, voting functionality will not be enabled until the Chair of the relevant Gamesys Shareholder Meeting declares the poll open. Scheme Shareholders and Gamesys Shareholders will be permitted to submit questions (via the Virtual Meeting Platform) during the course of the Gamesys Shareholder Meetings. Scheme Shareholders can use the same function to submit any objections they may have to the Scheme at the Court Meeting. Gamesys Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Gamesys Shareholder Meeting at any time up to 48 hours before the relevant Gamesys Shareholder Meeting by emailing [GamesysGM2021@gamesysgroup.com](mailto:GamesysGM2021@gamesysgroup.com). The Chair of the relevant Gamesys Shareholder Meeting will ensure that all such questions and/or any objections (in the case of the Court Meeting) relating to the formal business of the Gamesys Shareholder Meeting are addressed during the relevant meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair’s discretion, otherwise be undesirable in the interests of the Company or the good order of the relevant meeting.

During the relevant Gamesys Shareholder Meeting, you must ensure you are connected to the internet at all times in order to submit questions and/or any objections (in the case of the Court Meeting) and vote when the Chair commences polling. Therefore, it is your responsibility to ensure connectivity for the duration of the relevant Gamesys Shareholder Meeting via your wireless or other internet connection. The Virtual Meeting Guide contains further information on remotely accessing and participating in the Gamesys Shareholder Meetings online at <https://web.lumiagm.com> and is available on Gamesys’ website at <https://www.gamesysgroup.com/investors/offer-for-gamesys/>.

If you wish to appoint a proxy (other than the Chair of each of the Gamesys Shareholder Meetings) and for the proxy to attend the meeting on your behalf, please do so by completing the enclosed Forms of Proxy or alternatively by visiting the website [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) in accordance with the instructions set out on the Forms of Proxy. If you wish to appoint multiple proxies or obtain a Form of Proxy, please contact Computershare 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 (0)370 889 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. Calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare cannot provide advice on the merits of the Combination or give any financial, legal or tax advice.

If your shares are held within a nominee and you wish to access the electronic meeting, you will need to contact your nominee immediately. Your nominee will need to have completed a letter of representation and presented this to Computershare, Gamesys’ registrar, no later than 48 hours before the start of the relevant Gamesys Shareholder Meeting in order to obtain a unique Login Code and PIN number on your behalf, which you can then use to access the electronic meeting. If you are in any doubt about your shareholding, please contact Computershare 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 (0)370 889 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. Calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare cannot provide advice on the merits of the Combination or give any financial, legal or tax advice.

A copy of this document (and any information incorporated into it by reference to another source) and the documents required to be published by Rule 26 of the Takeover Code are available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Gamesys' website at <https://www.gamesysgroup.com/investors/offer-for-gamesys/> and on Bally's website at <https://www.ballys.com/gamesys-documentation/>. For the avoidance of doubt, the contents of those websites are not incorporated into and do not form part of this document.

**You may request a hard copy of this document (and any information incorporated into it by reference to another source) by contacting Gamesys' registrars, Computershare at The Pavilions, Bridgwater Road, Bristol BS99 6AH and 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 (0)370 889 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. Calls may be recorded and randomly monitored for security and training purposes. 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 document in electronic form, copies of this document and any document or information incorporated by reference into this document will not be provided unless such a request is made.**

**Capitalised words and phrases used in this document will have the meanings given to them in Part 9 (Definitions).**

You should read the rest of this document and if you are in any doubt as to the action you should take, consult an independent financial adviser. In making any investment decision you must rely on your own examination of the terms of the Scheme and the Combination, including the merits and risks involved. If you have any questions about this document, the Court Meeting or the Gamesys General Meeting or how to complete the Forms of Proxy or Form of Election or to appoint a proxy through the CREST electronic proxy appointment service, please call Computershare 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 (0)370 889 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. Calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare cannot provide advice on the merits of the Combination or give any financial, legal or tax advice.

Macquarie Capital (Europe) Limited ("**Macquarie Capital**"), which is authorised and regulated by the Financial Conduct Authority 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 document 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 document, or another other matters referred to in this document.

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 document and will not regard any other person as its client in relation to the matters in this document 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 document. 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 document, any statement contained herein or otherwise.

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Deutsche Bank Aktiengesellschaft ("**Deutsche Bank**") is authorised under German Banking Law (competent authority: European Central Bank) and, in the United Kingdom, by the PRA. 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.

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 document. Neither Deutsche Bank nor any of its subsidiaries, branches or affiliates (including, without limitation, DB London and 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 DB London or DBSI), nor for providing advice in relation to any matters referred to in this document.

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 director 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 document, 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 document.



## IMPORTANT NOTICE

This document and the accompanying documents have been prepared in connection with a proposal in relation to a scheme of arrangement pursuant to, and 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 these documents had been prepared in accordance with the laws of jurisdictions outside the United Kingdom. Nothing in this document or the accompanying documents should be relied upon for any other purpose.

No person has been authorised to make any representations on behalf of Gamesys, Gamesys Group, Bally's, Bally's Group or Premier Entertainment or the Combined Group concerning the Combination or the Scheme that are inconsistent with the statements contained in this document and any such representations, if made, may not be relied upon as having been so authorised.

The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them, and service of this document will not give rise to any implication that there has been no change in the facts set out in this document since such date. Nothing contained in this document will be deemed to be a forecast, projection or estimate of the future financial performance of Gamesys or Bally's except where otherwise expressly stated. Neither Gamesys or Bally's nor Premier Entertainment intends, or undertakes any obligation, to update information contained in this document, except as required by applicable law, the Takeover Code or other regulation.

### **Overseas Shareholders**

The distribution of this document 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. This document does not constitute an offer or an invitation to purchase or subscribe for any securities, or a solicitation of an offer to buy any securities, pursuant to the document or otherwise, in any jurisdiction in which such offer or solicitation is unlawful. 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 document 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 document 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.

### **Additional information for US shareholders 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 document. 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 and (with the consent of the Panel, if required) will make appropriate additions and amendments to the Conditions to reflect any additional related requirements. 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](http://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 a 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](http://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. 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 and to refer to paragraph 5 of Part 7 (*Additional Information*) of this document for a summary of certain United Kingdom and US taxation consequences of the implementation of the Scheme.

Financial information relating to Gamesys included in this document has 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**

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. IN SUCH EVENT, 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](http://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](http://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 2021 Annual Meeting of Shareholders, which was filed with the SEC on 8 April 2021. 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.

Bally’s certificate of incorporation and by-laws provide that Bally’s may not permit any person or entities to acquire a direct or indirect equity or economic interest in it equal to or greater than 5 per cent. of any class of equity or economic interests without the approval of the relevant gaming authorities (subject to certain specified exceptions). Any transfer or acquisition of Bally’s Shares that results in a person acquiring more than such 5 per cent. threshold will not be recognised until the relevant gaming authorities have approved such transfer or acquisition. Bally’s certificate of incorporation also provides that an additional licence or consent from the gaming authorities is required for ownership equal to or greater than 20 per cent. of any class of Bally’s equity interests. In addition, Bally’s by-laws also include limitations and restrictions on ownership of common stock relating to regulatory requirements and licences, including restrictions on transfers and acquisitions that would violate applicable gaming laws and repurchase rights in the event that stockholders are determined to be unsuitable to hold Bally’s Shares. Bally’s by-laws impose additional restrictions to ensure compliance with relevant gaming and regulatory requirements including its ability to withhold dividend payments and redeem or purchase a holder’s common stock if a gaming authority or the Bally’s Board determines the holder to be an “unsuitable person” as defined in certain gaming laws. Finally, Bally’s by-laws incorporate by reference certain provisions of relevant state gaming laws.



Accordingly, Bally's reserves the right to do any or a combination of the following: (a)(i) establish a trust to hold any New Bally's Shares otherwise issuable to a Scheme Shareholder pursuant to the Scheme (a "**Relevant Scheme Shareholder**"), which, when taken together with any Bally's Shares already held by or on behalf of or beneficially owned by such Scheme Shareholder upon or following the Scheme becoming Effective, would result in that Scheme Shareholder holding in excess of 4.99 per cent. of the number of outstanding Bally's Shares calculated on a *pro forma* basis after issuance of all New Bally's Shares issuable to Scheme Shareholders pursuant to the Scheme ("**Excess Shares**") for the benefit of the Relevant Scheme Shareholder until such time as requisite regulatory approvals have been obtained or the Relevant Scheme Shareholder requests the transfer of such Excess Shares to an unaffiliated purchaser or holder (or to the Relevant Scheme Shareholder to the extent that such person has reduced its holding below 4.99 per cent. of the number of Bally's Shares then outstanding); or (ii) implement another arrangement under its certificate of incorporation or by-laws reasonably designed to assure regulatory compliance. Such trusts or other arrangements will be on such terms as Bally's (with the agreement of Gamesys, not to be unreasonably withheld, conditioned or delayed and acting in good faith) may require and will not prejudice the UK tax treatment of Gamesys Shareholders under the Scheme; (b) require the Relevant Scheme Shareholder to enter into a contract with Bally's under which it will agree to such undertakings and restrictions as Bally's (with the agreement of Gamesys, not to be unreasonably withheld, conditioned or delayed and acting in good faith) may require, including with respect to the release and voting of Excess Shares and distributions payable in respect thereof, in order to comply with applicable legal and regulatory requirements and authorisations and the provisions of Bally's certificate of incorporation and by-laws. Bally's reserves the right, in any such contract to indemnify any Relevant Scheme Shareholder for losses it may suffer or costs it may incur in connection with or as a consequence of any such trust arrangement or entering into any such contract. Bally's will make an announcement via a Regulatory Information Service if any such trusts or agreements are established or entered into; and (c) require evidence of compliance with applicable regulatory requirements and that any Relevant Scheme Shareholder or any person to whom a Relevant Scheme Shareholder requests the transfer of Excess Shares warrants to Bally's that it holds the Bally's Shares issuable to it solely for investment and not with a view to influencing the management or control of Bally's.

### **Forward-looking statements**

This document (including information incorporated by reference into this document), 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 document (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 document, 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 document will actually occur.

#### **No profit forecasts or estimates**

No statement in this document 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 document 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 per cent. 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 10<sup>th</sup> business day following the commencement of the offer period and, if appropriate, by no later than 3:30 p.m. (London time) on the 10<sup>th</sup> 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 prior to 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 per cent. 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](http://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 document and the documents required to be published by Rule 26 of the Takeover Code are available subject to certain restrictions relating to persons resident in Restricted Jurisdictions on Gamesys' website at <https://www.gamesysgroup.com/investors/offer-for-gamesys/> and on Bally's website at <https://www.ballys.com/gamesys-documentation/>. For the avoidance of doubt, the contents of those websites are not incorporated into and do not form part of this document.

You may request a hard copy of this document (and any information incorporated into it by reference to another source) by contacting Gamesys' registrars, Computershare at The Pavilions, Bridgwater Road, Bristol BS99 6AH or 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 (0)370 889 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. Calls may be recorded and randomly monitored for security and training purposes. 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 document in electronic form, copies of this document 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 document 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 document 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.

This document is published on 1 June 2021.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS<sup>(1)</sup>

Event	Time/date
Payment of Gamesys Final Dividend	16 June 2021 <sup>(2)</sup>
<b>Latest time for lodging Forms of Proxy for the:</b>	
<b>Court Meeting (BLUE Form of Proxy)</b>	2:00 p.m. on 28 June 2021 <sup>(3)</sup>
<b>Gamesys General Meeting (WHITE Form of Proxy)</b>	2:15 p.m. on 28 June 2021 <sup>(4)</sup>
<b>Scheme Voting Record Time</b>	6:30 p.m. on 28 June 2021 <sup>(5)</sup>
Bally's Shareholder Meeting	2:00 p.m. (US Eastern Standard Time) on 30 June 2021
Court Meeting	2:00 p.m. on 30 June 2021
Gamesys General Meeting	2:15 p.m. on 30 June 2021 <sup>(6)</sup>
<i>Certain of the following dates are subject to change (please see Note (1) below):</i>	
Election Return Time (being the latest time for return of Forms of Election/settlement of TTE Elections from CREST holders in respect of the Share Alternative)	1:00 p.m. on 8 October 2021 <sup>(1)(7)</sup>
Election Withdrawal Deadline	1:00 p.m. on 8 October 2021 <sup>(1)(8)</sup>
Court Hearing to sanction the Scheme	A date expected to be in the fourth quarter of 2021 subject to regulatory clearances ("D") <sup>(1)</sup>
Last day of dealings in, and for registration of transfers of, and disablement in CREST of, Gamesys Shares	D <sup>(1)</sup>
Scheme Record Time	6:00 p.m. on D <sup>(1)</sup>
Suspension of listing of, and dealings in, Gamesys Shares	7:30 a.m. on D+1 Business Day <sup>(1)</sup>
Effective Date	D+1 Business Day <sup>(1)</sup>
De-listing of Gamesys Shares	By 8:00 a.m. on D+2 Business Days <sup>(1)</sup>
New Bally's Shares listed and commencement of dealings in the New Bally's Shares on the New York Stock Exchange	By 9:30 a.m. (Eastern Standard Time) on D+2 Business Days <sup>(1)</sup>
New Bally's Shares registered through DRS	D+2 Business Days <sup>(1)</sup>
Latest date for despatch of statements of entitlement relating to New Bally's Shares held through DRS	Within 14 days of the Effective Date <sup>(1)</sup>
Latest date for despatch of cheques in respect of cash consideration and for settlement of cash consideration through CREST or other form of payment	Within 14 days of the Effective Date <sup>(1)</sup>
Long Stop Date	13 April 2022 <sup>(9)</sup>
<b>The Court Meeting and the Gamesys General Meeting will each be held at 10 Piccadilly, London W1J 0DD.</b>	

(1) These times and dates are indicative only and will depend, among other things, on the date upon which the Court sanctions the Scheme and the date on which the Conditions are satisfied or, if capable of waiver, waived. The timetable is also dependent on whether the Court Order sanctioning the Scheme is delivered to the Registrar of Companies. Gamesys will give notice of any change(s) by issuing an announcement through a Regulatory Information Service and, if required by the Panel, post notice of the change(s) to Gamesys Shareholders and persons with information rights.

(2) Payment of the Gamesys Final Dividend is subject to approval by Gamesys Shareholders at the Gamesys AGM.

(3) It is requested that blue Forms of Proxy for the Court Meeting be lodged before 2:00 p.m. on 28 June 2021 or, if the Court Meeting is adjourned, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the holding of the adjourned meeting. However, blue Forms of Proxy not so lodged may be emailed to #UKCSBRS.ExternalProxyQueries@computershare.co.uk any time prior to the commencement of the Court Meeting. Please note that any Forms of Proxy sent to this email address before 2:00 p.m. on 28 June 2021 may be discounted as invalid.

(4) White Forms of Proxy for the Gamesys General Meeting must be lodged before 2:15 p.m. on 28 June 2021 in order for them to be valid or, if the Gamesys General Meeting is adjourned, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the holding of the adjourned meeting. White Forms of Proxy not so lodged cannot be emailed to Computershare prior to the commencement of the Gamesys General Meeting.



- (5) If either of the Gamesys Shareholder Meetings are adjourned, the Scheme Voting Record Time for the relevant adjourned meeting will be 6:30 p.m. on the date two calendar days before the date set for the adjourned meeting.
- (6) Or as soon thereafter as the Court Meeting has been concluded or adjourned.
- (7) The Form of Election must be lodged and/or any TTE Election must be settled by 1:00 p.m. on the Election Return Time in order for it to be valid. If the Regulatory Conditions have not been satisfied by 11:59 p.m. on 1 October 2021, Bally's or Gamesys will announce through a Regulatory Information Service an extension to the Election Return Time, which will be the earlier of 1:00 p.m. on the date which is (i) one week after the date on which the Regulatory Conditions are satisfied and (ii) the Business Day immediately before the date of the Court Hearing, or such other date as Bally's and Gamesys may agree. If Gamesys announces through a Regulatory Information Service that the Court Hearing has been scheduled for a date prior to 8 October 2021, the Election Return Time will be the earlier of 1:00 p.m. on the date which is (x) one week before the date of the Court Hearing and (y) the Business Day immediately before the date of the Court Hearing, or such other date as Bally's and Gamesys may agree.
- (8) The Election Withdrawal Deadline will be the later of (i) the Election Return Time; (ii) 1:00 p.m. on the date that is one week before the Court Hearing; or (iii) such other time and date as Bally's and Gamesys may agree.
- (9) This date may be extended to such date as Gamesys and Bally's may, with the consent of the Panel, agree and the Court (if required) may allow.

All references in this document to times are to times in London (unless otherwise stated).

## ACTION TO BE TAKEN

The Court Meeting and the Gamesys General Meeting will be held at 10 Piccadilly, London W1J 0DD, on 30 June 2021 at 2:00 p.m. and 2:15 p.m., respectively (or, in the case of the Gamesys General Meeting, as soon thereafter as the Court Meeting has been concluded or adjourned). The Scheme requires approval at the Court Meeting and implementation of the Scheme will also require approval of the Special Resolution at the Gamesys General Meeting.

### **Please check that you have received the following with this document:**

- a BLUE Form of Proxy for use in respect of the Court Meeting on 30 June 2021;
- a WHITE Form of Proxy for use in respect of the Gamesys General Meeting on 30 June 2021; and
- a GREEN Form of Election for use in respect of the Share Alternative.

If you have not received these documents, please contact Gamesys' registrars, Computershare at The Pavilions, Bridgwater Road, Bristol BS99 6AH or 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 (0)370 889 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. Calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare cannot provide advice on the merits of the Combination or give any financial, legal or tax advice.

### **To vote at the Court Meeting and the Gamesys General Meeting:**

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of the opinion of Scheme Shareholders. You are therefore strongly urged to sign and return your Forms of Proxy as soon as possible. Therefore, whether or not you plan to attend the Gamesys Shareholder Meetings in person or remotely via the Virtual Meeting Platform, please complete and sign both the enclosed BLUE and WHITE Forms of Proxy and return them in accordance with the instructions provided thereon as soon as possible but in any event so as to be received by:**

- **no later than 2:00 p.m. on 28 June 2021 in the case of the Court Meeting (BLUE form); and**
- **by no later than 2:15 p.m. on 28 June 2021 in the case of the Gamesys General Meeting (WHITE form),**

**(or, in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting). Forms of Proxy returned by fax will not be accepted.**

This will enable your votes to be counted at the Gamesys Shareholder Meetings in the event of your absence. If the blue Form of Proxy for use at the Court Meeting is not lodged by 2:00 p.m. on 28 June 2021, it may be emailed to [#UKCSBRS.ExternalProxyQueries@computershare.co.uk](mailto:#UKCSBRS.ExternalProxyQueries@computershare.co.uk) any time prior to the commencement of the Court Meeting. Please note that any Forms of Proxy sent to this email address before 2:00 p.m. on 28 June 2021 may be discounted as invalid. However, in the case of the Gamesys General Meeting, unless the white Form of Proxy is lodged so as to be received by the time mentioned above, it will be invalid.

If you hold your Scheme Shares in uncertificated form (i.e. in CREST), you may vote using the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the Gamesys General Meeting set out in Part 12 (*Notice of Gamesys General Meeting*) of this document). Proxies submitted via CREST (under CREST participant ID 3RA50) must be received by Computershare not later than 2:00 p.m. on 28 June 2021 in the case of the Court Meeting and by 2:15 p.m. on 28 June 2021 in the case of the Gamesys General Meeting (or, in the case of an adjourned meeting, not less than 48 hours (excluding any part of a day that is not a working day) prior to the time and date set for the adjourned meeting).

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders, including any Scheme Shareholders who did not vote to approve Scheme or who voted against Scheme at the Court Meeting.

**To attend the Court Meeting and the Gamesys General Meeting remotely:**

Scheme Shareholders and Gamesys Shareholders will be given the opportunity to remotely attend, submit questions and vote at the Court Meeting and the Gamesys General Meeting via a virtual meeting platform provided by Lumi (the “**Virtual Meeting Platform**”). Gamesys Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Gamesys Shareholder Meeting at any time up to 48 hours before the relevant Gamesys Shareholder Meeting by emailing GamesysGM2021@gamesysgroup.com.

**For instructions on how to attend the Court Meeting and the Gamesys General Meeting remotely via the Virtual Meeting Platform, please refer to pages 2 to 3 of this document and the Virtual Meeting Guide, which is available on Gamesys’ website at <https://www.gamesysgroup.com/investors/offer-for-gamesys/>.**

**To make an election under the Share Alternative:**

**A GREEN Form of Election is enclosed with this document, together with a reply paid envelope for use in the UK in connection with the Form of Election.**

To elect for the Share Alternative, please complete and sign the green Form of Election in accordance with the instructions therein and set out in Part 5 (*Notes for Making Elections under the Share Alternative*) of this document and return it to Gamesys’ Registrar, Computershare, at The Pavilions, Bridgwater Road, Bristol BS99 6AH, so as to be received by no later than the Election Return Time (the timings for which will be communicated by an announcement on a Regulatory Information Service, when known).

In Part 5 (*Notes for Making Elections under the Share Alternative*) of this document you will find further explanation on how to elect (including if you hold your Gamesys Shares in uncertificated form, that is, in CREST, and wish to make an Electronic Election) for the Share Alternative, and further details of restrictions on the availability of the Share Alternative and/or the delivery of New Bally’s Shares.

**If you wish to receive 1,850 pence in cash for each Scheme Share that you hold at the Scheme Record Time DO NOT RETURN the Form of Election or send an Electronic Election instruction via CREST. You should only complete and return the Form of Election if you wish to make an election in respect of the Share Alternative.**

**Any decision by Scheme Shareholders (other than Restricted Shareholders) to make a Share Alternative Election should be based on independent financial, tax and legal advice and a full consideration of the Rule 2.7 Announcement, this document, the Prospectus and the risk factors set out in Bally’s filings with the SEC (as described in paragraph 3 of Part 6 (*Description of the New Bally’s Shares*)).**

**The Prospectus in respect of the New Bally’s Shares to be issued to eligible Gamesys Shareholders making valid elections under the Share Alternative may be found on Bally’s website at <https://www.ballys.com/gamesys-documentation/>.**

If you elect to receive some or all of the consideration for your Gamesys Shares in New Bally’s Shares, you will become a shareholder in Bally’s. The value of an investment in Bally’s may go down as well as up. The market value of the Bally’s Shares (including the New Bally’s Shares) can fluctuate and may not always reflect the value of the underlying Bally’s business. A number of factors outside the control of Bally’s may impact on its performance and the price of Bally’s Shares (including the New Bally’s Shares). Bally’s may decide to issue additional equity to finance a portion of the cash consideration payable under the Combination, in connection with future acquisitions or for other reasons. The issuance of additional Bally’s equity could be dilutive to existing shareholders and may have an adverse effect on the trading price of the Bally’s Shares. In addition, the value of Bally’s Shares (including the New Bally’s Shares) is impacted by other factors outside its control, including, but not limited to, the operating and share price performance of other companies in the industry and markets in which Bally’s operates, Bally’s results of operations, speculation about Bally’s and its related parties and their respective businesses in the press, media or investment community, the publication of research reports by analysts, actions by institutional shareholders, changes to any Bally’s trading forecasts, interest rate changes, changes in laws and regulations affecting its business and general market conditions. Risk factors in relation to Bally’s and the Bally’s Shares (including the New Bally’s Shares) are set out in Bally’s other securities filings, including Item 1A of Part I of Bally’s Annual Report on Form 10-K for its fiscal year ended 31 December 2020 and any subsequent reports on Forms 10-K, 10-Q and 8-K, which are or will be available at <https://investors.ballys.com/financials/sec-filings/default.aspx>, and you should read such risk factors carefully and in

their entirety before making any decision including whether or not to elect to participate in the Share Alternative. Scheme Shareholders (other than Restricted Shareholders) should consider whether New Bally's Shares are a suitable investment in light of their own personal circumstances and are, therefore, strongly advised to seek their own independent financial, tax and legal advice in light of their own particular circumstances and investment objectives before deciding whether to elect for the Share Alternative.

For further information on the Share Alternative and the Gamesys Board's views on the Share Alternative, please refer to paragraphs 3 and 6 of Part 1 (*Letter from the Chair of Gamesys Group plc*) of this document.

### **Gamesys Shareholder Helpline**

If you have any questions relating to this document, the Gamesys Shareholder Meetings, how to complete or submit the Forms of Proxy or the Form of Election, please call Computershare 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 (0)370 889 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. Calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare cannot provide advice on the merits of the Combination or give any financial, legal or tax advice.

## PART 1

### LETTER FROM THE CHAIR OF GAMESYS GROUP PLC



1 June 2021

*To all Gamesys Shareholders, persons with information rights and, for information only, to participants in the Gamesys Share Plans and SIP and the Warrantholder*

Dear Shareholder

#### **RECOMMENDED COMBINATION OF GAMESYS GROUP PLC WITH BALLY'S CORPORATION (AND PREMIER ENTERTAINMENT SUB, LLC AN INDIRECT WHOLLY-OWNED SUBSIDIARY)**

### **1. INTRODUCTION**

On 13 April 2021, the Gamesys Board and the Bally's Board announced that they had agreed the terms of a recommended Combination of Bally's and Gamesys pursuant to which Bally's and Premier Entertainment will acquire the entire issued and to be issued ordinary share capital of Gamesys, to be implemented by way of a scheme of arrangement under Part 26 of the Companies Act.

I am writing to you on behalf of the Gamesys Board to explain the background to, and reasons for, the Combination and to describe the action you should now take. For the reasons set out below, the Gamesys Board supports the Combination and unanimously recommends that you vote in favour of the resolutions required to effect the Scheme at the Court Meeting and the Gamesys General Meeting.

### **2. SUMMARY OF THE TERMS OF THE COMBINATION**

Under the terms of the Combination, which is subject to the Conditions and further terms set out in Part 3 (*Conditions to and Further Terms of the Combination*) of this document, Scheme Shareholders 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 28 pence per Gamesys Share, which equates to an aggregate of £30.7 million, based on Gamesys' issued share capital as at 14 May 2021, being the record date for the final dividend (the "**Gamesys Final Dividend**") for approval by Gamesys Shareholders at Gamesys' 2021 annual general meeting to be held on 10 June 2021 (the "**Gamesys AGM**").

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

- approximately 14.4 per cent. to the Closing Price of 1,642 pence per Gamesys Share on 23 March 2021 (being the last Business Day prior to the commencement of the Offer Period);
- approximately 41.2 per cent. to the Closing Price of 1,330 pence per Gamesys Share on 25 January 2021 (being the last Business Day prior to Bally's initial proposal to Gamesys dated 26 January 2021); and
- approximately 36.7 per cent. 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.

### **3. SHARE ALTERNATIVE**

The Share Alternative is also being 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**



Based on the Closing Price of \$60.80 per Bally's Share as at close of business on 12 April 2021, being the last Business Day before the Announcement 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, 25.5 per cent. of Gamesys' issued share capital as at close of business on the Latest Practicable Date).

Fractional entitlements to New Bally's Shares will not be allotted or issued to Gamesys Shareholders electing for the Share Alternative. Instead, all fractional shares which a Gamesys Shareholder would otherwise be entitled to receive will be aggregated and sold in the market with the net cash proceeds paid (converted to pounds sterling and rounded down to the nearest penny) in lieu of such fractional entitlements to the Scheme Shareholders entitled thereto, save that if the entitlement of any Gamesys Shareholder in respect of the proceeds of sale of fractional entitlements amounts to less than £5, such proceeds will be retained for the benefit of the Combined Group.

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 under the US Securities Act and (with the consent of the Panel, if required) will make appropriate additions and amendments to the Conditions to reflect any additional related requirements. 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](http://www.sec.gov) or by directing a request to Bally's contact for enquiries: Steve Capp, Executive Vice President and Chief Financial Officer on +1 401 475 8564.

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 document is accurate or complete. Any representation to the contrary is unlawful.

**Any decision by Scheme Shareholders (other than Restricted Shareholders) to make a Share Alternative Election should be based on independent financial, tax and legal advice and a full consideration of the Rule 2.7 Announcement, this document, the Prospectus and the risk factors set out in Bally's filings with the SEC (as described in paragraph 3 of Part 6 (*Description of the New Bally's Shares*) of this document).**

**The Prospectus in respect of the New Bally's Shares to be issued to eligible Gamesys Shareholders making valid elections under the Share Alternative may be found on Bally's website at <https://www.ballys.com/gamesys-documentation/>.**

**If you elect to receive some or all of the consideration for your Gamesys Shares in New Bally's Shares, you will become a shareholder in Bally's. The value of an investment in Bally's may go down as well as up. The market value of the Bally's Shares (including the New Bally's Shares) can fluctuate and may not always reflect the value of the underlying Bally's business. A number of factors outside the control of Bally's may impact on its performance and the price of Bally's Shares (including the New Bally's Shares). Bally's may decide to issue additional equity to finance a portion of the cash consideration payable under the Combination, in connection with future acquisitions or for other reasons. The issuance of additional Bally's equity could be dilutive to existing shareholders and may have an adverse effect on the trading price of the Bally's Shares. In addition, the value of Bally's Shares (including the New Bally's Shares) is impacted by other factors outside its control, including, but not limited to, the operating and share price performance of other companies in the industry and markets in which Bally's operates, Bally's results of operations, speculation about Bally's and its related parties and their respective businesses in the press, media or investment community, the publication of research**

reports by analysts, actions by institutional shareholders, changes to any Bally's trading forecasts, interest rate changes, changes in laws and regulations affecting its business and general market conditions. Risk factors in relation to Bally's and the Bally's Shares (including the New Bally's Shares) are set out in Bally's other securities filings with the SEC (as described in paragraph 3 of Part 6 (Description of the New Bally's Shares) of this document), and you should read such risk factors carefully and in their entirety before making any decision including whether or not to elect to participate in the Share Alternative.

Scheme Shareholders (other than Restricted Shareholders) should consider whether New Bally's Shares are a suitable investment in light of their own personal circumstances and are, therefore, strongly advised to seek their own independent financial, tax and legal advice in light of their own particular circumstances and investment objectives before deciding whether to elect for the Share Alternative.

For further information on the Share Alternative and the Gamesys Board's views on the Share Alternative, please refer to paragraphs 3 and 6 of Part 1 (*Letter from the Chair of Gamesys Group plc*) of this document.

You will find a further explanation on how to elect (including if you hold your Gamesys Shares in uncertificated form, that is, in CREST, and wish to make an Electronic Election) for the Share Alternative in Part 5 (*Notes for Making Elections under the Share Alternative*) of this 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 12 April 2021 (being the last Business Day before the Announcement 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 date of 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 document, 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.

## 5. 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.

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:

- immediate market access to 11 US states for online gaming and sports betting;
- 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;
- 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 per cent. of US households;
- the addition of sports betting technology through Bally's acquisition of Bet.Works Corp. which completed on 28 May 2021; and
- 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 10 of Part 2 (*Explanatory Statement*) of this document. 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, and the fact that the Combination also provides 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:

- approximately 14.4 per cent. to the Closing Price of 1,642 pence per Gamesys Share on 23 March 2021 (being the last Business Day prior to the commencement of the Offer Period);
- approximately 41.2 per cent. to the Closing Price of 1,330 pence per Gamesys Share on 25 January 2021 (being the last Business Day prior to Bally's initial proposal to Gamesys dated 26 January 2021); and
- approximately 36.7 per cent. 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 15 below.

## 6. THE GAMESYS BOARD'S VIEWS ON THE SHARE ALTERNATIVE

The Gamesys Board is pleased that the Combination provides Gamesys Shareholders with optionality to take either cash consideration under the Cash Offer or elect for the Share Alternative. The Gamesys Board considers that the following factors (among others) may be relevant to Gamesys Shareholders in determining whether or not to elect for the Share Alternative:

### *Advantages of electing for the Share Alternative*

- The Share Alternative permits Gamesys Shareholders to invest directly in the Combined Group, providing a continuing investment in a group with a long-term growth strategy aimed at becoming the premier, truly integrated, omni-channel US gaming company with a B2B2C business.
- Electing for the Share Alternative will provide Gamesys Shareholders with the opportunity to participate in any increase in the market value of the New Bally's Shares.

### *Disadvantages of electing for the Share Alternative*

- Gamesys Shareholders should be aware that there are risks in the implementation of any combination, and the Combined Group may not be able to successfully implement its strategic aims. Combined with a number of factors outside the control of the Combined Group, the market value of the New Bally's Shares may go down as well as up.
- At, prior to or following the Election Return Time, the Share Alternative could represent a discount to the value of the Cash Offer (as it does at the Latest Practicable Date (being 28 May 2021)).
- Gamesys Shareholders that receive New Bally's Shares will become shareholders in a Delaware corporation listed on the NYSE. The rights of, and protections afforded to, such shareholders are different to those of a shareholder in a company incorporated in England and Wales and listed on the London Stock Exchange. Further, some Gamesys Shareholders may not be able to hold US securities, for example, because they are resident or located in certain jurisdictions, or due to the terms of their constitutional or governing documentation.

The Gamesys Board and Macquarie Capital have considered the factors outlined above in relation to the Share Alternative.

Macquarie Capital has advised the Gamesys Board that after taking into account the current trading price of Bally's Shares and the United States Dollar / Sterling foreign exchange rate as at the Latest Practicable Date (being 28 May 2021) and the resulting implied value for Gamesys Shares using the exchange ratio, the financial terms of the Share Alternative currently undervalue Gamesys Shares. The Gamesys Directors, who have been so advised by Macquarie Capital as to the financial terms of the Share Alternative, unanimously consider that, as at the Latest Practicable Date (being 28 May 2021), the terms of the Share Alternative currently undervalue Gamesys Shares. However, as noted above, Gamesys Shareholders are not required to make a decision in respect of whether to elect for the Share Alternative until the Election Return Time and the value of the Share Alternative at that date could be significantly different from the current value due to movements in Bally's share price and the United States Dollar / Sterling foreign exchange rate. In addition, any decision by Gamesys Shareholders to elect for the Share Alternative will depend on their particular circumstances, as further noted below.

For the reasons set out above, the Gamesys Board is not providing a recommendation in relation to the Share Alternative.

The Electing Gamesys Directors and a related trust of Keith Laslop have 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 per cent. of Gamesys' issued ordinary share capital as at close of business on the Latest Practicable Date (being 28 May 2021)). Such elections were based on a variety of reasons specific to each Electing Gamesys Director including their individual circumstances. For certain directors, these include the fact that they are expected to join the Bally's Board upon the Effective Date, their respective risk appetite and/or tax position, and their commitment to securing the Combination by facilitating Bally's ability to finance the Combination, including funding the Cash Offer.

Any decision by a Gamesys Shareholder to elect for the Share Alternative will depend on its particular circumstances including, but not limited to, its views on the factors outlined above, its risk appetite and, in particular, each Scheme Shareholder's ability to hold New Bally's Shares and its tax position (which may be affected by the laws of the relevant jurisdiction in which they reside or of which they are a citizen or national). In considering the tax consequences (in the jurisdiction or jurisdictions in which they are subject to tax) of electing for the Share Alternative, Gamesys Shareholders should consider whether any form of tax deferral would be available or whether any gain (or part of any gain) on their Gamesys Shares would be immediately subject to tax notwithstanding an election for the Share Alternative, and also consider the tax consequences of holding and disposing of New Bally's Shares and receiving dividends on them. Gamesys Shareholders should seek their own independent tax advice on the consequences of electing for the Share Alternative.

Any decision to elect for the Share Alternative should be based on independent financial, tax and legal advice and a full consideration of the 2.7 Announcement, this document, the Prospectus and the risk factors set out in Bally's filings with the SEC (as described in paragraph 3 of Part 6 (*Description of the New Bally's Shares*) of this document) and other relevant information.

In addition, Gamesys Shareholders should ascertain whether acquiring or holding New Bally's Shares is affected by the laws of the relevant jurisdiction in which they reside.

Please refer to Part 6 (*Description of the New Bally's Shares*) of this document for further details of the rights attached to the New Bally's Shares.

## **7. IRREVOCABLE UNDERTAKINGS FROM GAMESYS SHAREHOLDERS**

Bally's and Premier Entertainment have received irrevocable undertakings from each of the Gamesys Directors who hold Gamesys Shares 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 per cent. of Gamesys' issued ordinary share capital as at close of business on the Latest Practicable Date). 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 per cent. 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 Gamesys 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 30.7 per cent. 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 Special Resolution to be proposed at the Gamesys General Meeting have been received from Gamesys Directors and other Gamesys Shareholders representing, in aggregate, 36,502,160 Gamesys Shares (representing 33.3 per cent. 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 25.5 per cent. of Gamesys' issued ordinary share capital as at close of business on the Latest Practicable Date).

Further details on irrevocable undertakings are set out in paragraph 7 of Part 7 (*Additional Information*).

## **8. BALLY'S SHAREHOLDER MEETING AND BALLY'S VOTING UNDERTAKINGS**

Under NYSE rules, the issuance of New Bally's Shares in connection with the Combination requires the approval of the issuance of New Bally's Shares by Bally's Shareholders at the Bally's Shareholder Meeting.



The Bally's Directors have unanimously recommended 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 801,615 Bally's Shares (representing 1.80 per cent. 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, pursuant to which Standard RI has irrevocably undertaken to vote in favour of the relevant proposals at the Bally's Shareholder Meeting in respect of its shareholding of 8,821,314 Bally's Shares and to use its best efforts to cause Standard RI SPV LLC to vote in favour of such proposals in respect of its holding of 1,520,755 Bally's Shares (together representing approximately 23.22 per cent. of the outstanding issued share capital of Bally's as at the Latest Practicable Date).

Further details on the Bally's voting agreements are set out in paragraph 7 of Part 7 (*Additional Information*).

Bally's filed the preliminary Bally's Proxy Statement with the SEC on 19 May 2021 and expects to mail the definitive Bally's Proxy Statement to Bally's Shareholders shortly, following which the Bally's Proxy Statement will be made available on <https://www.ballys.com/gamesys-documentation/>. Bally's will make an announcement via a Regulatory Information Service upon the definitive Bally's Proxy Statement, any supplements thereto and/or related documents or filings, being so made available.

#### **9. GAMESYS SHARE PLANS AND SIP**

Information relating to the effect of the Combination on participants in the Gamesys Share Plans and SIP is set out in paragraph 11 of Part 2 (*Explanatory Statement*). Gamesys Share Plan and SIP participants will be contacted separately regarding the effect of the Combination on their rights under the Gamesys Share Plans and SIP and appropriate proposals will be made to participants in the Gamesys Share Plans.

#### **10. 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.

#### **11. THE SCHEME AND THE GAMESYS SHAREHOLDER MEETINGS**

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 on the basis set out in this document, 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 document.

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

- i. the approval of the Scheme by a majority in number of the Scheme Shareholders who are present and voting, whether in person or remotely via the Virtual Meeting Platform or by proxy, at the Court Meeting and who represent 75 per cent. or more in value of the Scheme Shares voted by those Scheme Shareholders;
- ii. the Special Resolution being duly passed by Gamesys Shareholders representing the requisite majority or majorities of votes cast at the Gamesys General Meeting;
- iii. each of the Court Meeting, the Gamesys General Meeting and the Court Hearing being held on or before the 22<sup>nd</sup> day after the expected date for each such meeting or hearing, respectively, as set out in this document 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;

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

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 Gamesys 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 Gamesys 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.

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Scheme Shareholders' opinion. You are therefore strongly urged to complete, sign and return your Forms of Proxy or to appoint a proxy through the CREST electronic proxy appointment service (as appropriate) as soon as possible.**

Further details of the Scheme and the Gamesys Shareholder Meetings are set out in paragraph 15 of Part 2 (*Explanatory Statement*) of this document.

## **12. SUSPENSION, DELISTING 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 6:30 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.

## **13. OVERSEAS SHAREHOLDERS AND SIGNIFICANT GAMESYS SHAREHOLDERS**

Overseas Shareholders should refer to paragraph 23 of Part 2 (*Explanatory Statement*) of this document for further details.

Part 5 (*Notes for Making Elections under the Share Alternative*) of this document contains important information for Scheme Shareholders that validly elect for the Share Alternative and, upon or following the Scheme becoming Effective, may come to hold in excess of 4.99 per cent. of the number of outstanding Bally's Shares calculated on a pro forma basis after issuance of all New Bally's Shares issuable to Scheme Shareholders pursuant to the Scheme.

#### 14. ACTION TO BE TAKEN

Notices convening the Court Meeting and the Gamesys General Meeting are set out at the end of this document. You will find enclosed with this document a blue Form of Proxy for use at the Court Meeting and a white Form of Proxy for use at the Gamesys General Meeting.

**Whether or not you intend to attend either meeting in person or remotely via the Virtual Meeting Platform, you are requested to complete and return both the enclosed Forms of Proxy for the Court Meeting (BLUE) and for the Gamesys General Meeting (WHITE) in accordance with the instructions printed on the forms, make an electronic appointment of a proxy or submit a proxy via CREST as soon as possible.**

A green Form of Election also accompanies this document, which should be completed by Scheme Shareholders (other than Restricted Shareholders) who hold Scheme Shares in certificated form and who wish to elect for the Share Alternative. Your attention is drawn to pages 15 to 17 (*Action to be Taken*) of this document and paragraph 26 of Part 2 (*Explanatory Statement*), which set out in detail the action you should take in relation to the Combination and the Scheme, including the actions to take if you wish to make an election in respect of the Share Alternative.

#### 15. 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 unanimously recommend that Gamesys Shareholders vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Gamesys 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 per cent. 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 per cent. 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 make no recommendation in relation to the Share Alternative. 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 set out in the Rule 2.7 Announcement, this document, the Prospectus and the risk factors set out in Bally's filings with the SEC (as described in paragraph 3 of Part 6 (*Description of the New Bally's Shares*) of this document).

#### 16. FURTHER INFORMATION

Your attention is drawn to the letter from Macquarie Capital set out in Part 2 (*Explanatory Statement*) of this document (being the explanatory statement made in compliance with section 897 of the Companies Act), which gives further details about the Combination and to the terms of the Scheme that are set out in full at the end of this document. Please note that reading the information in this letter is not a substitute for reading the remainder of this document.

Yours faithfully

Neil Goulden  
Chair

## PART 2

### EXPLANATORY STATEMENT

(In compliance with section 897 of the Companies Act)



1 June 2021

*To all Gamesys Shareholders, persons with information rights and, for information only, to participants in the Gamesys Share Plans and SIP and the Warrantholder*

Dear Shareholder

**Recommended Combination of Gamesys Group plc  
with Bally's Corporation  
(and Premier Entertainment Sub, LLC (an indirect wholly-owned subsidiary))**

#### 1. Introduction

On 13 April 2021, the Gamesys Board and the Bally's Board announced that they had agreed the terms of a recommended Combination of Bally's and Gamesys pursuant to which Bally's will acquire the entire issued and to be issued ordinary share capital of Gamesys. The Combination is being implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

The Gamesys Board has been advised by Macquarie Capital as to the financial terms of the Cash Offer. We have been authorised by the Gamesys Directors to write to you to explain the terms of the Combination and to provide you with other relevant information.

**Your attention is drawn to the letter from the Chair of Gamesys, Neil Goulden, set out in Part 1 (Letter from the Chair of Gamesys Group plc) of this document, which forms part of this Explanatory Statement. That letter contains, among other things, information on the background to and reasons for the Combination and the unanimous recommendation by the Gamesys Board to Scheme Shareholders to vote in favour of the Scheme and the Special Resolution to approve and implement the Combination to be proposed at the Gamesys Shareholder Meetings.**

**Your attention is also drawn to Part 3 (Conditions to and Further Terms of the Combination), Part 4 (Financial and Ratings Information), Part 6 (Description of the New Bally's Shares) and Part 7 (Additional Information). The Scheme is set out in full in Part 10 (The Scheme of Arrangement) of this document.**

Gamesys Shareholders should read the whole of this document before deciding whether or not to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Gamesys General Meeting.

#### 2. Summary of the terms of the Combination and the Scheme

##### *The Cash Offer*

The Combination is to be effected by way of a scheme of arrangement under Part 26 of the Companies Act, which requires the approval of relevant Gamesys Shareholders and the sanction of the Court.

Under the Combination, which is subject to the Conditions and further terms set out in Part 3 (Conditions to and Further Terms of the Combination), Scheme Shareholders 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 28 pence per Gamesys Share, which equates to an aggregate of £30.7 million, based on Gamesys' issued share capital as at 14 May 2021, being the record date for the final dividend (the "**Gamesys Final Dividend**"), for approval by Gamesys Shareholders at Gamesys' 2021 annual general meeting to be held on 10 June 2021 (the "**Gamesys AGM**").

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

- approximately 14.4 per cent. to the Closing Price of 1,642 pence per Gamesys Share on 23 March 2021 (being the last Business Day prior to the commencement of the Offer Period);
- approximately 41.2 per cent. to the Closing Price of 1,330 pence per Gamesys Share on 25 January 2021 (being the last Business Day prior to Bally's initial proposal to Gamesys dated 26 January 2021); and
- approximately 36.7 per cent. 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.

#### *The Share Alternative*

The Share Alternative is also being made available to Scheme Shareholders (other than Restricted Shareholders) to enable them to elect to receive New Bally's Shares in lieu of part or all 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**

Based on the Closing Price of \$60.80 per Bally's Share as at 12 April 2021, being the last Business Day before the Announcement 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.

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 £16.45 million which, based on Gamesys' issued share capital as at 12 April 2021, being the last Business Day before the Announcement 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 document, 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 included in paragraph 4 of Part 1 (*Letter from the Chair of Gamesys Group plc*) above.

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, 25.5 per cent. of Gamesys' issued share capital as at close of business on the Latest Practicable Date).

Fractional entitlements to New Bally's Shares will not be allotted or issued to Gamesys Shareholders electing for the Share Alternative. Instead, all fractional shares which a Gamesys Shareholder would otherwise be entitled to receive will be aggregated and sold in the market with the net cash proceeds paid (converted to pounds sterling and rounded down to the nearest penny) in lieu of such fractional entitlements to the Scheme Shareholders entitled thereto, save that if the entitlement of any Gamesys Shareholder in respect of the proceeds of sale of fractional entitlements amounts to less than £5, such proceeds will be retained for the benefit of the Combined Group.

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) 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 and (with the consent of the Panel, if required, and subject to the terms of the Cooperation Agreement) will make appropriate additions and amendments to the Conditions to reflect any additional related requirements. 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](http://www.sec.gov) or by directing a request to Bally's contact for enquiries: Steve Capp, Executive Vice President and Chief Financial Officer on +1 401 475 8564.

### **3. 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 Bally's recent 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.

### **4. 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 per cent. compared to 2019) and an adjusted EBITDA of £206.2 million (representing growth on a *pro forma* basis of 30 per cent. compared to 2019).

## **5. Gamesys Current Trading and Prospects**

On 13 April 2021, Gamesys announced its trading update for the three month period ended 31 March 2021 and on 20 May 2021, Gamesys announced an expanded trading update for the same period. Gamesys reported a strong performance, with total revenues of £197.8 million for the three month period, representing an increase of 27 per cent. compared to the same three month period in 2020.

Gamesys reported that the trends seen across its international markets have been broadly consistent with the fourth quarter of 2020 and include strong growth in Gamesys two most significant regions, the UK and Asia.

Gamesys also reported that cash generation continued to be a standout feature and deleveraging had continued into 2021 to further underpin Gamesys' robust balance sheet.

## **6. 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 12 casinos across eight states, a horse racetrack and 13 authorised off-track betting licenses in Colorado. With more than 6,000 employees, Bally's operations include 13,300 slot machines, 457 game tables and 3,342 hotel rooms. Following the completion of pending acquisitions, which include Tropicana Evansville (Evansville, Indiana), Jumer's Casino & Hotel (Rock Island, Illinois) and Tropicana Las Vegas Hotel and Casino (Las Vegas, Nevada), as well as the construction of a land-based casino near the Nittany Mall in State College, Pennsylvania, Bally's will own and manage 16 casinos across 11 US 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 and a temporary sports wagering permit to conduct online sports betting in the Commonwealth of Virginia.

On 28 May 2021, Bally's acquired Bet.Works Corp., a US based, sports betting platform provider to operators in New Jersey, Iowa, Indiana and Colorado. As a result of acquiring Bet.Works Corp.'s proprietary technology stack and turnkey solutions, which include marketing, operations, customer service, risk management and compliance, Bally's believes it will position itself 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 13 April 2021, Bally's agreed to purchase the Tropicana Las Vegas Hotel and Casino in Las Vegas, Nevada from Gaming and Leisure Properties, Inc. ("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 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 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.

#### **7. 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.

#### **8. Bally's Current Trading and Prospects**

Bally's published its full year results on Form 10-K for the fiscal year ended 31 December 2020 on 10 March 2021, which are incorporated by reference into this document. Please refer to paragraph 2 of Part 4 (*Financial and Ratings Information*) for further information.

On 10 May 2021, Bally's announced its unaudited results for the quarter ended 31 March 2021, in which revenue was \$192.3 million and Adjusted EBITDA was \$52.5 million, compared to revenue and Adjusted EBITDA of \$109.1 million and \$22.1 million, respectively, for the quarter ended 31 March 2020. Throughout the quarter, Bally's experienced increased demand resulting from a rise in consumer confidence and reduction in COVID-19 restrictions, resulting in an income from operations of \$29.5 million representing the strongest quarter since the quarter ended 30 June 2019, and Adjusted EBITDA margins of 27.3 per cent., representing an increase of 708 bps year-over-year.

#### **9. Financial Effects of the Combination on Gamesys Shareholders**

The following table shows, for illustrative purposes only, and on the bases and assumptions set out in the notes below, the financial effects of the Combination on the capital value for a Scheme Shareholder of 1,000 Gamesys Shares if the Scheme becomes Effective. The table shows the financial effects for both a Scheme Shareholder who receives only cash consideration and a Scheme Shareholder who makes an election for the Share Alternative.

Column A compares the market value of Bally's Shares on 25 January 2021 (being the last Business Day before the submission of Bally's initial proposal for the Combination to Gamesys) with the market value of Gamesys Shares as at the same date. Column B compares the market value of Bally's Shares and column C compares the three-month VWAP of Bally's Shares on 23 March 2021 (being the last Business Day before the commencement of the Offer Period) with the market value of Gamesys Shares as at the same date. Column D compares the market value of Bally's Shares on the Latest Practicable Date with the market value of Gamesys Shares as at the same date.

<i>(values in £)</i>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
	25 January 2021	23 March 2021	23 March 2021	28 May 2021
Gamesys share price / VWAP	13.30	16.42	13.73	18.65
<b>Assuming Cash Offer</b>				
<b>Increase in capital value<sup>(1)*</sup></b>				
Consideration received on sale of 1,000 Gamesys Shares:				
Value of consideration received <sup>(2)</sup> .....	18,500	18,500	18,500	18,500
Value of Gamesys Final Dividend entitlement..	280	280	280	280
Total value of consideration received.....	18,780	18,780	18,780	18,780
Market value of 1,000 Gamesys Shares <sup>(3)</sup> .....	13,300	16,420	13,734	18,650
<i>Increase in capital value</i> .....	5,480	2,360	5,046	130
<i>Representing an increase of (%)</i> .....	41	14	37	1

<i>(values in £)</i>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
<b>Assuming Share Alternative<sup>4</sup></b>				
<b>Increase in capital value<sup>(1)*</sup></b>				
Consideration received on sale of 1,000 Gamesys Shares:				
Value of consideration received <sup>(5)</sup> .....	13,920	16,546	16,546	14,026
Value of Gamesys Final Dividend entitlement..	280	280	280	280
Total value of consideration received.....	14,200	16,826	16,826	14,306
Market value of 1,000 Gamesys Shares.....	13,300	16,420	13,734	18,650
<i>Increase / (decrease) in capital value</i> .....	900	406	3,092	(4,344)
<i>Representing an increase / (decrease) of (%)</i> ...	7	2	23	(23)

(1) No account has been taken of any potential liability to taxation.

(2) Assumes cash consideration of 1,850 pence per Gamesys Share.

(3) The market value of Gamesys Shares is based on the closing price of 1,330 pence per Gamesys Share as of 25 January 2021 for scenario A, 1,642 pence per Gamesys Share as of 23 March 2021 for scenario B, 1,373 pence three-month VWAP as of 23 March 2021 for scenario C, and 1,865 pence per Gamesys Share as of 28 May 2021 for scenario D.

(4) Assuming election for Share Alternative in respect of entire shareholding.

(5) Assumes stock consideration of 0.343 Bally's Shares per Gamesys Share. Assumes Bally's share price of \$55.50 and exchange rate of 1.00 GBP = 1.3676 USD as of 25 January 2021 for scenario A. Assumes Bally's share price of \$66.34 and exchange rate of 1.00 GBP = 1.3753 USD as of 23 March 2021 for scenarios B and C. Assumes Bally's share price of \$58.03 and exchange rate of 1.00 GBP = 1.4191 USD as of 28 May 2021 for scenario D.

\* On the basis that the dividend policies currently adopted by Bally's and Gamesys are different, income on the Gamesys Shares is not easily directly comparable with income on the Bally's Shares. Accordingly, a table showing the financial effect of the Combination on the income position for a Gamesys Shareholder is not set out in this section.

## 10. 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 12 of Part 1 (*Letter from the Chair of Gamesys Group plc*) of this document), 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 and will receive one month's payment in lieu of their notice period.

#### ***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 12 of Part 1 (*Letter from the Chair of Gamesys Group plc*) of this document, 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.

## **11. Gamesys Share Plans and SIP**

The Combination will extend to any Gamesys Shares which are unconditionally allotted, issued or, as applicable, transferred under the Gamesys Share Plans and the SIP before the Scheme Record Time.

Any Gamesys Shares allotted, issued or, as applicable, transferred under the Gamesys Share Plans and the SIP after the Scheme Record Time will, subject to the Combination becoming Effective and the proposed amendments to the Gamesys Articles being approved at the Gamesys General Meeting, be immediately transferred to Bally's for the same cash consideration as Gamesys Shareholders will be entitled to receive under the Combination.

Further information in respect of the proposed amendments to the Gamesys Articles is contained in the Notice of Gamesys General Meeting at Part 12 (*Notice of Gamesys General Meeting*) of this document.

### ***Gamesys Share Plans***

Awards granted under the Gamesys Share Plans which are unvested immediately before the Court sanctions the Scheme ("**Court Sanction Date**") will vest and become exercisable on the Court Sanction Date on the basis determined by the Gamesys Remuneration Committee in accordance with the relevant Gamesys Share Plan rules, award agreement and participant employment contract.

The Gamesys Remuneration Committee will determine the extent to which any performance conditions that apply to any outstanding awards have been met shortly before the Court Sanction Date. The Gamesys Remuneration Committee has determined that (i) no time pro-rating will be applied to any awards granted before 1 January 2021 and (ii) time pro-rating will be applied to awards granted after 1 January 2021, reducing the maximum number of Gamesys Shares over which such awards can vest to one third of the Gamesys Shares under award if the Court Sanction Date falls in 2021.

Vested but unexercised awards under the Gamesys Long Term Incentive Plan will lapse no later than one month after the Court Sanction Date. All options under the Gamesys Share Option Plan will lapse no later than 8 September 2021.

### ***SIP***

Gamesys Shares held in the SIP trusts, as partnership shares, matching shares and free shares, will participate in the Combination (on the same terms as for other Gamesys Shareholders).

Matching share awards and free share awards granted under the SIP which are unvested immediately before the Court Sanction Date will vest on the Court Sanction Date.

## **12. 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.

## **13. Irrevocable Undertakings from Gamesys Shareholders**

Bally's and Premier Entertainment have received irrevocable undertakings from each of the Gamesys Directors who holds Gamesys Shares 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 per cent. of Gamesys' issued ordinary share capital as at close of business on the Latest Practicable Date) to vote in favour of the Scheme at the Court Meeting and all of the resolutions to be proposed at the Gamesys General Meeting or, 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 per cent. of Gamesys' issued ordinary share capital as at close of business on the Latest Practicable Date).

In addition, Bally's and Premier Entertainment have 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 Special Resolution to be proposed at the Gamesys 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 30.7 per cent. 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 to be proposed at the Gamesys General Meeting have been received from Gamesys Directors and other Gamesys Shareholders representing, in aggregate, 36,502,160 Gamesys Shares (representing 33.3 per cent. 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 25.5 per cent. 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 paragraph 7 of Part 7 (*Additional Information*).

## **14. Bally's Shareholder Meeting and Bally's Voting Undertakings**

Under NYSE rules, the issuance of New Bally's Shares in connection with the Combination requires the approval of the issuance of New Bally's Shares by Bally's Shareholders at the Bally's Shareholder Meeting.

The Bally's Directors have unanimously recommended 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 801,615 Bally's Shares (representing 1.80 per cent. 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, pursuant to which Standard RI has irrevocably undertaken to vote in favour of the relevant proposals at the Bally's Shareholder Meeting in respect of its shareholding of 8,821,314 Bally's Shares and to use its best efforts to cause Standard RI SPV LLC to vote in favour of such proposals in respect of its holding of 1,520,755 Bally's Shares (together representing approximately 23.22 per cent. of the outstanding issued share capital of Bally's as at the Latest Practicable Date).

Further details on the Bally's voting agreements are set out in paragraph 7 of Part 7 (*Additional Information*).

## 15. The Scheme and the Gamesys Shareholder Meetings

### 15.1 *The Scheme*

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 terms of the Scheme are set out in full in Part 10 (*The Scheme of Arrangement*) of this document.

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 on the basis set out in this document, 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 document.

### 15.2 *Gamesys Shareholder Meetings*

The Scheme will require the approval of Scheme Shareholders at the Court Meeting and Gamesys Shareholders at the separate Gamesys General Meeting, both of which will be held at 10 Piccadilly, London W1J 0DD on 30 June 2021. The Court Meeting is being held with the permission of the Court to seek the approval of Scheme Shareholders for the Scheme. The Gamesys General Meeting is being convened to seek the approval of Gamesys Shareholders to enable the Gamesys Directors to implement the Scheme and to amend the Gamesys Articles as described in section 15.3 below of this Part 2.

Notices of both the Court Meeting and the Gamesys General Meeting are set out in Part 11 (*Notice of Court Meeting*) and Part 12 (*Notice of Gamesys General Meeting*) respectively of this document. Entitlement to attend and vote at these Gamesys Shareholder Meetings and the number of votes which may be cast thereat will be determined by reference to the register of members of Gamesys at the Scheme Voting Record Time.

**Scheme Shareholders and Gamesys Shareholders may attend, ask questions and/or raise any objections (in the case of the Court Meeting) and vote at the Court Meeting or the Gamesys General Meeting in each case in person or remotely via the Virtual Meeting Platform, as described in the opening pages of this document, the Virtual Meeting Guide and in the notices of the Court Meeting and the Gamesys General Meeting (see Part 11 (*Notice of Court Meeting*) and Part 12 (*Notice of Gamesys General Meeting*) respectively of this document).**

Although access to the Gamesys Shareholder Meetings will be available from 1:00 p.m. on 30 June 2021, voting functionality will not be enabled until the Chair of the relevant Gamesys Shareholder Meeting declares the poll open. Scheme Shareholders and Gamesys Shareholders will be permitted to submit questions (via the Virtual Meeting Platform) during the course of the relevant Gamesys Shareholder Meeting. Scheme Shareholders can use the same function to submit any objections they may have to the Scheme at the Court Meeting. Gamesys Shareholders and Scheme Shareholders may also submit questions to be considered at the relevant Gamesys Shareholder Meeting at any time up to 48 hours before the relevant Gamesys Shareholder Meeting by emailing GamesysGM2021@gamesysgroup.com. The Chair of the relevant Gamesys Shareholder Meeting will ensure that all such questions and/or any objections (in the case of the Court Meeting) relating to the formal business of the relevant Gamesys Shareholder Meeting are addressed during the relevant Gamesys Shareholder Meeting, unless no response is required to be provided under the Companies Act or the provision of a response would, at the Chair's discretion, otherwise be undesirable in the interests of Gamesys or the good order of the relevant Gamesys Shareholder Meeting.

Any Gamesys Shares which Bally's and Premier Entertainment may acquire prior to the Court Meeting or the Gamesys General Meeting (and any Gamesys Shares which any member of the Bally's Group or its nominees, holds at the date of the Court Meeting or Gamesys General Meeting) are not Scheme Shares and therefore no member of the Bally's Group (or its nominees) is entitled to vote at the Court Meeting in respect of the Gamesys Shares held or acquired by it.

### *Court Meeting*

The Court Meeting has been convened with the permission of the Court for 2:00 p.m. on 30 June 2021 for Scheme Shareholders on the register of members of Gamesys as at the Scheme Voting Record Time to consider and, if thought fit, approve the Scheme.

At the Court Meeting, voting will be by poll and each Scheme Shareholder present in person or remotely (via the Virtual Meeting Platform) or by proxy will be entitled to one vote for each Scheme Share held as at the Scheme Voting Record Time. The approval required for the Scheme at the Court Meeting is a majority in number of those Scheme Shareholders present and voting (and entitled to vote) in person, remotely or by proxy, representing 75 per cent. or more in value of the Scheme Shares voted by such Scheme Shareholders.

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Scheme Shareholders.**

Whether or not you intend to attend and/or vote at the Gamesys Shareholder Meetings in person or remotely via the Virtual Meeting Platform, you are therefore strongly advised to sign and return your blue Form of Proxy by post or transmit a proxy appointment and voting instruction (electronically, online or through CREST) for the Court Meeting as soon as possible. The completion and return of the Forms of Proxy by post (or transmission of a proxy appointment or voting instruction electronically, online, through CREST or by any other procedure described in this document) will not prevent you from attending, asking questions (or, in the case of the Court Meeting, submitting any objections) and voting at the Court Meeting or the Gamesys General Meeting, in each case whether in person or remotely via the Virtual Meeting Platform as described in the opening pages of this document and the Virtual Meeting Guide, if you are entitled to and wish to do so.

**If the BLUE Form of Proxy for the Court Meeting is not lodged by 2:00 p.m. on 28 June 2021, it may be emailed to #UKCSBRS.ExternalProxyQueries@computershare.co.uk any time prior to the commencement of the Court Meeting. Please note that any Forms of Proxy sent to this email address before 2:00 p.m. on 28 June 2021 may be discounted as invalid.**

### *Gamesys General Meeting*

In addition, the Gamesys General Meeting has been convened for 2:15 p.m. on 30 June 2021 (or as soon thereafter as the Court Meeting has been concluded or adjourned) to consider and, if thought fit, pass the Special Resolution to:

- (i) authorise the Gamesys Directors to take all such actions as are necessary or appropriate for implementing the Scheme; and
- (ii) amend the Gamesys Articles in the manner described in paragraph 15.3 of this Part 2 below.

Voting in person, at the Gamesys General Meeting will be by poll and each Gamesys Shareholder present remotely or by proxy will be entitled to one vote for each Scheme Share held as at the Scheme Voting Record Time. The approval required for the Special Resolution to be passed is at least 75 per cent. of the votes cast on such resolution (in person, remotely or by proxy).

**If the WHITE Form of Proxy for the Gamesys General Meeting is not lodged by 2:15 p.m. on 28 June 2021 using one of the methods listed above, it will be invalid.**

Gamesys will announce the details of the votes at the Gamesys Shareholder Meetings as required under the Takeover Code through a Regulatory Information Service as soon as practicable after the conclusion of the Gamesys Shareholder Meetings and, in any event, by no later than 8:00 a.m. on the Business Day following the Gamesys Shareholder Meetings.

### *Court Hearing*

The Court Hearing to sanction the Scheme is currently expected to take place in the fourth quarter of 2021. All Gamesys Shareholders are entitled to attend the Court Hearing in person or through Counsel to support or oppose the sanctioning of the Scheme.

Following the sanction of the Scheme by the Court, the Scheme will become Effective in accordance with its terms upon a copy of the Court Order being delivered to the Registrar of Companies. This is currently expected to occur in the fourth quarter of 2021. Gamesys will make an announcement through a Regulatory Information Service as soon as practicable following the Scheme becoming Effective.

It is intended that, shortly after this time, Gamesys will become a private limited company.

**Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, including any Scheme Shareholders who did not vote to approve the Scheme or who voted against the Scheme at the Court Meeting.**

Unless the Scheme becomes Effective by no later than the Long Stop Date, the Scheme will not become Effective and the Combination will not proceed.

### 15.3 *Amendment to the Gamesys Articles*

The Special Resolution contains provisions to amend the Gamesys Articles to ensure that any Gamesys Shares issued (other than to Bally's, its nominees or any member of the Bally's Group) (i) between the Gamesys General Meeting and the Scheme Record Time will be subject to the Scheme; and (ii) after the Scheme Record Time will automatically be acquired by Bally's or Premier Entertainment on the same terms as under the Scheme. These provisions will avoid any person (other than a member of the Bally's Group) holding Gamesys Shares after dealings in such shares have ceased on the London Stock Exchange.

### 15.4 *Modifications to the Scheme*

The Scheme contains a provision for Gamesys, Bally's and Premier Entertainment to consent on behalf of all persons concerned to any modification of, or addition to, the Scheme or to any condition approved or imposed by the Court. The Court would be unlikely to approve any modification of, or additions to, or impose a condition to the Scheme which might be material to the interests of the Scheme Shareholders unless Scheme Shareholders were informed of such modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in these circumstances.

### 15.5 *Former shareholders in The Intertain Group Limited*

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 Gamesys 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 at 100 University Ave., 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, Canada or between 8:30 a.m. and 5:30 p.m. (GMT-4) Monday to Friday (excluding public holidays in Canada) on 1 800 564 6253 (if calling from within Canada) (or 011 800 564 6235 if calling from outside Canada) 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. In order for such persons to be entitled to elect for the Share Alternative, they must be entered into the register of members of Gamesys prior to the Election Return Time.

## 16. **Conditions**

The Scheme is subject to the Conditions which are set out in full in Part 3 (*Conditions to and Further Terms of the Combination*), including, among other things:

- i. the approval of the Scheme at the Court Meeting and the Special Resolution at the Gamesys General Meeting;
- ii. the issue of the New Bally's Shares having been approved by Bally's Shareholders at the Bally's Shareholder Meeting;
- iii. the approval of the New Bally's Shares for listing on the NYSE, subject to official notice of issuance;



- iv. certain foreign direct investment and regulatory approvals including relevant gaming regulatory consents and approvals in the UK and certain other jurisdictions in which Bally's or Gamesys have licenses;
- v. the sanction of the Scheme by the Court; and
- vi. the Scheme becoming Effective by no later than the Long Stop Date.

The Combination can only become Effective if all Conditions, including those described above, have been satisfied or, if capable of waiver, waived. If any Condition is not capable of being satisfied by the date specified therein, Bally's will make an announcement through a Regulatory Information Service as soon as practicable and, in any event, by no later than 8:00 a.m. on the Business Day following the date so specified, stating whether Bally's has invoked that Condition, waived that Condition or specified a new date by which that Condition must be satisfied.

#### **17. Alternative means of implementing the Combination**

Bally's has reserved the right to implement the Combination by way of Takeover Offer, and if it does so, additional documents will be required to be sent to Gamesys Shareholders. In such event, the Takeover Offer will (unless otherwise agreed) be implemented on substantially the same terms (subject to appropriate amendments, including an acceptance condition set at 90 per cent. of the shares to which such Takeover Offer relates or such lesser percentage as Bally's may, with the consent of the Panel (if required) decide) as those which would apply to the Scheme.

#### **18. Offer-related Arrangements**

Summaries of the offer-related arrangements entered into in connection with the Combination are set out in paragraph 9 of Part 7 (*Additional Information*) of this document. These agreements have been made available on Bally's website, <https://www.ballys.com/gamesys-documentation/>, and on Gamesys' website, <https://www.gamesysgroup.com/investors/offer-for-gamesys/>.

#### **19. Gamesys Directors and the effect of the Scheme on their interests**

Details of the interests of the Gamesys Directors in Gamesys Shares are set out in paragraph 4 of Part 7 (*Additional Information*) of this document.

The Gamesys Directors who hold Gamesys Shares have irrevocably undertaken to vote in favour of the Scheme as described in paragraph 13 above.

Prior to the Scheme Record Time, those Gamesys Directors who are participants in the Gamesys Share Plans, in common with the other participants in those plans, will be able to exercise their vested options.

Following the Scheme becoming Effective, 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 expected that each of the non-executive directors of the Gamesys Board will resign from their office as a director of Gamesys and will receive one month's payment in lieu of their notice period.

Save as set out in this document, there are currently no proposed changes to the service contracts of any Gamesys Director and no proposed termination payment for any Gamesys Director and the effect of the Scheme on the interests of the Gamesys Directors does not differ from its effect on the like interests of any other Scheme Shareholder.

#### **20. Financing of the Combination**

On the Announcement Date, Premier Entertainment entered into a commitment letter and interim facilities agreement (as subsequently amended and restated pursuant to an amendment and restatement agreement dated 27 April 2021) (the "IFA") for a bridge loan to be provided by Deutsche Bank Aktiengesellschaft, London Branch, Goldman Sachs Bank USA, Barclays Bank PLC, Citizens Bank, National Association, Truist Bank, Capital One, National Association and Fifth Third Bank, National Association 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 entered into a commitment letter (the "**GLPI Commitment Letter**") with GLPI, a publicly traded gaming focused real estate investment trust under which GLPI 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 the volume-weighted average price per Bally's Share for the 20 consecutive 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. Any equity raise by Bally's in excess of \$850 million reduces the GLPI commitment on a dollar for dollar basis.

Since the Announcement Date, Bally's has sought, and will continue to seek prior to the Effective Date, 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) 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. An underwritten public offering of 12.65 million Bally's Shares at a price of \$55 per share was completed on 20 April 2021 (the "**Initial Offering**"). The net proceeds of the Initial Offering were \$671,398,750. A prospectus supplement in relation to the Initial Offering is available at: <https://www.sec.gov/cgi-bin/browse-edgar?CIK=0001747079&owner=exclude>. Also on 20 April 2021, in a private placement transaction, Bally's issued to affiliates of Sinclair Broadcast Group, Inc. ("**Sinclair**") a warrant to purchase 909,090 common stock of Bally's for an aggregate purchase price of \$50 million, the same price per share as the public offering price in the Initial Offering (\$55 per share). The exercise price of the warrant is nominal, and its exercise is subject to, among other conditions, requisite gaming authority approvals. Sinclair agreed not to acquire more than 4.9 per cent. of Bally's common stock without such approvals.

A portion of the commitments under the IFA and the commitment letter have been cancelled to reflect the reduced need for borrowings following the Initial Offering and the private placement with Sinclair by an amount of £485,462,888. It is intended that the commitments will be further cancelled to the extent that the need for borrowings under the IFA is further reduced.

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.

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.

## **21. Delisting and Settlement**

Prior to the Effective Date, Gamesys will apply to the FCA for the listing of the Gamesys Shares on the Official List to be cancelled and to the London Stock Exchange for the Gamesys Shares to cease to be admitted to trading on the London Stock Exchange's main market for listed securities. Such cancellation is expected to take effect on, or shortly after, the Effective 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.

Subject to the Scheme becoming Effective, settlement of the consideration to which any Scheme Shareholder is entitled under the Scheme will be effected in the manner described in paragraphs 21.2 and 21.3 below.

### **21.1 Listing of New Bally's Shares**

An application will be made by Bally's to the NYSE for the New Bally's Shares to be admitted to trading on the NYSE. It is expected that, subject to the Scheme becoming Effective, admission of the New Bally's Shares to trading on the NYSE will become effective, and that dealings for normal settlement will commence shortly after the Effective Date.

## 21.2 **Settlement – cash consideration**

### *Scheme Shares in uncertificated form (that is, in CREST)*

Where, at the Scheme Record Time, a Scheme Shareholder holds Scheme Shares in uncertificated form, except with the consent of the Panel, settlement of cash consideration to which such Scheme Shareholder is entitled will be paid through CREST in pounds sterling as soon as practicable after the Effective Date (and in any event within 14 calendar days or within such other time period as may be approved by the Panel), in accordance with the CREST payment arrangements.

As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST will be disabled and all Scheme Shares will be removed from CREST in due course.

Premier Entertainment reserves the right to pay any cash consideration to all or any Scheme Shareholders who hold Scheme Shares in uncertificated form at the Scheme Record Time in the manner referred to in the paragraph below if, for any reason, it wishes to do so or for reasons outside its reasonable control, it is not able to effect settlement in accordance with this paragraph 21.2.

### *Scheme Shares in certificated form (that is, not in CREST)*

Where, at the Scheme Record Time, a Scheme Shareholder holds Scheme Shares in certificated form, except with the consent of the Panel, settlement of cash consideration to which the Scheme Shareholder is entitled will be made in pounds sterling by cheque drawn on a branch of a clearing bank in the United Kingdom.

Cheques in respect of cash consideration will be despatched by first class post (or by such other method as may be approved by the Panel) at the risk of the person entitled thereto as soon as practicable (and in any event within 14 calendar days or within such other time period as may be approved by the Panel) after the Effective Date. Cheques will be sent to Scheme Shareholders at the address appearing in Gamesys' register of members at the Scheme Record Time or, in the case of joint holders, to the holder whose name appears first in such register in respect of the joint holding concerned.

On the Effective Date, each certificate representing a holding of Gamesys Shares subject to the Scheme will cease to be valid. Following settlement of the consideration to which a Scheme Shareholder is entitled under the Scheme, Scheme Shareholders will be bound on the request of Gamesys either (i) to destroy such Gamesys Share certificates; or (ii) to return such Gamesys Share certificates to Gamesys, or to any person appointed by Gamesys, for cancellation.

## 21.3 **Settlement – New Bally's Shares**

### *Scheme Shares in uncertificated form (that is, in CREST) and Scheme Shares in certificated form (that is, not in CREST)*

The New Bally's Shares to which Scheme Shareholders who hold Gamesys Shares in certificated form become entitled and the New Bally's Shares to which Scheme Shareholders who hold Gamesys Shares in uncertificated form become entitled will be allotted and issued to them directly through DTC's Direct Registration System ("DRS") by the Transfer Agent on Bally's instructions and the name of each such Scheme Shareholder will be entered as the registered owner of the relevant number of New Bally's Shares. DRS is a method of recording entitlement to Bally's Shares in book-entry form which enables the Transfer Agent (the equivalent of a registrar in the UK) to maintain those shares electronically in Bally's records on behalf of the relevant Scheme Shareholder without the need for a physical share certificate to be issued. The DRS method of share recording is commonly used in the US. Bally's Shares held in DRS have all the traditional rights and privileges of shares held in certificated form.

Scheme Shareholders who receive their New Bally's Shares through DRS will be sent a book-entry account statement of ownership evidencing such Scheme Shareholder's ownership of New Bally's Shares by the Transfer Agent shortly after and in any event within 14 days of the Effective Date. Along with the statement of ownership, such Scheme Shareholders will also be sent information about DRS, including further details on how the New Bally's Shares can be held, transferred or otherwise traded through DRS. Proxy materials, annual reports and other shareholder communications will be mailed from Bally's and/or its voting agent directly to the Scheme Shareholders who hold their New Bally's Shares through DRS.

Persons holding New Bally's Shares through DRS who wish to dispose of any of their New Bally's Shares may do so by contacting the Transfer Agent or any broker or custodian that is a DTC participant. The dealing services provided by and fees chargeable by different brokers may change from time to time and will vary between each broker and custodian. Any dividends paid on the New Bally's Shares held through DRS will be paid to holders of New Bally's Shares by cheque in US dollars.

With effect from close of trading on the last day of dealings in Gamesys Shares prior to the Effective Date, each holding of Scheme Shares in uncertificated form and credited to any stock account in CREST will be disabled and all Scheme Shares will be removed from CREST.

Scheme Shareholders who wish to elect for the Share Alternative should make themselves aware of certain restrictions on holding New Bally's Shares, as set out in paragraph 4 of Part 6 (*Description of New Bally's Shares*)

## **22. General**

All documents and remittances sent to, or from, by or on behalf of Scheme Shareholders will be sent at the risk of the person entitled thereto. On the Effective Date, each certificate representing a holding of Scheme Shares will cease to be a valid document of title and should be destroyed or, at the request of Gamesys, delivered to Gamesys, or to any person appointed by Gamesys to receive the same. At the Scheme Record Time, entitlements to Scheme Shares held within CREST will be disabled and all Scheme Shares will be removed from CREST.

Save with the consent of the Panel, settlement of the consideration to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms set out in this Part 2 without regard to any lien, right of set off, counterclaim or other analogous right to which Bally's or Premier Entertainment may otherwise be, or claim to be, entitled against any Scheme Shareholder.

## **23. Overseas Shareholders**

The distribution of this document 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. This document does not constitute an offer or an invitation to purchase or subscribe for any securities, or a solicitation of an offer to buy any securities, pursuant to the document or otherwise, in any jurisdiction in which such offer or solicitation is unlawful. 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 Restricted Jurisdiction. Accordingly, copies of this document 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 document 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 Restricted 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.

*Additional information for US shareholders 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 document. 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 and (with the consent of the Panel, if required) will make appropriate additions and amendments to the Conditions to reflect any additional related requirements. 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](http://www.sec.gov) or by directing a request to Bally’s contact for enquiries identified above.

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](http://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.

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.



The receipt of New Bally's Shares by a Gamesys Shareholder as consideration for the transfer of its Gamesys Shares pursuant to the Scheme may 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 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. 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 and to refer to paragraph 5 of Part 7 (*Additional Information*) of this document for a summary of certain United Kingdom and US taxation consequences of the implementation of the Scheme.

Financial information relating to Gamesys included in this document has 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.

#### **24. Significant Gamesys Shareholders**

Part 5 (*Notes for Making Elections under the Share Alternative*) of this document contains important information for Scheme Shareholders that validly elect for the Share Alternative and, upon or following the Scheme becoming Effective, may come to hold in excess of 4.99 per cent. of the number of outstanding Bally's Shares calculated on a pro forma basis after issuance of all New Bally's Shares issuable to Scheme Shareholders pursuant to the Scheme.

#### **25. United Kingdom and US taxation**

A summary of certain United Kingdom and US taxation consequences of the implementation of the Scheme for Gamesys Shareholders is set out in paragraph 5 of Part 7 (*Additional Information*) of this document.

**Gamesys Shareholders or prospective shareholders are advised to consult their own professional tax advisers immediately.**

#### **26. Action to be taken**

Gamesys Shareholders will find enclosed with this document a blue Form of Proxy to be used in connection with the Court Meeting and a white Form of Proxy to be used in connection with the Gamesys General Meeting. If you hold Gamesys Shares in CREST, you may instead appoint a proxy by completing and transmitting a CREST Proxy Instruction to Gamesys' Registrars.

##### *Attendance at the Gamesys Shareholder Meetings*

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Scheme Shareholders. Whether or not you intend to attend and/or vote at the Gamesys Shareholder Meetings, you are therefore strongly advised to sign and return your BLUE Form of Proxy by post or transmit a proxy appointment and voting instruction (electronically, online or through CREST) for the Court Meeting as soon as possible. The completion and return of the Forms of Proxy by post (or transmission of a proxy appointment or voting instruction electronically, online, through CREST or by any other procedure described in this document) will not prevent you from asking questions, attending and voting at the Court Meeting or the Gamesys General**

**Meeting, in each case whether in person or via the Virtual Meeting Platform as described in the opening pages of this document and the Virtual Meeting Guide, if you are entitled to and wish to do so.**

**If the BLUE Form of Proxy for the Court Meeting is not lodged by 2:00 p.m. on 28 June 2021, it may be emailed to #UKCSBRS.ExternalProxyQueries@computershare.co.uk any time prior to the commencement of the Court Meeting. Please note that any Forms of Proxy sent to this email address before 2:00 p.m. on 28 June 2021 may be discounted as invalid. In the case of the Gamesys General Meeting, if the WHITE Form of Proxy for the Gamesys General Meeting is not lodged by 2:15 p.m. on 28 June 2021 using one of the methods listed above, it will be invalid.**

A green Form of Election also accompanies this document, which should be completed by Scheme Shareholders (other than Restricted Shareholders) who hold Scheme Shares in certificated form and who wish to elect for the Share Alternative. Your attention is drawn to pages 15 to 17 (*Action to be Taken*) of this document, which set out in detail the action you should take in relation to Combination and the Scheme, including the actions to take if you wish to make an election in respect of the Share Alternative.

*Shareholder Helpline*

If you have any questions relating to this document, the Gamesys Shareholder Meetings, how to complete or submit the Forms of Proxy or the Form of Election, please call Computershare 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 (0)370 889 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. Calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare cannot provide advice on the merits of the Combination or give any financial, legal or tax advice.

Yours faithfully

For and on behalf of  
**Macquarie Capital**

## PART 3

### CONDITIONS TO AND FURTHER TERMS OF THE COMBINATION

#### PART A: CONDITIONS TO THE 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 is conditional upon:
  - (a) 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 per cent. or more in value of the Scheme Shares held by those Scheme Shareholders; and (ii) such Court Meeting being held on or before the 22<sup>nd</sup> 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 Gamesys General Meeting (including, without limitation, the Special Resolution) being duly passed by the requisite majority or majorities at the Gamesys General Meeting;
  - (c) such Gamesys General Meeting being held on or before the 22<sup>nd</sup> day after the expected date of the Gamesys General Meeting set out in this 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 22<sup>nd</sup> day after the expected date of the Court Hearing set out in this 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 is 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 Subdirectorato 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 Announcement Date 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 it's 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.



## **PART 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 Part 3 (*Conditions to and Further Terms of the Combination*)) 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 Part 3 (*Conditions to and Further Terms of the Combination*) related to the timing of the Court Meeting, the Gamesys 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 of this Part 3 (*Conditions to and Further Terms of the Combination*).
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 Gamesys 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 is 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 will 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 Part 3 (*Conditions to and Further Terms of the Combination*) (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.

## **PART 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, without prejudice to paragraph 2 of this Part C, 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 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 per cent. (or such less percentage, being more than 50 per cent., 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 is subject, *inter alia*, to the Conditions and further terms which are set out in this Part 3 (*Conditions to and Further Terms of the Combination*) and is 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 is set out in paragraph 23 of Part 2 (*Explanatory Statement*) of this 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. Fractional entitlements to New Bally's Shares will not be allotted or issued to Gamesys Shareholders electing for the Share Alternative. Instead, all fractional shares which a Gamesys Shareholder would otherwise be entitled to receive will be aggregated and sold in the market with the net cash proceeds paid (converted to pounds sterling and rounded down to the nearest penny) in lieu of such fractional entitlements to the Scheme Shareholders entitled thereto, save that if the entitlement of any Gamesys Shareholder in respect of the proceeds of sale of fractional entitlements amounts to less than £5, such proceeds will be retained for the benefit of the Combined Group.

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 document and any rights or liabilities arising hereunder, the Combination, the Scheme, the Forms of Proxy and the Form of Election are governed by English law and are subject to the jurisdiction of the English Courts.

## PART 4

### FINANCIAL AND RATINGS INFORMATION

#### 1. Financial and ratings information relating to Gamesys

The following table sets out the financial information in respect of Gamesys, as required by Rule 24.3(e) of the Takeover Code. The documents referred to below are incorporated into this document by reference pursuant to Rule 24.15 of the Takeover Code:

<b>Financial information</b>	<b>Reference</b>
Prospectus: Gamesys Group's unaudited interim condensed consolidated financial statements for the three months ended 31 March 2021, pages 139 to 158 (inclusive)	<a href="https://www.gamesysgroup.com/investors/offer-for-gamesys/">https://www.gamesysgroup.com/investors/offer-for-gamesys/</a>
Gamesys' expanded trading update for the three months ended 31 March 2021	<a href="https://ir.q4europe.com/solutions/GamesysGroup/4014/newsArticle.aspx?storyid=15067238">https://ir.q4europe.com/solutions/GamesysGroup/4014/newsArticle.aspx?storyid=15067238</a>
Gamesys' Q1 2021 Trading Update	<a href="https://www.gamesysgroup.com/investors/financial-reports-and-presentations/Q1%20Trading%20Update">https://www.gamesysgroup.com/investors/financial-reports-and-presentations/Q1 Trading Update</a>
2020 Gamesys Annual Report: Gamesys Group's audited consolidated accounts for the financial year ended 31 December 2020, pages 119 to 169 (inclusive)	<a href="https://www.gamesysgroup.com/investors/financial-reports-and-presentations/annual-reports/">https://www.gamesysgroup.com/investors/financial-reports-and-presentations/annual-reports/</a>
2019 Gamesys Annual Report: Gamesys Group's audited consolidated accounts for the financial year ended 31 December 2019, pages 97 to 137 (inclusive)	<a href="https://www.gamesysgroup.com/investors/financial-reports-and-presentations/annual-reports/?year=2020">https://www.gamesysgroup.com/investors/financial-reports-and-presentations/annual-reports/?year=2020</a>

Prior to the commencement of the Offer Period, S&P had assigned to Gamesys a long-term local and foreign currency Issuer Rating of B+ with positive outlook. Subsequent to the commencement of the Offer Period, on 30 April 2021, S&P placed Gamesys' B+ Issuer Rating on credit watch with negative implications, citing the Rule 2.7 Announcement as the reason for the change.

Prior to the commencement of the Offer Period, Moody's had assigned to Gamesys, a corporate family rating of Ba3 with a stable outlook. Subsequent to the commencement of the Offer Period, on 19 April 2021, Moody's placed Gamesys ratings under review for downgrade, citing the Rule 2.7 Announcement as the reason for the change.

#### 2. Financial and ratings information relating to Bally's

The following table sets out the financial information in respect of Bally's, as required by Rule 24.3(a) and 24.3(b) of the Takeover Code. The documents referred to below are incorporated into this document by reference pursuant to Rule 24.15 of the Takeover Code:

<b>Financial information</b>	<b>Reference</b>
Bally's quarterly report for the quarter ended 31 March 2021: pages 3 to 35 (inclusive)	<a href="https://investors.ballys.com/financials/sec-filings/sec-filings-details/default.aspx?FilingId=14940386">https://investors.ballys.com/financials/sec-filings/sec-filings-details/default.aspx?FilingId=14940386</a>
2020 Bally's Annual Report: pages 49 to 109 (inclusive)	<a href="https://investors.ballys.com/financials/sec-filings/sec-filings-details/default.aspx?FilingId=14790290">https://investors.ballys.com/financials/sec-filings/sec-filings-details/default.aspx?FilingId=14790290</a>
2019 Bally's Annual Report: pages 47 to 92 (inclusive)	<a href="https://investors.ballys.com/financials/sec-filings/sec-filings-details/default.aspx?FilingId=14004590">https://investors.ballys.com/financials/sec-filings/sec-filings-details/default.aspx?FilingId=14004590</a>

Prior to the commencement of the Offer Period, S&P had assigned to Bally's a long-term credit rating of B with stable outlook. Subsequent to the commencement of the Offer Period, there has been no change to S&P's credit rating and outlook.

Prior to the commencement of the Offer Period, Moody's had assigned to Bally's a corporate family rating of B2. Subsequent to the commencement of the Offer Period, on 18 April 2021, Moody's placed Bally's ratings under review for possible upgrade, citing the Rule 2.7 Announcement as the reason for the change.

As set out in the 2020 Gamesys Annual Report, the Gamesys Group's adjusted profit for the year after tax, exceptional items and adjustments was £155.4 million. On this basis, the Bally's Directors expect that the Combination would have a positive impact on the Bally's Group's earnings following the Effective Date.

With effect from the Effective Date, the assets and liabilities of the Combined Group will include the assets and liabilities of Gamesys as at the Effective Date. The Bally's Directors are of the view that the Combination is not expected to have any material adverse impact on the financial position of Bally's.

Premier Entertainment is a limited liability company formed under the laws of Delaware and incorporated on 2 March 2021. Premier Entertainment was formed for the purposes of the Combination and is an indirect wholly owned subsidiary of Bally's. Premier Entertainment has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Combination. There are no current ratings or outlooks publicly accorded to Premier Entertainment by ratings agencies.

### **3. Request for hard copies**

Subject to certain restrictions relating to persons in any Restricted Jurisdiction, any Gamesys Shareholder, persons with information rights and any person entitled to receive this document may request a hard copy of the above information incorporated into this document by reference by contacting Computershare at The Pavilions, Bridgwater Road, Bristol BS99 6AH or call Computershare 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 (0)370 889 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. Calls may be recorded and randomly monitored for security and training purposes. 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 document in electronic form, hard copies of this document and any document or information incorporated by reference into this document will not be provided unless such a request is made.

### **4. No incorporation of website information**

Save as expressly referred to herein, neither the content of Gamesys' or Bally's website, nor the content of any website accessible from hyperlinks on Gamesys' or Bally's website, is incorporated by reference into, or forms part of, this document.



## PART 5

### NOTES FOR MAKING ELECTIONS UNDER THE SHARE ALTERNATIVE

*(For the attention of all Gamesys Shareholders including certificated Gamesys Shareholders)*

If you wish to elect for the Share Alternative to receive, subject to certain limitations and conditions, 0.343 New Bally's Shares for each Scheme Share that you hold at the Scheme Record Time, instead of some or all of the cash consideration to which you would otherwise be entitled under the Combination, please follow the instructions below.

**If you wish to receive 1,850 pence in cash for each Scheme Share that you hold at the Scheme Record Time DO NOT RETURN the Form of Election or send an Electronic Election instruction via CREST.**

#### Availability of Share Alternative:

- In order for you to be entitled to elect for the Share Alternative, you must be entered into the register of members of Gamesys prior to the Election Return Time.
- You should inform yourself about, and observe, any applicable legal or regulatory requirements in the jurisdiction in which you, or the shareholders on whose behalf you hold Scheme Shares, are located. If you are in any doubt about your position, you should consult your professional adviser in the relevant territory. Scheme Shareholders should refer to paragraph 23 of Part 2 (*Explanatory Statement*) for further details of restrictions on the availability of the Share Alternative and/or the delivery of New Bally's Shares.
- Bally's certificate of incorporation and by-laws provide that Bally's may not permit any person or entities to acquire a direct or indirect equity or economic interest in it equal to or greater than 5 per cent. of any class of equity or economic interests without the approval of the relevant gaming authorities (subject to certain specified exceptions). Any transfer or acquisition of Bally's Shares that results in a person acquiring more than such 5 per cent. threshold will not be recognised until the relevant gaming authorities have consented to such transfer or acquisition. Bally's certificate of incorporation also provides that an additional licence or consent from the gaming authorities is required for ownership equal to or greater than 20 per cent. of any class of Bally's equity interests. In addition, Bally's by-laws also include limitations and restrictions on ownership of common stock relating to regulatory requirements and licences, including restrictions on transfers and acquisitions that would violate applicable gaming laws and repurchase rights if stockholders are determined to be unsuitable to hold Bally's Shares. Bally's by-laws impose additional restrictions to ensure compliance with relevant gaming and regulatory requirements including its ability to withhold dividend payments and redeem or purchase a holder's common stock if a gaming authority or the Bally's Board determines the holder to be an "unsuitable person" as defined in certain gaming laws. Finally, Bally's by-laws incorporate by reference certain provisions of relevant state gaming laws. Copies of the amended and restated certificate of incorporation and the amended and restated by-laws of Bally's are available, subject to any restrictions relating to persons resident in certain jurisdictions, on Gamesys' website at <https://www.gamesysgroup.com/investors/offer-for-gamesys/> and on Bally's website at <https://www.ballys.com/gamesys-documentation/> respectively, until the Effective Date.
- Accordingly, Bally's reserves the right to do any or a combination of the following: (a)(i) establish a trust to hold any New Bally's Shares otherwise issuable to a Scheme Shareholder pursuant to the Scheme (a "**Relevant Scheme Shareholder**"), which, when taken together with any Bally's Shares already held by or on behalf of or beneficially owned by such Scheme Shareholder upon or following the Scheme becoming Effective, would result in that Scheme Shareholder holding in excess of 4.99 per cent. of the number of outstanding Bally's Shares calculated on a *pro forma* basis after issuance of all New Bally's Shares issuable to Scheme Shareholders pursuant to the Scheme ("**Excess Shares**") for the benefit of the Relevant Scheme Shareholder until such time as requisite regulatory approvals have been obtained or the Relevant Scheme Shareholder requests the transfer of such Excess Shares to an unaffiliated purchaser or holder (or to the Relevant Scheme Shareholder to the extent that such person has reduced its holding below 4.99 per cent. of the number of Bally's Shares then outstanding); or (ii) implement another arrangement under its certificate of incorporation or by-laws reasonably designed to assure regulatory compliance. Such trusts or other arrangements will be on such terms as Bally's (with the agreement of Gamesys, not to be unreasonably withheld, conditioned or delayed and acting in good faith) may require and will not prejudice the UK tax treatment of Gamesys Shareholders under the Scheme; (b) require the Relevant Scheme Shareholder to enter into a

contract with Bally's under which it will agree to such undertakings and restrictions as Bally's (with the agreement of Gamesys, not to be unreasonably withheld, conditioned or delayed and acting in good faith) may require, including with respect to the release and voting of Excess Shares and distributions payable in respect thereof, in order to comply with applicable legal and regulatory requirements and authorisations and the provisions of Bally's certificate of incorporation and by-laws. Bally's reserves the right, in any such contract to indemnify any Relevant Scheme Shareholder for losses it may suffer or costs it may incur in connection with or as a consequence of any such trust arrangement or entering into any such contract. Bally's will make an announcement via a Regulatory Information Service if any such trusts or agreements are established or entered into; and (c) require evidence of compliance with applicable regulatory requirements and that any Relevant Scheme Shareholder or any person to whom a Relevant Scheme Shareholder requests the transfer of Excess Shares warrants to Bally's that it holds the Bally's Shares issuable to it solely for investment and not with a view to influencing the management or control of Bally's.

**If you hold Scheme Shares in certificated form and you wish to make an election under the Share Alternative:**

- You must complete and sign the Form of Election in accordance with the instructions printed thereon and return it, either by post using the reply paid envelope provided if posted within the UK only or by hand (during normal business hours only) to Computershare, The Pavilions, Bridgwater Road, Bristol BS99 6AH, so as to be received by no later than the Election Return Time or such later time (if any) to which the right to make an election may be extended. A reply paid envelope, for use in the UK only, is enclosed for your convenience. The instructions printed on, or deemed incorporated in, the Form of Election will be deemed to form part of the terms of the Scheme.

**If you hold Scheme Shares in uncertificated form (i.e. through CREST) and you wish to make an election under the Share Alternative:**

- You should NOT complete a Form of Election BUT INSTEAD take (or procure to be taken) the actions set out below to transfer the Scheme Shares in respect of which you wish to make an election to an escrow balance, using a TTE instruction specifying Computershare (in its capacity as Receiving Agent under the participant ID 8RA20) as the escrow agent, so that the Electronic Election instruction settles no later than the Election Return Time or such later time (if any) to which the right to make an election under the Share Alternative may be extended.

**If you hold Scheme Shares in both certificated and uncertificated form and you wish to make an election under the Share Alternative in respect of both such holdings:**

- You must complete a Form of Election with respect to your certificated Scheme Shares and follow the instructions for completing an Electronic Election instruction with respect to your uncertificated Scheme Shares. Similarly, you should complete separate Forms of Election for Scheme Shares held in certificated form but under different designations.

If you need further copies of the Form of Election, please call Computershare 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 (0)370 889 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. Calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare cannot provide advice on the merits of the Combination or give any financial, legal or tax advice.

If eligible, you may make a Share Alternative Election in respect of all or part of your holding of Scheme Shares. An election will only be accepted under the Share Alternative in respect of a whole number of Scheme Shares. Any election which is made under the Share Alternative in respect of a number of Scheme Shares which is not a whole number shall be deemed to be made in respect of the nearest whole number of Scheme Shares when rounded down.

The Share Alternative is not being made available to Restricted Shareholders. Notwithstanding the signature of the Form of Election or submission of a TTE instruction via CREST, if, in respect of a Scheme Shareholder, Bally's is advised or believes that the issue and/or delivery of New Bally's Shares would or may: (a) infringe the laws of the jurisdiction in which such Scheme Shareholder is a citizen, national or is resident; and/or (b) require Bally's to comply with any governmental or other consent or any registration, filing or other formality with which Bally's is unable to comply or compliance with which Bally's regards as unduly onerous; and/or (c) result in a significant risk of civil, regulatory or criminal exposure. Bally's

may in such cases require Gamesys to treat such Scheme Shareholder as a Restricted Shareholder for the purposes of the Scheme so that either:

- (a) such Scheme Shareholder is not sent a Form of Election or is denied access to any platform required to effect an Electronic Election; or
- (b) in the case of such Scheme Shareholder who has sought to make a Share Alternative Election, such Scheme Shareholder is deemed not to have made a valid Share Alternative Election, with the result that no New Bally's Shares shall be issued to such Scheme Shareholder and so that such Scheme Shareholder shall instead receive cash consideration in accordance with the Scheme.

The Share Alternative is being made available on the basis of 0.343 New Bally's Shares for each Scheme Share that you hold at the Scheme Record Time instead of some or all the cash consideration to which you would otherwise be entitled under the Combination.

Minor adjustments to the entitlements of Scheme Shareholders pursuant to elections under the Share Alternative made under the Scheme may be made by the Registrars with the prior consent of Bally's and Gamesys on a basis that Bally's and Gamesys consider to be fair and reasonable to the extent necessary to satisfy all entitlements pursuant to elections under the Scheme as nearly as may be practicable. Such adjustments shall be final and binding on Scheme Shareholders.

You should be aware that if you buy or sell Scheme Shares after having made an election under the Share Alternative, then the number of Scheme Shares to which your election applies may be affected as set out below.

If a Scheme Shareholder has made a valid election in respect of all his Scheme Shares by writing "ALL" in the appropriate box on the Form of Election, or submitting an Electronic Election instruction for all of his Scheme Shares, then:

- (a) the validity of the Share Alternative Election shall not be affected by any alteration in the number of Scheme Shares held by the Scheme Shareholder at any time prior to the Scheme Record Time; and
- (b) accordingly, the Share Alternative Election shall be treated as applying in respect of all the Scheme Shares which the Scheme Shareholder holds immediately prior to the Scheme Record Time.

If a Scheme Shareholder has made a valid Share Alternative Election in respect of a specified number of his Scheme Shares and immediately prior to the Scheme Record Time the number of Scheme Shares held by the Scheme Shareholder is:

- (a) equal to or in excess of the number of Scheme Shares to which such Share Alternative Election(s) relates, then the validity of the Share Alternative Election(s) made by the Scheme Shareholder shall not be affected by any alteration in the number of Scheme Shares held by the Scheme Shareholder at any time prior to the Scheme Record Time and any reduction in his holding shall be treated first as a disposal of those Scheme Shares in respect of which he did not make such Share Alternative Election; or
- (b) less than the aggregate number of Scheme Shares to which such Share Alternative Election(s) relates, then if the Scheme Shareholder has made a valid Share Alternative Election, he shall be treated as having made a Share Alternative Election in respect of all the Scheme Shares which the Scheme Shareholder holds immediately prior to the Scheme Record Time.

Fractional entitlements to New Bally's Shares will not be allotted or issued to Gamesys Shareholders electing for the Share Alternative. Instead, all fractional shares which a Gamesys Shareholder would otherwise be entitled to receive will be aggregated and sold in the market with the net cash proceeds paid (converted to pounds sterling and rounded down to the nearest penny) in lieu of such fractional entitlements to the Scheme Shareholders entitled thereto, save that if the entitlement of any Gamesys Shareholder in respect of the proceeds of sale of fractional entitlements amounts to less than £5, such proceeds will be retained for the benefit of the Combined Group.

No election under the Share Alternative will be valid unless a Form of Election or Electronic Election instruction in respect of such election which has been completed in all respects is duly received by the Election Return Time or such later time (if any) to which the right to make an election may be extended.

### **Withdrawals**

If you have returned a Form of Election and subsequently wish to withdraw or amend that election, please contact Computershare in writing by no later than 1:00 p.m. on the Election Withdrawal Deadline, or such

later time or date (if any) as may be announced by Bally's or Gamesys through a Regulatory Information Service. Please clearly specify whether you would like to withdraw or amend the election that you have made and ensure that your request contains an original signature. Any written requests of this nature should be sent to Computershare, The Pavilions, Bridgwater Road, Bristol BS99 6AH. If your election was made through an Electronic Election instruction, please contact Computershare as soon as possible to arrange electronic withdrawal or amendment.

### **Late, Invalid or Incomplete Elections**

If any Form of Election or Electronic Election instruction in respect of an election for the Share Alternative is either received after the Election Return Time (or such later time or date (if any) to which the right to make an election may be extended) or received before such time and date but is not valid or complete in all respects at such time and date, such election shall, for all purposes, be void (unless, Bally's in its absolute discretion instructs Gamesys to elect to treat as valid, in whole or in part, any such election) and the holder of the Scheme Shares purporting to make such election shall not, for these purposes, be entitled to receive any variation of consideration under the Share Alternative and the relevant holder will, upon the Scheme becoming Effective, only be entitled to receive the cash consideration due under the Scheme in respect thereof.

### **General**

Without prejudice to any other provision of this section or the Form of Election or otherwise, Bally's reserves the right (subject to the terms of the Combination and the provisions of the Takeover Code) to require Gamesys to treat as valid in whole or in part any election for the Share Alternative which is not entirely in order.

No acknowledgments of receipt of any Form of Election, Electronic Election instruction or other documents will be given. All communications, notices, other documents and remittances to be delivered by or to or sent to or from holders of Scheme Shares (or their designated agent(s)) or as otherwise directed will be delivered by or to or sent to or from such holders of Scheme Shares (or their designated agent(s)) at their own risk.

Gamesys, Bally's and Premier Entertainment and/or their respective agents reserve the right to notify any matter to all or any Scheme Shareholders with registered addresses outside the UK or to the nominees, trustees or custodians for such Scheme Shareholders by announcement in the UK or paid advertisement in any daily newspaper published and circulated in the UK or any part thereof, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any such shareholders to receive or see such notice. All references in this document to notice in writing, or the provision of information in writing, by or on behalf of Gamesys, Premier Entertainment, Bally's and/or their respective agents shall be construed accordingly. No such document shall be sent to an address outside the UK where it would or might infringe the laws of that jurisdiction or would or might require Gamesys, Premier Entertainment or Bally's to obtain any governmental or other consent or to effect any registration, filing or other formality with which, in the opinion of Gamesys, Premier Entertainment or Bally's, it would be unable to comply or which it regards as unduly onerous.

The Form of Election and all elections thereunder, all action taken or made or deemed to be taken or made pursuant to any of these terms and the relationship between a Scheme Shareholder, Gamesys, Premier Entertainment, Bally's and/or the Registrars shall be governed by and interpreted in accordance with English law. Signature by or on behalf of a holder of Scheme Shares of a Form of Election or the submission of an Electronic Election by a Scheme Shareholder will constitute their submission, in relation to all matters arising out of or in connection with the Scheme and the Form of Election or Electronic Election, to the jurisdiction of the courts of England and his agreement that nothing shall limit the rights of Gamesys, Premier Entertainment and/or Bally's to bring any action, suit or proceeding arising out of or in connection with the Scheme and the Form of Election or Electronic Election in any other manner permitted by law or in any court of competent jurisdiction.

Execution of a Form of Election or submission of an Electronic Election instruction by or on behalf of a Scheme Shareholder will constitute his agreement that the courts of England are (subject to the paragraph below) to have exclusive jurisdiction to settle any dispute which may arise in connection with the creation, validity, effect, interpretation or performance of the legal relationships established by the Form of Election or otherwise arising in connection with the Scheme, the Form of Election or the submission of an Electronic Election instruction, and for such purposes that he irrevocably submits to the jurisdiction of the courts of England.

Execution of a Form of Election or submission of an Electronic Election instruction by or on behalf of a Scheme Shareholder will constitute his agreement that the agreement in the paragraph above is included for the benefit of Gamesys, Premier Entertainment, Bally's and/or their respective agents and accordingly, notwithstanding the agreement in the paragraph above, each of Gamesys, Premier Entertainment, Bally's and/or their respective agents shall retain the right to, and may in its absolute discretion, bring proceedings in the courts of any other country which may have jurisdiction and that the electing shareholder irrevocably submits to the jurisdiction of the courts of any such country.

If the Scheme is not implemented or does not become Effective in accordance with its terms, any election made under the Share Alternative will cease to be valid.

None of Gamesys, Premier Entertainment, Bally's or Computershare, nor any of their respective advisers or any person acting on behalf of any one of them, shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of elections under the Scheme on any of the bases set out in this section or otherwise in connection therewith.

### **Shares held in uncertificated form**

Shareholders who hold their Scheme Shares in uncertificated form and who wish to choose the Share Alternative in respect of all or some of their Gamesys Shares should use the following procedure. The prescribed form of election is a transfer to escrow ("TTE") instruction. If you are a CREST personal member and wish to make an election under the Share Alternative in respect of some or all of your Scheme Shares, you should refer to your CREST sponsor before taking any action.

Your CREST sponsor will be able to confirm details of your participant ID and the member account ID under which your Scheme Shares are held. In addition, only your CREST sponsor will be able to send the TTE instruction to Euroclear in relation to your Scheme Shares.

### **If you hold Scheme Shares in uncertificated form and you are not an Overseas Shareholder:**

You should send (or, if you are a CREST personal member, procure that your CREST sponsor sends) an Electronic Election instruction to Euroclear which must be properly authenticated in accordance with Euroclear's specifications and which must contain, in addition to the other information that is required for an Electronic Election instruction to settle in CREST, the following details:

- (a) the number of Scheme Shares in respect of which you are making a Share Alternative Election where you wish to receive only New Bally's Shares (such Scheme Shares to be transferred to an escrow balance);
- (b) your member account ID;
- (c) your participant ID;
- (d) the participant ID of the escrow agent, Computershare, in its capacity as a CREST Receiving Agent. This is 8RA20;
- (e) the relevant member account ID(s) of the escrow agent, Computershare, in its capacity as a CREST Receiving Agent is GAMESY01;
- (f) the ISIN number of the relevant Scheme Shares. This is GB00BZ14BX56;
- (g) the intended settlement date. This should be as soon as possible and in any event by not later than the Election Return Time;
- (h) the corporate action number for the transaction – this is allocated by Euroclear and can be found by viewing the relevant corporate action details on screen in CREST;
- (i) a CREST standard delivery instruction priority of 80; and
- (j) a contact name and telephone number (inserted in the shared note field of the Electronic Election instruction).

After settlement of the Electronic Election instruction, you will not be able to access the Scheme Shares concerned in CREST for any transaction or for charging purposes. If the Scheme is implemented in accordance with its terms, the escrow agent will arrange for the cancellation of the Scheme Shares from the CREST system. You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedure outlined above. Electronic Election instructions are revocable until



1:00 p.m. on the Election Withdrawal Deadline, after which time they may no longer be revoked. Please refer to the CREST Manual for information about how to withdraw an Electronic Election instruction.

*If you hold Scheme Shares in uncertificated form and you are an Overseas Shareholder:*

If you wish to make a purported election under the Share Alternative in respect of some or all of your Scheme Shares and you are an Overseas Shareholder, you may only attempt to make such a purported election by sending (or if a CREST sponsored member, procuring that your CREST sponsor sends) both:

- (a) a valid Electronic Election instruction to a designated escrow balance detailed below (a “**Restricted Escrow Transfer**”); and
- (b) a valid ESA instruction (a “**Restricted ESA Instruction**”).

Such purported election will not be treated as valid unless both the Restricted Escrow Transfer and the Restricted ESA Instruction settle in CREST and you are not treated as a Restricted Shareholder in accordance with the terms of the Scheme or the terms otherwise set out in this document and that such purported election should be accepted. If you make a valid election, Computershare will accept the purported election on the terms of this document by transmitting in CREST a receiving agent accept (AEAN) message. Otherwise Computershare will reject the purported election by transmitting in CREST a receiving agent reject (AEAD) message.

Each Restricted Escrow Transfer must, in order for it to be valid and settle, include the following details:

- (a) the ISIN number of the relevant Scheme Shares. This is GB00BZ14BX56;
- (b) the number of Scheme Shares in uncertificated form in respect of which you are purporting to make an election (such Scheme Shares to be transferred to an escrow balance);
- (c) your member account ID;
- (d) your participant ID;
- (e) the participant ID of the escrow agent, Computershare, in its capacity as CREST Receiving Agent as set out in the Restricted Escrow Transfer. This is 8RA20;
- (f) the member account ID of the escrow agent, Computershare, in its capacity as CREST Receiving Agent specific to a Restricted Escrow Transfer. This is (RESTRICT) set out in the Restricted Escrow Transfer;
- (g) the intended settlement date. This should be as soon as possible and in any event not later than the Election Return Time;
- (h) the corporate action number for the transaction, which is allocated by Euroclear and can be found by viewing the relevant corporate action details on screen in CREST;
- (i) a CREST standard delivery instruction priority of 80; and
- (j) a contact name and telephone number (inserted in the shared note field of the Electronic Election instruction).

Each Restricted ESA Instruction must, in order for it to be valid and settle, include the following details:

- (a) the corporate action ISIN number of Scheme Shares. This is GB00BZ14BX56;
- (b) the number of Scheme Shares in uncertificated form relevant to that Restricted ESA Instruction;
- (c) your participant ID;
- (d) your member account ID;
- (e) the participant ID of the escrow agent, Computershare, in its capacity as CREST Receiving Agent set out in the Restricted Escrow Transfer. This is 8RA20;
- (f) the relevant member account ID(s) of the escrow agent, Computershare, in its capacity as a CREST Receiving Agent to make a Share Alternative Election under the Share Alternative where you wish to receive only New Bally’s Shares this is – GAMESY01;
- (g) the CREST transaction ID of the Restricted Escrow Transfer to which the Restricted ESA Instruction relates;

- (h) the intended settlement date. This should be as soon as possible and in any event not later than the Election Return Time;
- (i) the corporate action number for the transaction; and
- (j) input with a standard delivery instruction priority of 80.

You should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with an Electronic Election instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable an Electronic Election instruction relating to your Scheme Shares to settle prior to the Election Return Time. In this connection you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

#### **Unsettled trades**

As at the close of trading on the last day of dealings in Gamesys Shares prior to the Effective Date, there may be unsettled, open trades for the sale and purchase of Gamesys Shares within the CREST system. The Scheme Shares that are the subject of such unsettled trades will be treated under the Scheme in the same way as any other Scheme Share registered in the name of the relevant seller under that trade. Consequently, those Gamesys Shares will be transferred under the Scheme and the seller will receive the appropriate cash consideration and/or any New Bally's Shares pursuant to any valid Share Alternative Election made by the seller under the Share Alternative in accordance with the terms of the Combination. However, the CREST system will automatically require the seller to settle that unsettled trade in cash at the same exchange ratio provided by the terms of the Combination. Consequently, if applicable, a seller within CREST will need to ensure that it holds or acquires the appropriate number of Bally's Shares necessary to satisfy that trade at the relevant time.

## PART 6

### DESCRIPTION OF THE NEW BALLY'S SHARES

#### 1. Bally's

Bally's is incorporated in Delaware, United States of America and the Bally's Shares are listed on the NYSE. Therefore, the relationship between Bally's Shareholders and Bally's is governed, among other things, by Delaware law and the competent courts of Delaware, US federal securities law and the listing rules of the NYSE.

#### 2. New Bally's Shares

The New Bally's Shares issued to Scheme Shareholders (other than Restricted Shareholders) that have made a valid Share Alternative Election will be issued as fully paid and will rank *pari passu* in all respects with the Bally's Shares in issue at the time the New Bally's Shares are issued (in addition to any further rights granted pursuant to the Cooperation Agreement), including in relation to the right to receive notice of, and to attend and vote at, general meetings of Bally's, the right to receive and retain any distributions declared, made or paid by reference to a record date falling after the Effective Date and to participate in the assets of Bally's upon a winding-up of Bally's.

Applications, conditional on the Scheme becoming Effective, will be made for the New Bally's Shares to be listed on the NYSE. It is expected that admission of the New Bally's Shares to trading on the NYSE will become effective and that dealing for normal settlement will commence on or around the Effective Date. The New Bally's Shares will be issued free from all liens, charges, encumbrances and other third party rights and/or interests of any nature whatsoever. Immediately following admission of the New Bally's Shares to listing and trading on the NYSE, Bally's will have one class of common stock in issue, being the Bally's Shares. However, Bally's may seek to issue additional classes of shares.

#### 3. Risk Factors

The attention of Gamesys Shareholders is drawn to the risk factors set out in Bally's filings with the SEC, including Item 1A of Part I of Bally's Annual Report on Form 10-K for its fiscal year ended 31 December 2020 and Part II (*Risk Factors*) of the Prospectus, and any subsequent reports on Forms 10-K, 10-Q and 8-K, which are or will be available at: <https://investors.ballys.com/financials/sec-filings/default.aspx>.

#### 4. Rights attaching to Bally's Shares

Copies of the amended and restated certificate of incorporation and the amended and restated by-laws of Bally's are available, subject to any restrictions relating to persons resident in certain jurisdictions, on Gamesys' website at <https://www.gamesysgroup.com/investors/offer-for-gamesys/> and on Bally's website at <https://www.ballys.com/gamesys-documentation/> respectively, until the Effective Date.

The following is a summary of the rights, preferences and restrictions attaching to Bally's Shares:

##### *Voting rights*

Each holder of Bally's Shares will be entitled to one vote in person or by proxy for each Bally's Share held of record by such holder on all matters on which Bally's Shareholders generally are entitled to vote, whether voting separately as a class or otherwise. The holders of Bally's Shares will vote together as a single class on all matters. The holders of the Bally's Shares do not have pre-emption rights in respect of the Bally's Shares.

##### *Acquisition and transfer restrictions*

Any transfer of Bally's Shares that would be in breach of applicable securities law is restricted.

Furthermore, Bally's certificate of incorporation and by-laws provide that Bally's may not permit any person or entities to acquire a direct or indirect equity or economic interest in it equal to or greater than 5 per cent. of any class of equity or economic interests without the approval of the relevant gaming authorities (subject to certain specified exceptions). Any transfer or acquisition of Bally's Shares that results in a person acquiring more than such 5 per cent. threshold will not be recognised until the relevant gaming authorities have consented to such transfer or acquisition. Bally's certificate of incorporation also provides that an additional licence or consent from the gaming authorities is

required for ownership equal to or greater than 20 per cent. of any class of Bally's equity interests. In addition, Bally's by-laws also include limitations and restrictions on ownership of common stock relating to regulatory requirements and licences, including restrictions on transfers and acquisitions that would violate applicable gaming laws and repurchase rights if stockholders are determined to be unsuitable to hold Bally's Shares. Bally's by-laws impose additional restrictions to ensure compliance with relevant gaming and regulatory requirements including its ability to withhold dividend payments and redeem or purchase a holder's common stock if a gaming authority or the Bally's Board determines the holder to be an "unsuitable person" as defined in certain gaming laws. Finally, Bally's by-laws incorporate by reference certain provisions of relevant state gaming laws.

Accordingly, Bally's reserves the right to do any or a combination of the following: (a)(i) establish a trust to hold any New Bally's Shares otherwise issuable to a Scheme Shareholder pursuant to the Scheme (a "**Relevant Scheme Shareholder**"), which, when taken together with any Bally's Shares already held by or on behalf of or beneficially owned by such Scheme Shareholder upon or following the Scheme becoming Effective, would result in that Scheme Shareholder holding in excess of 4.99 per cent. of the number of outstanding Bally's Shares calculated on a *pro forma* basis after issuance of all New Bally's Shares issuable to Scheme Shareholders pursuant to the Scheme ("**Excess Shares**") for the benefit of the Relevant Scheme Shareholder until such time as requisite regulatory approvals have been obtained or the Relevant Scheme Shareholder requests the transfer of such Excess Shares to an unaffiliated purchaser or holder (or to the Relevant Scheme Shareholder to the extent that such person has reduced its holding below 4.99 per cent. of the number of Bally's Shares then outstanding); or (ii) implement another arrangement under its certificate of incorporation or by-laws reasonably designed to assure regulatory compliance. Such trusts or other arrangements will be on such terms as Bally's (with the agreement of Gamesys, not to be unreasonably withheld, conditioned or delayed and acting in good faith) may require and will not prejudice the UK tax treatment of Gamesys Shareholders under the Scheme; (b) require the Relevant Scheme Shareholder to enter into a contract with Bally's under which it will agree to such undertakings and restrictions as Bally's (with the agreement of Gamesys, not to be unreasonably withheld, conditioned or delayed and acting in good faith) may require, including with respect to the release and voting of Excess Shares and distributions payable in respect thereof, in order to comply with applicable legal and regulatory requirements and authorisations and the provisions of Bally's certificate of incorporation and by-laws. Bally's reserves the right, in any such contract to indemnify any Relevant Scheme Shareholder for losses it may suffer or costs it may incur in connection with or as a consequence of any such trust arrangement or entering into any such contract. Bally's will make an announcement via a Regulatory Information Service if any such trusts or agreements are established or entered into; and (c) require evidence of compliance with applicable regulatory requirements and that any Relevant Scheme Shareholder or any person to whom a Relevant Scheme Shareholder requests the transfer of Excess Shares warrants to Bally's that it holds the Bally's Shares issuable to it solely for investment and not with a view to influencing the management or control of Bally's.

#### *Dividends*

The holders of Bally's Shares will be entitled to receive such dividends and other distributions in cash, property or shares of stock of Bally's as may be declared thereon by the Bally's Directors from time to time out of assets or funds of Bally's legally available for such purposes, subject to the rights of preferred stock holders, if any, in the future.

Bally's is not currently paying a cash dividend on the Bally's Shares, and it does not currently intend to pay any cash dividends on the Bally's Shares in the foreseeable future. Any future determinations relating to Bally's dividend policies will be made at the discretion of the Bally's Board and will depend on conditions then existing, including its financial condition, results of operations, contractual restrictions, capital and regulatory requirements and other factors the Bally's Board may deem relevant.

#### *Rights in respect to capital*

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of Bally's, after payment or provision for payment of the debts and other liabilities of Bally's, the holders of all outstanding Bally's Shares will be entitled to receive the remaining assets of Bally's available for distribution ratably in proportion to the number of Bally's Shares held by each such holder, subject to the rights of preferred stock holders, if any, in the future.

#### *Pre-emptive, conversion and redemption rights*

No pre-emptive rights attach to the Bally's Shares, nor are they convertible or redeemable.

## PART 7

### ADDITIONAL INFORMATION

#### 1. Responsibility

- (a) The Gamesys Directors, whose names are set out in paragraph 2(a) below, accept responsibility for the information contained in this document (including any expressions of opinion) other than the information for which responsibility is taken by others pursuant to paragraphs 1(b) and 1(c) below. To the best of the knowledge and belief of the Gamesys Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (b) The Bally's Directors, whose names are set out in paragraph 2(b) below, accept responsibility for the information contained in this document (including any expressions of opinion) relating to Bally's Group, the Bally's Directors, their immediate families, related trusts and persons connected with them and statements of intention or opinion of Bally's (together the "**Bally's Information**"). To the best of the knowledge and belief of the Bally's Directors (who have taken all reasonable care to ensure that such is the case), the Bally's Information is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (c) The Premier Entertainment Directors, whose names are set out in paragraph 2(c) below, accept responsibility for the information contained in this document (including any expressions of opinion) relating to Premier Entertainment, the Premier Entertainment Directors, their immediate families, related trusts and persons connected with them and statements of intention or opinion of Premier Entertainment (together the "**Premier Entertainment Information**"). To the best of the knowledge and belief of the Premier Entertainment Directors (who have taken all reasonable care to ensure that such is the case), the Premier Entertainment Information is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2. Directors

- (a) The Gamesys Directors and their positions in Gamesys are as follows:

<b>Name</b>	<b>Position</b>
Neil Goulden	Non-Executive Chair
Lee Fenton	Chief Executive Officer
Keith Laslop	Chief Financial Officer
Robeson Reeves	Chief Operating Officer
Tina Southall	Chief People Officer
Colin Sturgeon	Senior Independent Non-Executive Director
Nigel Brewster	Independent Non-Executive Director
Jim Ryan	Independent Non-Executive Director
Katie Vanneck-Smith	Independent Non-Executive Director
Andria Vidler	Independent Non-Executive Director

The registered office of Gamesys and the business address of each of the Gamesys Directors is 10 Piccadilly, London, England, W1J 0DD, UK.

- (b) The Bally's Directors and their positions in Bally's are as follows:

<b>Name</b>	<b>Position</b>
Soohyung Kim	Chairman
George T. Papanier	President & Chief Executive Officer
Terrence Downey	Independent Director
Jaymin B. Patel	Independent Director
Jeffrey W. Rollins	Independent Director
Wanda Y. Wilson	Independent Director



The headquarters and principal executive office of Bally's and the business address of each of the Bally's Directors is 100 Westminster Street, Providence, Rhode Island 02903, USA.

(c) The Premier Entertainment Directors and their positions in Premier Entertainment are as follows:

Name	Position
George T. Papanier	President & Chief Executive Officer
Stephen Capp	Executive Vice President, Chief Financial Officer and Treasurer

The headquarters and principal executive office of Premier Entertainment and the business address of each of the Premier Entertainment Directors is 100 Westminster Street, Providence, RI 02903, USA.

### 3. Market quotations

Set out below are the Closing Prices of Gamesys Shares and Bally's Shares taken from Bloomberg on:

- (a) the first dealing day in each of the six months immediately before the date of this document;
- (b) 23 March 2021 (the last dealing day before the commencement of the Offer Period); and
- (c) the Latest Practicable Date.

Date	Gamesys Shares (pence)	Bally's Shares (\$)
1 December 2020 .....	1,116	44.27
4 January 2021 .....	1,198	46.50
1 February 2021 .....	1,290	52.36
1 March 2021 .....	1,400	64.42
23 March 2021 .....	1,642	66.34
1 April 2021 .....	1,932	65.29
4 May 2021 .....	1,932	57.99
28 May 2021 .....	1,865	58.03

### 4. Interests and dealings

For the purposes of this paragraph 4:

“**acting in concert**” with a party means any such person acting or deemed to be acting in concert with that party for the purposes of the Takeover Code and/or the Combination.

“**arrangement**” includes indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature relating to relevant securities which may be an inducement to deal or refrain from dealing;

“**control**” means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether such interest or interests give *de facto* control;

“**dealing**” includes: (i) the acquisition or disposal of securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities, or of general control of securities; (ii) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any securities; (iii) subscribing or agreeing to subscribe for securities; (iv) the exercise or conversion, whether in respect of new or existing securities, of any securities carrying conversion or subscription rights; (v) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to securities; (vi) entering into, terminating or varying the terms of any agreement to purchase or sell securities; (vii) the redemption or purchase of, or taking or exercising an option over, any of its own relevant securities; and (viii) any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he/she has a short position;

“**derivative**” includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security;

“**disclosure date**” means the Latest Practicable Date;

“**disclosure period**” means the period commencing on 24 March 2020 (the date 12 months prior to the commencement of the Offer Period) and ending on the disclosure date;

A person has an “**interest**” or is “**interested**” in securities if he/she has a long economic exposure, whether absolute or conditional, to changes in the price of those securities (but not if he/she only has a short position in such securities) and in particular covers: (i) legal title and beneficial ownership (i.e. the ability to exercise, or control the exercise of, voting rights); (ii) the right, option or obligation to acquire, call for or take delivery of securities under an option or derivative; and (iii) the situation where a person holds a derivative referenced to, or which may result in, a long position in securities; and

“**relevant securities**” includes (i) Gamesys Shares and any other securities of Gamesys conferring voting rights; (ii) equity share capital of Gamesys or, as the context requires, Premier Entertainment and/or Bally’s; and (iii) securities of Gamesys or, as the context requires, Premier Entertainment and/or Bally’s carrying conversion or subscription rights into any of the foregoing.

(a) *Persons acting in concert with Bally’s and Premier Entertainment*

In addition to the Bally’s Directors (together with their close relatives and related trusts), the Premier Entertainment Directors (together with their close relatives and related trusts) and members of the Bally’s Group (and their related pension schemes), the persons who are deemed to be acting in concert with Bally’s and Premier Entertainment under the Takeover Code for the purposes of the Combination and which are required to be disclosed are:

<u>Name</u>	<u>Type of company</u>	<u>Registered Office</u>	<u>Relationship with Bally’s</u>
Deutsche Bank Aktiengesellschaft (London Branch).....	Financial services	Winchester House, 1 Great Winchester Street, London EC2N 2DB	Financial adviser
Deutsche Bank Securities Inc.....	Financial services	60 Wall Street New York, NY 10005	Financial adviser
Standard RI .....	Holding company	190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands	Person holding 20 per cent. or more of Bally’s equity share capital and therefore presumed to be “acting in concert” with the offeror under paragraph (1) of the definition of “acting in concert” contained in the Takeover Code. Although Standard RI may be presumed to be “acting in concert” with the offeror under the said paragraph (1), Standard RI disclaims it is acting in concert for any other purpose.
Goldman Sachs International.....	Financial Services	Plumtree Court 25 Shoe Lane London United Kingdom EC4A 4AU	Connected adviser

(b) *Persons acting in concert with Gamesys*

In addition to the Gamesys Directors (together with their close relatives and related trusts) and members of the Gamesys Group, the persons acting in concert with Gamesys for the purposes of the Combination and which are required to be disclosed are:

<b>Name</b>	<b>Type of company</b>	<b>Registered Office</b>	<b>Relationship with Gamesys</b>
Macquarie Capital (Europe) Limited.....	Financial Services	Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD	Financial adviser
Joh. Berenberg, Gossler & Co. KG, London Branch.....	Financial Services	60 Threadneedle Street, London EC2R 8HP	Corporate broker
Numis Securities Limited .....	Financial Services	The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT	Corporate broker

(c) *Interests and Dealings in Relevant Securities of Bally's*

(i) *Interests held by persons acting in concert with Bally's or Premier Entertainment*

As at the close of business on the disclosure date, the interests, rights to subscribe and short positions in respect of relevant securities of Bally's held by Bally's Directors, Premier Entertainment Directors, their close relatives and related trusts and persons acting in concert with Bally's or Premier Entertainment were as follows:

<b>Name</b>	<b>Number of Bally's Shares</b>	<b>Percentage of Bally's issued share capital</b>	<b>Nature of Interest</b>
Terrence Downey* .....	15,604	0.04	Beneficial
George T. Papanier <sup>(1)</sup> .....	345,293	0.78	Beneficial
Jaymin B. Patel .....	6,787	0.02	Beneficial
Jeffrey W. Rollins <sup>(2)</sup> .....	475,745	1.07	Beneficial
Wanda Y. Wilson* .....	15,852	0.04	Beneficial
Standard RI Ltd <sup>(3)</sup> .....	10,342,069	23.22	Beneficial
Stephen Capp+ .....	213,682	0.48	Beneficial

\* Denotes a director of Bally's

+ Denotes a director of Premier Entertainment.

(1) Consists of 327,293 shares of Bally's Shares held by Mr. Papanier and 18,000 shares of Bally's Shares held in trust.

(2) Consists of 75,745 shares of Bally's Shares held by Mr. Rollins and 400,000 shares of Bally's Shares held by the Rollins Marital Trust. The beneficiary of the trust is a connected person to Mr. Rollins.

(3) Soohyung Kim is a director of Bally's, and is the managing partner and chief investment officer of Standard General L.P. Standard General L.P. serves as investment manager to Standard RI and, in that capacity, exercises voting and investment control over the shares held by Standard RI. Each of Mr. Kim and Standard General L.P. disclaims beneficial ownership of the Bally's Shares reported except to the extent of its or his pecuniary interest in such Bally's Shares.

As at the close of business on the disclosure date, the following awards over relevant securities of Bally's were held by Bally's Directors, Premier Entertainment Directors, their close relatives and related trusts and persons acting in concert with Bally's or Premier Entertainment:

Name	Date of Grant	Award <sup>(1)</sup>	Number of Bally's Shares	Exercise Price (\$)	Date from which exercisable
Terrence Downey.....	18 May 2021	RSA	1,132	0	(2)
George T. Papanier.....	2 January 2020	RSU	20,273	0	(9)
	19 January 2021	RSU	57,241	0	(3)
	19 January 2021	PSU	19,081	0	(6)
	19 January 2021	PSU	19,080	0	(7)
	19 January 2021	PSU	19,080	0	(8)
Jaymin B. Patel.....	11 January 2021	RSA	2,020	0	(4)
	18 May 2021	RSA	1,132	0	(2)
Jeffrey W. Rollins.....	18 May 2021	RSA	1,132	0	(2)
Wanda Y. Wilson.....	18 May 2021	RSA	1,132	0	(2)
Stephen Capp.....	2 April 2019	RSU	13,050	0	(10)
	2 January 2020	RSU	23,735	0	(9)
	23 February 2021	RSU	19,011	0	(5)
	23 February 2021	PSU	6,199	0	(6)
	23 February 2021	PSU	12,812	0	(7)

- (1) Bally's has three share-based employee compensation plans. Share-based compensation consists of stock options, time-based restricted stock units ("RSUs"), restricted stock awards ("RSAs"), and performance-based restricted stock units ("PSUs"). These awards are given as long-term equity-based incentives, and are subject continued service with Bally's through the applicable vesting date and certain performance based conditions.
- (2) Mr. Downey, Mr. Rollins and Ms. Wilson were granted RSAs that will vest (i.e. become unrestricted) on the earlier of the first anniversary of the date of grant or the 2022 annual meeting of Bally's Shareholders, subject to each such person's respective continued service through such date and will be subject to an additional one-year holding period thereafter.
- (3) On 19 January 2021, Mr. Papanier was granted 57,241 restricted stock units vesting in three equal instalments on 31 December 2021, 31 December 2022, and 31 December 2023, respectively.
- (4) This RSA will vest (i.e. become unrestricted) on the first anniversary of the date of grant subject to Mr. Patel's continued services through such date.
- (5) On 23 February 2021, Mr. Capp was granted 19,011 RSUs of which 6,199 and 12,812 will vest on 31 December 2021 and 31 December 2022, respectively.
- (6) Represent PSUs which vest based on achievement of applicable targets for the performance period from 1 January 2021 to 31 December 2021.
- (7) Represent PSUs which vest based on achievement of applicable targets for the performance period from 1 January 2022 to 31 December 2022.
- (8) Represent PSUs which vest based on achievement of applicable targets for the performance period from 1 January 2023 to 31 December 2023.
- (9) RSUs awarded to Messrs. Papanier and Capp on 2 January 2020 vest ratably on 15 January 2020, 30 December 2020 and 2 January 2022.
- (10) RSUs awarded to Mr Capp on 2 April 2019 vest ratably on 31 December 2019, 31 December 2020 and 31 December 2021.

(ii) *Interests held by persons acting in concert with Gamesys*

As at the close of business on the disclosure date, the interests, rights to subscribe and short positions in respect of relevant securities of Bally's held by Gamesys Directors, their close relatives and related trusts and persons acting in concert with Gamesys were as follows:

Name	Number of Bally's Shares	Percentage of Bally's issued share capital	Nature of Interest
Lee Fenton .....	10,306	0.023	Beneficial owner
Keith Laslop.....	3,600	0.008	Beneficial owner

(iii) *Dealings by persons acting in concert with Bally's or Premier Entertainment*

As at the close of business on the disclosure date, the following dealings in relevant securities of Bally's by Bally's Directors, Premier Entertainment Directors, their close relatives and related trusts and persons acting in concert with Bally's or Premier Entertainment have taken place during the disclosure period:

<b>Name</b>	<b>Date</b>	<b>Dealing</b>	<b>Number of Bally's Shares</b>	<b>Price (\$)</b>	
Terrence Downey ...	18 May 2021	RSA vesting (shares became unrestricted)	3,413 <sup>(1)</sup>	0	
	30 December 2020	Issuance of shares (share vesting)	3,943	0	
	14 May 2020	Issuance of shares (share vesting)	1,999	0	
George T. Papanier.	15 March 2021	Issuance of shares (PSU vesting)	10,196 <sup>(2)</sup>	0	
	10 February 2021	Transfer to trust	18,000	0	
	31 December 2020	Issuance of shares (RSU vesting)	40,764 <sup>(3)</sup>	0	
	30 December 2020	Issuance of shares (RSU vesting)	15,794 <sup>(4)</sup>	0	
Jaymin B. Patel .....	11 January 2021	Issuance of shares (share vesting)	3,635	0	
Jeffrey W. Rollins...	18 May 2021	RSA vesting (shares became unrestricted)	3,413	0	
	4 January 2021	Sale	5,000	48.29	
	30 December 2020	Issuance of shares (share vesting)	3,943	0	
	21 December 2020	Sale	5,000	44.48	
	1 December 2020	Sale	5,000	44.24	
	16 November 2020	Sale	4,500	30.00	
	9 November 2020	Sale	500	30.00	
	14 May 2020	Issuance of shares (share vesting)	1,999	0	
	24 February 2021	Sale	5,000	64.71	
	Rollins Marital Trust <sup>(5)</sup>	24 February 2021	Sale	5,000	64.00
		24 February 2021	Sale	5,000	65.50
		24 February 2021	Sale	5,000	65.00
		24 February 2021	Sale	5,000	65.25
24 February 2021		Sale	5,000	65.50	
24 February 2021		Sale	5,000	65.50	
24 February 2021		Sale	5,000	65.75	
24 February 2021		Sale	5,000	65.80	
24 February 2021		Sale	5,036	66.00	
Wanda Y. Wilson....	18 May 2021	RSA vesting (shares became unrestricted)	3,413 <sup>(6)</sup>	0	
	30 December 2020	Issuance of shares (share vesting)	3,943	0	
	14 May 2020	Issuance of shares (share vesting)	1,999	0	
Standard RI.....	16 April 2021	Sale	909,090	55.00	
	26 January 2021	Sale	220,304	54.50	
	7 October 2020	Sale	273,650	25.5029	
	6 October 2020	Sale	800	26.4054	
Stephen H. Capp ....	30 March 2021	Sale	43,527	66.51	
	29 March 2021	Sale	301	69.17	
	26 March 2021	Sale	56,172	69.97	
	15 March 2021	Issuance of shares (PSU vesting)	6,526 <sup>(7)</sup>	0	
	31 December 2020	Issuance of shares (RSU vesting)	36,785 <sup>(8)</sup>	0	
	30 December 2020	Issuance of shares (RSU vesting)	13,143 <sup>(9)</sup>	0	

(1) Bally's retained 1,434 Bally's Shares to satisfy certain tax withholding obligations in connection with this vesting.

(2) Bally's retained 4,012 Bally's Shares to satisfy certain tax withholding obligations in connection with this vesting.

(3) Bally's retained 18,483 Bally's Shares to satisfy certain tax withholding obligations in connection with this vesting.

(4) Bally's retained 7,161 Bally's Shares to satisfy certain tax withholding obligations in connection with this vesting.

(5) The Rollins Marital Trust is a connected person of Mr. Rollins.

(6) Bally's retained 751 Bally's Shares to satisfy certain tax withholding obligations in connection with this vesting.

(7) Bally's retained 2,952 Bally's Shares to satisfy certain tax withholding obligations in connection with this vesting.

(8) Bally's retained 16,679 Bally's Shares to satisfy certain tax withholding obligations in connection with this vesting.

(9) Bally's retained 5,959 Bally's Shares to satisfy certain tax withholding obligations in connection with this vesting.



(d) *Interests and dealings in Relevant Securities of Gamesys*

(i) *Interests held by persons acting in concert with Gamesys*

As at the close of business on the disclosure date, the interests, rights to subscribe and short positions in respect of relevant securities of Gamesys held by Gamesys Directors, their close relatives and related trusts and persons acting in concert with Gamesys were as follows:

Name	Number of Gamesys Shares	Percentage of Gamesys' issued share capital	Nature of Interest
Neil Goulden .....	125,000	0.114	Registered owner
Lee Fenton.....	680,874	0.621	Registered owner
Robeson Reeves .....	48,152	0.044	Beneficial
	687,351	0.627	Registered owner
	91,8991 <sup>(1)</sup>	0.084	Beneficial owner
Keith Laslop .....	1,078,682 <sup>(2)</sup>	0.983	Beneficial owner
Tina Southall .....	94,170 <sup>(3)</sup>	0.086	Beneficial owner
Colin Sturgeon.....	5,000	0.005	Beneficial owner
Nigel Brewster.....	4,991	0.005	Beneficial owner
Jim Ryan.....	10,000	0.009	Beneficial owner
Macquarie Group.....	84,725	0.077	Registered owner

(1) Includes 200 Gamesys Shares in respect of which Lisa Harvey is the beneficial owner and 1,650 Gamesys Shares in respect of which Dr. Francis William Hugh Reeves is the beneficial owner, each being a close relative of Robeson Reeves.

(2) Includes 1,069,511 Gamesys Shares held by a company that is ultimately controlled by the Laslop Family Settlement, a related trust of Keith Laslop.

(3) Includes 408 Gamesys Shares held under the Share Incentive Plan ("SIP").

As at the close of business on the disclosure date, the following options to acquire Gamesys Shares had been granted and remained outstanding under the Gamesys Share Plans:

Name	Description of option/award	Number	Date of grant	Exercise price	Vesting date	Lapse date
Lee Fenton	Long Term Incentive Plan ("LTIP") 3	85,149	30 September 2019	Nil	9 March 2022	30 September 2029
	LTIP 4	98,842	25 March 2020	Nil	8 March 2023	25 March 2030
	LTIP 5	35,346	25 May 2021	Nil	12 March 2024	25 May 2031
Robeson Reeves ....	LTIP 3	59,604	30 September 2019	Nil	9 March 2022	30 September 2029
	LTIP 4	69,189	25 March 2020	Nil	8 March 2023	25 March 2030
	LTIP 5	30,089	25 May 2021	Nil	12 March 2024	25 May 2031
Keith Laslop .....	LTIP 2	55,551	28 March 2018	Nil	26 March 2021	28 March 2028
	LTIP 3	74,591	30 September 2019	Nil	9 March 2022	30 September 2029
	LTIP 4	95,988	25 March 2020	Nil	8 March 2023	25 March 2030
	LTIP 5	31,851	25 May 2021	Nil	12 March 2024	25 May 2031
Tina Southall .....	LTIP 3	25,204	30 September 2019	Nil	9 March 2022	30 September 2029
	LTIP 4	36,165	25 March 2020	Nil	8 March 2023	25 March 2030
	LTIP 5	16,716	25 May 2021	Nil	12 March 2024	25 May 2031
Tasha Harvey <sup>(1)</sup> .....	LTIP 3	17,711	30 September 2019	Nil	9 March 2022	30 September 2029
	LTIP 4	20,331	25 March 2020	Nil	8 March 2023	25 March 2030
	LTIP 5	4,362	25 May 2021	Nil	12 March 2024	25 May 2031

(1) A close relative of Robeson Reeves.

(ii) *Dealings by persons acting in concert with Gamesys*

As at the close of business on the disclosure date, the following dealings in relevant securities of Gamesys by Gamesys Directors, their close relatives and related trusts and persons acting in concert with Gamesys have taken place during the period commencing on the start of the Offer Period and ending on the disclosure date:

<b>Name</b>	<b>Date</b>	<b>Dealing</b>	<b>Number of Gamesys Shares</b>	<b>Price (£)</b>
Macquarie Group.....	29 March 2021	Sale	234,261	19.7002
Macquarie Group.....	29 March 2021	Sale	1,192	19.72
Macquarie Group.....	30 March 2021	Sale	68,808	19.1831
Macquarie Group.....	30 March 2021	Sale	30,000	19.2564
Macquarie Group.....	7 May 2021	Sale	908	19.3895

(e) *Persons who have made an investment in Bally's for the purposes of the Combination*

(i) *Gaming and Leisure Properties, Inc.*

As summarised in paragraph 8.1 of this Part 7 (*Additional Information*), Bally's has entered into the GLPI Commitment Letter with GLPI, a publicly traded gaming focused real estate investment trust 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 the volume weighted average sales price per Bally's Share for the 20 consecutive 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. Any equity raise by Bally's in excess of \$850 million reduces the GLPI commitment on a dollar for dollar basis.

(ii) *Sinclair Broadcast Group*

On 20 April 2021, Bally's issued to affiliates of Sinclair Broadcast Group, Inc. ("**Sinclair**") a warrant to purchase 909,090 Bally's Shares for an aggregate purchase price of \$50 million, the same price per Bally's Share as the public offering price in Bally's common stock public offering (\$55.00 per Bally's Share). The net proceeds will be used to finance a portion of the cash consideration payable under the Combination. The exercise price of the warrant is nominal, and its exercise is subject to, among other conditions, requisite gaming authority approvals. Sinclair agreed not to acquire more than 4.9 per cent. of Bally's Shares without such approvals.

(f) *Substantial shareholders of Bally's*

The following Bally's Shareholders have pre-existing interests in Bally's which create potential indirect interests of 5 per cent. or more in the capital of Gamesys as a result of the Combination:

<b>Name of Bally's Shareholder</b>	<b>Number of Bally's Shares held</b>	<b>Percentage of Bally's issued share capital</b>
Standard RI .....	10,342,069	23.22
PAR Capital Management, Inc. ....	2,752,184 <sup>(1)</sup>	6.18
Sinclair Broadcast Group, Inc. ....	12,830,730 <sup>(2)</sup>	N/A

(1) Amounts beneficially owned by PAR Capital Management, Inc. are based solely on a Form 8.3 disclosure filed via a Regulatory Information Service on 19 April 2021.

(2) Comprises options and warrants in respect of Bally's Shares issued in connection with the Sinclair Framework Agreement summarised in paragraph 8.1 of this Part 7 below.

(g) *General*

- (i) Save as disclosed above, none of Gamesys, any Gamesys Directors, any close relatives of such directors or any related trusts and companies, nor any person deemed to be acting in concert with Gamesys, or any person with whom Gamesys or any person acting in concert with Gamesys has an arrangement, was interested, had any rights to subscribe or had any short positions in respect of any relevant securities on the disclosure date, nor has any such person dealt in any relevant securities during the Offer Period.
- (ii) Save as disclosed above, none of Bally's, Premier Entertainment, or any member of Bally's Group, any of the Bally's Directors, the Premier Entertainment Directors, or any close relatives of such directors or any related trusts and companies, nor any person deemed to be acting in concert with Bally's or Premier Entertainment or any person with whom Bally's or Premier Entertainment or any person acting in concert with Bally's or Premier Entertainment has an arrangement, was interested, had any rights to subscribe or had any short positions in respect of any relevant securities on the disclosure date nor has any such person dealt in any relevant securities during the disclosure period.
- (iii) Save as disclosed above, neither Gamesys nor any person acting in concert with Gamesys has borrowed or lent any relevant securities of Gamesys or Bally's during the Offer Period, save for any borrowed shares which have either been on-lent or sold.
- (iv) Save as disclosed above, neither Bally's nor Premier Entertainment nor any person acting in concert with Bally's or Premier Entertainment has borrowed or lent any relevant securities of Gamesys or Bally's or Premier Entertainment during the disclosure period, save for any borrowed shares which have either been on-lent or sold.
- (v) Save as disclosed above, neither Gamesys nor any person acting in concert with Gamesys has entered into or taken any action to unwind any financial collateral arrangements in respect of any relevant securities of Gamesys during the Offer Period.
- (vi) Save as disclosed above, neither Bally's nor Premier Entertainment nor any person acting in concert with Bally's or Premier Entertainment has entered into or taken any action to unwind any financial collateral arrangements in respect of any relevant securities of Gamesys during the disclosure period.

## 5. **United Kingdom taxation**

The comments set out below summarise certain limited aspects of the UK taxation treatment of Scheme Shareholders under the Scheme and do not purport to be an exhaustive analysis of the tax considerations relating to the Scheme. They are based on current UK legislation and what is understood to be current HM Revenue and Customs ("HMRC") practice, both of which are subject to change, possibly with retrospective effect.

The comments are intended as a general guide and do not deal with certain types of Scheme Shareholder such as charities, trustees, dealers in securities, persons who have or could be treated for tax purposes as having acquired their Scheme Shares by reason of their employment or as carried interest, collective investment schemes, persons subject to UK tax on the remittance basis and insurance companies.

References below to "**UK Holders**" are to Scheme Shareholders who are resident and, in the case of individuals, domiciled or deemed domiciled for the relevant period, solely in the UK for UK tax purposes (and to whom split-year treatment does not apply), who hold their Scheme Shares as an investment (other than under pension arrangements or individual savings account) and who are the absolute beneficial owners of their Scheme Shares.

The discussion does not address all possible tax consequences relating to the Scheme.

**Gamesys Shareholders or prospective shareholders who are in any doubt about their tax position, or who are resident or otherwise may be subject to taxation in a jurisdiction outside the United Kingdom, should consult their own professional tax advisers immediately.**

### *Part A: Taxation of Chargeable Gains*

A UK Holder's liability to UK tax on chargeable gains will depend on the individual circumstances of that UK Holder and on the form of consideration received.

(a) *Cash*

To the extent that a UK Holder receives cash in respect of his or her Scheme Shares, that UK Holder will be treated as disposing of his Scheme Shares which may, depending on the UK Holder's individual circumstances (including the availability of exemptions, reliefs or allowable losses) give rise to a liability to UK tax on chargeable gains or, alternatively, an allowable capital loss.

Where a UK Holder receives cash, in addition to New Bally's Shares pursuant to the Share Alternative, the UK Holder will be treated as having made a part disposal of his Scheme Shares, with the chargeable gain being computed on the basis of an apportionment of the allowable cost of the holding by reference to the market value of the holding at the time of disposal.

(b) *New Bally's Shares*

To the extent that a UK Holder receives New Bally's Shares in exchange for his Scheme Shares, pursuant to the Share Alternative, and does not hold (either alone or together with persons connected with him) more than 5 per cent. of, or of any class of, shares in or debentures of Gamesys, then, subject to the following comments, he or she will not be treated as having made a disposal of his Scheme Shares. Instead, the New Bally's Shares should be treated as the same asset as those Scheme Shares and as acquired at the same time and for the same consideration as those Scheme Shares. In order for this treatment to apply, Bally's (which, pursuant to the Scheme, will acquire Scheme Shares in respect of which a valid election has been made under the Share Alternative) must acquire more than 25 per cent. of Gamesys' ordinary share capital. 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. Taking these irrevocable undertakings into account, it is expected that Bally's will acquire more than 25 per cent. of Gamesys' ordinary share capital as a consequence of the Scheme.

UK Holders who, alone or together with connected persons, hold more than 5 per cent. of, or of any class of shares in or debentures of Gamesys will be eligible for the treatment described in the preceding paragraph only if the transaction is effected for *bona fide* commercial reasons and not for tax avoidance purposes. Such UK Holders are advised that no clearance will be sought from HMRC (under section 138 of the Taxation of Chargeable Gains Act 1992 ("TCGA")) that section 137 of the TCGA will not apply to prevent the treatment described in this paragraph (b).

**Part B: Tax Treatment of Holdings of New Bally's Shares**

(a) *Dividends*

Bally's will not be required to withhold amounts on account of United Kingdom tax at source when paying a dividend.

A UK Holder's liability to tax on dividends will depend upon the individual circumstances of the UK Holder.

Distributions with respect to New Bally's Shares generally will be subject to US withholding tax of 30 per cent. unless a valid claim is made for a reduced rate based on an applicable income tax treaty or other basis for reduction. Under the income tax treaty between the United Kingdom and the United States, dividends are generally subject to withholding at a 15 per cent. rate, though lower rates may apply for investors that are companies and that are treated as owning at least 10 per cent. of the voting shares of Bally's. UK Holders are referred to the statements regarding US tax in this Part 7 and to their own advisers regarding the application of these rules in their particular circumstances. The following paragraphs proceed on the basis that withholding tax will be levied in the United States on dividend payments in respect of the New Bally's Shares.

(i) *Credit for United States withholding tax*

If a UK Holder receives a dividend in respect of the New Bally's Shares and the dividend is paid subject to United States withholding tax, credit for such withholding tax may be available for set-off against a liability to UK income tax or UK corporation tax on the dividend. The amount of such credit will normally be equal to the lesser of the amount withheld and the liability to UK tax on the dividend. Such credit will not normally be available for set-off against a UK Holder's liability to UK tax other than on the dividend

and, to the extent that such credit is not set-off against UK tax on the dividend, the credit will be lost. Credit will not be available to the extent that the United States withholding tax can be minimised or repaid by taking reasonable steps under a double tax treaty or a provision of United States tax law.

(ii) *Individual UK Holders*

Under current UK tax rules specific rates of tax apply to dividend income. These include a nil rate of tax for the first £2,000 (referred to as the “nil rate band”) and different rates of tax for dividend income that exceeds the nil rate band. For these purposes, “dividend income” includes UK and non-UK source dividends and certain other distributions in respect of shares.

An individual UK Holder who receives a dividend from Bally’s will not be liable to UK tax on the dividend to the extent that (taking account of any other dividend income received by the UK Holder in the same tax year) that dividend falls within the nil rate band.

To the extent that (taking account of any other dividend income received by the UK Holder in the same tax year) the dividend exceeds the nil rate band, it will be subject to income tax at 7.5 per cent. to the extent that it falls below the threshold for higher rate income tax. To the extent that (taking account of other dividend income received in the same tax year) it falls above the threshold for higher rate income tax then the dividend will be taxed at 32.5 per cent., to the extent that it is within the higher rate band, or 38.1 per cent., to the extent that it is within the additional rate band. For the purposes of determining which of the taxable bands dividend income falls into, dividend income is treated as the highest part of a UK Holder’s income. In addition, dividends within the nil rate band which would (if there was no nil rate band) have fallen within the basic or higher rate bands will use up those bands respectively for the purposes of determining whether the threshold for higher rate or additional rate income tax is exceeded.

(iii) *Corporate UK Holders*

UK Holders who are within the charge to UK corporation tax will be subject to UK corporation tax at the rate of 19 per cent. (due to increase to 25 per cent. from 1 April 2023, presuming that the Finance (No. 2) Bill 2019-2021 is enacted in its current form) on dividends paid by Bally’s unless (subject to special rules for such UK Holders that are small companies) the dividends fall within an exempt class and certain other conditions are met. Each UK Holder’s position will depend on its own circumstances, although it would normally be expected that most dividends paid on the New Bally’s Shares to UK resident corporate shareholders would fall within one or more of the classes of dividend qualifying for exemption from corporation tax. It should be noted, however, that the exemptions are not comprehensive and are also subject to anti-avoidance rules.

(iv) *Exempt UK Holders*

Particular UK Holders, including certain pension funds and charities, will not generally be subject to UK tax on dividend receipts.

(b) *Future Disposal of New Bally’s Shares*

A subsequent disposal of New Bally’s Shares may, depending on individual circumstances (including the availability of exemptions, reliefs and allowable losses), give rise to a liability to UK tax on chargeable gains.

**Part C: UK Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)**

(a) *Sale of Scheme Shares*

No UK stamp duty or SDRT will be payable by Scheme Shareholders on the exchange of their Scheme Shares for New Bally’s Shares and/or cash under the Scheme.

(b) *Subsequent transfer of New Bally’s Shares*

No UK stamp duty will be payable in respect of a paperless transfer of the New Bally’s Shares.



No UK stamp duty will be payable on a written transfer of New Bally's Shares if such transfer is executed and retained outside the UK and does not relate to any property situated in the UK or to any other matter or thing done or to be done in the UK (which may include, without limitation, the involvement of UK bank accounts in payment mechanics).

Provided that the New Bally's Shares are not registered in a register held or maintained in the UK or paired with shares issued by a body corporate incorporated in the UK, no UK stamp duty reserve tax will arise in respect of an agreement to transfer New Bally's Shares.

## 6. United States taxation

The following is a general summary of certain US federal income tax consequences to Scheme Shareholders of (a) exchanging their Scheme Shares for cash and/or New Bally's Shares pursuant to the Scheme and (b) (for those Scheme Shareholders that receive New Bally's Shares) owning and disposing of New Bally's Shares. This summary applies only to Scheme Shareholders that hold Scheme Shares or will hold New Bally's Shares, respectively, as capital assets (generally, property held for investment). The statements below are based on current provisions of the US Internal Revenue Code of 1986, as amended (the "Code"), the Treasury regulations promulgated thereunder (the "Treasury Regulations"), judicial interpretations thereof and administrative rulings and published positions of the US Internal Revenue Service ("IRS"), each in effect as of the date hereof, and all of which are subject to change or differing interpretations, possibly with retroactive effect, and any such change could affect the accuracy of the statements and conclusions set forth below. No advance ruling from the IRS has been sought, nor is it expected such a ruling will be sought, regarding any matter discussed below and the statements below are not binding on the IRS or any court. Thus, no assurance can be given that the IRS would not assert, or that a court would not sustain a position contrary to any of the tax consequences described below.

The following is a general summary; it is not a substitute for tax advice.

It does not address all of the issues that may be relevant to the tax treatment of holders in light of their particular circumstances (such as the effects of Section 451(b) of the Code) or persons subject to special rules, such as banks or other financial institutions, tax-exempt entities, insurance companies, brokers or dealers, traders in securities that elect to mark-to-market, persons liable for alternative minimum tax, US expatriates, persons that directly, indirectly or constructively own (or will own) 10 per cent. or more (measured by vote or value) of the stock of Gamesys or Bally's, US Holders (as defined below) whose functional currency is not the US dollar, persons that have held Scheme Shares or will hold New Bally's Shares and are classified as partnerships for US federal income tax purposes (and persons that are investors in such partnerships), regulated investment companies, real estate investment trusts, controlled foreign corporations, passive foreign investment companies or corporations that accumulate earnings to avoid US federal income tax, tax-exempt organisations or governmental organisations, qualified foreign pension funds (as defined in Section 897(l)(2) of the Code) and entities all of the interests of which are held by qualified foreign pension funds, holders that acquired the Scheme Shares through the exercise of an employee stock option or otherwise as compensation or through a tax-qualified retirement plan or holders that have held Scheme Shares or will hold New Bally's Shares, as part of a straddle, hedging, conversion or other integrated transaction.

Furthermore, this discussion does not address any other United States federal tax consequences (e.g., estate or gift tax, the alternative minimum tax or the Medicare tax on net investment income) or any state, local or non-US tax laws. This discussion is not intended to constitute a complete analysis of all tax consequences of the ownership and disposition of Scheme Shares or New Bally's Shares. Holders are urged to consult their tax advisers regarding the United States federal, state, local and non-US income and other tax consequences to them in their particular circumstances.

**EACH HOLDER SHOULD SEEK ADVICE FROM AN INDEPENDENT TAX ADVISER ABOUT THE TAX CONSEQUENCES UNDER ITS OWN PARTICULAR CIRCUMSTANCES OF THE SCHEME AND AN INVESTMENT IN NEW BALLY'S SHARES UNDER THE LAWS OF THE UNITED KINGDOM, THE UNITED STATES AND ITS CONSTITUENT JURISDICTIONS AND ANY OTHER JURISDICTION WHERE THE HOLDER MAY BE SUBJECT TO TAXATION.**

For purposes of this discussion, a "US Holder" is a beneficial owner of Scheme Shares or New Bally's Shares that is, for US federal income tax purposes: (i) a citizen or individual resident of the United States; (ii) a corporation, or other business entity treated as a corporation, created or organised

in or under the laws of the United States any state thereof or the District of Columbia; (iii) an estate the income of which is subject to US federal income taxation regardless of its source; or (iv) a trust subject to the control of one or more US persons and the primary supervision of a US court. For purposes of this discussion, the term “**Non-US Holder**” means a beneficial owner of Scheme Shares or New Bally’s Shares that is not an entity or arrangement treated as a partnership for United States federal income tax purposes and is not a US Holder.

The US federal income tax treatment of a partner in a partnership that holds Scheme Shares or will hold New Bally’s Shares, will depend on the status of the partner and the activities of the partnership. Partners in a partnership that holds Scheme Shares or will hold New Bally’s Shares, should consult their own tax advisers regarding the specific US federal income tax consequences to them of the partnership: (i) exchanging Scheme Shares for cash and/or New Bally’s Shares pursuant to the Scheme; and (ii) holding or disposing of New Bally’s Shares.

**Part A: US Holders**

(a) *Sale or exchange of Scheme Shares pursuant to the Scheme*

In general, a US Holder will recognise capital gain or loss for US federal income tax purposes upon the sale or exchange of Scheme Shares pursuant to the Scheme, in an amount equal to the difference between the amount realised on such sale or exchange and the US Holder’s adjusted tax basis in its Scheme Shares. This amount realised will generally be equal to the sum of the US dollar value of the amount of any cash and the fair market value of any New Bally’s Shares received pursuant to the Scheme.

This capital gain or loss generally will be long-term capital gain or loss if the US Holder’s holding period in the Scheme Shares exceeds one year. However, regardless of the holding period of a non-corporate US Holder, a loss may be long-term capital loss to the extent such US Holder received “qualified dividend income” with respect to any dividends with ex-dividend dates during a consecutive 85-day period which exceeded 10 per cent. of the US Holder’s basis in its Scheme Shares or with respect to any dividends on Scheme Shares or New Bally’s Shares with ex-dividend dates during a consecutive 365-day period which in the aggregate exceeded 20 per cent. of the US Holder’s basis in its Scheme Shares or New Bally’s Shares, as applicable. The deductibility of capital losses is subject to limitations. Capital gains of non-corporate US Holders are taxable at preferential rates. Any gain or loss generally will be US source for the purposes of calculating a US Holder’s foreign tax credit limitation under the Code.

A disposition of Scheme Shares pursuant to the Scheme by a US Holder in exchange for currency other than such US Holder’s functional currency may result in such holder recognizing foreign currency gain or loss (taxable as ordinary income or loss). US Holders should consult their own tax advisers regarding the specific tax consequences of such a disposition.

A US Holder that disposes of Scheme Shares pursuant to the Scheme would be subject to a special adverse US federal income tax regime (that could result in different consequences of such disposition for such US Holder than the ones described above) if Gamesys were a passive foreign investment company (“**PFIC**”) for US federal income tax purposes for any taxable year during the US Holder’s holding period for its Scheme Shares. In general, a non-US corporation will be classified as a PFIC for any taxable year if at least (i) 75 per cent. of its gross income is classified as “passive income” or (ii) 50 per cent. of the average quarterly value of its assets produce or are held for the production of passive income. In making this determination, the non-US corporation is treated as earning its proportionate share of any income and owning its proportionate share of any assets of any company in which it holds a 25 per cent. or greater interest, by value. Under the PFIC rules, if a non-US corporation is classified as a PFIC at any time while a holder owns shares of such corporation, then such corporation will continue to be treated as a PFIC with respect to such holder’s investment unless such holder makes certain elections under the PFIC rules. A US investor in shares of a PFIC may be subject to adverse US federal income tax consequences compared to an investment in shares of a company that is not considered a PFIC, including being subject to greater amounts of US federal income tax on gain recognised upon a disposition of such shares.

Each US Holder should consult its tax adviser as to whether Gamesys has been classified a PFIC at any time during the US Holder's holding period for its Scheme Shares, and, if so, whether the US Holder could be subject to adverse US federal income tax consequences of disposing of Scheme Shares pursuant to the Scheme (and could make certain available elections in order to lessen such adverse consequences).

In addition, US Holders who hold (directly, indirectly or constructively) shares of both Gamesys and Bally's at the time of the Scheme may be subject to different treatment on the sale or exchange of Scheme Shares for cash pursuant to the Scheme than that described above. For an additional discussion, please see below under the heading "—Part C: Potential Application of Section 304 of the Code".

(b) *Dispositions of New Bally's Shares by US Holders*

A US Holder will generally recognise capital gain or loss for US federal income tax purposes upon the disposition of New Bally's Shares in an amount equal to the difference between the amount of cash and the fair market value of any property received upon such disposition and the US Holder's adjusted tax basis in its New Bally's Shares. The US Holder's adjusted tax basis will generally be the fair market value of the New Bally's Shares at the time they are received by the US Holder pursuant to the Combination. Gain or loss recognised on the disposition of New Bally's Shares will generally be long-term capital gain or loss if the shares were held for more than one year. The deductibility of capital losses is subject to limitations.

(c) *Distributions on New Bally's Shares held by US Holders*

Distributions with respect to New Bally's Shares will generally be included in a US Holder's gross income as ordinary dividend income to the extent of the US Holder's share of the current or accumulated earnings and profits of Bally's, as determined for United States federal income tax purposes. To the extent a distribution exceeds current and accumulated earnings and profits, the distribution will be treated as a non-taxable return of capital to the extent of the US Holder's adjusted basis in the New Bally's Shares, but not below zero. Any remaining amount will be treated as gain from a sale or exchange of the New Bally's Shares.

Dividends paid by Bally's will generally be eligible for the preferential tax rate applicable to "qualified dividend income" of eligible non-corporate US Holders provided that the US Holder meets certain holding period requirements. Dividends received by corporate US Holders with respect to the New Bally's Shares will be eligible for the dividends-received deduction if the US Holder meets certain holding period and other applicable requirements.

**Part B: Non-US Holders**

(a) *Sale or exchange of Scheme Shares pursuant to the Scheme*

Subject to the discussion below under the headings "—Part D: Information Reporting and Backup Withholding" and "—Part E: FATCA", a Non-US Holder will generally not be subject to US federal income tax on the sale or exchange of Scheme Shares pursuant to the Scheme unless:

- the Non-US Holder is an individual who is present in the United States for 183 days or more during the taxable year of the exchange or disposition and meets certain other conditions; or
- the gain is effectively connected with the Non-US Holder's conduct of a trade or business in the United States and, in some instances if an income tax treaty applies, is attributable to a permanent establishment or fixed base maintained by the non-US Holder in the United States.

A Non-US Holder described in the first bullet point above will be subject to US federal income tax on the Non-US Holder's gain from the sale or exchange of Scheme Shares at a flat rate of 30 per cent. (or a lower applicable income tax treaty rate), which may be offset by US source capital losses during the taxable year of such sale or exchange, provided that the Non-US Holder has timely filed US federal income tax returns with respect to such losses.

If the second bullet point above applies, a Non-US Holder will be subject to United States federal income tax on the gain recognised on the disposition of the Scheme Shares in the same manner in which a US Holder would be subject to US federal income tax (or at a lower rate if

an applicable income treaty so provides). Additionally, a Non-US Holder that is a corporation may also be subject to a 30 per cent. branch profits tax on any gains described in the second bullet point unless reduced by treaty.

Non-US Holders who hold or are deemed to hold (directly, indirectly or constructively) shares of both Gamesys and Bally's at the time of the Scheme may be subject to different treatment on the sale or exchange of Scheme Shares for cash pursuant to the Scheme than that described above. For an additional discussion, please see below under the heading "—Part C: Potential Application of Section 304 of the Code".

(b) *Dispositions of New Bally's Shares by Non-US Holders*

Subject to the discussion below under the headings "—Part D: Information Reporting and Backup Withholding" and "—Part E: FATCA", a Non-US Holder will generally not be subject to US federal income tax on the disposition of New Bally's Shares unless:

- the Non-US Holder is an individual who is present in the United States for 183 days or more during the taxable year of the exchange or disposition and meets certain other conditions;
- the gain is effectively connected with the Non-US Holder's conduct of a trade or business in the United States and, in some instances if an income tax treaty applies, is attributable to a permanent establishment or fixed base maintained by the non-US Holder in the United States; or
- Bally's is or has been a "United States real property holding corporation" (a "USRPHC") for US federal income tax purposes at any time during the shorter of the five-year period ending on the date of disposition of New Bally's Shares and the period that the Non-US Holder held the New Bally's Shares and (as long as Bally's common stock is regularly traded on an established securities market at any time during the calendar year in which the disposition occurs) the Non-US Holder owns or owned (actually or constructively) more than five per cent. of Bally's common stock at any time during the shorter of the two periods mentioned above.

A corporation generally is characterized as a USRPHC if the fair market value of the "United States real property interests" ("USRPIs") owned by the corporation and certain of its subsidiaries equals or exceeds 50 per cent. of the sum of the fair market value of (i) the USRPIs owned by the corporation and certain of its subsidiaries, (ii) interests in real property located outside of the United States owned by the corporation and certain of its subsidiaries and (iii) other assets used or held for use by the corporation and certain of its subsidiaries in a trade or business. USRPIs generally include any interest (other than an interest solely as a creditor) in real property located in the United States or the US Virgin Islands and in other USRPHCs. Real property generally includes land and unsevered natural products of the land, improvements on land and personal property associated with the use of real property within the meaning of applicable Treasury Regulations. Although there can be no assurances, Bally's believes it is not, and it does not currently anticipate becoming, a USRPHC. Because the determination of whether Bally's is a USRPHC depends on the fair market value of Bally's US real property relative to the fair market value of other business assets, there can be no assurance that Bally's is not currently or will not become a USRPHC in the future. However, so long as Bally's common stock is regularly traded on an established securities market (such as the New York Stock Exchange), gain from the disposition of New Bally's Shares by a Non-US Holder that owns, actually or constructively, five per cent. or less of Bally's common stock throughout the shorter of the two periods mentioned above would not be subject to United States federal income tax as a result of Bally's status as a USRPHC.

A Non-US Holder described in the first bullet point above will be subject to United States federal income tax on the Non-US Holder's gains at a flat rate of 30 per cent. (or a lower applicable income tax treaty rate), which may be offset by US source capital losses during the taxable year of the disposition, provided that the Non-US Holder has timely filed US federal income tax returns with respect to such losses.

If the second or third bullet points above applies, a Non-US Holder will be subject to US federal income tax on the gain recognised on the disposition of the New Bally's Shares in the same manner in which a US Holder would be subject to US federal income tax (or at a lower



rate if an applicable income treaty so provides). Additionally, a Non-US Holder that is a corporation may also be subject to a 30 per cent. branch profits tax on any gains described in the second bullet point unless reduced by treaty. Although a 15 per cent. withholding tax generally applies to gross proceeds from the sale or other taxable disposition of the stock of a USRPHC, the 15 per cent. withholding tax on gross proceeds will generally not apply to the disposition of New Bally's Shares so long as Bally's common stock is regularly traded on an established securities market (such as the New York Stock Exchange).

(c) *Distributions on New Bally's Shares held by Non-US Holders*

Distributions on New Bally's Shares to Non-US Holders will generally constitute dividends for United States federal income tax purposes to the extent paid from Bally's current or accumulated earnings and profits, as determined under United States federal income tax principles, and will be subject to withholding as described below. If a distribution exceeds Bally's current and accumulated earnings and profits as determined under United States federal income tax principles, the excess will be treated first as a tax-free return of a Non-US Holder's adjusted tax basis in the New Bally's Shares and thereafter as gain from the sale or exchange of such shares, subject to the tax treatment described above under the heading "*Dispositions of New Bally's Shares by Non-US Holders.*"

Subject to the discussion below under the headings "*Part D: Information Reporting and Backup Withholding*" and "*Part E: FATCA*", the gross amount of dividends paid to a Non-US Holder of New Bally's Shares that are not effectively connected with the Non-US Holder's conduct of a trade or business in the United States ordinarily will be subject to withholding of US federal income tax at a rate of 30 per cent., or at a lower rate if an applicable income tax treaty so provides and an applicable withholding agent has received proper certification as to the application of that treaty. Such withholding tax may be imposed on the gross amount of the distribution, due to the difficulty of determining whether Bally's has sufficient earnings and profits to cause the distribution to be a dividend for US federal income tax purposes.

A Non-US Holder that conducts a trade or business within the United States will generally be subject to US federal income tax at ordinary United States federal income tax rates (on a net income basis) on dividends that are effectively connected with the conduct of such trade or business and, if certain tax treaties apply, that are attributable to such holder's permanent establishment or fixed base in the United States, and such dividends will not be subject to the withholding described above, provided that the Non-US Holder establishes an exemption from such withholding by complying with certain certification and disclosure requirements (generally by providing a duly completed and executed IRS Form W-8ECI (or appropriate successor form)). Corporate Non-US Holders may also be subject to a 30 per cent. "branch profits tax" unless such holders qualify for a lower rate under an applicable treaty.

Generally, to claim the benefit of any applicable treaty or an exemption from withholding because the income is effectively connected with the conduct of a trade or business in the United States, a Non-US Holder must provide, before the distributions are made, a properly executed IRS Form W-8BEN or IRS Form W-8BEN-E (or appropriate successor form) for treaty benefits, certifying under penalties of perjury that such holder is not a United States person and is eligible for such benefits, or IRS Form W-8ECI for effectively connected income (or such successor form). These forms must be periodically updated. If a Non-US Holder holds New Bally's Shares through certain foreign intermediaries, it will be required to satisfy the relevant certification requirements of applicable Treasury Regulations. Non-US Holders may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-US Holders should consult their tax advisers regarding their entitlement to benefits under an applicable income tax treaty and the specific manner of claiming the benefits of the treaty.

***Part C: Potential Application of Section 304 of the Code***

If Section 304 of the Code were to apply to the Scheme, then a holder selling or exchanging Scheme Shares in the Scheme might be subject to US federal income tax treatment that differs materially from that described above, in the event such holder's percentage interest in Bally's following the Scheme does not represent a "meaningful reduction" (as described below) relative to such holder's percentage interest in Gamesys before the Scheme (and the holder does not fall within certain other exceptions). Section 304 of the Code would apply to the Scheme in the event that holders of Gamesys stock,



taken together, own (actually or under constructive ownership rules) 50 per cent. or more of Bally's stock, by vote or value, following the Effective Date, taking into account both New Bally's Shares received in the Scheme and shares of Bally's held at the time of the Scheme.

In general, if Section 304 were to apply to the Scheme, a holder that exchanges Scheme Shares pursuant to the Scheme should experience a "meaningful reduction" if (i) the holder has a minimal percentage stock interest in Gamesys prior to the Scheme, (ii) the holder exercises no control over the corporate affairs of Gamesys and (iii) the percentage of Gamesys ordinary shares that is owned by such holder immediately after the Scheme (indirectly as a result of owning stock in Bally's), is less than the percentage of the outstanding Gamesys ordinary shares that the holder owned immediately before the Scheme. If a holder does not have a "meaningful reduction" (and does not fall within certain other exceptions), then cash consideration received by such holder pursuant to the Scheme would generally be taxable as a dividend to the extent of the holder's allocable share of the current and accumulated earnings and profits of Premier Entertainment and Gamesys. To the extent that the amount of cash consideration exceeds Premier Entertainment's and Gamesys' current and accumulated earnings and profits, the receipt of such cash consideration generally would first be treated as a tax-free return of capital, causing a reduction in the holder's adjusted tax basis in its Scheme Shares, and to the extent the amount of the distribution exceeds such tax basis, the excess would be taxed as capital gain recognized on a sale or exchange of such holder's Scheme Shares. The amount of any such gain would be taxed as described above under the headings "—Part A: US Holders" and "—Part B: Non-US Holders", as applicable.

US Holders should consult their own tax advisers regarding the US federal income tax consequences to them in the event part or all of the cash consideration they receive pursuant to the Scheme is treated as a dividend under Section 304. In the case of a Non-US Holder, subject to the discussion below under the headings "—Part D: Information Reporting and Backup Withholding" and "—Part E: FATCA", any cash consideration the Non-US Holder receives that is treated as a dividend under Section 304 generally would be subject to US federal withholding tax at a 30 per cent. rate (or such lower rate as may be specified by an applicable income tax treaty) in the event such dividend were treated as having a US source, unless such dividend was effectively connected with a Non-US Holder's conduct of a trade or business within the United States (and, if an applicable income tax treaty so requires, was attributable to a US permanent establishment or fixed place of business of the Non-US Holder).

In light of the information available to Bally's and Premier Entertainment (including the disclosures regarding interests and dealings in relevant securities of Bally's and Gamesys as set forth in paragraph 4 of Part 7 (*Additional Information*) of this document), Bally's and Premier Entertainment have determined that the possibility that the receipt of cash consideration would be characterised as a dividend for US federal income tax purposes is remote. Accordingly, Bally's and Premier Entertainment do not intend to withhold US federal withholding tax from cash payments made in accordance with the Scheme to or for the account of Scheme Shareholders in exchange for Scheme Shares, other than (to the extent applicable) backup withholding (which is discussed under the heading "—Part D: Information Reporting and Backup Withholding"), and unless required by a change in US federal tax law or a relevant change in pertinent factual information concerning ownership of Gamesys or Bally's shares after the date of this document (and with approval of the Panel), they (and their agents) will not so withhold.

Nevertheless, because application of Section 304 of the Code to the Scheme is uncertain and because the application of Section 304 of the Code depends on a holder's particular circumstances, it is possible that if a Non-US Holder owns its Scheme Shares through its own broker or through an intermediary, such broker or intermediary may withhold US federal withholding tax at a 30 per cent. rate (or lower rate under an applicable tax treaty) from cash consideration payable to such a Non-US Holder with respect to its Scheme Shares. If such a broker or intermediary withholds such tax from the cash consideration to be received by a Non-US Holder, the Non-US Holder may apply to the IRS for a refund; however, it cannot be guaranteed that the IRS will grant such a refund. In addition, if no US tax is withheld from payments of cash consideration to a Non-US Holder with respect to its Scheme Shares, the IRS conceivably may seek to collect tax in from such Non-US Holder in respect of such payments. Bally's and Premier Entertainment have stated that they will, on request by a Scheme Shareholder, provide to such Scheme Shareholder information that is reasonably available and relevant to the Scheme Shareholder in dealing with a broker or intermediary or with the IRS with respect to the US federal income and withholding tax consequences of the disposition of Scheme

Shares pursuant to the Scheme, provided such request is made by the Scheme Shareholder on or prior to the fourth anniversary of the Effective Date. Any such request should be made in writing to the following address: Investor Relations, 100 Westminster Street, Providence, Rhode Island 02903.

Section 304 of the Code and the regulations and guidance thereunder are complex. Any holder that actually or constructively owns, or expects to own at the time of the Scheme, both shares of Gamesys stock and shares of Bally's stock is urged to consult its own tax advisers with respect to the application of Section 304 of the Code in its particular circumstances, including with regard to any actions that may be taken to mitigate the potential application of Section 304 of the Code.

#### ***Part D: Information Reporting and Backup Withholding***

In general, information reporting requirements apply to distributions paid to holders on the New Bally's Shares and the tax, if any, withheld with respect to those distributions. Information reporting also is generally required with respect to the proceeds from the disposition of Scheme Shares pursuant to the Scheme or sales and other dispositions of New Bally's Shares to or through the US office (and, in certain cases, the foreign office) of a broker, unless the holder is an exempt recipient (such as a corporation or a non-United States person) and complies with applicable certification procedures to establish its status as an exempt person (for example, by providing an IRS Form W-9 establishing that the holder is a corporation or an appropriate IRS Form W-8 establishing that the holder is a non-United States person) and the applicable withholding agent does not have actual knowledge or reason to know the holder is not an exempt person. Copies of the information returns filed with the IRS may be made available to the tax authorities in the country in which a Non-US Holder is a resident under the provisions of an applicable income tax treaty or agreement. Backup withholding (currently at a rate of 24 per cent.) may be imposed on the above payments unless (i) a holder certifies under penalty of perjury that it is not a United States person (and the applicable withholding agent does not have actual knowledge or reason to know the holder is a United States person) or otherwise establishes that it is exempt from backup withholding or (ii) the holder provides a correct taxpayer identification number and makes appropriate certifications.

Backup withholding is not an additional tax, and any amounts withheld under the backup withholding rules will be allowed as a credit against the holder's US federal income tax liability and may entitle the holder to a refund, provided that the required information is furnished to the IRS by the holder in a timely manner.

Holders should consult their tax advisers regarding the information reporting and backup withholding rules, the availability of an exemption from backup withholding, and the procedure for obtaining such an exemption, if applicable.

#### ***Part E: FATCA***

Under Sections 1471 through 1474 of the Code and the Treasury Regulations and administrative guidance issued thereunder ("FATCA"), a 30 per cent. withholding tax may be imposed on (1) dividends paid on the New Bally's Shares (and possibly payments of cash consideration for Scheme Shares pursuant to the Scheme that are treated as dividends by application of Section 304 of the Code as discussed above) and (2) subject to the proposed regulations described below, gross proceeds from the sale or other disposition of the New Bally's Shares, in each case, paid to a "foreign financial institution" or a "non-financial foreign entity" unless (a) the non-financial foreign entity provides the applicable payor or financial institution with certain documentation and identifying information relating to its substantial US owners or otherwise certifies that it does not have any substantial US owners, (b) the foreign financial institution enters into an agreement with the Department of Treasury to, among other things, report certain information regarding its accounts with or interests held by certain United States persons and by certain non-US entities that are wholly or partially owned by United States persons, and it establishes its compliance with these rules by providing the applicable payor or financial institution with an IRS Form W-8BEN, IRS Form W-8BEN-E or other applicable IRS Form W-8 (or such successor form as the IRS designates) or (c) the foreign financial institution or the non-financial foreign entity qualifies for an exemption from these rules and establishes such exemption by providing the applicable payor or financial institution with an IRS Form W-8BEN, IRS Form W-8BEN-E or other applicable IRS Form W-8 (or such successor form as the IRS designates). The rules relating to FATCA described above may be modified by an applicable intergovernmental agreement between the United States and the jurisdiction in which a holder is resident.

The IRS issued proposed Treasury Regulations that eliminate withholding on payments of gross proceeds. Pursuant to the proposed Treasury Regulations, a withholding agent may (but is not required to) rely on this proposed change to FATCA withholding until the final regulations are issued or the proposed regulations are withdrawn.

Bally's will not pay any additional amounts to Non-US Holders in respect of any amounts withheld on distributions on the New Bally's Shares, including pursuant to FATCA.

Non-US Holders are urged to consult their tax advisers regarding how FATCA may apply to them, including in light of the potential application of Section 304 of the Code to their receipt of cash consideration for Scheme Shares pursuant to the Scheme.

**THE SUMMARY ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR HOLDER. EACH HOLDER IS URGED TO CONSULT ITS OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES OF PARTICIPATION IN THE SCHEME, ANY REPORTING OR FILING OBLIGATIONS ARISING AS A RESULT OF SUCH PARTICIPATION, AND THE TAX CONSEQUENCES OF ACQUIRING, HOLDING, OR DISPOSING OF SCHEME SHARES OR NEW BALLY'S SHARES, IN LIGHT OF THE HOLDER'S OWN CIRCUMSTANCES.**

## 7. Irrevocable Undertakings

### *Irrevocable undertakings from Gamesys Directors*

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 the Special Resolution 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.

<b>Name</b>	<b>Number of Gamesys Shares</b>	<b>Percentage of Gamesys issued share capital</b>
Neil Goulden .....	125,000	0.11
Lee Fenton.....	729,026	0.66
Keith Laslop .....	1,078,682	0.98
Robeson Reeves .....	779,250	0.71
Tina Southall.....	93,762	0.09
Colin Sturgeon.....	5,000	0.00
Nigel Brewster.....	4,991	0.00
Jim Ryan.....	10,000	0.01
<b>TOTAL.....</b>	<b>2,825,711</b>	<b>2.58</b>

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, allotted or transferred under the Gamesys Share Plans and SIP; 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) 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 an Offer; or (b) 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 (b) 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 the event of a higher competing offer for Gamesys. However, following the date of the Court Meeting and Gamesys General Meeting, Tina Southall has the right to dispose of up to 25 per cent. of the Gamesys Shares that are subject to her irrevocable undertaking.

*Irrevocable undertakings from Gamesys Shareholders*

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 to be proposed 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.

<b>Name</b>	<b>Number of Gamesys Shares</b>	<b>Percentage of Gamesys issued share capital</b>
Andrew Dixon .....	6,096,767	5.56
Noel Hayden.....	15,481,844	14.11
HG Vora Special Opportunities Master Fund Limited .....	6,822,165	6.22
Michael Mee.....	1,585,147	1.45
Robin Tombs. ....	3,690,526	3.36
<b>TOTAL.....</b>	<b>33,676,449</b>	<b>30.70</b>

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) 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 an Offer; or (b) 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 (b) 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 per cent. 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 and Officer 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:

<b>Name</b>	<b>Number of Bally's Shares</b>	<b>Percentage of Bally's issued share capital</b>
Stephen H. Capp .....	210,682	0.47
Terrence Downey.....	14,472	0.03
Craig L. Eaton.....	131,297	0.29
Patricia G. Capp .....	3,000	0.01
George T. Papanier.....	327,293	0.73
Julie Papanier.....	18,000	0.04
Jeffrey W. Rollins.....	75,745	0.17
Wanda Y. Wilson.....	15,471	0.03
Jaymin B. Patel.....	5,655	0.01
<b>TOTAL.....</b>	<b>801,615</b>	<b>1.80</b>

Under the terms of the Bally's Director and Officer Voting Agreement, each of the persons listed above has the right to dispose of up to 10 per cent. of his or her Bally's Shares that are subject to the Bally's Director and Officer Voting Agreement.

The Bally's Director and Officer 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 Scheme and the Special Resolution to be proposed at the Gamesys General Meeting; 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, 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 8,821,314 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 23.22 per cent. 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. Under the terms of the SRI Voting Agreement, Standard RI has the right to dispose of up to 10 per cent. of the Bally's Shares that are subject to 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 Scheme and the resolutions to be proposed at the Gamesys General Meeting; 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.



## 8. Material contracts – Bally’s

Save as disclosed in this paragraph 8 and paragraph 10 below, there have been no contracts entered into by Bally’s or any of its subsidiaries during the period commencing on 24 March 2019 (the date two years before the commencement of the Offer Period) and ended on the latest practicable date which are outside the ordinary course of business and which are or may be considered material:

### 8.1 Sinclair Framework Agreement

On 18 November 2020, Bally’s and Sinclair Broadcast Group, Inc (“**Sinclair**”) entered into a framework agreement (the “**Sinclair Framework Agreement**”) and completed the transactions contemplated thereby, which provide for a long-term strategic relationship between Bally’s and Sinclair combining Bally’s integrated, proprietary sports betting technology with Sinclair’s portfolio of local broadcast stations and live regional sports networks (“**RSNs**”) and its Tennis Channel, Stadium sports network and STIRR streaming service, whereby Bally’s receives (i) naming rights, including the right to brand Bally’s as the primary marketed name on Sinclair’s RSNs (other than the YES Network and Marquee) and mobile applications, websites, social media accounts and digital streams primarily related to the covered regional sports networks as well as co-branded secondary naming rights for the Stadium network and related digital platforms, (ii) gaming integration access across the television stations that Sinclair or its subsidiaries own, or provide services to, (iii) advertising access, and (iv) rights related to marketing, data analytics and other related items, the issuance of warrants and options; and a tax receivable agreement pursuant to which Bally’s is required to share 60 per cent. of the tax benefit it receives from the aforementioned warrants and options, which are payable to Sinclair over the remaining term of the agreement once the tax benefit amounts become finalised through the filing of Bally’s annual tax returns. The initial term of the Sinclair Framework Agreement is 10 years from the commencement date of the re-branded Sinclair RSNs and can be renewed for one additional five-year term unless either Bally’s or Sinclair elects not to renew no later than 18 months prior to the end of the initial term.

Under the terms of the Sinclair Framework Agreement, Bally’s will be required to pay annual naming rights fees to the RSNs which escalate annually and total \$88 million over the ten-year term of the agreement and begin on the commencement date of the re-branded Sinclair RSNs. Bally’s has also committed to spend a percentage of its annual interactive marketing spend on those networks. In addition, Bally’s has issued to Sinclair (i) an immediately exercisable warrant to purchase up to 4,915,726 Bally’s Shares at an exercise price of \$0.01 per share, (ii) a warrant to purchase up to a maximum of 3,279,337 additional Bally’s Shares at a price of \$0.01 per share subject to the achievement of various performance metrics, and (iii) an option to purchase up to 1,639,669 additional Bally’s Shares in four tranches with purchase prices ranging from \$30.00 to \$45.00 per share, exercisable over a seven-year period beginning on the fourth anniversary of the 18 November 2020 closing. The exercise and purchase prices and the number of Bally’s Shares issuable upon exercise of the warrants and options are subject to customary anti-dilution adjustments. Sinclair may not hold more than 4.9 per cent. of Bally’s outstanding common stock at any time without obtaining necessary gaming approvals. Sinclair may not transfer any shares of common stock prior to 18 November 2021 and, for a year thereafter, may not transfer during any quarter shares representing more than 1 per cent. of Bally’s outstanding common stock, other than in an underwritten offering. All warrants and options accelerate and vest on a change in control of Bally’s (generally any ownership change greater than 50 per cent.).

Under the Sinclair Framework Agreement, subject to the receipt of any required gaming approvals, Sinclair is entitled to appoint a board observer (without voting rights) as long as Sinclair holds greater than 5 per cent. of the outstanding stock (including on an as-converted basis), and may designate a certain number of directors as long as it has the right to exercise warrants and/or options representing at least 10 per cent. of the outstanding stock. Sinclair also agreed to certain standstill restrictions. Bally’s agreed to use its reasonable efforts to provide Sinclair with an opportunity to participate in any equity offering in order to maintain its overall ownership percentage. In addition, Bally’s agreed to convert common stock purchased by Sinclair in open market purchases into penny warrants, which conversion was completed on 20 April 2021. Bally’s also provided Sinclair and its affiliates with customary registration rights pursuant to a registration rights agreement.

On 13 April 2021, in connection with the Sinclair Framework Agreements, Bally’s entered into a memorandum of understanding (“**MOU**”) with Sinclair. Under the MOU, Bally’s and Sinclair will work collectively to facilitate the production and broadcast of Bally’s-produced content during the

current non-game windows on Sinclair’s 19 RSNs recently rebranded “Bally Sports”. Bally’s and Sinclair will also explore opportunities to include Bally’s programming in Sinclair-owned media platforms and affiliates other than the Bally Sports RSNs, which may include Sinclair’s Tennis Channel and Stadium assets. Bally’s development of a wide range of live sporting content and other interactive programming will support the eventual launch of the Bally Bet app. It will also reduce Bally’s reliance on advertising spend, though it will have no impact on any contractual obligation that Bally’s owes to Sinclair or Bally Sports.

## 8.2 Rhode Island Joint Venture

On 30 January 2020, Bally’s announced an agreement in principle to form a joint venture (“**JV**”) with International Gaming Technology PLC (“**IGT**”) to become a licensed technology provider and supply the State of Rhode Island with all video lottery terminals (“**VLTs**”) at both Twin River Casino Hotel and Tiverton Casino Hotel for a 20-year period starting on 1 July 2022. A minimum annual VLT replacement cycle will be set at 6 per cent. flexibility to replace up to 8 per cent. in any year, and at least 5 per cent. of the VLTs will be the premium machines to keep the gaming offering on par with regional competitors.

Under these arrangements, IGT would own 60 per cent. of the JV and Bally’s the remaining 40 per cent. In addition, Bally’s Master Video Lottery Terminal Contract with Rhode Island would be extended on existing terms until 30 June 2043, and Bally’s would commit to investing \$100 million in Rhode Island over this extended term, including an expansion and the addition of new amenities at Twin River Casino Hotel. This proposed agreement requires the Rhode Island State Legislature to enact legislation for the state to enter into or amend contracts with Bally’s.

## 8.3 Centre County, Pennsylvania Framework Agreement

On 31 December 2020, Bally’s signed a master term sheet (the “**Centre Country Master Term Sheet**”) with an established developer to jointly design, develop, construct and manage a Category 4 licensed casino in Centre County, Pennsylvania. Construction of the casino is expected to begin in the first half of 2021 and will take approximately one year to complete.

Subject to receipt of all applicable regulatory approvals, pursuant to the Centre Country Master Term Sheet, this site would house up to 750 slot machines and 30 table games. The casino will also provide, subject to receipt of separate licences and certificates, retail sports betting, online sports betting and online gaming. Bally’s will acquire a majority equity interest in the partnership, including 100 per cent. of the economic interests of all retail sports betting, online sports betting and iGaming activities associated with the project contemplated by the Centre Country Master Term Sheet.

## 8.4 Acquisition of Shreveport Resort and Casino and MontBleu Resort Casino & Spa

### *Shreveport and MontBleu Equity Purchase Agreement*

On 24 April 2020, Bally’s entered into an agreement to acquire the Eldorado Shreveport Resort and Casino in Shreveport, Louisiana and the MontBleu Resort Casino and Spa in Lake Tahoe, Nevada pursuant to the terms of an equity purchase agreement (as subsequently amended, the “**Shreveport and MontBleu Equity Purchase Agreement**”) entered into by and among Bally’s (then Twin River Worldwide Holdings, Inc., a Delaware corporation (“**TRWH**”)), Caesars Entertainment, Inc. (“**Caesars**”) (then Eldorado Resorts, Inc. (“**ERI**”)), and their subsidiaries and affiliates further described below.

### *Parties to the Shreveport and MontBleu Equity Purchase Agreement*

The Shreveport and MontBleu Equity Purchase Agreement was entered into by and among (i) Eldorado Shreveport #1, LLC, a Nevada limited liability company, (ii) Eldorado Shreveport #2, LLC, a Nevada limited liability company, (iii) New Tropicana OpCo, Inc., a Delaware corporation as sellers; and (iv) Eldorado Casino Shreveport Joint Venture, a Louisiana partnership, (v) Columbia Properties Tahoe, LLC, a Nevada limited liability company, (vi) Twin River Management Group, Inc. (“**TRMG**”) (a subsidiary of Bally’s, and each of TRMG and one or more newly formed Delaware corporations, limited liability companies or limited partnerships that are direct or indirect subsidiaries of Bally’s and designated by TRMG or Bally’s for this purpose, a buyer), (vii) Caesar’s (then ERI) and (viii) Bally’s (then TRWH).

### *Consideration*

The aggregate base purchase price for both properties is \$155 million, subject to customary post-closing adjustments. The base consideration for the purchase of Eldorado Shreveport Resort and Casino (the “**Shreveport Transaction**”) was \$140 million. The base consideration for the purchase of MontBleu Resort Casino and Spa (the “**MontBleu Transaction**”) was \$15 million, with only the amount by which the estimated purchase price exceeded \$15 million payable at closing, and the balance deferred until one year after the closing of the MontBleu Transaction.

### *Representations and Warranties, Covenants, and Indemnification*

The Shreveport and MontBleu Equity Purchase Agreement contains customary representations, warranties, covenants and indemnification obligations.

### *Closing*

The Shreveport Transaction was completed on 22 December 2020 and the MontBleu Transaction was completed on 6 April 2021.

## **8.5 Acquisition of Isle of Capri Casino Kansas City and Lady Luck Casino Vicksburg**

### *KC Purchase Agreement*

On 10 July 2019, Bally’s (then TRWH) entered into an equity purchase agreement (the “**KC Purchase Agreement**”) by and among (i) ERI, (ii) Isle of Capri Casinos LLC, a Delaware limited liability company, (iii) IOC-Vicksburg, Inc., a Delaware corporation, and (iv) IOC-Vicksburg, L.L.C., a Delaware limited liability company as sellers; and (v) Rainbow Casino Vicksburg Partnership, L.P., a Mississippi limited partnership (“**Rainbow**”) and (vi) IOC-Kansas City, Inc., a Missouri corporation (“**IOC Kansas City**”) (each of Rainbow and IOC Kansas City a “**KC Acquired Company**”), (vii) TRMG (a subsidiary of Bally’s), and (viii) Premier Entertainment Vicksburg, LLC, a Delaware limited liability company and wholly owned subsidiary of TRMG (“**Buyer Sub**”) (each of TRMG and Buyer Sub a “**KC Buyer**” and collectively the “**KC Buyers**”).

### *Consideration*

Pursuant to the terms of the KC Purchase Agreement, the KC Buyers agreed to acquire all of the outstanding equity securities of the KC Acquired Companies (the “**KC Transaction**”) which owned Isle of Capri Casino in Kansas City, Missouri and Lady Luck Casino in Vicksburg, Mississippi respectively for an aggregate purchase price of \$230,000,000 in cash, subject to certain customary post-closing adjustments.

### *Representations and Warranties, Covenants, and Indemnification*

The KC Purchase Agreement contains customary representations and warranties and covenants (including with respect to post-closing indemnification) from the KC Acquired Companies as well as the KC Buyers, ERI and Bally’s.

### *Closing*

The KC Transaction completed on 2 July 2020.

## **8.6 Acquisition of Bally’s Atlantic City Hotel & Casino**

### *Asset Purchase Agreement*

On 24 April 2020, Bally’s Park Place LLC (“**Bally’s Park Place**”, a subsidiary of Caesars) and TRMG (a subsidiary of Bally’s), entered into an asset purchase agreement (the “**Asset Purchase Agreement**”) providing for the sale of certain assets of Bally’s Atlantic City Hotel & Casino (“**Bally’s Atlantic City**”).

Concurrently with the execution of the Asset Purchase Agreement, TRMG and Bally’s Atlantic City LLC, a Delaware limited liability company (“**Bally’s AC**”) an affiliate of VICI Properties Inc. (“**VICI**”) entered into an Agreement of Sale (the “**Agreement of Sale**”) providing for the sale of the real property from which Bally’s Atlantic City is operated.

### *Consideration*

Pursuant to the Asset Purchase Agreement and the Agreement of Sale, Bally's Park Place and Bally's AC will sell Bally's Atlantic City and the real property on which it is operated to TRMG for approximately \$25 million in cash (subject to customary closing adjustments), on the conditions and terms set forth therein. VICI will receive approximately \$19 million from the sale, while Caesars will receive approximately \$6 million.

### *Representations and Warranties, Covenants, and Indemnification*

Each of the Asset Purchase Agreement and the Agreement of Sale contains customary representations and warranties, covenants, and indemnification provisions for an agreement of each such type.

### *Closing*

On 18 November 2020, Bally's announced that it had completed the previously announced acquisition of Bally's Atlantic City Hotel & Casino from Caesars and VICI.

## **8.7 Acquisition of SportCaller**

On 5 February 2021, Bally's acquired Horses Mouth Limited ("**SportCaller**") for \$24.0 million in cash and 221,391 of Bally's common stock at closing, pending adjustment, and up to \$12.0 million in value of additional shares if SportCaller meets certain post-closing performance targets (calculated based on an exchange ratio of 0.8334).

## **8.8 Acquisition of Monkey Knife Fight**

### *MKF Agreement*

The agreement and plan of merger (the "**MKF Agreement**"), dated 22 January 2021, was entered into by and among (i) Bally's, (ii) Fantasy Sports Shark LLC d/b/a Monkey Knife Fight, a California limited liability company and, after its conversion pursuant to the plan of merger, a Delaware limited liability company ("**MKF**"), and (iii) William Asher, solely in his capacity as the Member Representative (other than as explicitly stated therein). The acquisition of MKF by Bally's was effected through a merger between MKF's newly-formed and wholly owned subsidiary, a Delaware limited liability company, with Bally's, as a result of which MKF became a wholly owned subsidiary of Bally's.

### *Consideration*

Bally's acquired MKF for (i) immediately exercisable penny warrants to purchase up to 984,450 Bally's Shares (subject to adjustment) at closing and (ii) contingent penny warrants to purchase up to 787,550 additional Bally's Shares half of which is issuable on each of the first and second anniversary of closing. The contingency relates to MKF's continued operations in jurisdictions in which it operates at closing.

### *Closing*

Bally's completed its acquisition of MKF on 31 March 2021.

## **8.9 Acquisition of Jumer's Casino & Hotel**

### *Jumer's Purchase Agreement*

On 30 September 2020, Bally's (then TRWH), entered into an equity purchase agreement (the "**Jumer's Purchase Agreement**") by and among (i) The Rock Island Boatworks, Inc., an Illinois corporation ("**Boatworks**"), (ii) Rock Island Foodservice, Inc., an Illinois corporation and wholly-owned Subsidiary of Boatworks ("**Foodservice**" and together with Boatworks, the "**Jumer's Acquired Companies**"), (iii) Delaware North Companies Gaming & Entertainment, Inc., a Delaware corporation ("**Jumer's Seller**"), (iv) TRMG (a subsidiary of Bally's), (v) solely for the limited purposes set forth in the Jumer's Purchase Agreement, Delaware North Companies, Incorporated, a Delaware corporation ("**Parent**"), and (vi) Bally's.

### *Consideration; Purchase Price*

Pursuant to the terms of the Jumer's Purchase Agreement, TRMG agreed to, following the conversion of each of Boatworks and Foodservice to an Illinois limited liability company, acquire all of the outstanding equity securities of Boatworks (the "**Jumer's Transaction**") for an aggregate purchase

price of \$120,000,000 in cash, subject to certain customary post-closing adjustments (the “**Jumer’s Purchase Price**”). The Jumer’s Purchase Price is also subject to increase for certain costs and fees associated with actions Bally’s and TRMG may ask Jumer’s Seller and the Jumer’s Acquired Companies to take prior to the closing of the Jumer’s Transaction related to applying for, obtaining and maintaining Illinois sports betting licenses and the design, construction, buildout and furnishing of a sportsbook.

#### *Closing Conditions; Regulatory Approvals*

The Jumer’s Transaction is conditioned upon the satisfaction of customary closing conditions, including, among others: (i) expiration or termination of the applicable waiting period under the HSR Act; (ii) receipt of required regulatory approvals, including applicable gaming regulatory approvals; (iii) the accuracy of the representations and warranties of each party to the Jumer’s Purchase Agreement as of closing; (iv) the performance in all material respects by the parties of their respective covenants under the Jumer’s Purchase Agreement; and (v) in the case of the Jumer’s Acquired Companies, the absence of any material adverse effect since the date of the Jumer’s Purchase Agreement.

#### *Representations and Warranties, Covenants, and Indemnification*

The Jumer’s Purchase Agreement contains customary representations and warranties and covenants (including with respect to post-closing indemnification) from Jumer’s Seller and the Jumer’s Acquired Companies as well as TRMG, the Parent and Bally’s.

#### *Termination Rights*

In addition, the Jumer’s Purchase Agreement contains certain termination rights, pursuant to which either party, in certain circumstances, may terminate the Jumer’s Purchase Agreement, including (i) if there is a final determination by the applicable gaming authority not to issue the gaming approvals required to consummate the Jumer’s Transaction, or TRMG withdraws its application for any such gaming approvals in response to a written communication from the applicable governmental authority indicating a likely or impending denial of such approvals; (ii) there is a final, non-appealable order preventing the consummation of the Jumer’s Transaction; and (iii) if the Jumer’s Transaction has not been consummated by 30 June 2021 (the “**Jumer’s Outside Date**”), subject to three 1-month extensions that may be exercised by TRMG if all of the conditions to closing have been satisfied other than receipt of required gaming approvals. Each such extension increases the reverse termination fee payable by TRMG in certain termination scenarios by \$2,000,000. If the Jumer’s Purchase Agreement is terminated because Bally’s fails to timely file certain initial gaming regulatory approval applications or thereafter obtain applicable antitrust approvals or gaming regulatory approvals or, in certain circumstances, upon the occurrence of the Jumer’s Outside Date, Jumer’s Seller may be entitled to retain as a reverse termination fee a \$4,000,000 deposit previously paid by TRMG, which amount may be increased to \$6,000,000 or \$8,000,000 (or further increased as a result of TRMG exercising the options to extend the Jumer’s Outside Date as described above) under certain scenarios as described in more detail in the Jumer’s Purchase Agreement. In all termination scenarios, Jumer’s Seller will be entitled to retain \$2,000,000 of the \$4,000,000 deposit.

#### *Closing*

Closing of the Jumer’s Transaction remains pending subject to the satisfaction of the closing conditions detailed above.

### **8.10 Acquisition of Tropicana Evansville Casino and Sale and Leaseback Arrangement with Gaming & Leisure Properties**

#### *Evansville Purchase Agreement*

On 27 October 2020, Bally’s agreed with Caesars to acquire the Tropicana Evansville Casino in Evansville, Indiana, pursuant to the terms of an equity purchase agreement dated 27 October 2020 among Bally’s, Caesars, and various of their affiliates (the “**Evansville Purchase Agreement**”).

#### *Parties to the Evansville Purchase Agreement*

The Evansville Purchase Agreement was made and entered into as of 27 October 2020, by and among (i) Aztar Riverboat Holding Company, LLC an Indiana limited liability company (“**Aztar**”), (ii) Aztar Indiana Gaming Company, LLC, an Indiana limited liability company (“**Aztar Indiana**”), (iii) GLP Capital, L.P., a Pennsylvania limited partnership (“**GLP**”), and (iv) TRMG (TRMG or a newly formed



Delaware corporation, limited liability company or limited partnership that is a direct or indirect subsidiary of Bally's (then TWRH) and designated by TRMG or Bally's for this purpose, the "**Evansville Buyer**", together with GLP, the "**Acquirors**", (v) Caesars, and (vi) Gaming & Leisure Properties, Inc. ("**GLPI**") (together with Bally's, the "**Acquiror Parents**").

#### *Consideration*

Pursuant to the terms of the Evansville Purchase Agreement, TRMG agreed to acquire all of the outstanding equity interests of Aztar Indiana for an aggregate purchase price of \$140 million, subject to certain customary post-closing adjustments.

#### *Sale and Leaseback Agreements*

At the same time, an affiliate of GLPI agreed to acquire the real estate associated with the Tropicana Evansville Casino for \$340.0 million and lease it back to Bally's for \$28 million per year, subject to escalation. GLPI also agreed to acquire the real estate associated with Bally's Dover Downs casino for \$144 million and lease it back to Bally's for \$12 million per year, subject to escalation. Both leases are governed by a master lease agreement with GLPI which has an initial term of 15 years with four five-year renewal options (the "**Sale and Leaseback Agreements**").

#### *Closing Conditions; Regulatory Approvals*

Consummation of the transactions contemplated by each of the Evansville Purchase Agreement and the Sale and Leaseback Agreements are subject to customary conditions, including receipt of required regulatory approvals.

#### *Representations and Warranties, Covenants, and Indemnification*

Each of the Evansville Purchase Agreement and Sale and Leaseback Agreements contain representations and warranties, covenants, and indemnification provisions, in each case, that are consistent with an agreement of each such type.

#### *Termination*

If the Evansville Purchase Agreement is terminated in certain circumstances, including as a result of the failure of Bally's or GLP to obtain the required regulatory approvals (including gaming approvals) pursuant to the Evansville Purchase Agreement or Sale and Leaseback Agreements, as applicable, then Bally's and GLP may be obliged to pay a termination fee of \$16.8 million, on a joint and several basis.

#### *Closing*

Completion of the Evansville Purchase Agreement and Sale and Leaseback Agreements remains pending subject to the satisfaction of certain conditions described above.

### **8.11 Acquisition of Bet.Works**

#### *Bet.Works Agreement*

On 18 November 2020, Bally's and Bet.works Corp. ("**Bet.Works**") entered into a definitive agreement pursuant to which Bally's will acquire Bet.Works (the "**Bet.Works Acquisition**"). At closing, Bally's paid the shareholders of Bet.Works \$62.5 million in cash and 2,084,765 Bally's Shares, subject in each case to customary adjustments. The shareholders of Bet.Works will not transfer any Bally's Shares received in the Bet.Works Acquisition prior to the one-year anniversary of the closing and, for the next year thereafter, may transfer only up to 1 per cent. of Bally's common stock per quarter.

#### *Closing*

Bally's completed the Bet.Works Acquisition on 28 May 2021.

### **8.12 Tropicana Las Vegas**

On 13 April 2021, Bally's entered into a term sheet pursuant to which agreed to purchase the Tropicana Las Vegas Hotel and Casino in Las Vegas, Nevada from GLPI (the "**Tropicana Las Vegas Acquisition**"). 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, Colorado and Rock Island, Illinois casino properties for a cash purchase price of \$150 million payable by GLPI. The lease will have an initial annual fixed rent of \$12 million, subject to increase over time.

#### 8.13 May 2019 Senior Secured Credit Facility

On 10 May 2019, Bally's entered into a credit agreement (the "**Credit Agreement**") with Citizens Bank, N.A., as administrative agent, (the "**Agent**"), and the lenders party thereto (the "**Credit Facility**"), consisting of a \$300 million Term B Loan facility (the "**Term Loan Facility**") and a \$250 million revolving credit facility (the "**Revolving Credit Facility**"). Bally's obligations under the Revolving Credit Facility will mature on 10 May 2024. Bally's obligations under the Term Loan Facility will mature on 10 May 2026. Beginning 30 September 2019, Bally's is required to make quarterly principal payments of \$750,000 on the Term Loan Facility on the last business day of each fiscal quarter. In addition, Bally's is required to make mandatory payments of amounts outstanding under the Credit Facility with the proceeds of certain casualty events, debt issuances, and asset sales and, commencing with the fiscal year beginning 1 January 2020, Bally's is required to apply a portion of its excess cash flow to repay amounts.

Borrowings under the Credit Facility bear interest at a rate equal to, at Bally's option, either (1) LIBOR determined by reference to the costs of funds for US dollar deposits for the interest period relevant to such borrowing, adjusted for certain additional costs and subject to a floor of 0.00 per cent. or (2) a base rate determined by reference to the greatest of the federal funds rate plus 0.50 per cent., the prime rate as determined by the Agent, the one-month LIBOR rate plus 1.00 per cent., and subject to a floor of 1.00 per cent., in each case plus an applicable margin. If the LIBOR rate is no longer available or no longer used to determine the interest rate of loans, Bally's and the Agent will amend the Credit Agreement to replace LIBOR with an alternate benchmark rate that has been broadly accepted by the syndicated loan market in the United States in lieu of LIBOR and until such amendment has become effective, loans will be based on the base rate. In addition, on a quarterly basis, Bally's is required to pay each lender under the Revolving Credit Facility a 0.50 per cent. commitment fee, in respect of commitments under the Revolving Credit Facility, which may be subject to one or more step-downs based on Bally's total net leverage ratio. As of 31 December 2020, the interest rate for the Term Loan Facility was 3.00 per cent.

The Credit Facility allows Bally's to (i) establish additional Term B Loans and/or establish one or more new tranches of term loans and/or (ii) increase commitments under the Revolving Credit Facility and/or add one or more new tranches of revolving facilities, in an aggregate amount not to exceed the greater of (x) \$195 million and (y) 100 per cent. of consolidated EBITDA for the most recent four-quarter period plus or minus certain amounts as specified in the Credit Agreement, including an unlimited amount subject to compliance with a consolidated total secured net leverage ratio as set out in the Credit Agreement.

Bally's obligations under the Credit Facility are guaranteed by each of Bally's existing and future wholly owned domestic restricted subsidiaries, subject to certain exceptions, and are secured by a first priority lien on substantially all of Bally's and each of the guarantors' existing and future property and assets, subject to certain exceptions.

On 16 March 2020, Bally's borrowed under its Revolving Credit Facility the full available amount of \$250 million to increase its cash position and liquidity to facilitate financial flexibility in light of the then uncertainty in the global markets and Bally's business resulting from the COVID-19 pandemic. These borrowings were repaid as part of the increase in the Term Loan Facility mentioned below. As of 31 December 2020, there were \$35 million of outstanding borrowings under the Revolving Credit Facility.

On 9 March 2021, Bally's amended its Credit Agreement to increase the aggregate principal amount of the Revolving Credit Facility to \$325 million, an increase of \$75 million pursuant to an incremental revolving facility. Borrowings under the new incremental revolving facility will be subject to the same terms and conditions of the existing Revolving Credit Facility under the Credit Agreement.

The financial covenants under the May 2019 Senior Secured Credit Facility are as follows:

- (a) Beginning 30 September 2019, Bally's is required to make quarterly principal payments of \$750,000 on the Term Loan Facility on the last business day of each fiscal quarter.

- (b) In addition, Bally's is required to make mandatory payments of amounts outstanding under the Credit Facility with the proceeds of certain casualty events, debt issuances, and asset sales and, commencing with the fiscal year beginning 1 January 2020, Bally's is required to apply a portion of its excess cash flow to repay amounts outstanding under the Credit Facility.
- (c) On 24 April 2020, Bally's and its lenders amended the financial covenants and certain other terms of the Credit Facility to provide financial covenant relief from the effects of the COVID-19 pandemic (the "**April 2020 Amendment**"). Until the period on which Bally's required to deliver its compliance statement and financial statements for the three months ending 31 March 2021 (the "**Leverage Ratio Covenant Relief Period**"), Bally's will not be required to comply with the maximum total net leverage ratio covenant. Instead, Bally's will be required to comply with a minimum liquidity covenant tested at the last day of each month during the Leverage Ratio Covenant Relief Period. Under the minimum liquidity requirement, Bally's will be required to have unrestricted cash on hand at the end of each month in the following amounts: (i) \$75.0 million at 30 April 2020 and 31 May 2020, (ii) \$65.0 million at 30 June 2020, (iii) \$55.0 million at 31 July 2020, and (iv) \$50.0 million at each month-end thereafter through 31 March 2021.
- (d) Bally's will not be permitted to declare or pay dividends on Bally's common stock or make other restricted payments, complete investments or acquisitions (other than those previously announced or to which the lenders consent) during the Leverage Ratio Covenant Relief Period, and the interest rates on the Revolving Credit Facility borrowings are LIBOR + 2.75 per cent. during the Leverage Ratio Covenant Relief Period. Additionally, the amendment permanently changed the minimum LIBOR on the Revolving Credit Facility borrowings from 0.00 per cent. to 0.75 per cent.
- (e) On 5 March 2021, Bally's and its lenders amended the financial covenants and certain other terms of its Credit Facility to provide deemed consolidated EBITDA numbers for certain fiscal quarters of 2021 and to permit the annualisation of consolidated EBITDA for the 2021 fiscal year for purposes of calculating compliance with the consolidated total net leverage ratio, to the extent Bally's is required to comply with it.
- (f) Effective as of 1 April 2021, the required revolving lenders agreed to terminate the Leverage Ratio Covenant Relief Period early so Bally's is no longer required to comply with the above restrictions. In addition, as a result of the April 2020 Amendment the maximum total net leverage ratio covenant Bally's is required to comply with at any time that revolving loans, swing loans and letters of credit (excluding up to \$2.5 million of letters of credit) exceed 30 per cent. of the total revolving commitments, was increased as follows: (i) for the fiscal quarter ending 31 March 2021, 6.25:1.00; (ii) for the fiscal quarter ending 30 June 2021, 6.00:1.00; (iii) for the fiscal quarter ending 30 September 2021, 5.75:1.00; (iv) for the fiscal quarter ending 31 December 2021, 5.50:1.00 and (v) for the fiscal quarter ending 31 March 2022 and each fiscal quarter thereafter, 5.00:1.00.

#### 8.14 **May 2020 Term Loan**

On 11 May 2020, Bally's closed on an amendment to its Credit Facility to increase its Term Loan Facility by \$275 million. Borrowings under the increased portion of the Term Loan Facility will bear interest at LIBOR + 8.00 per cent. per annum with a 1.00 per cent. LIBOR floor through the 10 May 2026 maturity date. Following the amendment, Bally's repaid the full \$250 million outstanding under its Revolving Credit Facility.

#### 8.15 **6.75 per cent. Senior Notes due 2027**

On 10 May 2019, Bally's, issued \$400 million aggregate principal amount of 6.75 per cent. unsecured senior notes due 1 June 2027 (the "**Initial Notes**"). On 9 October 2020, Bally's issued an additional \$125 million aggregate principal amount of 6.75 per cent. unsecured senior notes due 1 June 2027 (the "**Additional Notes**" and, together with the Initial Notes, the "**Senior Notes**"). The Additional Notes, other than with respect to the date of issuance and issue price, are identical to the Initial Notes, and are treated as a single class with the Initial Notes for all purposes under the indenture governing the Senior Notes (the "**Indenture**"). Immediately after giving effect to the issuance and sale of the Additional Notes, Bally's had \$525 million in aggregate principal amount of Senior Notes outstanding. Interest on the Senior Notes is paid semi-annually in arrears on 1 June and 1 December. Bally's used

a portion of the net proceeds from the Initial Notes, together with a portion of the proceeds from its Term Loan Facility, to repay borrowings under Bally's prior credit agreement (the "**Former Credit Facility**").

The Credit Facility and the Indenture each contain covenants that limit the ability of Bally's and its restricted subsidiaries to, among other things, incur additional indebtedness, pay dividends on or make distributions in respect of capital stock or make certain other restricted payments or investments, enter into certain transactions with affiliates, sell or otherwise dispose of assets, create or incur liens, and merge, consolidate or sell all or substantially all of Bally's assets, in each case, subject to certain exceptions and qualifications. In addition, if more than 30 per cent. of the capacity of the Revolving Credit Facility is utilized, as was the case at 31 March 2020 (but not 30 June 2020, 30 September 2020 or 31 December 2020), Bally's must comply with a maximum total net leverage ratio, which is currently set at 5.50:1.00. These covenants are subject to exceptions and qualifications set forth in the Credit Facility and the Indenture, and as described below under "Financial Covenant Relief", were modified as of 24 April 2020. Bally's was in compliance with all such covenants as of 31 December 2020.

On 4 February 2021, Bally's announced that it had obtained the consent of the Senior Notes holders to amend the indenture governing the Senior Notes. The amendment to the Indenture amended the "Incurrence of Indebtedness and Issuance of Subsidiary Preferred Stock" covenant contained in Section 4.09 of the Indenture to increase the fixed dollar prong of the credit facility basket from "\$745.0 million" to "\$975.0 million". Except for this amendment, all the existing terms of the Senior Notes remain unchanged.

Bally's may redeem some or all of the Senior Notes at any time prior to 1 June 2022 at a redemption price equal to 100 per cent. of the aggregate principal amount of the Senior Notes to be redeemed plus a "make-whole" premium and accrued and unpaid interest. In addition, prior to 1 June 2022, Bally's may redeem up to 40 per cent. of the original principal amount of the Senior Notes with proceeds of certain equity offerings at a redemption price equal to 106.75 per cent. of the aggregate principal amount of such Senior Notes plus accrued and unpaid interest. On or after 1 June 2022, Bally's may redeem some or all of the Senior Notes at the redemption prices set forth in the Indenture plus accrued and unpaid interest. The Senior Notes are subject to disposition and redemption requirements imposed by gaming laws and regulations of applicable gaming regulatory authorities.

The Senior Notes are guaranteed, jointly and severally, by each of Bally's restricted subsidiaries that guarantee Bally's obligations under the Credit Facility.

#### 8.16 **The Regulatory Agreement**

On 13 November 2019, certain of the Bally's Group's subsidiaries, the Rhode Island Department of Business Regulation and the Division of Lotteries of the Rhode Island Department of Revenue amended and restated the Bally's Group's Regulatory Agreement (the "**Regulatory Agreement**"), replacing the previous regulatory agreement dated 1 July 2016. The Regulatory Agreement sets forth certain requirements with respect to the Division of Lotteries of the Rhode Island Department of Revenue and the Rhode Island Department of Business Regulation's regulatory oversight of the Bally's Group. The Regulatory Agreement contains financial and other covenants that, among other things, (1) restrict the acquisition of stock and other financial interests in the Bally's Group, (2) relate to the licensing and composition of members of the Bally's Group's management and Board of Directors (the "**Board**"), (3) prohibit certain competitive activities and related-party transactions, and (4) restrict the Bally's Group's ability to declare or make restricted payments (including dividends), or incur additional indebtedness, or take certain other actions, if the Bally's Group's leverage ratio exceeds 4.75 to 1.00 (in general being gross debt divided by EBITDA as defined in the Regulatory Agreement). This ratio level is subject to potential reduction after 30 June 2021.

The Regulatory Agreement also provides affirmative obligations, including setting a minimum number of employees that the Bally's Group must employ in Rhode Island and providing the Rhode Island Department of Business Regulation and the Division of Lotteries of the Rhode Island Department of Revenue with periodic information updates about the Bally's Group. Among other things, the Regulatory Agreement prohibits the Bally's Group and the Bally's Group's subsidiaries from owning, operating, managing or providing gaming specific goods and services to any properties in Rhode Island (other than Twin River Casino Hotel and Tiverton Casino Hotel), Massachusetts, Connecticut or New Hampshire. Termination of the Regulatory Agreement may be effected by the Bally's Group if it is no longer involved in the ownership or management of the Lincoln or Tiverton facilities, among



other events. A failure to comply with the provisions in the Regulatory Agreement could subject the Bally's Group to injunctive or monetary relief, payments to the Rhode Island regulatory agencies and ultimately the revocation or suspension of the Bally's Group's licences to operate in Rhode Island.

On 6 October 2020, the Bally's Group and the Rhode Island regulatory authorities amended the Regulatory Agreement to clarify the leverage ratio and capital expenditure requirements in light of COVID-related closures and curtailments. Under the amendments, in general, the Bally's Group is authorised to establish Adjusted EBITDA amounts by reference to pre-COVID performance levels, by property, for purposes of calculating compliance with the maximum leverage ratio, until such time as that property has no further COVID-related restrictions or its performance exceeds pre-COVID levels. This method of calculating Adjusted EBITDA for purposes of determining the leverage ratio applies to all existing properties as well as all properties acquired in the future. In addition, the amendments allowed the Bally's Group to defer required capital expenditures from 2020 until 2021, and provides the State of Rhode Island discretion to further defer some of the required capital expenditures into 2022 depending on capital expenditure levels in 2021 and other factors.

## 8.17 Bally's Financing Agreements

### *Interim Facilities Agreement*

On 13 April 2021, Premier Entertainment and Premier Entertainment Parent, LLC entered into the IFA (as subsequently amended and restated pursuant to an amendment and restatement agreement dated 27 April 2021) with, among others, Deutsche Bank AG, London Branch, Goldman Sachs Bank USA, Barclays Bank PLC, Citizens Bank, National Association, Truist Bank, Capital One, National Association and Fifth Third Bank, National Association as original interim lenders (the "**Original Interim Lenders**"), Deutsche Bank AG, London Branch, Goldman Sachs Bank USA, Barclays Bank PLC, Citizens Bank, National Association, Truist Securities, Inc., Capital One, National Association and Fifth Third Bank, National Association as arrangers (the "**Arrangers**") and Deutsche Bank AG, London Branch as interim facility agent (the "**Interim Facility Agent**") and interim security agent. Premier Entertainment is a wholly owned subsidiary of Premier Entertainment Parent, LLC.

Under the terms of the IFA, the interim lenders agree to make available to Premier Entertainment: (a) an interim term loan facility in an aggregate amount equal to £1,435,000,000 (the "**UK Interim Sterling Credit Facility**"), which commitments were subsequently reduced to £949,537,111.29 in accordance with the terms of Interim Facilities Agreement following the deposit into escrow arrangements of certain proceeds from equity offerings of Bally's); and (b) an interim term loan facility in an aggregate amount equal to €336,000,000 (the "**UK Interim Euro Credit Facility**") and together with the UK Interim Sterling Credit Facility, the "**Interim Facilities**").

To the extent any loans are drawn by Premier Entertainment under the Interim Facilities, the proceeds of such loans are to be applied towards (directly or indirectly), among other things, financing part of the aggregate consideration payable by Premier Entertainment pursuant to the Cash Offer under the Combination and/or refinancing or otherwise discharging certain existing indebtedness of the Gamesys Group.

The UK Interim Sterling Credit Facility is available to be utilised in Sterling and the UK Interim Euro Credit Facility is available to be utilised in Euros. The Interim Facilities are available to be drawn, subject to satisfaction of the conditions precedent set out in the IFA, from the date of the IFA to 11:59 p.m. on the last day of the Certain Funds Period (as defined below). Premier Entertainment and/or its affiliates intend to seek to negotiate and execute long-term financing agreements so as not to fund under the IFA.

Under the IFA, "**Certain Funds Period**" is defined as the period from (and including) the date of the IFA to (and including) 11:59 p.m. in London on the earliest of: (a) if the Combination is intended to be completed by way of the Scheme, the date on which the Scheme lapses (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 the exercise of, or is followed within five (5) business days by, the announcement of the exercise of Bally's or Premier Entertainment's right to effect a switch from a Scheme to an Offer or (ii) it is otherwise to be followed within twenty (20) business days by an announcement made by Bally's or Premier Entertainment to implement the Combination by a different offer or scheme (as applicable) in accordance with the terms of the IFA); (b) if the Combination is intended to be implemented pursuant to an Offer, the date on which the Takeover 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 the exercise of Bally's or Premier Entertainment's right to effect a switch from the Takeover Offer to a scheme of arrangement or (ii) it is otherwise to be followed within twenty (20) business days by an announcement made by Bally's or Premier Entertainment to implement the Combination by a different offer or scheme of arrangement (as applicable) in accordance with the terms of the IFA); (c) 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 the IFA; and (d) the date that is the first business day (the "**Outside Date**") following 27 April 2022, provided that, if the first drawdown under the Interim Facilities has occurred, the Outside Date will be the later of (i) the first business day falling after 27 April 2022 and (ii) the date falling ninety (90) days after the first drawdown of the Interim Facilities has occurred, or, in each case, such later time as agreed by the Arrangers (acting reasonably and in good faith).

The original maturity date of the Interim Facilities is ninety (90) days after the date on which the first drawdown of an Interim Facility occurs (by which date the Interim Facilities would need to be replaced and refinanced), provided that Premier Entertainment Parent, LLC may, by notice to the Interim Facility Agent and provided that no Major Event of Default (as defined in the IFA) is continuing, extend the original maturity date of the Interim Facilities to the date falling 364 days after the first date upon which an Interim Facility is drawn. The Interim Facilities may also be voluntarily cancelled at any time on two (2) business days' prior notice in writing to the Interim Facility Agent and may be voluntarily prepaid at any time on one (1) business day's prior notice in writing to the Interim Facility Agent.

The IFA contains customary representations and warranties, affirmative and negative covenants (including covenants in respect of financial indebtedness, disposals, security, permitted holding company activity, dividends and share redemption, acquisitions and mergers and conduct of the Scheme (and/or Offer (if applicable))), indemnities and events of default, each with appropriate carve-outs and materiality thresholds. If the representations and warranties given by Premier Entertainment and Premier Entertainment Parent, LLC in the IFA prove to be incorrect or misleading it will constitute an event of default under the IFA, in each case subject to appropriate carve-outs and materiality thresholds. It will also constitute an event of default if members of the Bally's Group cease to directly or indirectly own 100 per cent. of the issued equity share capital of Premier Entertainment Parent, LLC, Premier Entertainment Parent, LLC ceases to directly own and control 100 per cent. of the issued equity share capital of Premier Entertainment or at any time after the completion of the Combination, Premier Entertainment, together with Bally's ceases to directly own and control 100 per cent. of the issued equity share capital of Gamesys.

The rate of interest payable on any loan drawn under the Interim Facilities is the aggregate of the applicable margin plus (i) in the case of the UK Interim Sterling Credit Facility, SONIA, floored at 1 per cent., and (ii) in the case of the UK Interim Euro Credit Facility, EURIBOR, floored at 1 per cent. The applicable margins on the Interim Facilities are 2.5 per cent. per annum, 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 date of first drawdown of the Interim Facilities.

Arrangement and funding fees, among other fees, are also payable under the terms of the IFA and ancillary documentation.

As a condition precedent to the first drawdown of the Interim Facilities, the secured parties under the IFA have received the benefit of security including a New York law security agreement over all of the assets of each of Premier Entertainment Parent, LLC and Premier Entertainment.

Under the IFA, Premier Entertainment has agreed (amongst other things) that it: (a) will not waive or amend any term or condition relating to the Combination from that set out in the Rule 2.7 Announcement where it would be materially prejudicial to the interests of the interim lenders (taken as a whole) under the Interim Finance Documents (as defined in the IFA) subject to certain exceptions (including where an amendment or waiver is required or requested by the Panel or the Court, or reasonably determined by Premier Entertainment as being necessary or desirable to comply with the requirements or requests (as applicable) of the Takeover Code, the Panel or the Court or any relevant regulatory body or applicable law or regulation); and (b) if the Combination is effected by way of a Takeover Offer, will not declare the Takeover Offer to be unconditional as to acceptances at less than

75 per cent. of the issued ordinary share capital of Gamesys 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 Gamesys, whether or not such rights are then exercisable), other than with the consent of all interim lenders.

The preceding summary of the Interim Facilities is qualified in its entirety by reference to the copy of such agreement as originally entered into on 13 April 2021 (and amended and restated on 27 April 2021) which is on display as required under Rule 26.1 of the Takeover Code and is published on Bally's website at <https://www.ballys.com/gamesys-documentation/>.

#### *Bridge Commitment*

On 13 April 2021, Premier Entertainment as borrower entered into a commitment letter (as subsequently amended and restated on 27 April 2021) with, among others, Deutsche Bank AG, London Branch, Goldman Sachs Bank USA, Barclays Bank PLC, Citizens Bank, National Association, Truist Bank, Truist Securities, Inc., Capital One, National Association and Fifth Third Bank, National Association as commitment parties (the "**Bridge Loan Facilities Commitment Letter**"). Under the Bridge Loan Facilities Commitment Letter, the commitment parties agreed to provide the borrower with commitments for a senior secured debt financing consisting of: (a) a sterling bridge facility in an initial aggregate amount of up to £1,435,000,000 (the "**UK Bridge Sterling Credit Facility**"), which commitments were subsequently reduced to £949,537,111.29 in accordance with the terms of the commitment letter following the deposit into escrow arrangements of certain proceeds from equity offerings of Bally's; and (b) a euro bridge facility in an aggregate amount of up to €336,000,000 (the "**UK Bridge Euro Credit Facility**" and together with the UK Bridge Sterling Credit Facility, the "**Bridge Facilities**"). The commitments under the Bridge Loan Facilities Commitment Letter are subject to further reductions in such commitments in certain circumstances, including the deposit into escrow arrangements of proceeds from additional equity offerings of Bally's.

To the extent any loans are drawn by Premier Entertainment under the Bridge Facilities, the proceeds of such loans are to be applied towards (i) if previously funded, repayment of amounts outstanding under the IFA and (ii) if the IFA has not been funded, to, among other things, finance directly and/or indirectly, in part, the Combination and/or refinance certain existing indebtedness of the Gamesys Group.

The UK Bridge Sterling Credit Facility is expected to be available to be utilised in Sterling and the UK Bridge Euro Credit Facility is expected to be available to be utilised in Euros. The Bridge Loan Facilities are expected to be available to be drawn, subject to satisfaction of the conditions precedent in the Bridge Loan Facilities Commitment Letter, on or prior to 11:59 p.m. on the last day of the Certain Funds Period (as defined therein). Such conditions precedent include, among others, (i) discharge of certain existing indebtedness of the Gamesys Group substantially concurrently with any extension of credit pursuant to the Bridge Loan Facilities and (ii) execution of definitive documentation with respect to the Bridge Loan Facilities (the "**Bridge Loan Facilities Definitive Documentation**") reflecting, among other things, the terms set forth in the term sheet attached to the Bridge Loan Facilities Commitment Letter. Premier Entertainment and/or its affiliates intends to seek to negotiate and execute long-term financing agreements so as not to fund under the Bridge Loan Facilities.

The rate of interest payable on any loan drawn under the Bridge Loan Facilities will be the aggregate of the applicable margin plus (i) in the case of the UK Bridge Sterling Credit Facility, SONIA, floored at 1 per cent., and (ii) in the case of the UK Bridge Euro Credit Facility, EURIBOR, floored at 1 per cent. The applicable margins on the Bridge Loan Facilities are 2.5 per cent. per annum, provided that the applicable margin will increase by 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 date of first drawdown of the Interim Facilities or the Bridge Loan Facilities (the "**Funding Date**").

The final maturity date of the Bridge Loan Facilities is 364 days following the Funding Date (by which date the Bridge Loan Facilities would need to be replaced and refinanced). Voluntary reductions of the unutilised portion of the commitments under the Bridge Loan Facilities and prepayments of borrowing thereunder will be permitted at any time subject to customary exceptions and limitations. The Bridge Loan Facilities will require mandatory prepayments to be made with the net cash proceeds of certain asset sales, debt incurrences and equity issuances, subject to customary exceptions, reinvestment rights and minimums.

The Bridge Loan Facilities Commitment Letter provides that the Bridge Loan Facilities will be secured on a first priority basis by (i) an all-assets first-priority security agreement granted by Premier Entertainment Parent, LLC including a first-priority pledge of all the equity interests directly held by Premier Entertainment Parent, LLC in Premier Entertainment; (ii) an all-assets first priority security agreement granted by Premier Entertainment; (iii) a first-priority security interest granted by Premier Entertainment over all of the equity interests held by it in Gamesys and any intercompany loans advances to Gamesys or any of its subsidiaries; and (iv) by no later than 90 days after the date of completion of the Combination, or such later date as is agreed by the agent under the Bridge Facilities, security from each of the subsidiaries of Premier Entertainment required to grant security in respect of the Bridge Facilities, pursuant and subject to the agreed security principles appended to the Bridge Loan Facilities Commitment Letter.

The Bridge Loan Facilities Commitment Letter provides that the Bridge Loan Facilities Definitive Documentation will contain (i) customary affirmative covenants, including, among others, covenants regarding reporting requirements, payment of taxes and other obligations, compliance with applicable laws and regulations and the Scheme and (ii) customary negative covenants limiting the ability of Premier Entertainment and its subsidiaries to, among other things, grant liens, incur indebtedness, effect certain fundamental changes and to make certain asset dispositions. These affirmative and negative covenants are subject to certain customary qualifications and carve-outs. The Bridge Loan Facilities Commitment Letter further provides that the Bridge Loan Facilities Definitive Documentation will contain a financial covenant with regard to Premier Entertainment and its subsidiaries on a consolidated basis, which is tested as of the last day of each fiscal quarter, with the first quarterly covenant test to commence as of the last day of the first full fiscal quarter ending after the Funding Date. The financial covenant will require the net total leverage ratio (being the ratio of funded debt outstanding (net of unrestricted cash and cash equivalents) to adjusted EBITDA) to be not more than a specified level, to be set at a 35.0 per cent. cushion to adjusted EBITDA on a *pro forma* basis (after giving effect to the Combination) of Premier Entertainment and its subsidiaries for the most recently available four fiscal quarter period as of the Funding Date. The financial covenant will be subject to certain customary equity cure rights for a financing of this nature.

The Bridge Loan Facilities Commitment Letter further provides that the Bridge Loan Facilities Definitive Documentation will contain customary events of default, including, among others, the failure to make a payment of principal or interest due under the Bridge Facilities, the inaccuracy of representations or warranties in any material respect when made and breach of covenants, in each case subject to customary notice and cure provisions.

The preceding summary of the Bridge Loan Facilities Commitment Letter is qualified in its entirety: (i) by reference to the copy of such agreement as originally entered into on 13 April 2021 (and as amended and restated on 27 April 2021) which is on display as required under Rule 26.1 of the Takeover Code and is published on the Bally Corporation's website at <https://www.ballys.com/gamesys-documentation/>; and (ii) by the proviso that the terms of the commitment letter will be superseded in all or part by the terms of the Bridge Loan Facilities Definitive Documentation.

#### *GLPI Commitment Letter*

In connection with the IFA, Bally's entered into a commitment letter (the "**GLPI Commitment Letter**") with GLPI, a publicly traded gaming focused real estate investment trust under which GLPI 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 the volume weighted average sales price of Bally's Shares for the 20 consecutive 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. Any equity raise by Bally's in excess of \$850 million reduces the GLPI commitment on a dollar for dollar basis.

## **9. Material contracts – Gamesys**

Save as disclosed in this paragraph 9 and paragraph 10 below, there have been no contracts entered into by Gamesys or any of its subsidiaries during the period commencing on 24 March 2019 (the date two years before the commencement of the Offer Period) and ending on the Latest Practicable Date which are outside the ordinary course of business and which are or may be considered material:

## 9.1 Primary Sale Agreement

On 13 June 2019, a conditional sale and purchase agreement in respect of the entire issued share capital of Gamesys Group (Holdings) Limited (then called Reunited Target Newco Limited) (“**Gamesys Acquisition Target Group Holdco**” or “**TGH**”) was entered into between Noel Hayden, Andrew Dixon, Robin Tombs, Lee Fenton, Robeson Reeves and Michael Mee (the “**Majority Selling Shareholders**”) and Gamesys (then called JPJ Group plc) (the “**Primary Sale Agreement**”). TGH was the holding company of a group of companies comprising the Gamesys Acquisition Target Business (the “**Gamesys Acquisition Target Business**” or “**GATB**”, being the entirety of the business, assets and liabilities historically comprised within the legacy Gamesys group (the “**Legacy Gamesys Group**”), except the business, assets and liabilities relating to: (i) the “Virgin Bet” branded sports betting business of the Legacy Gamesys Group and the “Livescore” sports data and media business (together the “**Residual Sports Business**”); (ii) the non-bingo games studio and supply business of the Legacy Gamesys Group, together with a minority equity investment in a Norwegian games technology business and a minority equity investment in a US sports betting business, including their respective associated assets and liabilities (the “**Residual Content Business**”); and (iii) certain other immaterial subsidiaries of the Legacy Gamesys Group (together with the Residual Sports Business and the Residual Content Business, the “**Residual Business**”). Pursuant to the Primary Sale Agreement, the Majority Selling Shareholders agreed conditionally to sell, and to procure the sale of, the entire issued share capital of TGH to Gamesys.

The outstanding material and principal terms of the Primary Sale Agreement are set out below.

### *Consideration*

Under the Primary Sale Agreement, £10 million of the cash component of the Gamesys Acquisition consideration is payable 30 months after 26 September 2019. The key provisions in respect of the £10 million payable by Gamesys in cash to the TGH shareholders 30 months after 26 September 2019 (the “**Deferred Consideration**”) are:

- (a) interest shall accrue on the Deferred Consideration at a rate of LIBOR + 5 per cent. per annum; and
- (b) Gamesys may, at its sole discretion, pay the Deferred Consideration and any interest accrued into the £20 million of the cash component of the Gamesys Acquisition consideration which is held in an escrow account administered by an independent third-party escrow agent (the “**Escrow Account**”) at any time prior to the date falling 30 months from 26 September 2019, whereupon such funds are held on the terms of the Escrow Account.

### *Escrow and right of withholding and set-off*

£20 million of the upfront cash component of the Gamesys Acquisition consideration is being held in the Escrow Account for a period of 30 months following 26 September 2019. The amount held in escrow will be used to satisfy any *bona fide* claims (other than claims that are covered by warranty and indemnity insurance as described in paragraph 9.2) below against the TGH shareholders under any of the Gamesys Warranty and Tax Deed, the Primary Sale Agreement and any other agreement to be entered into in connection with either the Warranty and Tax Deed and/or the Primary Sale Agreement (the “**Gamesys Acquisition Transaction Documents**”). If there are no such claims outstanding on the date falling 30 months after 26 September 2019, then the balance of the amount held in escrow at such time will be paid to the TGH shareholders. If there are any such claims outstanding then, until such claims are resolved, an amount may be retained in the Escrow Account equal to Gamesys’ *bona fide* and reasonable estimate of the aggregate value of such claims, provided that Gamesys complies with a customary mechanism whereby a barrister is required to opine on the prospect of success of the relevant claims and, if practicable, the amount to be withheld in respect of such claims.

If a claim arises against any of the TGH shareholders under any Gamesys Acquisition Transaction Document, Gamesys has a right to withhold from any payment it owes to the TGH shareholders following 26 September 2019 an amount equal to Gamesys’ *bona fide* and reasonable estimate of the aggregate value of such claims, provided that Gamesys complies with a customary mechanism whereby a barrister is required to opine on the prospect of success of the relevant claims and, if practicable, the amount to be withheld in respect of such claims.



### *Governing Law*

The Primary Sale Agreement is governed by English law and the parties irrevocably submit to the exclusive jurisdiction of the English Courts.

## 9.2 **Gamesys Warranty and Tax Deed**

On 13 June 2019, the Gamesys Warranty and Tax Deed was entered into among Gamesys, the Majority Selling Shareholders and Phillip Graham in connection with the Gamesys Acquisition. Pursuant to the Gamesys Warranty and Tax Deed, the Majority Selling Shareholders agreed to give Gamesys certain warranties and indemnities in connection with the Gamesys Acquisition, and Noel Hayden, Lee Fenton, Michael Mee, Robeson Reeves and Phillip Graham (the “**Covenantors**”) agreed to give certain restrictive covenants. The principal terms of the Warranty and Tax Deed are set out below.

### *Warranties*

The Majority Selling Shareholders gave customary title, capacity and business warranties in relation to TGH (and in respect of any member of the Gamesys Group to the extent it transferred any assets or liabilities to TGH as part of its reorganisation prior to 26 September 2019 (the “**Gamesys Group Reorganisation**”)) (the “**Warranties**”). The Warranties were given as at the date of the Gamesys Warranty and Tax Deed and were deemed to be repeated again at 26 September 2019. The Warranties were given subject to disclosures made by the Majority Selling Shareholders as at the date of the Gamesys Warranty and Tax Deed and were also given subject to supplemental disclosures given at 26 September 2019. Gamesys gave customary title and capacity warranties and warranties in relation to the accuracy and completeness of certain information contained in the prospectus relating to the Gamesys Acquisition to the extent that such information related to the Gamesys Group.

### *Indemnities*

The Gamesys Warranty and Tax Deed contains certain indemnities from the Majority Selling Shareholders to Gamesys in respect of, among other things, specific investigations of the GBGC, the allocation of the Gamesys Acquisition consideration between the TGH shareholders, historic liabilities under the real money gaming operating agreement entered into by Fifty States (Gibraltar) Limited (“**Fifty States Gibraltar**”) on 24 March 2015 with Gamesys Operations Limited (then called Gamesys (Gibraltar) Limited) (as novated by Fifty States Gibraltar to Jackpotjoy Operations Ltd. on 17 April 2015 and as amended on 5 September 2016 by deeds of amendment), pursuant to which Gamesys Gibraltar provided to Gamesys certain operational, financial, marketing, player services and support services for the real money gambling activities carried out by Gamesys Operations Limited and certain of its subsidiaries by exploiting certain of the assets comprised within the Jackpotjoy, Starspins and Botemania brands, together with associated rights in or ownership of player data related to such brands, trademarks, domain names and certain other related intellectual property rights for up to 15 years (the “**Operating Agreement**”) and residual liability under the agreement dated 19 December 2017 between (i) Whois Privacy & Proxy Inc, VIQI Inc, Livescore Limited, Minelytix S.R.O. and Livescore S.R.O., (as sellers); (ii) LS Services Limited, S.R.O., Hanist Limited, Iawa Limited (as buyers); and (iii) the legacy Gamesys Limited (as guarantor), together with any amendment(s) or applicable agreements which may result in any payment from, or any liability to, any member of the group of companies that now hold all assets and liabilities comprised within GATB, the ultimate holding company of which is Gamesys Group (Holdings) Limited (then called Reunited Target Newco Limited) which is owned by the TGH shareholders at any time (the “**Livescore Acquisition Agreement**”).

### *Tax*

The Majority Selling Shareholders gave customary tax warranties and indemnities in relation to Gamesys or TGH. The tax warranties were given as at the date of the Gamesys Warranty and Tax Deed and were deemed to be repeated as at 26 September 2019. The tax warranties were given subject to disclosures made by the Majority Selling Shareholders at the date of the Gamesys Warranty and Tax Deed and were also subject to supplemental disclosures given at 26 September 2019. The tax indemnities were given at the date of 26 September 2019 and were not subject to disclosure.

### *Restrictive Covenants*

Each of the Covenantors, on a several basis, gave various restrictive covenants under the terms of the Gamesys Warranty and Tax Deed, including restrictions on:



- (a) the Residual Content Business and the “Residual Sports Business” offering or marketing bingo products to end users located in the UK, Spain, Sweden and New Jersey, USA (the “**Restricted Territories**”) for the period of three years from 26 September 2019;
- (b) the Residual Content Business supplying certain of its existing online games (which are high earning games classified as “**Tier 1**” games) to any person in the Restricted Territories other than Gamesys for the period of three years from 26 September 2019;
- (c) the Residual Content Business supplying certain of its existing online games (which are lower earning games classified as “**Tier 2**” games) to any person in the Restricted Territories other than Gamesys or the Residual Sports Business (for use on the Virgin Bet site) for the period of three years from 26 September 2019;
- (d) competing with the whole or part of the GATB as carried out at 26 September 2019 in the Restricted Territories for the period of three years from 26 September 2019; this restriction does not apply to the activities of the Residual Content Business or the Residual Sports Business (being the business of making available online bingo, slots, casino, live casino, and/or poker games to consumers in any of the Restricted Territories);
- (e) the employment or engagement of certain key employees of the GATB for the period of three years from 26 September 2019;
- (f) actively targeting the customers in the Restricted Territories of Gamesys’ online gaming websites (as at 26 September 2019) for the period of three years from the date of 26 September 2019;
- (g) taking over the operation of certain partner branded websites for the period of five years from the date of 26 September 2019; and
- (h) providing bingo on the Virgin Bet website for the period of five years from the date of 26 September 2019.

The restrictions provided by the Covenants were provided subject to certain carve-outs and permitted exemptions, and the liability of each Covenantor is several and subject to an individual liability cap.

#### *Warranty and Indemnity Insurance*

Warranties and indemnities were given by the Majority Selling Shareholders in the Gamesys Warranty and Tax Deed. Gamesys entered into warranty and indemnity insurance policies with Hunter George & Partners Limited and Ambridge Europe Limited which provide aggregate coverage of £150 million (the “**W&I Policies**”). Certain subject areas are excluded from the scope of the W&I Policies, including the specific indemnities given by the Warranties, known risks which were disclosed by the Majority Selling Shareholders, de-grouping charges, transfer pricing, secondary tax liabilities and any liability relating to data protection laws. Any liabilities arising in these areas would not be covered by the W&I Policies, and therefore recovery would only be against the Majority Selling Shareholders, directly or indirectly, through set-off of amounts due and payable under any of the Gamesys Acquisition Transaction Documents or deductions from the Escrow Account. In respect of matters to which the W&I Policies apply, the liability of the Majority Selling Shareholders is limited to £2,250,000. In respect of claims to which the W&I Policies do not apply, the liability of the Majority Selling Shareholders is limited to £50,000,000. To the extent that recovery is obtained from the Majority Selling Shareholders directly (and not indirectly through set-off of amounts under the Gamesys Acquisition Transaction Documents or deductions from the Escrow Account), the Majority Selling Shareholders liability will be several and proportionate to their entitlement to consideration under the Gamesys Acquisition.

#### *Governing Law*

The Gamesys Warranty and Tax Deed is governed by English law and the parties irrevocably submit to the exclusive jurisdiction of the English Courts.

### **9.3 Amended and Restated Virgin TMLAs**

The Legacy Gamesys Group and its wholly-owned subsidiary Nozee Limited (which has since transferred its interest in the Virgin Agreement to Gamesys Operations Limited as part of an internal restructuring, the “**Gamesys Party**”) entered into an agreement with Virgin Enterprises Limited on 29 January 2013 (as amended and restated on 9 May 2014, and amended on 26 June 2013 and 14 November 2018) for the operation of online gaming, under the names Virgin Games, Virgin Bet

and Virgin Casino, of: (i) real money online gaming and betting on a worldwide basis (but excluding New Jersey, USA, and those territories in which such activities are not legally permitted or in which the Gamesys Party does not hold the requisite licences); and (ii) social gaming and betting on a worldwide basis (excluding the Middle East) (the “**Virgin Agreement**”).

The Legacy Gamesys Group also entered into an agreement with Virgin Enterprises Limited on 21 November 2013 (and amended on 26 November 2016) for the operation of online gaming under the name Virgin Casino in the state of New Jersey, USA (the “**Virgin NJ Agreement**”).

On 12 June 2019, a deed relating to the Virgin Agreement and the Virgin NJ Agreement was entered into between Virgin Enterprises Limited, Nozee Limited, the legacy Gamesys Limited, Gamesys, Virgin Bet Limited, Reunited Holdings Limited (“**Residual Business Holdco**”) and Livescore Sports & Media Limited pursuant to which it was agreed that a number of agreements would be automatically entered into relating to the Virgin Agreement and the Virgin NJ Agreement (including amendments being made to these existing agreements and the entry into the Virgin Bet TMLA) (as defined below) (the “**Virgin All Parties Agreement**”).

Under the Virgin All Parties Agreement, an agreed form of a deed of amendment and restatement to the Virgin Agreement was entered into between Virgin Enterprises Limited, Nozee Limited, Gamesys and the legacy Gamesys Limited which permits the Gamesys Party to operate: (a) real money online gaming; and (b) online betting (excluding sports betting and esports betting) on an ancillary basis to online gaming, in each case on a worldwide basis (but excluding New Jersey, USA, and any territories in which such activities are not legally permitted or in which the Gamesys Party does not hold the requisite licences) under the names Virgin Games and Virgin Casino; and social gaming on a worldwide basis (excluding the Middle East) under the name Virgin Games (the “**Amended and Restated Virgin TMLA**”). Under the Virgin All Parties Agreement, an agreed form of a deed of amendment and restatement to the Virgin NJ Agreement was also entered into between Virgin Enterprises Limited and the legacy Gamesys Limited, which from 26 September 2019 permits Gamesys to continue to operate real money online gaming and offer real money online betting (excluding sports betting and esports betting) on an ancillary basis to online gaming, and social betting (excluding sports betting and esports betting) under the Virgin Casino name in New Jersey, USA (the “**Amended and Restated New Jersey TMLA**”). For these purposes, offering online betting on an ancillary basis to online gaming means that any website which offers online betting must also offer online gaming.

At the same time as the Amended and Restated Virgin TMLA and Amended and Restated New Jersey TMLA were entered into, the Virgin All Parties Agreement also provided that an agreed form of a new trade mark licence agreement, to be entered into between Virgin Enterprises Limited, Virgin Bet Limited and Residual Business Holdco (the “**Virgin Bet TMLA**”), which permits Virgin Bet Limited under the main name Virgin Bet to operate real money: (a) online betting; (b) social betting; and (c) online gaming (excluding bingo type products) on an ancillary basis to online betting, all on a worldwide basis (but excluding territories in which such activities are not legally permitted or in which Virgin Bet Limited does not hold the requisite licences). For these purposes, offering online gaming on an ancillary basis to online betting means that any website which offers online gaming must also offer online betting.

The Amended and Restated Virgin TMLA and Amended and Restated New Jersey TMLA essentially grant the Gamesys Party and Gamesys, respectively, exclusive rights to use the Virgin Games and Virgin Casino marks on the terms summarised below.

The rights granted to the Gamesys Party under the Amended and Restated Virgin TMLA are subject to certain exceptions: (i) the Gamesys Party is not permitted to operate land-based casinos, bingo halls, scratch cards or lotteries using the Virgin brands; and (ii) the Gamesys Party is not permitted to operate real money online sports betting or social sports betting using the Virgin brands (such rights currently being provided to Virgin Bet Limited under the Virgin Bet TMLA).

The Amended and Restated Virgin TMLA provides that the Gamesys Party is required to pay Virgin Enterprises Limited a royalty share in respect of real money revenues generated in each territory (based on net online gaming revenue) and social gaming revenues generated worldwide. Minimum annual revenue requirements apply to real money online gaming in the UK and US, but not in any other territories and not in respect of social gaming. the Gamesys Party is required to make top-up payments each quarter if the revenues in the UK and the US fall below these minimum requirements.

the Gamesys Party is permitted to roll forward negative revenue in any quarter for a particular territory to a subsequent quarter in the same contract year (but any negative revenue cannot be applied to another territory or between real money gaming and social gaming).

The Amended and Restated Virgin TMLA contains a wide-range of provisions designed to safeguard the Virgin brand, and control how it may be used by Nozee Limited. The Gamesys Party is required to establish a strategy and brand board which includes at least one senior Virgin Enterprises Limited representative.

This board is required to meet at least once every six months, and reviews the performance and strategy of the Virgin Games business, as well as the Virgin Casino business pursuant to the Amended and Restated New Jersey TMLA. In addition, the Gamesys Party agrees to use the brands in accordance with a brand strategy plan agreed with Virgin Enterprises Limited. Further, a joint brand and strategy board was formed comprising representatives of the Gamesys Party, Virgin Bet Limited and Virgin Enterprises Limited and met in February 2021. It is expected to meet on an annual basis.

This joint brand and strategy board will review the use of the brands across the Amended and Restated Virgin TMLA, the Amended and Restated New Jersey TMLA and the Virgin Bet TMLA.

The Gamesys Party is required to consult reasonably and in good faith with Virgin Enterprises Limited and take into consideration the reasonable opinions of Virgin Enterprises Limited.

The Gamesys Party is required to consult with Virgin Enterprises Limited before entering any new territory and provide Virgin Enterprises Limited with its proposed business plan. The Gamesys Party is required to obtain Virgin Enterprises Limited's consent (not to be unreasonably withheld, conditioned or delayed) in order to establish any sales office to carry out any activities in relation to the licensed activities outside those territories it is permitted to provide online gaming under the Virgin brands in from time to time (save in respect of Malta, Gibraltar, the UK, the USA, Canada and Spain).

Prior approval from Virgin Enterprises Limited is required in relation to the use of Virgin branding in all above the line creative advertising or marketing campaigns (i.e. TV, press, print, outdoors and digital).

The Gamesys Party must also use reasonable endeavours to incorporate any reasonable comments made by Virgin Enterprises Limited's creative council on significant creative campaigns. Any advertising or marketing featuring Richard Branson requires prior approval.

The Amended and Restated Virgin TMLA contains mutual warranties. Gamesys provided a parent company guarantee in respect of the Gamesys Party's obligations subject to an agreed additional aggregate cap on Gamesys' liability. In addition, the Gamesys Party has given certain indemnities, which are generally uncapped. There are mutual liability caps which apply per annum and over the life of the contract.

#### *Termination*

The Amended and Restated Virgin TMLA is due to expire in November 2038. Provided that certain conditions are satisfied, the agreement provides for two automatic five-year extensions.

Virgin Enterprises Limited may terminate the Amended and Restated Virgin TMLA immediately (including in respect of a country or state, only to the extent that the applicable grounds of termination relate to that country or state), if:

- (a) Virgin Enterprises Limited has reasonable grounds to believe that as a result of a breach of the Amended and Restated Virgin TMLA or of applicable law, the use of the Virgin name, logos and approved marks by the Gamesys Party pursuant to the Amended and Restated Virgin TMLA or the Gamesys Party's conduct of the same has been or is likely to be materially damaging to the goodwill of Virgin Enterprises Limited or in any way materially disparaging of Virgin Enterprises Limited's reputation and such use or conduct remains unremedied for more than 10 business days;
- (b) the Gamesys Party commits a material breach that remains unremedied for more than 10 business days (or in the case of non-payment, if the Gamesys Party has not paid undisputed sums for more than 60 calendar days);
- (c) the Gamesys Party is in a financial position entitling it, its shareholders or its creditors to institute formal insolvency proceedings;

- (d) there is a change of control of the Gamesys Party (other than a permitted change of control);
- (e) the Gamesys Party challenges Virgin Enterprises Limited's ownership of, entitlement to license and/or validity of the Virgin name, logos and approved marks licensed to the Gamesys Party or attempts to register the same or confusingly similar marks;
- (f) the Gamesys Party fails to pay the royalty due to Virgin Enterprises Limited on two or more occasions in a 12-month period within 10 business days after the due date, where those sums are undisputed; or
- (g) the Gamesys Party has been in non-material breach three times in any three consecutive years and Virgin Enterprises Limited has notified the Gamesys Party after the first and second such breaches that there is a risk of the breach becoming material.

The Amended and Restated Virgin TMLA includes minimum annual revenue targets in the UK and the US. If revenues in either of those territories falls below 80 per cent. of the minimum target in any year, Virgin Enterprises Limited has the ability to terminate the Gamesys Party's rights in that territory. For other jurisdictions, a similar termination right exists but in such jurisdictions (where no such target has been agreed upfront) a weighted revenue target is applied each year instead. This is based on the relative size of that territory's GDP and population size in comparison to the UK.

Virgin Enterprises Limited can also terminate the Gamesys Party's ability to use the Virgin brands if the Gamesys Party fails to launch into a new territory within a particular timeframe after it has become legally possible to do so.

The Gamesys Party may terminate the Amended and Restated Virgin TMLA immediately (including in respect of a country or state, only to the extent that the applicable grounds of termination relate to that country or state), if:

- (a) Virgin Enterprises Limited commits a material breach that is not remedied for more than 10 business days after notice requiring remedy; or
- (b) Virgin Enterprises Limited is in a financial position entitling it, its shareholders or its creditors to institute formal insolvency proceedings.

The Amended and Restated New Jersey TMLA has been entered into on broadly the same terms as the Amended and Restated Virgin TMLA, save that the term of the Amended and Restated New Jersey TMLA is due to end on 25 November 2019, which was amended on 12 December 2019 and is now due to end on 26 November 2024, and the Amended and Restated New Jersey TMLA contains certain provisions which are specific to the regulatory framework of New Jersey.

As part of an internal restructuring, on 1 April 2020 the business of Nozee Limited was transferred to Gamesys Operations Limited. On 19 March 2020, the Amended and Restated Virgin TMLA was novated to Gamesys Operations Limited.

#### 9.4 Games Licence Agreements

##### *Non-US Games Licence Agreement*

On 26 September 2019, Rabbitfoot Gibraltar Limited ("**Licensor**") entered into a Games Licence Agreement with Gamesys Operations Limited ("**Licensee**"). Pursuant to the Games Licence Agreement, Licensor licenses the Licensee certain existing real money games (which are comprised within the Legacy Gamesys Non-Bingo Games Content) and, subject to further agreement, newly created real money games, in each case for use by the GATB in the Restricted Territories (excluding New Jersey). A fee is charged by Licensor for the licence based in part on the net revenue earned by the GATB from the games. A minimum revenue commitment applies in the first three years. Certain of the games are licensed to TGH on an exclusive basis in the Restricted Territories (excluding New Jersey) and for a limited time.

##### *US Games Licence Agreement*

On 26 September 2019, Content Holdco ("**Licensor**") entered into a Games Licence Agreement with Gamesys Limited ("**Licensee**"). Pursuant to this Games Licence Agreement, Licensor licenses the Licensee certain existing real money games (which are comprised within the Legacy Gamesys Non-Bingo Games Content) and, subject to further agreement, newly created real money games, in each

case for use by the GATB in New Jersey. A fee is charged by Licensor for the licence based in part on the net revenue earned by the GATB from the games. Certain of the games are licensed to TGH on an exclusive basis in New Jersey and for a limited time.

The principal terms of the Games Licence Agreements are set out below.

#### *Duration and Exclusivity*

Each Games Licence Agreement has a term of 15 years, subject to earlier termination in accordance with its terms. The Licensee is granted an exclusive licence in certain territories for either three contract years (in relation to an agreed list of high-earning games) or two contract years (in relation to an agreed list of lower-earning games).

#### *Scope of licence*

The Games Licence Agreements grant a licence to the Licensee to use an agreed list of online real-money gambling games on the Licensee's websites in the Restricted Territories. Initially, this included the right for some of the games to be hosted and served from the GATB's platform but otherwise the Licensee also receives a licence to use related game development kits. The games are hosted and served from the Licensor's remote gambling platform. The Licensee is also entitled to use its own platform to interface with the Licensor's platform as necessary.

The scope of each licence can be increased by agreement of the parties to include additional games, Licensee websites and territories.

In limited circumstances, games can be withdrawn from use in the Restricted Territories.

#### *Services*

The respective Licensors, in addition to providing the existing games, provide certain development services for the Licensor's platform as are reasonably requested by the Licensees. The Licensors, subject to agreement, provide new games developed by it in any market, and subject to agreement integrate games with new GATB platforms from time to time. Subject to Licensee paying any costs which exceed an agreed threshold, the Licensors maintains the initial games and platform up to date with applicable law requirements in the Restricted Territories.

#### *Termination*

Either party may terminate either Games Licence Agreement if, in the first three contract years from 26 September 2019, an arbitrator determines that the other party has committed an irremediable wilful or reckless material breach or has failed to remedy a remediable wilful or reckless material breach; or after the first three contract years from 26 September 2019, if the other party is in irremediable material breach or has failed to remedy a remediable material breach, or an undisputed sum remains unpaid in excess of 30 days from further demand, or it is an insolvency situation or has compromised with its creditors. In addition, the US Games Licence Agreement will terminate in the event of termination of the Non-US Games Licence Agreement. The US Games Licence Agreement may also be terminated if the Tropicana License Agreement terminates or expires and, at the relevant time, the US Games Licence Agreement covers no US market other than New Jersey. If other US markets are covered by the US Games Licence Agreement at such time, the agreement may be terminated in respect of New Jersey only.

In limited circumstances, the Licensors may withdraw games if revenues fall below agreed thresholds (but not in the first three contract years from 26 September 2019), or, if the revenue is above the threshold, where the withdrawal is appropriate in the context of changes or developments in technology used by the Licensors (but not in the first three contract years from 26 September 2019). There are other circumstances where games may be withdrawn, including where to continue to distribute them would infringe third-party rights or break gaming laws.

#### *Licensee obligations*

The Licensees are, among other obligations, to contract directly with end users, comply with applicable law, maintain gaming approvals, and prevent under-age gambling.



### *Payment*

The Licensors receive a fee based on a percentage of the revenue earned by the Licensees from each game. A minimum revenue commitment applies for the first three contract years for the non-US Games Licence Agreement.

### *IPR indemnity*

The Licensors indemnify the Licensees against all claims and losses arising out of intellectual property infringement, and the Licensees indemnify the Licensors against all claims and losses arising from intellectual property infringement, Licensee's failure to comply with third-party licensor terms, failure to incorporate certain terms in end user agreements, reverse engineering games software or failing to hold or comply with appropriate gaming licences.

### *Limitation of liability*

Save for death, personal injury and fraud, the parties' respective liability is capped by reference to a multiple of the annual fees (the multiple reducing over time), with an exclusion of liability for indirect losses.

### *Governing Law*

The Games Licence Agreements are governed by English law and the parties irrevocably submit to the exclusive jurisdiction of the English Courts.

## 9.5 Gamesys Debt Arrangements

On 6 December 2017, Gamesys (then called Jackpotjoy plc) entered into a senior facilities agreement between, among others, Macquarie Corporate Holdings PTY Limited (UK Branch) and Nomura International PLC as mandated lead arrangers (the "**Mandated Lead Arrangers**"), Corporate Holdings PTY Limited (UK Branch) and Nomura International PLC as lenders, Global Loans Agency Services Limited as agent and GLAS Trust Corporation Limited as security agent (as amended from time to time, the "**Senior Facilities Agreement**"), pursuant to which debt financing was made available to Gamesys and certain of its subsidiaries in an aggregate sterling equivalent amount of £388,492,000, comprising: (i) the €140 million term loan (the "**EUR TLB Loan Facility**"); (ii) the £250 million term facility (the "**GBP TLB Loan Facility**", and together with the EUR TLB Loan Facility, the "**Term Facilities**"); and (iii) the £13.5 million revolving credit facility ("**Revolving Credit Facility**") subject to the satisfaction of certain conditions. The Revolving Credit Facility and the Term Facilities were arranged by the Mandated Lead Arrangers. Proceeds from the Revolving Credit Facility can be applied to, among other things, working capital and general corporate purposes and financing or refinancing capital expenditure. The Term Facilities and the Revolving Credit Facility were originally underwritten by the Mandated Lead Arrangers prior to syndication. The Term Facilities were subsequently syndicated to a range of institutional lenders, including several credit funds and are tradeable on the secondary loan market. The majority of the lending commitments in respect of the Revolving Credit Facility continue to be held by the Mandated Lead Arrangers.

Gamesys is a borrower of the GBP TLB Loan Facility. Luxembourg Investment Company 192 S.à.r.l. (an indirect subsidiary of Gamesys) ("**Luxco**") is the borrower of the EUR TLB Loan Facility. Gamesys and Luxco are borrowers under the Revolving Credit Facility.

The transactions contemplated by the Senior Facilities Agreement were completed on 14 December 2017. The Term Facilities (excluding the Additional Facility (as defined below)) were drawn in full and the proceeds from the Term Facilities (excluding the Additional Facility) were used to repay the loan facilities of The Intertain Group Limited (which became an indirect subsidiary of Gamesys as a result of Gamesys (then called Jackpotjoy plc) moving its listing from Canada to the UK in January 2017) comprising: (i) an approximately £53.3 million incremental first lien term facility; (ii) a €20 million first lien term loan facility; and (iii) a £90 million second lien term loan facility, each of which The Intertain Group Limited had obtained pursuant to first and second lien credit agreements (the "**Previous Credit Facilities**").

On 13 June 2019, Gamesys (then called JPJ Group plc) entered into an additional term loan facility commitment under its existing Senior Facilities Agreement pursuant to which each of the Mandated Lead Arrangers, Corporate Holdings PTY Limited (UK Branch) and Nomura International PLC as lenders severally and not jointly agreed to provide to Luxco aggregate additional commitments of the euro equivalent of £175 million under the EUR TLB Loan Facility (the EUR TLB Loan Facility as

subsequently increased pursuant to such commitment, the “**Additional Facility**”). The Additional Facility was provided in connection with the financing of the cash consideration payable to the relevant shareholders pursuant to the acquisition of Gamesys (Holdings) Limited by Gamesys (the “**Gamesys Acquisition**”). The Additional Facility was originally underwritten by the Mandated Lead Arrangers. The Additional Facility was subsequently syndicated to a range of institutional lenders, including several credit funds and is tradeable on the secondary loan market.

On 26 September 2019, the Gamesys Acquisition completed and Gamesys drew down €196.0 million under the Additional Facility. The proceeds of the Additional Facility were applied in connection with the financing of the cash consideration payable pursuant to the relevant shareholders pursuant to the Gamesys Acquisition.

If a change of control of Gamesys occurs, then each lender under the Senior Facilities Agreement will have an individual right to cancel its commitments and require all amounts owed to it to be prepaid at par on 30 days’ written notice. Such right is exercisable by a lender within 30 days of being notified of a change of control (such obligation to notify arising following a change of control occurring. No discussions with lenders under the Senior Facilities Agreement have taken place to date nor are expected to take place prior to completion of the Combination regarding a change in control arising out of the Combination). The Combination is expected to result in a change of control of Gamesys, however Bally’s financing arrangements in connection with the Combination are sufficient to provide for Gamesys’ existing debt to be refinanced.

The Term Facilities (including the Additional Facility) are non-amortising and mature in December 2024 and the Revolving Credit Facility matures in December 2023.

On 6 February 2020, the Term Facilities (including the Additional Facility) and the Revolving Credit Facility were repriced to lower the applicable interest margin by 0.50 per cent. while maintaining the step downs based on reduction in SSLR (as defined below).

As a result of the above, the EUR TLB Loan Facility (including the Additional Facility) now has an interest rate of EURIBOR (subject to a 0 per cent. floor) plus an opening margin of 3.75 per cent. per annum, subject to a margin ratchet with step downs of 0.25 per cent. to 3.0 per cent. based on reductions in the senior secured net leverage ratio (“**SSLR**”) and meeting certain ratings requirements. The GBP TLB Loan Facility now has an interest rate of LIBOR (subject to a 0 per cent. floor) plus an opening margin of 4.75 per cent. per annum, subject to a margin ratchet with step downs of 0.25 per cent. to 4.00 per cent. based on reductions in SSLR and meeting certain ratings requirements. The Revolving Credit Facility now has an interest rate of EURIBOR (for Euro loans, with a 0 per cent floor) or LIBOR (for GBP loans, with a 0 per cent floor), plus, in each case, an opening margin of 3.75 per cent. per annum, subject to a margin ratchet with step downs of 0.50 per cent. to 2.75 per cent. based on reductions in the SSLR.

The Senior Facilities Agreement contains certain restrictions on, among 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 imposes an SSLR maintenance covenant for the benefit of lenders under the Revolving Credit Facility (“**SSLR Covenant**”). The SSLR Covenant is tested on each quarter date on which the aggregate amount of certain cash drawings under the Revolving Credit Facility exceeds 35 per cent of the total commitments under the Revolving Credit Facility and, when tested, requires Gamesys to ensure that the SSLR on the relevant testing date is not greater than 4.60:1.

## 10. 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 12 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 13 April 2021, 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 to be proposed at the Gamesys General Meeting (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 Gamesys 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 22<sup>nd</sup> 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 Gamesys General Meeting or the Court Hearing is/are not held on or before the 22<sup>nd</sup> 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 Scheme or the resolutions to be proposed at the Gamesys General Meeting, 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 to be proposed at the Gamesys General Meeting; 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.

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

#### *Lock-Up Agreement*

On 13 April 2021, Lee Fenton 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 per cent. of his holding of New Bally's Shares, subject to normal US insider restrictions.

## **11. Service Contracts and Remuneration**

Save as disclosed below, there are no service contracts or letters of appointment in force between any Gamesys Director or proposed director of Gamesys and any member of the Gamesys Group and, save as disclosed below, no such contract or letter of appointment has been entered into or amended during the six months preceding the date of this document:

### (a) *Gamesys Executive Directors*

The Gamesys Executive Directors have entered into terms of engagement with Gamesys as summarised below:

#### **Lee Fenton**

Lee Fenton is Gamesys' Chief Executive Officer. He is engaged under a service agreement that he entered into on 26 September 2019. He is entitled to an annual base salary of £528,615, an annual bonus of up to 125 per cent. of base salary (20 per cent. of such bonus will be deferred into shares for two years) and an annual performance share award of up to 125 per cent. of salary (although in exceptional circumstances this can be increased to 250 per cent. of base salary). He is entitled to employer pension contributions of 10 per cent. of base salary.

Under the service agreement he is entitled to 12 months' prior written notice from Gamesys, and must give Gamesys six months' prior written notice. Lee Fenton is entitled to private medical insurance for himself and his immediate dependents, life assurance of four times his base salary, permanent health insurance providing cover of not less than 75 per cent. of his base salary and directors and officers liabilities insurance.

Lee Fenton is bound by the following post-termination restrictive covenants for 12 months (less any time spent on garden leave): a covenant that prevents him being engaged by Rabbitfoot Games (UK) Limited and/or Livescore Sports & Media Limited in any capacity (save in relation to certain financial interests that he has already disclosed) while a specific list of individuals have an interest in these companies, a non-interference with certain suppliers covenant and a non-dealing covenant with certain customers covenant.

#### **Keith Laslop**

Keith Laslop is Gamesys' Chief Financial Officer. He is engaged under a service agreement that he entered into on 1 October 2020. He is entitled to an annual base salary of £476,000, an annual bonus of up to 125 per cent. of base salary (20 per cent. of such bonus will be deferred into shares for two years) and an annual performance share award of up to 125 per cent. of salary (although in exceptional circumstances this can be increased to 250 per cent. of base salary). He is entitled to employer pension contributions of 5 per cent. of base salary.

Under the service agreement he is entitled to 12 months' prior written notice from Gamesys, and must give Gamesys six months' prior written notice. In the event that Keith Laslop is made redundant or is deemed a 'good leaver' upon the termination of his employment (within three years of his appointment as Chief Financial Officer) Gamesys will reimburse him, up to £40,000, for his relocation expenses. Keith Laslop is entitled to private medical insurance for himself, his

spouse and his children (or a contribution to such insurance of up to £10,000 per annum), life assurance, permanent health insurance providing cover of not less than 75 per cent. of his base salary and directors and officers liabilities insurance.

### **Robeson Reeves**

Robeson Reeves is Gamesys' Chief Operating Officer. He is engaged under a service agreement that he entered into on 26 September 2019. He is entitled to an annual base salary of £450,000, an annual bonus of up to 125 per cent. of base salary (20 per cent. of such bonus will be deferred into shares for two years) and an annual performance share award of up to 125 per cent. of salary (although in exceptional circumstances this can be increased to 250 per cent. of base salary). He is entitled to employer pension contributions of 10 per cent. of base salary.

Under the service agreement he is entitled to 12 months' prior written notice from Gamesys, and must give Gamesys six months' prior written notice. Robeson Reeves is entitled to private medical insurance for himself and his immediate dependents, life assurance of four times his base salary, permanent health insurance providing cover of not less than 75 per cent. of his base salary and directors and officers liabilities insurance.

Robeson Reeves is bound by the following post-termination restrictive covenants for 12 months (less any time spent on garden leave): a covenant that prevents him being engaged by Rabbitfoot Games (UK) Limited and/or Livescore Sports & Media Limited in any capacity (save in relation to certain financial interests that he has already disclosed) while a specific list of individuals have an interest in these companies, a non-interference with certain suppliers covenant and a non-dealing covenant with certain customers covenant.

### **Tina Southall**

Tina Southall is Gamesys' Chief People Officer. She is engaged under a service agreement that she entered into on 14 May 2021. Tina has not entered into any other service agreement with Gamesys prior to that date. She is entitled to an annual base salary of £250,000, an annual bonus of up to 125 per cent. of base salary (20 per cent. of such bonus will be deferred into shares for two years) and an annual performance share award of up to 125 per cent. of salary (although in exceptional circumstances this can be increased to 250 per cent. of base salary). She is entitled to employer pension contributions of 5 per cent. of base salary.

Under the service agreement she is entitled to 12 months' prior written notice from Gamesys, and must give Gamesys six months' prior written notice. Tina Southall is entitled to private medical insurance for herself and her immediate dependents, life assurance of four times her base salary, permanent health insurance providing cover of not less than 75 per cent. of her base salary and directors and officers liabilities insurance.

Tina Southall is bound by the following post-termination restrictive covenants for 12 months (less any time spent on garden leave): a non-dealing covenant with certain suppliers, a non-interference with certain suppliers and customers covenant and a non-dealing covenant with certain customers covenant.

### *Provisions common to all Gamesys Executive Director agreements*

Gamesys may terminate a Gamesys Executive Director's service agreement upon making a payment in lieu of notice, such payment to include base salary, benefits and pension (or a cash equivalent). The payment in lieu of notice can be paid in a lump sum, or Gamesys can elect to pay it in equal monthly instalments, such instalments to be reduced by the salary of any new employment the Gamesys Executive Director finds. The Gamesys Executive Directors are subject to garden leave provisions.

Gamesys' remuneration policy is to pay a pro-rated bonus on the termination of a Gamesys Executive Director's employment, however Gamesys also has the discretion to pay the bonus in full.

In addition to the specific non-competes described above, the Gamesys Executive Directors are bound by the following additional post-termination restrictive covenants for 12 months (less any time spent on garden leave): a geographically limited non-compete covenant and a non-employment / solicitation of certain employees covenant.



(a) *Gamesys non-executive directors*

The non-executive directors of Gamesys have entered into letter of appointment with Gamesys as summarised below:

<b>Name</b>	<b>Date of contract</b>	<b>Unexpired term of directorship</b>	<b>Notice periods</b>	<b>Remuneration (salary and other benefits)</b>	<b>Compensation upon early termination</b>
Neil Goulden .....	1 October 2020	2 years and 8 months	1 month's written notice given by either party	Non-executive Chair fee – £275,000 Basic fee paid to all non-executive directors – £65,000	All fees will cease to accrue with effect from the date of the director ceasing, for whatever reason, to be a director of Gamesys.
Nigel Brewster.....	19 January 2017	2 years and 2 months	1 month's written notice given by either party	Basic fee paid to all non-executive directors – £65,000 Audit and Risk Committee Chair – £10,000	All fees will cease to accrue with effect from the date of the director ceasing, for whatever reason, to be a director of Gamesys.
Jim Ryan .....	2 November 2016	2 years and 2 months	1 month's written notice given by either party	Basic fee paid to all non-executive directors – £65,000 Remuneration Committee Chair – £10,000	All fees will cease to accrue with effect from the date of the director ceasing, for whatever reason, to be a director of Gamesys.
Colin Sturgeon.....	19 January 2017	2 years and 2 months	1 month's written notice given by either party	Basic fee paid to all non-executive directors – £65,000 Senior Independent Director – £15,000 Nomination Committee Chair – £10,000	All fees will cease to accrue with effect from the date of the director ceasing, for whatever reason, to be a director of Gamesys.
Andria Vidler .....	7 June 2018	2 months	1 month's written notice given by either party	Basic fee paid to all non-executive directors – £65,000 ESG Committee Chair – £10,000	All fees will cease to accrue with effect from the date of the director ceasing, for whatever reason, to be a director of Gamesys.
Katie Vanneck-Smith.....	1 October 2019	2 years and 2 months	1 month's written notice given by either party	Basic fee paid to all non-executive directors – £65,000 Employee Voice Director – £10,000	All fees will cease to accrue with effect from the date of the director ceasing, for whatever reason, to be a director of Gamesys.

Gamesys' non-executive directors are appointed for a fixed term of three years, which may be renewed, subject to re-election at the annual general meeting. Gamesys Executive Directors are employed under rolling service agreements.

The fees payable to the Gamesys' directors are subject to annual review by the Gamesys Board or the Remuneration Committee, as applicable.

## 12. Other Information

- (a) Except as disclosed in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Bally's or Premier Entertainment or any concert party of Bally's or Premier Entertainment and any of the directors, recent directors, shareholders or recent shareholders of Gamesys or any person interested or recently interested in shares of Gamesys having any connection with or dependence on the Combination.
- (b) Except as disclosed in this document, no agreement, arrangement or understanding of whatever nature whether formal or informal (including indemnity or option arrangements) relating to relevant securities which may be an inducement to deal or refrain from dealing exists between Gamesys or any concert party of Gamesys and any other person.
- (c) The emoluments of neither the Bally's Directors nor the Premier Entertainment Directors will be affected by the acquisition of Gamesys or by any other associated Combination.
- (d) Except as disclosed in this document, there is no agreement, arrangement or understanding by which any securities acquired in pursuance of the Combination will be transferred to any other person, but Bally's and Premier Entertainment reserve the right to transfer any such shares to any member of the Bally's Group.
- (e) Except as disclosed in this document, there has been no significant change in the financial or trading position of Gamesys since 31 March 2021 (the date to which Gamesys' last interim consolidated financial statements for the three month period ended 31 March 2021 were prepared).

- (f) Except as disclosed in this document, there has been no significant change in the financial or trading position of Bally's since 31 March 2021 (the date to which Bally's quarterly report for the quarter ended 31 March 2021 was prepared).
- (g) No management incentivisation arrangements, as envisaged by Rule 16.2 of the Takeover Code, are proposed in connection with the Combination.

### 13. Fees and Expenses

#### 13.1 Bally's Fees and Expenses

The aggregate fees and expenses expected to be incurred by Bally's in connection with the Combination (excluding any applicable VAT) are expected to be approximately:

Category	Amount (£m)
Financing	29 <sup>(1)</sup>
Financial advisory services	13
Legal services	11 <sup>(2)</sup>
Accounting services	5
Public relations services	0.5
Other costs and expenses	13 <sup>(3)</sup>
<b>Total:</b>	<b>71.5</b>

(1) Includes £9.3 million IFA commitment fees, £16 million foreign exchange hedge cost and other financing costs incurred to date. Assumes that the IFA described in paragraph 20 of Part 2 (*Explanatory Statement*) of this document remains undrawn; if drawn, funding, duration and administrative fees will be calculated according to the amount drawn and duration of such funding but, based on the amounts available to be drawn under the IFA and if it remains funded beyond 270 days, the maximum fees are estimated at £34 million. Excludes underwriting discount and costs incurred in the Initial Offering described in paragraph 20 of Part 2 (*Explanatory Statement*) of this document (amounting to £18.6 million), make-whole and prepayment penalties that could be required if Bally's prepays all of its and Gamesys' bank debt and bonds (estimated at £44 million) and commitment, placing fees and other costs and expenses (including legal) for potential new debt or equity financing (estimated at £36 to £40 million).

(2) Includes £0.8 million for the Initial Offering, £1 million for IFA, £0.3 million for hedge, £2 million for regulatory clearances and £4 million for future legal fees.

(3) Includes miscellaneous fees and expenses that have been incurred in connection with the Combination, including, among other things, stamp duty payable in connection with the Combination (estimated at £7.8 million, dependent on the total cash consideration payable under the Cash Offer), document fees payable to the Panel of £175,000, £0.5 million for the GLPI commitment and a reasonable estimate of additional fees and expenses.

#### 13.2 Gamesys' Fees and Expenses

The aggregate fees and expenses expected to be incurred by Gamesys in connection with the Combination (excluding any applicable VAT) are expected to be approximately:

Category	Amount (£m)
Financial and corporate broking advice	16.74 <sup>(1)</sup>
Legal advice	3.35 <sup>(2)</sup>
Accounting advice	0.55
Public relations advice	0.23
Other costs and expenses	0.41
<b>Total:</b>	<b>21.27</b>

(1) The amount of aggregate fees and expenses for these services depends on whether the Combination successfully completes. This figure makes provision for the payment of a discretionary fee.

(2) These services are charged by reference to hourly or daily rates. Amounts included here reflect the time incurred up to the Latest Practicable Date and an estimate of the further time required.

### 14. Consents

14.1 Macquarie Capital has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which they are included.

14.2 Numis has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which they are included.

- 14.3 Berenberg has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which they are included.
- 14.4 Deutsche Bank has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which they are included.

## 15. Documents

Copies of the following documents are available, subject to any restrictions relating to persons resident in certain jurisdictions, at Gamesys' website at <https://www.gamesysgroup.com/investors/offer-for-gamesys/> and on Bally's website at <https://www.ballys.com/gamesys-documentation/> respectively, until the Effective Date:

- (a) this document;
- (b) the Prospectus;
- (c) the Forms of Proxy and the Form of Election;
- (d) the Virtual Meeting Guide;
- (e) the amended and restated certificate of incorporation and the amended and restated by-laws of Bally's and the certificate of formation of Premier Entertainment;
- (f) the Gamesys Articles and a copy of the articles of association as proposed to be amended at the Gamesys General Meeting;
- (g) the Bally's Director and Officer Voting Agreement, the SRI Voting Agreement and the irrevocable commitments to vote in favour of the Combination and, in certain cases, to elect for the Share Alternative, referred to in paragraph 7 above;
- (h) the documents relating to the financing of the Combination referred to in paragraph 20 of Part 2 (*Explanatory Statement*) above;
- (i) the offer-related arrangements described in paragraph 10 above, being the Confidentiality Agreement, the Confidentiality and Joint Defence Agreement and the Cooperation Agreement;
- (j) the written consents referred to in paragraph 14 above;
- (k) the Gamesys financial information referred to in paragraph 1 of Part 4 (*Financial and Ratings Information*) and incorporated by reference; and
- (l) the Bally's financial information referred to in paragraph 2 of Part 4 (*Financial and Ratings Information*) and incorporated by reference.

Neither the contents of Gamesys' or Bally's website, nor those of any other website accessible from the hyperlinks on Gamesys' or Bally's website, are incorporated into or form part of this document.

Dated: 1 June 2021

## PART 8

### SOURCE OF INFORMATION AND BASES OF CALCULATION

In this document, 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 2020 Gamesys Annual Report, 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 44,544,289 Bally's Shares outstanding.
4. At close of business on the Latest Practicable Date, Gamesys had in issue 109,684,201 Gamesys Shares.
5. Any references to the entire issued and to be issued share capital of Gamesys are based on:
  - (a) the 109,684,201 Gamesys Shares referred to in paragraph 4 above;
  - (b) 2,024,853 Gamesys Shares which may be issued on or after the date of this document to satisfy the exercise of options or vesting of awards granted or to be granted under the Gamesys Share Plans and the SIP; and
  - (c) 300,000 Gamesys Shares which may be issued pursuant to the terms of the Warrant Instrument on or after the date of this document,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\$1.419:£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 certain of the Gamesys Shares held by certain of their close relatives and the related trust of Keith Laslop) and the Electing Gamesys Shareholders electing for the Share Alternative.
9. Certain figures included in this document have been subject to rounding adjustments.

## PART 9

### DEFINITIONS

The following definitions apply throughout this document, other than in the Scheme set out at the end of this document and in the notices of the Gamesys Shareholder Meetings, unless the context requires otherwise:

“2019 Bally’s Annual Report”	Bally’s Annual Report on Form 10-K for the financial year ended 31 December 2019;
“2019 Gamesys Annual Report”	the annual report and audited accounts of Gamesys for the year ended 31 December 2019;
“2020 Bally’s Annual Report”	Bally’s Annual Report on Form 10-K for the financial year ended 31 December 2020;
“2020 Gamesys Annual Report”	the annual report and audited accounts of Gamesys for the year ended 31 December 2020;
“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 of Part 1 ( <i>Letter from the Chair of Gamesys Group plc</i> ) of this document), and (iii) the Second Gamesys Interim Dividend (if declared in accordance with the terms set out in paragraph 4 of Part 1 ( <i>Letter from the Chair of Gamesys Group plc</i> ));
“Announcement Date”	13 April 2021, being the date of the Rule 2.7 Announcement;
“associated undertaking”	will be construed in accordance with paragraph 19 of Schedule 6 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) (but for this purpose ignoring paragraph 19(1)(b) of Schedule 6 to those regulations);
“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 and Officer 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 to be sent to Bally’s Shareholders on or around the date of this document 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) convened for the purposes of approving the issuance of the New Bally’s Shares;
“Bally’s Shareholders”	the 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 or US) on which banks are open for business in London and New York;



<b>“Cash Offer”</b>	1,850 pence in cash for each Gamesys Share pursuant to the Combination;
<b>“certificated” or “in certificated form”</b>	a share or other security which is not in uncertificated form (that is, not in CREST);
<b>“Closing Price”</b>	(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;
<b>“CMA Phase 2 Reference”</b>	a reference of the Combination to the chair of the CMA under Article 33 of the Enterprise Act 2022 for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013;
<b>“Combination”</b>	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 or another direct or indirect wholly owned subsidiary (and any reference herein to Premier Entertainment includes a reference to any such subsidiary), 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 a Takeover Offer under certain circumstances described in this document, and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
<b>“Combined Group”</b>	the combined Gamesys Group and Bally’s Group following completion of the Combination;
<b>“Companies Act”</b>	the Companies Act 2006, as amended;
<b>“Computershare” “Registrar” or “Receiving Agent”</b>	Computershare Investor Services PLC, Gamesys’ registrar;
<b>“Conditions”</b>	the conditions to the implementation of the Combination set out in Part 3 of this document and “Condition” means such one or more of them as the context may require;
<b>“Consideration”</b>	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;
<b>“Content Holder”</b>	Rabbitfoot Games (UK) Limited, a company incorporated in England and Wales and which will hold the Residual Content Business;
<b>“Cooperation Agreement”</b>	the cooperation agreement entered into on the Announcement Date between Bally’s and Gamesys;
<b>“Court”</b>	the High Court of Justice in England and Wales;
<b>“Court Hearing”</b>	the Court hearing at which Gamesys will seek an order sanctioning the Scheme pursuant to Part 26 of the Companies Act;
<b>“Court Meeting”</b>	the meeting of Scheme Shareholders to be convened pursuant to an order of the Court pursuant to section 896 of the Companies Act, notice of which is set out in Part 11 of this document, for the purpose of considering and, if thought fit, approving the Scheme, including any adjournment or reconvening thereof;
<b>“Court Order”</b>	the order of the Court sanctioning the Scheme under section 889 of the Companies Act;
<b>“CREST”</b>	the relevant system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear;
<b>“CREST Manual”</b>	the CREST Manual published by Euroclear, as amended from time to time;

<b>“CREST Proxy Instructions”</b>	a properly authenticated CREST message appointing and instructing a proxy to attend and vote in place of a Gamesys Shareholder at the Court Meeting and/or the Gamesys General Meeting and containing the information required to be contained in the CREST Manual;
<b>“Daily Official List”</b>	the daily official list of the London Stock Exchange;
<b>“Deutsche Bank”</b>	Deutsche Bank Aktiengesellschaft, London Branch and Deutsche Bank Securities Inc.;
<b>“Disclosed”</b>	the information fairly disclosed by or on behalf of Gamesys: (i) in the 2019 Gamesys Annual Report; (ii) in the Rule 2.7 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 was three Business Days before the Announcement Date; or (vi) at the management presentations held between members of Gamesys management and Bally’s management;
<b>“DRS”</b>	DTC’s Direct Registration System for recording entitlements to shares in book-entry form;
<b>“DTC”</b>	the Depository Trust Company, a wholly-owned subsidiary of the Depository Trust and Clearance Corporation;
<b>“Effective”</b>	in the context of the Combination:(i) if the Combination is implemented by way of the Scheme, the Scheme having become effective in accordance with its terms; or (ii) if the Combination is implemented by way of a Takeover Offer, the Takeover Offer having been declared or having become unconditional in all respects in accordance with the requirements of the Takeover Code;
<b>“Effective Date”</b>	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;
<b>“Electing Gamesys Directors”</b>	Lee Fenton, Keith Laslop, Jim Ryan and Robeson Reeves;
<b>“Electing Gamesys Shareholders”</b>	Noel Hayden, Andrew Dixon, Robin Tombs and Michael Mee;
<b>“Election Return Time”</b>	the latest time by which any Share Alternative Election may be made, being: <ul style="list-style-type: none"> <li>(i) 1:00 p.m. on 8 October 2021; or</li> <li>(ii) if the Regulatory Conditions have not been satisfied by 11:59 p.m. on 1 October 2021, Bally’s or Gamesys will announce through a Regulatory Information Service an extension to the Election Return Time, which will be the earlier of 1:00 p.m. on the date which is (x) one week after the date on which the Regulatory Conditions are satisfied and (y) the Business Day immediately before the date of the Court Hearing, or such other date as Bally’s and Gamesys may agree; or</li> <li>(iii) if Gamesys announces through a Regulatory Information Service that the Court Hearing has been scheduled for a date prior to 8 October 2021, the earlier of 1:00 p.m. on the date which is (x) one week before the date of the Court Hearing and (y) the Business Day immediately before the date of the Court Hearing, or such other date as Bally’s and Gamesys may agree;</li> </ul>

<b>“Election Withdrawal Deadline”</b>	the later of: (i) the Election Return Time; or (ii) 1:00 p.m. on the date that is one week before the Court Hearing; or (iii) such other time and date as Bally’s and Gamesys may agree;
<b>“Electronic Election”</b>	an election made in accordance with clause 3 of the Scheme in respect of the Share Alternative by an eligible Scheme Shareholder who, immediately prior to the Election Return Time, holds Scheme Shares in uncertificated form;
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited;
<b>“Excluded Shares”</b>	(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;
<b>“Explanatory Statement”</b>	the explanatory statement (in compliance with Part 26 of the Companies Act) relating to the Scheme, as set out in Part 2 of this document;
<b>“FCA”</b>	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
<b>“FCA Handbook”</b>	means the FCA’s Handbook of rules and guidance as amended from time to time;
<b>“First Gamesys Interim Dividend”</b>	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;
<b>“Form of Election”</b>	the green form of election by which Scheme Shareholders (other than Restricted Shareholders) may elect for the Share Alternative;
<b>“Forms of Proxy”</b>	the blue forms of proxy for use at the Court Meeting and the white forms of proxy for use at the Gamesys General Meeting both of which accompany this document and a “Form of Proxy” means either of them as the context requires;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended from time to time);
<b>“Gambling Act”</b>	the UK Gambling Act 2005, as amended;
<b>“Games Licence Agreements”</b>	(i) the non-US Games Licence Agreement entered into between Rabbitfoot Gibraltar Limited, a member of the Residual Content Business, and Gamesys Operations Limited, a member of the GATB, on or before Completion, and (ii) the US Games Licence Agreement to be entered into between Content Holdco, a member of the Residual Content Business, and Gamesys Limited, a member of the GATB, on or before 26 September 2019;
<b>“Gamesys”</b>	Gamesys Group plc, registered in England and Wales (no. 10303804);
<b>“Gamesys Acquisition”</b>	the acquisition of Gamesys (Holdings) Limited by Gamesys, which completed on 26 September 2019;
<b>“Gamesys AGM”</b>	the 2021 annual general meeting of Gamesys to be held on 10 June 2021;
<b>“Gamesys Articles”</b>	the articles of association of Gamesys in force from time to time;
<b>“Gamesys Board”</b>	the board of directors of Gamesys;
<b>“Gamesys Directors”</b>	the directors of Gamesys;

<b>“Gamesys Executive Directors”</b>	Lee Fenton, Keith Laslop, Robeson Reeves and Tina Southall;
<b>“Gamesys Final Dividend”</b>	the final dividend in respect of the year ended 31 December 2020 of 28 pence per Gamesys Share, for payment to Gamesys Shareholders on Gamesys’ register of members at close of business on 14 May 2021, which equates to an aggregate of £30.7 million, based on Gamesys’ issued share capital as at 14 May 2021, being the record date for the final dividend, proposed by the Gamesys Board for approval by Gamesys Shareholders at the Gamesys AGM;
<b>“Gamesys General Meeting”</b>	the general meeting of Gamesys Shareholders (and any adjournment thereof) convened for the purposes of considering and, if thought fit, approving the Special Resolution required to implement the Scheme, notice of which is set out in Part 12 ( <i>Notice of Gamesys General Meeting</i> ) of this document;
<b>“Gamesys Group”</b>	Gamesys and its subsidiary undertakings and, where the context permits, each of them;
<b>“Gamesys Remuneration Committee”</b>	the remuneration committee of the Gamesys Board as constituted from time to time prior to the Effective Date;
<b>“Gamesys Shareholder Meeting(s)”</b>	the Court Meeting and/or, as the case may be, the Gamesys General Meeting;
<b>“Gamesys Shareholders”</b>	holders of Gamesys Shares;
<b>“Gamesys Share Plans”</b>	the Gamesys Long Term Incentive Plan and the Gamesys Share Option Plan;
<b>“Gamesys Shares”</b>	the ordinary shares of 10 pence each in the capital of Gamesys;
<b>“GBGC”</b>	the Gambling Commission of Great Britain or any successor thereto;
<b>“Gibraltar Regulator”</b>	the Licensing Authority (Gambling Division) of HM Government of Gibraltar;
<b>“GLPI”</b>	Gaming and Leisure Properties, Inc.;
<b>“Latest Practicable Date”</b>	28 May 2021, being the last Business Day prior to the date of this document;
<b>“Legacy Gamesys Non-Bingo Games Content”</b>	non-bingo games developed and made available by the Gamesys Group;
<b>“Listing Rules”</b>	the listing rules, made by the FCA under Part 6 FSMA, as amended from time to time;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“Long Stop Date”</b>	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));
<b>“Lumi”</b>	Lumi AGM UK Limited;
<b>“Macquarie Capital”</b>	Macquarie Capital (Europe) Limited;
<b>“New Bally’s Shares”</b>	the Bally’s Shares to be issued to satisfy valid elections under the Share Alternative;
<b>“Numis”</b>	Numis Securities Limited;
<b>“NYSE”</b>	New York Stock Exchange LLC;
<b>“Offer Document”</b>	should Premier Entertainment elect to implement the Combination by way of a Takeover Offer, the document to be sent to Gamesys Shareholders which will contain, <i>inter alia</i> , the terms and conditions of the Takeover Offer;

<b>“Offer Period”</b>	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);
<b>“Official List”</b>	the official list maintained by the FCA;
<b>“Overseas Shareholders”</b>	Gamesys Shareholders (or nominees of, or custodians or trustees for Gamesys Shareholders) not resident in, or nationals or citizens of, the United Kingdom;
<b>“Panel”</b>	the Panel on Takeovers and Mergers;
<b>“Pounds”, “pence”, “sterling” and “£”</b>	the lawful currency of the United Kingdom;
<b>“PRA”</b>	the Prudential Regulation Authority or its successor from time to time;
<b>“Premier Entertainment”</b>	Premier Entertainment Sub, LLC, an indirect wholly-owned subsidiary of Bally’s;
<b>“Prospectus”</b>	the prospectus document produced by Bally’s and made publicly available to Gamesys Shareholders (other than persons in Restricted Jurisdictions) on or around the date of this document in respect of the New Bally’s Shares to be issued to eligible Gamesys Shareholders making valid elections under the Share Alternative;
<b>“Prospectus Regulation Rules”</b>	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;
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales;
<b>“Registration Statement”</b>	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;
<b>“Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755);
<b>“Regulatory Conditions”</b>	the Conditions set out in Conditions 6 to 11 (inclusive) of Part A of Part 3 of this document;
<b>“Relevant Bally’s US Gaming Authorities”</b>	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;
<b>“Restricted Jurisdiction”</b>	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;
<b>“Restricted Shareholders”</b>	Gamesys Shareholders with registered addresses in, or who are resident and/or located in, one or more Restricted Jurisdictions;
<b>“RIS” or “Regulatory Information Service”</b>	any of the services set out in Appendix I to the Listing Rules;



<b>“Rule 2.7 Announcement”</b>	the announcement of the Combination made by the Bally’s Board and Gamesys Board on 13 April 2021 in accordance with Rule 2.7 of the Takeover Code;
<b>“Scheme”</b>	the proposed scheme of arrangement under Part 26 of the Companies Act between Gamesys and the Scheme Shareholders in connection with the Combination, as set out in Part 10 ( <i>The Scheme of Arrangement</i> ) of this document with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Gamesys and Bally’s and/or Premier Entertainment;
<b>“Scheme Record Time”</b>	6:00 p.m. on the Business Day immediately prior to the Effective Date;
<b>“Scheme Shareholders”</b>	holders of Scheme Shares;
<b>“Scheme Shares”</b>	Gamesys Shares: <ul style="list-style-type: none"> <li>(i) in issue as at the date of this document;</li> <li>(ii) (if any) issued after the date of this document and prior to the Scheme Voting Record Time; and</li> <li>(iii) (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,</li> </ul> but in each case other than the Excluded Shares;
<b>“Scheme Voting Record Time”</b>	6:30 p.m. on 28 June 2021 or, if the Court Meeting is adjourned, 6:30 p.m. on the day that is not later than 48 hours (excluding any part of a day that is not a working day) before the date of such adjourned meeting;
<b>“SDRT”</b>	United Kingdom stamp duty reserve tax;
<b>“SEC”</b>	the US Securities and Exchange Commission;
<b>“Second Gamesys Interim Dividend”</b>	an interim dividend for the six months ended 30 June 2021 of, in aggregate, up to £16.45 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;
<b>“Securities Act”</b>	the United States Securities Act 1933 (as amended) and the rules and regulations promulgated thereunder;
<b>“Share Alternative”</b>	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;
<b>“Share Alternative Election”</b>	an election to participate in the Share Alternative;
<b>“Significant Interest”</b>	in relation to any undertaking, body corporate, partnership, joint venture or person, a direct or indirect economic interest of 20 per cent. or more or of 20 per cent. or more of the total voting rights, including in relation to an undertaking, a direct or indirect interest of 20 per cent. 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;
<b>“SIP”</b>	the Gamesys Share Incentive Plan (including the schedules thereto containing the International Share Incentive Plan and Partners Share Incentive Plan);
<b>“Special Resolution”</b>	the special resolution(s) to be proposed at the Gamesys General Meeting in connection with the Scheme;

<b>“SRI Voting Agreement”</b>	the voting agreement entered into on 13 April 2021 between Bally’s, Gamesys and Standard RI;
<b>“Standard RI”</b>	Standard RI Ltd.;
<b>“subsidiary”, “subsidiary undertaking” and “undertaking”</b>	will be construed in accordance with the Companies Act;
<b>“Takeover Code”</b>	the City Code on Takeovers and Mergers;
<b>“Takeover Offer”</b>	should the Combination be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the Takeover 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;
<b>“Third Party”</b>	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;
<b>“Transfer Agent”</b>	American Stock Transfer & Trust Company, LLC (AST) of 6201 15th Avenue, Brooklyn, New York 11219;
<b>“TTE Instruction”</b>	a Transfer to Escrow instruction (as described in the CREST Manual issued by Euroclear);
<b>“Tropicana Licence Agreement”</b>	the agreement entered into between Gamesys Limited and Tropicana Atlantic City, Corp. on 29 July 2013, pursuant to which (amongst other things) Gamesys Limited licences use of its software to Tropicana Atlantic City, Corp. to enable Tropicana Atlantic City, Corp. to make online games and third party products available to players in the US state of New Jersey;
<b>“uncertificated” or “in uncertificated form”</b>	in relation to a share or other security, a share or other security which is recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by means of CREST;
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“United States” or “US” or “USA”</b>	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;
<b>“Virtual Meeting Guide”</b>	the guide prepared by Lumi explaining how Scheme Shareholders and Gamesys Shareholders can remotely access and participate in the Gamesys Shareholder Meetings via the Virtual Meeting Platform;
<b>“Virtual Meeting Platform”</b>	the Lumi virtual meeting platform;
<b>“Warrant Instrument”</b>	the deed constituting the Warrants dated 26 September 2019 executed by Gamesys;
<b>“Warrantholder”</b>	Virgin Enterprises Limited;
<b>“Warrants”</b>	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.

Any reference to any provision of any legislation will include any amendment, modification, re-enactment or extension thereof.

## PART 10

### THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS  
OF ENGLAND AND WALES  
COMPANIES COURT (ChD)

CR-2021-000785

IN THE MATTER OF GAMESYS GROUP PLC  
and  
IN THE MATTER OF THE COMPANIES ACT 2006

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#### SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

between  
**Gamesys Group plc**  
and  
**the Scheme Shareholders**  
(as hereinafter defined)

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#### PRELIMINARY

1. In this Scheme, unless inconsistent with the subject or context, the following expressions will bear the following meanings:

“ <b>Agreed Dividends</b> ”	(i) the Gamesys Final Dividend or (ii) the First Gamesys Interim Dividend (if declared in accordance with the terms set out in paragraph 4 of this Scheme), and (iii) the Second Gamesys Interim Dividend (if declared in accordance with its terms set out in paragraph 4 of this Scheme);
“ <b>Announcement Date</b> ”	13 April 2020, being the date of the Rule 2.7 Announcement;
“ <b>Bally’s</b> ”	Bally’s Corporation, a corporation incorporated in Delaware, United States of America;
“ <b>Bally’s Shares</b> ”	the common stock of Bally’s having a par value of \$0.01 per share;
“ <b>Business Day</b> ”	a day (other than Saturdays, Sundays and public holidays in the United Kingdom or the United States of America) on which banks are open for business in London and New York;
“ <b>Cash Offer</b> ”	1,850 pence in cash for each Gamesys Share pursuant to the Combination;
“ <b>certificated</b> ” or “ <b>in certificated form</b> ”	a share or other security that is not in uncertificated form (that is, not in CREST);
“ <b>Combination</b> ”	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 or another direct or indirect wholly owned subsidiary (and any reference herein to Premier Entertainment includes a reference to any such subsidiary) of the entire issued and to be issued ordinary share capital of Gamesys, to be effected by means of this Scheme;
“ <b>Companies Act</b> ”	the Companies Act 2006 (as amended);
“ <b>Computershare</b> ” “ <b>Registrar</b> ” or “ <b>Receiving Agent</b> ”	Computershare Investor Services PLC, Gamesys’ registrar;

<b>“Consideration”</b>	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;
<b>“Court”</b>	the High Court of Justice in England and Wales;
<b>“Court Hearing”</b>	the Court hearing at which Gamesys will seek an order sanctioning the Scheme pursuant to Part 26 of the Companies Act;
<b>“Court Meeting”</b>	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 is set out in the Scheme Document, for the purpose of considering and, if thought fit, approving this Scheme, including any adjournment or reconvening thereof;
<b>“Court Order”</b>	the order of the Court sanctioning this Scheme under Part 26 of the Companies Act;
<b>“CREST”</b>	the relevant system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear;
<b>“Direct Registration System”</b>	the system for the direct registration of ownership of uncertificated securities administered by DTC;
<b>“DTC”</b>	The Depository Trust Company, a wholly owned subsidiary of The Depository Trust and Clearing Corporation;
<b>“Effective Date”</b>	the date on which this Scheme becomes effective in accordance with its terms;
<b>“Election Return Time”</b>	the latest time by which any Share Alternative Election may be made, being: <ul style="list-style-type: none"> <li>(i) 1:00 p.m. on 8 October 2021; or</li> <li>(ii) if the Regulatory Conditions have not been satisfied by 11:59 p.m. on 1 October 2021, Bally’s or Gamesys will announce through a Regulatory Information Service an extension to the Election Return Time, which will be the earlier of 1:00 p.m. on the date which is (x) one week after the date on which the Regulatory Conditions are satisfied and (y) the Business Day immediately before the date of the Court Hearing, or such other date as Bally’s and Gamesys may agree; or</li> <li>(iii) if Gamesys announces through a Regulatory Information Service that the Court Hearing has been scheduled for a date prior to 8 October 2021, the earlier of 1:00 p.m. on the date which is (x) one week before the date of the Court Hearing and (y) the Business Day immediately before the date of the Court Hearing, or such other date as Bally’s and Gamesys may agree;</li> </ul>
<b>“Election Withdrawal Deadline”</b>	the later of: <ul style="list-style-type: none"> <li>(i) the Election Return Time; or</li> <li>(ii) 1:00 p.m. on the date that is one week before the Court Hearing; or</li> <li>(iii) such other time and date as Bally’s and Gamesys may agree;</li> </ul>
<b>“Electronic Election”</b>	an election made in accordance with clause 3 in respect of the Share Alternative by an eligible Scheme Shareholder who, immediately prior to the Election Return Time, holds Scheme Shares in uncertificated form;



<b>“Encumbrances”</b>	liens, equitable interests, options, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever;
<b>“Euroclear”</b>	Euroclear UK and Ireland Limited;
<b>“Excluded Shares”</b>	(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;
<b>“First Gamesys Interim Dividend”</b>	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;
<b>“Form of Election”</b>	the green form of election by which Scheme Shareholders (other than Restricted Shareholders) may elect for the Share Alternative;
<b>“Gamesys”</b>	Gamesys Group plc, a company incorporated in England and Wales (registered number 10303804), whose registered office is at 10 Piccadilly, London, England, W1J 0DD;
<b>“Gamesys AGM”</b>	the 2021 annual general meeting of Gamesys to be held on 10 June 2021;
<b>“Gamesys Final Dividend”</b>	the final dividend in respect of the year ended 31 December 2020 of 28 pence per Gamesys Share, for payment to Gamesys Shareholders on Gamesys’ register of members at close of business on 14 May 2021, which equates to an aggregate of £30.7 million, based on Gamesys’ issued share capital as at 14 May 2021, being the record date for the final dividend, proposed by the Gamesys Board for approval by Gamesys Shareholders at the Gamesys AGM;
<b>“Gamesys Share Plans”</b>	the Gamesys Long Term Incentive Plan and the Gamesys Share Option Plan;
<b>“Gamesys Shareholders”</b>	holders of Gamesys Shares from time to time;
<b>“Gamesys Shares”</b>	the ordinary shares of 10 pence each in the capital of Gamesys;
<b>“holder”</b>	includes a person entitled by transmission;
<b>“Latest Practicable Date”</b>	28 May 2021, being the last Business Day prior to the date of the Scheme;
<b>“members”</b>	members of Gamesys on the register of members at any relevant date;
<b>“New Bally’s Shares”</b>	the Bally’s Shares to be issued to satisfy valid elections under the Share Alternative;
<b>“NYSE”</b>	New York Stock Exchange LLC;
<b>“Panel”</b>	the Panel on Takeovers and Mergers;
<b>“Premier Entertainment”</b>	Premier Entertainment Sub, LLC, an indirect wholly owned subsidiary of Bally’s, incorporated in Delaware, United States of America;
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales;
<b>“Regulatory Conditions”</b>	the Conditions set out in Conditions 6 to 11 (inclusive) of Part A of Part 3 of the Scheme Document;
<b>“Restricted Jurisdiction”</b>	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;
<b>"Restricted Shareholders"</b>	Gamesys Shareholders with registered addresses in, or who are resident and/or located in, one or more Restricted Jurisdictions;
<b>"Rule 2.7 Announcement"</b>	the announcement of the Combination made by the Bally's Board and Gamesys Board on 13 April 2021 in accordance with Rule 2.7 of the Takeover Code;
<b>"Scheme"</b>	this scheme of arrangement in its present form or with or subject to any modification, addition or condition which Gamesys and Bally's and/or Premier Entertainment may agree and which the Court may approve or impose;
<b>"Scheme Document"</b>	the circular dated 1 June 2021 sent by Gamesys to Gamesys Shareholders and persons with information rights, of which this Scheme forms part, and containing, among other things, the notices convening the Court Meeting and the Gamesys General Meeting;
<b>"Scheme Record Time"</b>	6:00 p.m. on the Business Day immediately prior to the Effective Date;
<b>"Scheme Shareholders"</b>	holders of Scheme Shares;
<b>"Scheme Shares"</b>	Gamesys Shares: <ul style="list-style-type: none"> <li>(i) in issue as at the date of this document;</li> <li>(ii) (if any) issued after the date of this document and prior to the Scheme Voting Record Time; and</li> <li>(iii) (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,</li> </ul> but in each case other than the Excluded Shares;
<b>"Scheme Voting Record Time"</b>	6:30 p.m. on 28 June 2021 or, if the Court Meeting is adjourned, 6:30 p.m. on the day that is not later than 48 hours (excluding any part of a day that is not a working day) before the date of such adjourned meeting;
<b>"Second Gamesys Interim Dividend"</b>	an interim dividend for the six months ended 30 June 2021 of, in aggregate, up to £16.45 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;
<b>"Share Alternative"</b>	the alternative whereby eligible 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 under the Cash Offer;
<b>"Share Alternative Election"</b>	an election to participate in the Share Alternative;
<b>"SIP"</b>	the Gamesys Share Incentive Plan (including the schedules thereto containing the International Share Incentive Plan and Partners Share Incentive Plan);
<b>"subsidiary undertaking"</b>	will be construed in accordance with the Companies Act;
<b>"Takeover Code"</b>	the City Code on Takeovers and Mergers;
<b>"Transfer Agent"</b>	American Stock Transfer & Trust Company, LLC (AST) of 6201 15th Avenue, Brooklyn, New York 11219;

**“uncertificated” or “in uncertificated form”** recorded on the relevant register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST;

and where the context so admits or requires, the plural includes the singular and vice versa.

All references in this Scheme to times are to times in London (unless otherwise stated).

References to clauses are to clauses of this Scheme.

2. The share capital of Gamesys as at the Latest Practicable Date is £10,968,420.10, divided into 109,684,201 fully paid Gamesys Shares. Gamesys did not hold any Gamesys Shares in treasury as at the close of business on the Latest Practicable Date.
3. Share options/awards to acquire up to 2,024,853 Gamesys Shares have been awarded and remain outstanding as at the Latest Practicable Date pursuant to the Gamesys Share Plans and the SIP.
4. At the date of this Scheme no Gamesys Shares are registered in the name of or beneficially owned by Bally’s or Premier Entertainment.
5. Premier Entertainment and Bally’s have agreed to appear by Counsel at the hearing to sanction this Scheme and to undertake to the Court to be bound thereby and to execute and do and procure to be executed and done, all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

## THE SCHEME

### 1. Transfer of the Scheme Shares

- 1.1 On the Effective Date, Bally's together with Premier Entertainment and/or its or their respective nominee(s) will acquire the Scheme Shares fully paid up, with full title guarantee, free from all Encumbrances and, without prejudice to clause 4.4, together with all rights attaching to them at the Announcement Date or thereafter, 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 by Gamesys on or after the Announcement Date, save for the Agreed Dividends.
- 1.2 For such purposes, the Scheme Shares will be transferred to Bally's, or as the case may be, Premier Entertainment by means of a form or forms of transfer or other instrument or instruction of transfer and to give effect to such transfers any person may be appointed by Bally's or Premier Entertainment as attorney and/or agent and/or will be authorised as attorney and/or such agent on behalf of the relevant holder of Scheme Shares to execute and deliver, as transferor, a form or forms of transfer or other instrument or instruction of transfer (whether as a deed or otherwise), or procure the transfer by means of CREST, of such Scheme Shares and every form, instrument or instruction of transfer so executed will be effective as if it had been executed by the holder or holders of the Scheme Shares thereby transferred. Such forms of transfer will be the principal instruments of transfer.
- 1.3 Pending the transfer of the Scheme Shares pursuant to clauses 1.1 and 1.2, each Scheme Shareholder irrevocably:
  - a) appoints Bally's and/or, as the case may be, Premier Entertainment (and/or its nominee(s)) as its attorney and/or agent and/or otherwise to exercise (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to the Scheme Shares (including in relation to any proposal to convert Gamesys to a private limited company) and any or all rights and privileges attaching to the Scheme Shares;
  - b) appoints Bally's and/or, as the case may be, Premier Entertainment (and/or its nominee(s)) as its attorney and/or agent and/or otherwise to sign any consent to short notice of any general or separate class meeting of Gamesys (including in relation to any proposal to convert Gamesys to a private limited company) and on its behalf to execute a form of proxy in respect of such Scheme Shares appointing any person nominated by Premier Entertainment (and/or its nominee(s)) to attend the general and separate class meetings of Gamesys; and
  - c) authorises Gamesys to send to Bally's and/or Premier Entertainment (and/or its nominee(s)) (in place of and to the exclusion of the relevant Scheme Shareholder) any notice, circular, warrant or other document or communication which Gamesys may be required to send to Gamesys Shareholders.

### 2. Cash consideration for transfer of the Scheme Shares

Subject to clause 3, in consideration for the transfer to Bally's, Premier Entertainment and/or its or their nominees(s) of the Scheme Shares in respect of which a valid Share Alternative Election has not been made or has been deemed not to have been made, Premier Entertainment will pay or procure that there will be paid to or for the account of each relevant Scheme Shareholder (as appearing in the register of members of Gamesys at the Scheme Record Time in respect of such Scheme Shares) 1,850 pence in cash for each such Scheme Share held by the Scheme Shareholder at the Scheme Record Time.

### 3. Share Alternative

- 3.1 In order for a person to be entitled to elect for the Share Alternative, they must be entered into the register of members of Gamesys prior to the Election Return Time.
- 3.2 Conditional on and subject to the remaining provisions of this clause 3, to the extent that any Scheme Shareholder (other than a Restricted Shareholder) validly elects for the Share Alternative in respect of all or some of their Scheme Shares, Premier Entertainment will make no payment of cash consideration to such Scheme Shareholder in respect of such Scheme Shares and Bally's will, in

consideration for the transfer of such Scheme Shares to Bally's and/or its nominee(s), issue and deliver 0.343 New Bally's Shares per Scheme Share so elected by such Scheme Shareholder (as appearing in the register of members of Gamesys at the Scheme Record Time in respect of such Scheme Shares).

- 3.3 The Share Alternative Election will not be available to Restricted Shareholders, who will be treated in accordance with clause 5. Any purported Share Alternative Election by a Restricted Shareholder will not be valid and will be void. A valid Share Alternative Election is also subject to the provisions of clause 5.3.
- 3.4 Fractional entitlements to New Bally's Shares will not be allotted or issued to Gamesys Shareholders electing for the Share Alternative. Instead, all fractional shares which a Gamesys Shareholder would otherwise be entitled to receive will be aggregated and sold in the market with the net cash proceeds paid (converted to pounds sterling and rounded down to the nearest penny) in lieu of such fractional entitlements to the Scheme Shareholders entitled thereto, save that if the entitlement of any Gamesys Shareholder in respect of the proceeds of sale of fractional entitlements amounts to less than £5, such proceeds will be retained for the benefit of the Combined Group.
- 3.5 The New Bally's Shares issued pursuant to clause 3.2 and the remaining provisions of this Scheme will be issued credited as fully paid and will rank *pari passu* in all respects with the common stock of par value \$0.01 each in the capital of Bally's in issue at the time the New Bally's Shares are issued (in addition to any further rights granted pursuant to the Cooperation Agreement) pursuant to this Scheme, including the right to receive and retain dividends and other distributions declared, made or paid by reference to a record date falling on or after the Effective Date and to participate in the assets of Bally's upon a winding up of Bally's. Applications will be made for the New Bally's Shares to be listed on NYSE.
- 3.6 Each Share Alternative Election by a holder of Scheme Shares in certificated form will be made by completion of a Form of Election which will be executed by the Scheme Shareholder or their duly authorised agent (or, in the case of a body corporate, executed by an authorised representative). Scheme Shareholders that hold their Scheme Shares in uncertificated form immediately prior to the Election Return Time will make any such Share Alternative Election by way of an Electronic Election. To be effective, a Form of Election must be completed and returned in accordance with the instructions printed thereon so as to arrive at the offices of Computershare by no later than the Election Return Time. To be effective, an Electronic Election must be made and settle by no later than the Election Return Time.
- 3.7 If a Form of Election or an Electronic Election is received by Computershare after the Election Return Time or, as the case may be, settles by the Election Return Time but is not, or is deemed not to be, valid or complete in all respects at the Election Return Time, then such Share Alternative Election will not be valid and will be void unless and to the extent that Bally's, in its absolute discretion, requires Gamesys to elect to treat as valid in whole or in part any such Share Alternative Election.
- 3.8 Upon execution and delivery by a Scheme Shareholder of a valid Form of Election or the making of a valid Electronic Election, such Scheme Shareholder will be bound by the terms and provisions contained in the Form of Election or the Electronic Election (as the case may be) and by the terms and provisions contained in Part 5 of the Scheme Document entitled "Notes for Making Elections under the Share Alternative".
- 3.9 A Form of Election duly completed and delivered or an Electronic Election made in accordance with clause 3.6 may be withdrawn by notice to Computershare in writing to be received by the Election Withdrawal Deadline.
- 3.10 If a Scheme Shareholder delivers more than one Form of Election in respect of their Scheme Shares, in the case of an inconsistency between such Forms of Election, the last Form of Election which is delivered by the Election Return Time will prevail over any earlier Form of Election. The delivery time for a Form of Election will be determined on the basis of which Form of Election is last sent or, if Gamesys is unable to determine which is last sent, is last received by Computershare. Forms of Election which are sent in the same envelope will be treated as having been sent and received at the same time, and, in that case, none of them will be treated as valid (unless Bally's otherwise determines in its absolute discretion).



3.11 A Scheme Shareholder may make a Share Alternative Election in respect of all or part of their holding of Scheme Shares. A Share Alternative Election will only be accepted under the Share Alternative in respect of a whole number of Scheme Shares. Any Share Alternative Election which is made in respect of a number of Scheme Shares which is not a whole number will be deemed to be made in respect of the nearest whole number of Scheme Shares when rounded down.

#### 4. Dividends

4.1 Gamesys Shareholders on Gamesys' register of members at close of business on 14 May 2021 will be entitled to receive the Gamesys Final Dividend in respect of the year ended 31 December 2020, such dividend not to exceed an amount of 28 pence per Gamesys Share.

4.2 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.

4.3 If the Effective Date occurs before the ex-dividend date of 9 September 2021, the Gamesys Board intends to declare the Second Gamesys Interim Dividend, such dividend not to exceed an amount of up to £16.45 million in aggregate divided by the number of Gamesys Shares in issue on the record date for the Second Gamesys Interim Dividend.

4.4 If, on or after the date of the Rule 2.7 Announcement 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 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 such circumstances, Gamesys Shareholders would be entitled to retain any such dividend, distribution or other return of capital or value declared, made or paid.

#### 5. Relevant Scheme Shareholders

5.1 The provisions of clauses 3 and 6 will be subject to the provisions of this clause 5 and to any prohibition or condition imposed by law or regulation and, in the case of Relevant Scheme Shareholders, Bally's certificate of incorporation and by-laws.

5.2 Without prejudice to the generality of the foregoing, if, in respect of a Scheme Shareholder, Bally's is advised or believes that the issue and/or delivery of New Bally's Shares pursuant to clause 3.2 (i) would or may infringe the laws of the jurisdiction in which such Scheme Shareholder is a citizen, national or is resident or may result in a significant risk of civil, regulatory or criminal exposure; and/or (ii) would or may require Bally's to comply with any governmental or other consent or any registration, filing or other formality with which Bally's is unable to comply or compliance with which Bally's regards as unduly onerous, Bally's may in either case require Gamesys to treat such Scheme Shareholder as a Restricted Shareholder for the purposes of this Scheme so that either:

- a) such Scheme Shareholder is not sent a Form of Election or is denied access to any platform required to effect an Electronic Election; or
- b) in the case of such Scheme Shareholder who has sought to make a Share Alternative Election, such Scheme Shareholder is deemed not to have made a valid Share Alternative Election, with the result that no New Bally's Shares will be issued to such Scheme Shareholder under clause 3.2 and so that such Scheme Shareholder will instead receive cash consideration in accordance with clause 2.

5.3 Bally's reserves the right to do any or a combination of the following:

- a) (i) establish a trust to hold any New Bally's Shares otherwise issuable to a Scheme Shareholder pursuant to the Scheme (a "**Relevant Scheme Shareholder**"), which, when taken together with any Bally's Shares already held by or on behalf of or beneficially owned by such Scheme Shareholder upon or following the Scheme becoming Effective, would result in that Scheme Shareholder holding in excess of 4.99 per cent. of the number of outstanding Bally's Shares calculated on a *pro forma* basis after issuance of all New Bally's Shares issuable to Scheme Shareholders pursuant to the Scheme ("**Excess Shares**") for the benefit of the Relevant Scheme Shareholder until such time as requisite regulatory approvals have been obtained or the Relevant Scheme Shareholder requests the transfer of such Excess Shares to an unaffiliated purchaser or holder (or to the Relevant Scheme Shareholder to the extent that such person has reduced its

holding below 4.99 per cent.) of the number of Bally's Shares then outstanding); or (ii) implement another arrangement under its certificate of incorporation or by-laws reasonably designed to assure regulatory compliance. Such trusts or other arrangements will be on such terms as Bally's (with the agreement of Gamesys, not to be unreasonably withheld, conditioned or delayed and acting in good faith) may require and will not prejudice the UK tax treatment of Gamesys Shareholders under the Scheme;

- b) require the Relevant Scheme Shareholder to enter into a contract with Bally's under which it will agree to such undertakings and restrictions as Bally's (with the agreement of Gamesys, not to be unreasonably withheld, conditioned or delayed and acting in good faith) may require, including with respect to the release and voting of Excess Shares and distributions payable in respect thereof, in order to comply with applicable legal and regulatory requirements and authorisations and the provisions of Bally's certificate of incorporation and by-laws. Bally's reserves the right, in any such contract to indemnify any Relevant Scheme Shareholder for losses it may suffer or costs it may incur in connection with or as a consequence of any such trust arrangement or entering into any such contract. Bally's will make an announcement via a Regulatory Information Service if any such trusts or agreements are established or entered into; and
- c) require evidence of compliance with applicable regulatory requirements and that any Relevant Scheme Shareholder or any person to whom a Relevant Scheme Shareholder requests the transfer of Excess Shares warrants to Bally's that it holds the Bally's Shares issuable to it solely for investment and not with a view to influencing the management or control of Bally's.

5.4 Neither Bally's or Gamesys will be liable to any Scheme Shareholder in respect of any omission or denial, any determination or any action taken pursuant to clauses 5.2a), 5.2b) or, as the case may be, clause 5.3.

## **6. Settlement of consideration**

6.1 As soon as practicable on or after the Effective Date, and in any event no later than 14 days after the Effective Date, Premier Entertainment will satisfy the consideration due to Scheme Shareholders pursuant to clause 2 as follows:

- a) in the case of Scheme Shares which at the Scheme Record Time are in certificated form, or in the case of fractional entitlements to New Bally's Shares sold pursuant to clause 3.4 and issued in respect of Scheme Shares which at the Scheme Record Time are in certificated form, Bally's or Premier Entertainment will procure the despatch to the persons entitled thereto of cheques for the sums payable to them respectively; and
- b) in the case of Scheme Shares which at the Scheme Record Time are in uncertificated form, or in the case of fractional entitlements to New Bally's Shares sold pursuant to clause 3.4 and issued in respect of Scheme Shares which at the Scheme Record Time are in uncertificated form, Bally's or Premier Entertainment will procure that Euroclear is instructed to create an assured payment obligation in favour of the payment bank of the persons entitled thereto in accordance with the CREST assured payment arrangements for the sums payable to them respectively, provided that Bally's or Premier Entertainment reserves the right to make payment of such sums by cheque as set out in clause 6.1a) if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this clause 6.1b).

6.2 As soon as practicable on or after the Effective Date, and in any event no later than 14 days after the Effective Date, Bally's will satisfy the consideration due to Scheme Shareholders pursuant to clause 3.2 by procuring that the New Bally's Shares to which the holders of such Scheme Shares are entitled pursuant to clause 3.2 are issued to them directly through DTC's Direct Registration System by the Transfer Agent on Bally's instructions and the name of each such Scheme Shareholder will be entered as the registered owner of the relevant number of New Bally's Shares.

6.3 As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST will be disabled and all Scheme Shares will be removed from CREST.

6.4 All deliveries of notices, statements of entitlement and/or cheques required to be made under this Scheme will be made by sending the same by first class post (or by such other method as may be approved by the Panel) addressed to the person entitled thereto to the address appearing in the register of members of Gamesys or, in the case of joint holders, to the address of the holder whose name stands first in such register in respect of the joint holding concerned at such time.

- 6.5 All cheques will be in pounds sterling and drawn on a United Kingdom clearing bank and will be made payable to the Scheme Shareholders concerned or, in the case of joint holders, to the holder whose name stands first in the register of members of Gamesys, in respect of the joint holding concerned at the Scheme Record Time and the encashment of any such cheque or the creation of any such assured payment obligation as is referred to in clauses 6.1a) or 6.1b) will be a complete discharge to Bally's and Premier Entertainment for the monies represented thereby.
- 6.6 If any Scheme Shareholders have not encashed the cheques within six months of the Effective Date, Premier Entertainment and Gamesys shall procure that the cash consideration due to such Scheme Shareholders under this Scheme shall be held on trust for such Scheme Shareholders for a period of 12 years from the Effective Date, and such Scheme Shareholders may claim the consideration due to them (plus any interest accrued thereon, but net of any expenses and taxes) by written notice to Gamesys in a form which Gamesys determines evidences their entitlement to such consideration at any time during the period of 12 years from the Effective Date.
- 6.7 None of Gamesys, Bally's, Premier Entertainment, or the person effecting any sale or remitting any proceeds will be responsible for any loss or delay in the transmission of the statements of entitlement or cheques sent to Scheme Shareholders in accordance with this clause 6, which will be posted entirely at the risk of the Scheme Shareholders.
- 6.8 The preceding paragraphs of this clause 6 will take effect subject to any prohibition or condition imposed by law.

## **7. Certificates and Cancellations**

- 7.1 With effect from and including the Effective Date:
- a) all certificates representing Scheme Shares will cease to be valid as documents of title to the Scheme Shares represented thereby and every holder of Scheme Shares will be bound at the request of Gamesys to deliver up their share certificate(s) to Gamesys (or any person appointed by Gamesys to receive the same) or as it may direct to destroy the same;
  - b) Euroclear will be instructed to cancel the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form; and
  - c) subject to the completion of such transfers, forms, instruments or instructions as may be required in accordance with clause 1.2 and the payment of any UK stamp duty thereon by Bally's and Premier Entertainment, as regards all certificated Scheme Shares, appropriate entries will be made in Gamesys' register of members to reflect their transfer.

## **8. The Effective Date**

- 8.1 This Scheme will become effective as soon as a copy of the Court Order will have been delivered to the Registrar of Companies.
- 8.2 Unless this Scheme will become effective at or before 11:59 p.m. on 13 April 2022 or such later date if any as the Gamesys, Bally's and Premier Entertainment may agree and the Court and the Panel may allow, this Scheme will never become effective.

## **9. Modification**

Bally's, Premier Entertainment and Gamesys may jointly consent on behalf of all concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose.

## **10. Governing Law**

This Scheme is governed by the laws of England and Wales and is subject to the exclusive jurisdiction of the English Courts. The rules of the Takeover Code also apply to this Scheme.

Dated: 1 June 2021

## PART 11

### NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS  
OF ENGLAND AND WALES  
COMPANIES COURT (ChD)

CR-2021-000785

INSOLVENCY AND COMPANIES COURT JUDGE PRENTIS

IN THE MATTER OF GAMESYS GROUP PLC

AND

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that by an order dated 26 May 2021 made in the above matters, the Court has given permission for a meeting (the “**Court Meeting**”) to be convened of the holders of Scheme Shares (as defined in the Scheme (defined below)) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement proposed to be made between (i) Gamesys Group plc (“**Gamesys**” or the “**Company**”) and (ii) the holders of Scheme Shares (the “**Scheme**”) and that the Court Meeting will be held at 10 Piccadilly, London W1J 0DD and through the electronic facilities that are being made available via the Lumi online meeting platform (the “**Virtual Meeting Platform**”) on 30 June 2021 at 2:00 p.m. at which place and time all Scheme Shareholders (as defined in the Scheme) are requested to attend.

A copy of the Scheme and a copy of the Explanatory Statement required to be furnished pursuant to Part 26 of the Companies Act 2006 are incorporated in the document of which this Notice forms part.

Voting on the resolution to approve the Scheme will be by poll, which shall be conducted as the Chair of the Court Meeting may determine.

#### COVID-19

The Court Meeting will take place using a hybrid format incorporating physical and remote participation via the Virtual Meeting Platform.

The COVID-19 situation is constantly evolving, and the UK Government may change current restrictions or implement further measures relating to the holding of shareholder meetings during the affected period. Any changes to the arrangements for the Court Meeting will be communicated to Scheme Shareholders before the Court Meeting, including through the Company’s website <https://www.gamesysgroup.com/investors/offer-for-gamesys/> and by announcement through a Regulatory Information Service.

#### Instructions for accessing the Virtual Meeting Platform

Scheme Shareholders will be given the opportunity to remotely attend, submit questions and/or objections and vote at the Court Meeting via the Virtual Meeting Platform.

Scheme Shareholders can access the Virtual Meeting Platform via a mobile web client, which is compatible with the latest browser versions of Chrome, Firefox, Internet Explorer 11 (Internet Explorer v. 10 and below are not supported), Edge and Safari and can be accessed using any web browser, on a PC or smartphone device. To remotely attend, submit questions and/or vote using this method, please go to <https://web.lumiagm.com>.

Once you have accessed <https://web.lumiagm.com> from your web browser, you will be asked to enter the Lumi Meeting ID which is 120-862-547. You will then be prompted to enter your Shareholder Reference Number (“**SRN**”) and PIN number. Your SRN, including any zeros, and your PIN number can be found printed on your Form of Proxy. If you are not in receipt of your SRN this can also be found on a share certificate or Dividend Confirmation (tax voucher), or alternatively, if you are already registered on this website, you can sign in to <https://www-uk.computershare.com/Investor/#Home> to obtain your SRN. Access to the Gamesys Shareholder Meetings via the website will be available from 1:00 p.m. on 30 June 2021, as further detailed below. If you are unable to access your SRN and PIN, please call Computershare 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 (0)370 889 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. Calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare cannot provide advice on the merits of the Combination or give any financial, legal or tax advice.

Although access to the meetings will be available from 1:00 p.m. on 30 June 2021, voting functionality will not be enabled until the Chair of the Court Meeting declares the poll open. Scheme Shareholders will be permitted to submit questions (via the Virtual Meeting Platform) during the course of the Court Meeting and can use the same function to submit any objections they may have to the Scheme. Scheme Shareholders may also submit questions to be considered at the Court Meeting at any time up to 48 hours before the Court Meeting by emailing [GamesysGM2021@gamesysgroup.com](mailto:GamesysGM2021@gamesysgroup.com). The Chair of the Court Meeting will ensure that all such questions and/or any objections relating to the formal business of the Court Meeting are addressed during the Court Meeting, unless no response is required to be provided under the Companies Act 2006 or the provision of a response would, at the Chair's discretion, otherwise be undesirable in the interests of the Company or the good order of the Court Meeting.

During the Court Meeting, you must ensure you are connected to the internet at all times in order to submit questions and/or any objections and vote when the Chair commences polling. Therefore, it is your responsibility to ensure connectivity for the duration of the Court Meeting via your wireless or other internet connection. The Virtual Meeting Guide contains further information on remotely accessing and participating in the Court Meeting via the Virtual Meeting Platform online at <https://web.lumiagm.com> and is available on the Company's website at <https://www.gamesysgroup.com/investors/offer-for-gamesys/>.

If you wish to appoint a proxy (other than the Chair of the Court Meeting) and for the proxy to attend the Court Meeting on your behalf, please do so by completing the enclosed blue Form of Proxy or alternatively by visiting the website [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) in accordance with the instructions set out on the blue Form of Proxy. If you wish to appoint multiple proxies or obtain a blue Form of Proxy, please contact Computershare on the telephone number provided above.

If your shares are held within a nominee and you wish to access the Court Meeting remotely, you will need to contact your nominee immediately. Your nominee will need to have completed a letter of representation and presented this to Computershare no later than 48 hours before the start of the Court Meeting in order to obtain a unique Login Code and PIN number on your behalf, which you can then use to access the meeting remotely. If you are in any doubt about your shareholding, please contact Computershare on the telephone number provided above.

#### **Right to appoint a proxy and procedure for appointment**

**Scheme Shareholders entitled to attend and vote at the Court Meeting may vote in person or remotely via the Virtual Meeting Platform or they may appoint another person or persons, whether or not a member of Gamesys, as their proxy to attend and vote on their behalf.**

A blue Form of Proxy for use at the Court Meeting is enclosed with this Notice or shall be sent in a separate mailing to those Scheme Shareholders who have elected or are deemed to have elected to receive documents and notices from the Company via the Company's website. Scheme Shareholders entitled to attend and vote at the Court Meeting who hold their shares through CREST may appoint a proxy using the CREST electronic proxy appointment service.

Completion and return of a Form of Proxy will not prevent a Scheme Shareholder from attending and voting at the Court Meeting, whether in person or remotely via the Virtual Meeting Platform.

**It is requested that blue Forms of Proxy be returned by post using the pre-paid envelope provided or (during normal business hours only) by hand to Gamesys' registrars, Computershare Investor Services PLC, at The Pavilions, Bridgwater Road, Bristol BS99 6AH, or online via [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) by 2:00 p.m. on 28 June 2021 or in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the adjourned Court Meeting, but if blue Forms of Proxy are not so returned they may be emailed to [#UKCSBRS.ExternalProxyQueries@computershare.co.uk](mailto:#UKCSBRS.ExternalProxyQueries@computershare.co.uk) any time prior to the commencement of the Court Meeting. Please note that any Forms of Proxy sent to this email address before 2:00 p.m. on 28 June 2021 may be discounted as invalid.**



CREST members who wish to appoint a proxy or proxies through the CREST Electronic Proxy Appointment Service may do so for the Court Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual.

In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered on the relevant register of members of the Company at 6:30 p.m. on the date 48 hours (excluding any part of a day that is not a working day) before the meeting or, in the event that the meeting is adjourned, in the register of members of the Company at 6:30 p.m. on the date 48 hours (excluding any part of a day that is not a working day) before the adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of members after the relevant time shall be disregarded in determining the rights of any person to attend and vote at the meeting or any adjourned meeting. Shareholders who hold their shares in the Company through CREST (“**CREST members**”) and who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the purpose of this meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited (“**Euroclear**”) and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Computershare Investor Services PLC (ID 3RA50) by 2:00 p.m. on 28 June 2021 or in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the adjourned Court Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which Computershare Investor Services PLC is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

Gamesys may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

### **Scheme Voting Record Time**

Only those shareholders registered in the register of members of Gamesys as at 6:30 p.m. on 28 June 2021 or, in the event that the Court Meeting is adjourned, in the register of members at 6:30 p.m. on the day that is not later than 48 hours (excluding any part of a day that is not a working day) before the date of such adjourned meeting shall be entitled to attend or vote in respect of the number of shares registered in their name at the relevant time. Changes to entries in the relevant register of members after 6:30 p.m. on 28 June 2021 or, in the event that the Court Meeting is adjourned, after 6:30 p.m. on the day that is not less than 48 hours (excluding any part of a day that is not a working day) before the date of such adjourned meeting shall be disregarded in determining the rights of any person to attend or vote at the Court Meeting.

### **Joint holders**

In the case of joint holders, the vote of the senior who tenders a vote, whether in person, remotely via the Virtual Meeting Platform or by proxy will be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority will be determined by the order in which the names stand in the register of members of Gamesys in respect of the joint holding.

### **Corporate representatives**

As an alternative to appointing a proxy, any holder of Scheme Shares which is a corporation may appoint one or more corporate representatives who may exercise on its behalf all its powers as a member, provided that if two or more corporate representatives purport to vote in respect of the same shares, if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way, and in other cases the power is treated as not exercised.

By the said order, the Court has appointed Neil Goulden or, failing him, Lee Fenton or, failing him, any other director of Gamesys to act as Chair of the Court Meeting and has directed the Chair to report the result of the Court Meeting to the Court.

The Scheme will be subject to the subsequent approval of the Court.

DATED: 1 June 2021

Clifford Chance LLP  
10 Upper Bank Street  
London E14 5JJ

Solicitors for the Company

## PART 12

### NOTICE OF GAMESYS GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting of Gamesys Group plc (“**Gamesys**” or the “**Company**”) will be held at 10 Piccadilly, London W1J 0DD and through the electronic facilities that are being made available via the Lumi online meeting platform on 30 June 2021 at 2:15 p.m. (or as soon thereafter as the meeting of Scheme Shareholders (as defined in the Scheme) of the Company convened by direction of the Court for the same place and date will have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution.

#### SPECIAL RESOLUTION

THAT:

for the purpose of giving effect to the scheme of arrangement of dated 1 June 2021 between the Company and the holders of the Scheme Shares (as defined in the Scheme), a print of which has been produced to this meeting and for the purposes of identification signed by the Chair hereof, in its original form or subject to such modification, addition or condition agreed between the Company, Bally’s Corporation (“**Bally’s**”) and Premier Entertainment Sub, LLC (“**Premier Entertainment**”), and approved or imposed by the Court (the “**Scheme**”):

- (a) the directors of the Company (or a duly authorised committee of the directors) be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and
- (b) with effect from the passing of this resolution, the articles of association of the Company be amended by the adoption and inclusion of the following new article 123 after article 122:

#### “123. SCHEME OF ARRANGEMENT

123.1 In this article, references to the “**Scheme**” are to the scheme of arrangement dated 1 June 2021 between the Company and the holders of Scheme Shares under Part 26 of the Act in its original form or with or subject to any modification, addition or condition agreed by the Company, Bally’s Corporation (“**Bally’s**”) and/or Premier Entertainment Sub, LLC (“**Premier Entertainment**”) (which expression includes any other name which Bally’s or Premier Entertainment may adopt from time to time) and which the Court may approve or impose and (save as defined in this article) expressions defined in the Scheme shall have the same meanings in this article.

123.2 Notwithstanding any other provision of these articles or the terms of any resolution whether ordinary or special passed by the Company in general meeting, if the Company issues any ordinary shares (other than to Bally’s, Premier Entertainment or their respective nominee(s)) on or after the adoption of this article and on or prior to the Scheme Record Time (as defined in the Scheme), such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or any subsequent holder or holders of such ordinary shares shall be bound by the Scheme accordingly.

123.3 Notwithstanding any other provision of these articles, if the Company issues or is obliged to issue any ordinary shares in the Company to any person after the Scheme Record Time (the “**New Member**”) (other than under the Scheme or to Bally’s, Premier Entertainment and/or their respective nominee(s)), such shares will be issued on terms that such New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) will, provided the Scheme has become Effective, be obliged to transfer on the Effective Date or, if later, on issue (but subject to the terms of articles 123.4, 123.5 and 123.6 below) all the ordinary shares in the Company held by the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) (the “**Disposal Shares**”) free of all Encumbrances and with full title guarantee to Bally’s, Premier Entertainment and/or its or their nominee(s) or another direct or indirect wholly owned subsidiary of Bally’s (as Bally’s or Premier Entertainment may in any such case direct) (the “**Purchaser**”) who shall be obliged to acquire all of the Disposal Shares. The consideration payable by the Purchaser shall be 1,850 pence in cash for each Disposal Share transferred to it (or such

lesser or greater amount as may be payable for Scheme Shares under the Scheme if each Disposal Share were a Scheme Share).

- 123.4 On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) carried out after the Scheme has become Effective, the value of the consideration per Disposal Share to be paid under article 123.3 shall be adjusted by the directors in such manner as an independent investment bank selected by the Company or the Company's auditors may determine to be fair and reasonable to the New Member to reflect such reorganisation or alteration. References in this article to ordinary shares in the Company shall, following such adjustment, be construed accordingly.
- 123.5 Any New Member may, prior to the issue or transfer of any Disposal Shares to him or her under one of the Company's employee share plans, give not less than two Business Days' written notice to the Company of his or her intention to transfer some or all of such Disposal Shares to his or her spouse or civil partner and may, if such notice has been validly given, on such Disposal Shares being issued to him or her immediately transfer to his or her spouse or civil partner any such Disposal Shares, provided that such Disposal Shares will then be immediately transferred from that spouse or civil partner to the Purchaser free of all Encumbrances and with full title guarantee pursuant to article 123.3 above as if the spouse or civil partner were the relevant New Member. Where a transfer of Disposal Shares to a New Member's spouse or civil partner takes place in accordance with this article, references to "New Member" in this article shall be taken as referring to the spouse or civil partner of the New Member. If notice has been validly given pursuant to this article but the New Member does not immediately transfer to their spouse or civil partner the Disposal Shares in respect of which notice was given, such shares shall be transferred directly to Bally's or Premier Entertainment (or as Bally's or Premier Entertainment may direct) pursuant to this article.
- 123.6 To give effect to any transfer required by this article 123, the Company may appoint any person as attorney or agent for the New Member, such attorney or agent shall be empowered to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in favour of the Purchaser and do all such other things and execute and deliver all such documents as may in the opinion of the attorney or agent be necessary or desirable to vest the Disposal Shares in the Purchaser and pending such vesting to exercise all such rights to the Disposal Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to benefit from or exercise any rights attaching to the Disposal Shares unless so agreed by the Purchaser in writing. The Company may give good receipt for the purchase price of the Disposal Shares and may register the Purchaser as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member for any Disposal Shares. Bally's and/or Premier Entertainment shall settle or procure the settlement of the consideration due to the New Member within 14 days of the issue of the Disposal Shares to the New Member. The payment of such consideration will constitute a complete discharge to Bally's and/or Premier Entertainment or other Purchaser and the Company in respect of their obligations.
- 123.7 Notwithstanding any other provision of these articles, neither the Company nor the directors shall register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date.
- 123.8 If the Scheme shall not have become Effective by the time and date referred to in clause 8 of the Scheme, this article 123 shall be of no effect."

*Registered Office:*

10 Piccadilly  
London  
W1J 0DD

*By order of the Board*

*Dan Talisman  
Secretary*

Dated 1 June 2021

## Notes

The following notes explain your general rights as a shareholder and your right to attend and vote at the Gamesys General Meeting or to appoint someone else to vote on your behalf.

### 1. COVID-19

The Gamesys General Meeting will take place using a hybrid format incorporating physical and remote participation via the Virtual Meeting Platform.

The COVID-19 situation is constantly evolving, and the UK Government may change current restrictions or implement further measures relating to the holding of shareholder meetings during the affected period. Any changes to the arrangements for the Gamesys General Meeting will be communicated to shareholders before the Gamesys General Meeting, including through the Company's website <https://www.gamesysgroup.com/investors/offer-for-gamesys/> and by announcement through a Regulatory Information Service.

### 2. Instructions for accessing the Virtual Meeting Platform

Shareholders will be given the opportunity to remotely attend, submit questions and vote at the Gamesys General Meeting via the Virtual Meeting Platform.

Shareholders can access the Virtual Meeting Platform via a mobile web client, which is compatible with the latest browser versions of Chrome, Firefox, Internet Explorer 11 (Internet Explorer v. 10 and below are not supported), Edge and Safari and can be accessed using any web browser, on a PC or smartphone device. To remotely attend, submit questions and/or vote using this method, please go to <https://web.lumiagm.com>.

Once you have accessed <https://web.lumiagm.com> from your web browser, you will be asked to enter the Lumi Meeting ID which is 120-862-547. You will then be prompted to enter your Shareholder Reference Number ("SRN") and PIN number. Your SRN, including any zeros, and your PIN number can be found printed on your Form of Proxy. If you are not in receipt of your SRN this can also be found on a share certificate or Dividend Confirmation (tax voucher), or alternatively, if you are already registered on this website, you can sign in to <https://www-uk.computershare.com/Investor/#Home> to obtain your SRN. Access to the Gamesys Shareholder Meetings via the website will be available from 1:00 p.m. on 30 June 2021, as further detailed below. If you are unable to access your SRN and PIN, please call Computershare 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 (0)370 889 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. Calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare cannot provide advice on the merits of the Combination or give any financial, legal or tax advice.

Although access to the meetings will be available from 1:00 p.m. on 30 June 2021, voting functionality will not be enabled until the Chair of the Gamesys General Meeting declares the poll open. Shareholders will be permitted to submit questions (via the Virtual Meeting Platform) during the course of the Gamesys General Meeting.

During the Gamesys General Meeting, you must ensure you are connected to the internet at all times in order to submit questions and vote when the Chair commences polling. Therefore, it is your responsibility to ensure connectivity for the duration of the Gamesys General Meeting via your wireless or other internet connection. The Virtual Meeting Guide contains further information on remotely accessing and participating in the Gamesys General Meeting via the Virtual Meeting Platform online at <https://web.lumiagm.com> and is available on the Company's website at <https://www.gamesysgroup.com/investors/offer-for-gamesys/>.

If you wish to appoint a proxy (other than the Chair of the Gamesys General Meeting) and for the proxy to attend the meeting on your behalf, please do so by completing the enclosed white Form of Proxy or alternatively by visiting the website [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) in accordance with the instructions set out on the white Form of Proxy. If you wish to appoint multiple proxies or obtain a Form of Proxy, please contact Computershare on the telephone number provided in Note 2 above.

If your shares are held within a nominee and you wish to access the Gamesys General Meeting remotely, you will need to contact your nominee immediately. Your nominee will need to have completed a letter of representation and presented this to Computershare no later than 48 hours before the start of the Gamesys General Meeting in order to obtain a unique Login Code and PIN number on your behalf, which you can then use to access the meeting remotely. If you are in any doubt about your shareholding, please contact Computershare on the telephone number provided in Note 2 above.

3. To be entitled to attend and vote at the meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the register of members of the Company as at 6:30 p.m. on 28 June 2021 (or, in the event that the meeting is adjourned at 6:30 p.m. on the date that is not later than 48 hours (excluding any part of a day that is not a working day) before the date of any adjourned meeting). Changes to entries on the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting or any adjourned meeting.
4. Shareholders are entitled to appoint a proxy to exercise all or any of his/her rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that a shareholder. A proxy need not be a member of the Company. A white Form of Proxy which may be used to make such appointment and give proxy instructions is enclosed with this notice. If you think you may not be able to attend the meeting, please complete and return the white Form of Proxy. Please indicate how you wish your vote to be cast by inserting an "X" in the appropriate box. In the event that you wish to appoint a person other than the Chair as your proxy, delete the reference to the Chair and insert the name and address of the person you wish to appoint in the space provided. Instructions for use are shown on the white Form of Proxy. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact Computershare at The Pavilions, Bridgwater Road, Bristol BS99 6AH. Completion and return of a white Form of Proxy, an electronic proxy, or any CREST Proxy Instruction (as described in Note 8 below) will not preclude a shareholder from attending the meeting and voting, whether in person or remotely via the Virtual Meeting Platform. If you have appointed a proxy and attend the meeting in person or remotely via the Virtual Meeting Platform, your proxy appointment in respect of those shares will automatically be terminated.
5. To be valid, the white Form of Proxy (together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority) must be lodged with Gamesys' registrars, Computershare by post or (during normal business hours only) by hand at The Pavilions, Bridgwater Road, Bristol BS99 6AH as soon as possible, and in any event so as to be received by not later than 2:15 p.m. on 28 June 2021 or, if the meeting is adjourned, by not later than 48 hours (excluding any part of a day that is not a working day) before the time of the adjourned meeting. Forms of Proxy returned by fax will not be accepted. For your convenience, a pre-paid envelope has been included with the Form of Proxy for use in the UK only. Alternatively, shareholders may lodge their votes electronically by visiting the website [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) (the on-screen instructions will detail how to complete the instruction process). You will be asked to enter the Control Number, the Shareholder Reference Number ("SRN") and PIN as provided on your Form of Proxy and agree to certain terms and conditions. All proxy appointments must be received no later than 2:15 p.m. on 28 June 2021 or, if the meeting is adjourned, by not later than 48 hours (excluding any part of a day that is not a working day) before the time of the



adjourned meeting. A Form of Proxy lodged electronically will be invalid unless it is lodged at the electronic address specified in the proxy form ([www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy)). Any electronic communication sent by a shareholder to the Company or to Computershare which is found to contain a computer virus will not be accepted.

6. Any person who is not a member of the Company, but has been nominated under section 146 of the Companies Act 2006 by a member of the Company (the “**relevant member**”) to enjoy information rights, (the “**nominated person**”) does not have a right to appoint any proxies under Note 4 above. A nominated person may have a right under an agreement with the relevant member to be appointed or to have somebody else appointed as a proxy for the meeting. If a nominated person does not have such a right, or has such a right and does not wish to exercise it, he/she may have a right under an agreement with the relevant member to give instructions as to the exercise of voting rights.
7. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered on the relevant register of members of the Company at 6:30 p.m. on the date 48 hours (excluding any part of a day that is not a working day) before the meeting or, in the event that the meeting is adjourned, in the register of members of the Company at 6:30 p.m. on the date 48 hours (excluding any part of a day that is not a working day) before the adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of members after the relevant time shall be disregarded in determining the rights of any person to attend and vote at the meeting or any adjourned meeting. Shareholders who hold their shares in the Company through CREST (“**CREST members**”) and who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the purpose of this meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear’s specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Gamesys’ registrars, Computershare (ID 3RA50) by 2:15 p.m. on 28 June 2021 or if the Gamesys General Meeting is adjourned, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the holding of the adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which Computershare are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
9. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited (“**Euroclear**”) does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
11. In the case of joint holders of a share the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company.
12. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off times for receipt of proxy appointments (see Note 5) also apply in relation to amended instructions. Any amended proxy appointment received after the relevant cut-off time will be disregarded.
13. Where you have appointed a proxy using the hard copy white Form of Proxy and would like to change the instructions using another hard copy white Form of Proxy, please contact Computershare 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 (0)370 889 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. Calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare cannot provide advice on the merits of the Combination or give any financial, legal or tax advice.
14. If you submit more than one valid proxy appointment in respect of the same Gamesys Shares, the appointment received last before the latest time for receipt of proxies will take precedence.
15. To revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare at The Pavilions, Bridgwater Road, Bristol BS99 6AH. The revocation notice must be received by Computershare no later than 2:15 p.m. on 28 June 2021, or if the Gamesys General Meeting is adjourned, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the holding of the adjourned meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
16. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same shares.
17. The “Vote Withheld” option is provided to enable you to abstain on the specified resolution. However, it should be noted that a “Vote Withheld” is not a vote in law and will not be counted in the calculation of the proportion of votes “For” and “Against” the specified resolution.
18. A copy of this notice, and other information required by s.311A of the Companies Act 2006, can be found at <https://www.gamesysgroup.com/investors/offer-for-gamesys/>.
19. As at 28 May 2021 (being the latest practicable date prior to publication of this notice), the Company’s issued share capital consisted of 109,684,201 ordinary shares, carrying one vote each. There were no shares held in treasury. Therefore, the total voting rights in the Company as at 28 May 2021 are 109,684,201.
20. Copies of the Company’s existing articles of association as proposed to be amended by the special resolution set out in this notice are available for inspection at the offices of the Company, 10 Piccadilly, London W1J 0DD during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays), until the opening of business on the day on which the meeting is held, and will also be available for inspection at the place of the meeting for at least 15 minutes prior to and during the meeting.

21. Any member attending the meeting has a right to ask questions. You may also submit questions to be considered at the meeting at any time up to 48 hours before the meeting by emailing GamesysGM2021@gamesysgroup.com. The company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the company or the good order of the meeting that the question be answered.
22. If you have any questions about this document, the Court Meeting, the Gamesys General Meeting or the Combination or are in any doubt as to how to complete the Forms of Proxy or Form of Election, please contact Computershare on the telephone number provided in Note 2 above.
23. Members of the Company are advised that they may not use any electronic address provided in this notice or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.
24. Voting on all the resolutions at this meeting will be conducted on a poll rather than a show of hands.
25. All exchangeable shares in The Intertain Group Limited were redeemed on 13 January 2020 in exchange for the right to receive ordinary shares of the Company as part of the early redemption of exchangeable shares by The Intertain Group Limited. Certain former holders of exchangeable shares in The Intertain Group Limited have not yet been entered in the register of members of the Company but will nevertheless receive a Form of Proxy and be able to vote at the Gamesys General Meeting as they are able to exercise certain rights attached to the Company's ordinary shares in an attorney capacity (pursuant to the power of attorney given to such persons by Intertain JerseyCo Ltd), including the right to vote the relevant number of shares and attend the Gamesys General Meeting. Such persons should follow the instructions set out on their Form of Proxy in order to exercise their right to vote at the Gamesys General Meeting.

