

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

If you are in any doubt about the contents of this document or the action you should take, you should consult your stockbroker, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you sell or otherwise transfer or have sold or otherwise transferred all of your Ordinary Shares in Merlin Entertainments plc you should send this document and the accompanying Form of Proxy as soon as possible 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 distributed, forwarded or transmitted into any jurisdiction in which to do so would constitute a breach of the relevant laws of such jurisdiction. If you sell or have sold or otherwise transferred only part of your holding, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.



# MERLIN ENTERTAINMENTS PLC

(Incorporated and Registered in England and Wales with Registered Number 08700412)

## Notice of Annual General Meeting

**including proposals for  
the renewal of the Company's authority to  
make market purchases of its Ordinary Shares  
and a waiver of the requirements of Rule 9 of  
the City Code on Takeovers and Mergers**

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**This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Merlin set out in Part 1 of this document which contains the recommendation by the Directors (excluding Søren Thorup Sørensen for the purposes of the Rule 9 Waiver Resolution) to Shareholders to vote in favour of the Resolutions to be proposed at the Annual General Meeting, notice of which is set out in Part 5 of this document. Shareholders should read the whole of this document and not rely just on the summarised information set out in the Chairman's letter.**

Citigroup Global Markets Limited ("Citi") is acting as financial adviser to Merlin in connection with the Rule 9 Waiver Resolution and no-one else and will not be responsible to anyone other than Merlin (whether or not a recipient of this document) for providing the protections afforded to clients of Citi nor for providing advice in relation to the proposals described in this document or any other matter referred to in this document. Persons other than Merlin are recommended to seek their own financial and other professional advice.

Apart from the responsibilities and liabilities, if any, which may be imposed on Citi by FSMA or the regulatory regime established thereunder, Citi accepts no responsibility or liability whatsoever for the contents of this document or for any other statement made or purported to be made in connection with the Company or the Rule 9 Waiver Resolution. Citi accordingly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this document or any such statement.

This document includes forward-looking statements concerning the Merlin Group. Forward-looking statements are based on current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about the Merlin Group. The Merlin Group undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise save to the extent required in accordance with the Company's continuing obligations under the Listing Rules, the Disclosure and Transparency Rules and applicable laws and regulations.

Notice of the Annual General Meeting of Merlin to be held at LEGOLAND® Windsor Hotel, Winkfield Road, Windsor SL4 4AY at 11.00 a.m. on 14 May 2015 is set out at the end of this document. The Form of Proxy for use at the Annual General Meeting accompanies this document and, to be valid, should be completed and returned in accordance with the instructions set out thereon as soon as possible but in any event so as to reach Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, not later than 11.00 a.m. on 12 May 2015. Shareholders who hold their Ordinary Shares in CREST may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Computershare so that it is received no later than 11.00 a.m. on 12 May 2015. Completion and return of the Form of Proxy or the transmission of a CREST Proxy Instruction will not preclude Shareholders from attending and voting in person at the Annual General Meeting, should they so wish.

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Your attention is drawn to the Definitions in Part 3 which apply throughout this document and the Form of Proxy unless the context requires otherwise.



PART 1  
LETTER FROM THE CHAIRMAN



**MERLIN ENTERTAINMENTS PLC**

(Incorporated and Registered in England and Wales with Registered Number. 08700412)

Registered office:  
3 Market Close  
Poole  
Dorset  
BH15 1NQ  
United Kingdom

14 April 2015

To the holders of Merlin Entertainments plc Ordinary Shares

Dear Shareholder

I am writing to inform you that the second Annual General Meeting of the Company (the "Annual General Meeting") will be held on **Thursday, 14 May 2015** at **LEGOLAND Windsor Hotel, Winkfield Road, Windsor, SL4 4AY** commencing at **11.00 a.m.**

The Notice of the Annual General Meeting is set out on pages 21 to 27 of this document.

In accordance with best practice and in order to ensure that the Annual General Meeting reflects the views of all our Shareholders, we propose to put all Resolutions at the Annual General Meeting to Shareholders for vote on a poll rather than on a show of hands.

If you would like to vote on the Resolutions to be proposed at the Annual General Meeting but cannot come to the Annual General Meeting, you can appoint another person as your proxy to exercise all or any of your rights to attend, vote and speak at the Annual General Meeting by using one of the methods set out in the notes to the Notice of the Meeting.

The purpose of this letter is to explain certain elements of the business to be considered at the Annual General Meeting. Resolutions 1 to 15 inclusive are proposed as Ordinary Resolutions, while Resolutions 16 to 18 inclusive are proposed as Special Resolutions.

Information on travel, parking and accessibility to LEGOLAND Windsor Hotel can be found at [www.legoland.co.uk/Plan/Directions](http://www.legoland.co.uk/Plan/Directions).

**Resolution 1: Annual Report and Accounts for the year ended 27 December 2014**

In Resolution 1 Shareholders are asked to receive the annual accounts and the reports of the Directors for the financial year ended 27 December 2014, together with the report of the auditors thereon (the "**Annual Report and Accounts**").

In order to reduce our impact on the environment we encourage Shareholders to receive electronic communications wherever possible. For those who do so, the Annual Report and Accounts can be read, downloaded and printed at our website [www.merlinentertainments.biz](http://www.merlinentertainments.biz) (under the Investor Relations heading). For those Shareholders who have elected to receive a printed copy of the Annual Report and Accounts this is enclosed.

**Resolution 2: Final Dividend**

Shareholder approval is required for the payment of the final dividend of 4.2 pence per Ordinary Share which has been recommended by the Board. Subject to Shareholder approval, this dividend will be paid on 5 June 2015 to Shareholders on the register of members of the Company at the close of business on 1 May 2015.

### **Resolution 3: Directors' Remuneration Report**

The Directors' Remuneration Report is set out on pages 74 to 92 of the Annual Report and Accounts and comprises:

- Statement from the Chairman of the Remuneration Committee; and
- Annual Report on Remuneration.

Resolution 3 seeks approval of the Annual Report on Remuneration. This will be an advisory vote only. It is intended that this Resolution will be put annually as required by the Companies Act 2006 (the "Act").

### **Resolutions 4 to 10: Re-Election of Directors**

The UK Corporate Governance Code recommends that all Directors of FTSE 350 companies should put themselves forward for re-election annually. The Company proposes to follow this recommendation.

Miguel Ko, Dr Gerry Murphy and Rob Lucas have given notice to the Company that they will step down at the conclusion of the Annual General Meeting and will not put themselves forward for re-election.

Each of the other Directors has submitted themselves for re-election at the Annual General Meeting and separate Resolutions will be proposed for the re-election of each Director seeking re-election.

The Nomination Committee has considered the skills and experience of each of the Directors seeking re-election and has concluded that, following individual performance evaluations, each continues to perform effectively and to demonstrate commitment to the role and so is suitable for re-election and that in each case their re-election at the Annual General Meeting should be recommended to Shareholders.

Biographical details of all the Directors standing for re-election appear on pages 61 to 63 of the Annual Report and Accounts.

### **Resolutions 11 and 12: Re-Appointment of Auditors and Remuneration**

The Company is required, at each General Meeting at which the Company's Annual Report and Accounts are laid, to appoint auditors to hold office until the conclusion of the next such meeting.

Resolution 11 re-appoints KPMG LLP as auditors to the Company.

Resolution 12 authorises the Directors to determine the remuneration of the auditors.

### **Resolution 13: Political Donations and Expenditure**

The Company does not make, and does not intend to make, any political donations or incur political expenditure. However, the law in this area is widely drafted and could prohibit some activities (such as political lobbying and promoting changes in the law which the Board considers may be in the interest of the Company) unless the Company has first obtained Shareholder approval.

Resolution 13 therefore seeks authority to permit political donations and political expenditure in order to authorise activities which would be within the Company's ordinary business. The Resolution also permits political donations made and political expenditure incurred by any subsidiary of the Company.

### **Resolution 14: Authority to Allot Shares**

Under English law, the Directors are not able to allot shares or grant rights to subscribe for or convert any security into, shares in the Company ("**Rights**") without the prior approval of Shareholders.

The Directors are seeking renewal of the authority given at the 2014 Annual General Meeting of the Company which is due to expire at the conclusion of the Annual General Meeting. This authority was not exercised during the year. The Directors have no present intention of exercising this authority, but, if given, the authority to allot shares or grant Rights will expire at the conclusion of the Company's Annual General Meeting in 2016, or on 30 June 2016, whichever is earlier.

Accordingly, Resolution 14 seeks authority for the Directors to allot shares up to a nominal amount of £3,379,153.44 representing approximately one third (33.33%) of the Company's existing issued share capital calculated as at 9 April 2015 (being the latest practicable date prior to publication of this document).

In accordance with the latest institutional guidelines by the Investment Association, paragraph (b) of Resolution 14 will also allow Directors to allot, inclusive of any Ordinary Shares issued pursuant to the exercise of the authority granted by paragraph (a) of Resolution 14, Ordinary Shares in connection with a pre-emptive offer by way of a rights issue to ordinary Shareholders up to a maximum nominal amount of £6,758,306.88, representing approximately two thirds (66.66%) of the Company's existing issued share capital calculated as at 9 April 2015 (being the latest practicable date

prior to publication of this document). The Directors have no present intention of exercising this authority.

As at the date of this Notice the Company does not currently hold any treasury shares.

#### **Resolution 15: Rule 9 Waiver Resolution**

The Rule 9 Waiver Resolution, which will be proposed as an Ordinary Resolution, seeks Independent Shareholders' approval of a waiver of the obligation that could arise on KIRKBI to make a general offer for the entire issued share capital of the Company as a result of purchases by the Company of Ordinary Shares pursuant to the authority granted by Resolution 17 (Purchase of Own Shares).

Under Rule 9 of the Takeover Code, when (i) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which, taken together with shares in which he and persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company subject to the Takeover Code, or (ii) any person who, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of a company, but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of the shares carrying voting rights in which he is interested, then in either case, that person is normally required to make a general offer in cash for all the remaining equity share capital of the company at the highest price paid by him, or any persons acting in concert with him, for shares in the company within the twelve months prior to announcement of the offer.

Under Rule 37 of the Takeover Code, when a company purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purposes of Rule 9 of the Takeover Code (although a Shareholder who is neither a director nor acting in concert with a director will not normally incur an obligation to make a Rule 9 offer). For this purpose KIRKBI is regarded as acting in concert with its Representative Director on the Board, Søren Thorup Sørensen, and, accordingly, would, in such circumstances, normally be required to make a Rule 9 offer.

The Company has applied to the Panel for a waiver of Rule 9 of the Takeover Code in order to permit the authority granted by Resolution 17 (Purchase of Own Shares) to be exercised by the Board (if such authority is approved by Shareholders) without triggering an obligation on the part of KIRKBI to make a general offer to Shareholders. The Panel has agreed, subject to Independent Shareholders' approval on a poll, to waive the requirement for KIRKBI to make a general offer to all Shareholders where such an obligation would arise as a result of purchases by the Company of up to 101,374,603 Ordinary Shares pursuant to the authority granted by Resolution 17 (Purchase of Own Shares).

KIRKBI is currently interested in an aggregate of 302,971,529 Ordinary Shares, representing 29.89 per cent. of the issued share capital of the Company. If the Company were to repurchase from persons other than KIRKBI all the Ordinary Shares for which it is seeking authority, KIRKBI's interest in Ordinary Shares would as a result (assuming no other allotments of Ordinary Shares) increase to 302,971,529 Ordinary Shares representing 33.21 per cent. of the issued share capital of the Company. This would ordinarily have the effect of triggering Rule 9 of the Takeover Code and result in KIRKBI being under an obligation to make a general offer to all Shareholders.

As KIRKBI is interested in the outcome of Resolution 15 (Rule 9 Waiver Resolution) it will be precluded from voting on this Resolution. No other Shareholder is considered to be acting in concert with KIRKBI.

#### **Resolution 16: Disapplication of Pre-emption Rights**

The Directors are also seeking a power from Shareholders to allot equity securities or sell treasury shares for cash and otherwise than to existing Shareholders pro rata to their holdings. The power currently granted to Directors at the 2014 Annual General Meeting of the Company is due to expire at the conclusion of the Annual General Meeting.

Accordingly, Resolution 16 will be proposed as a Special Resolution to grant such a power. Apart from offers or invitations in proportion to the respective number of shares held, the power will be limited to the allotment of equity securities and sales of treasury shares for cash up to an aggregate nominal value of £1,013,746.02 (being 10% of the Company's issued Ordinary Share capital at 9 April 2015, the latest practicable date prior to publication of this document). If given, this power will expire at the conclusion of the Company's Annual General Meeting in 2016, or on 30 June 2016, whichever is the earlier. The figure of 10% (increased from 5% last year) reflects the Pre-emption Group 2015 Statement of Principles for the disapplication of pre-emption rights (the "**Statement of Principles**"). Your Directors will have due regard to the Statement of Principles in relation to any exercise of this power, in particular (1) as regards the first 5%, to the requirement for advance consultation and explanation before making any non-pre-emptive cash issue pursuant to this resolution which exceeds 7.5% of the Company's issued share capital in any rolling three year period; and (2) as regards the second 5%, your Directors confirm that they intend to use this power only in connection with an acquisition or specified capital investment (within the meaning of the Statement of Principles from time to time) which is announced contemporaneously with the issue, or which has taken place in the preceding six month period and is disclosed in the announcement of the issue.

### **Resolution 17: Purchase of Own Shares**

Resolution 17, which is conditional on the passing of Resolution 15 (Rule 9 Waiver Resolution), gives the Company the authority to purchase its own shares in the market in accordance with the Act.

This would be a renewal of the authority granted at the 2014 Annual General Meeting of the Company. The authority was not exercised during the year.

The authority limits the number of shares that could be purchased to a maximum of 101,374,603, representing approximately 10% of the Company's existing issued share capital as at 9 April 2015 (being the latest practicable date prior to the publication of this document) and sets minimum and maximum prices at which any such purchase may be made. This authority will expire at the conclusion of the Company's Annual General Meeting in 2016, or on 30 June 2016, whichever is the earlier.

The Directors consider that it would be in the interests of the Company for it to be in a position to purchase its own shares in certain circumstances. The Directors will exercise this authority only if they are satisfied that a purchase would result in an increase in expected earnings per share and would be in the interests of Shareholders generally.

If Resolution 17 is passed, shares purchased pursuant to this authority may, within statutory limits, be cancelled (and the number of shares in issue would be reduced accordingly), or in accordance with the Act be held as treasury shares (which would not be entitled to any dividend or voting rights while held in treasury). This would give the Company the ability to re-issue treasury shares quickly and cost effectively and would provide the Company with additional flexibility in the management of its capital base.

The Directors have no present intention of exercising this authority.

As at 9 April 2015 (being the latest practicable date prior to the publication of this document) the Company had granted options and awards under its employee share plans over in aggregate 15,517,367 shares (assuming full vesting and exercise), which if exercised would represent 1.51% of the Company's issued share capital at that date. If the Company were to purchase its own shares to the fullest extent of its authority from Shareholders (existing and being sought), this number of outstanding options could potentially represent 1.67% of the issued share capital of the Company. There are no warrants outstanding.

A purchase of Ordinary Shares by the Company pursuant to the authority granted by Resolution 17 could increase the percentage of voting rights held by KIRKBI. In certain circumstances (described above) such an increase could trigger an obligation on KIRKBI to make a mandatory offer for the whole of the issued share capital of the Company pursuant to the Takeover Code. Independent Shareholders will be asked, under Resolution 15, to approve the waiver by the Panel of the mandatory offer provisions such that the purchases of Ordinary Shares by the Company pursuant to the authority granted under Resolution 17 will not trigger a requirement for KIRKBI to make a mandatory offer for the entire issued share capital of the Company. Further details of this waiver are set out below.

### **Resolution 18: Notice Period for General Meetings (other than Annual General Meetings)**

The minimum notice period for General Meetings of listed companies is normally 21 clear days but this can be reduced to 14 clear days (other than for an Annual General Meeting) provided that the Company satisfies certain requirements. These requirements are that:

- (i) the Company offers a facility for Shareholders to vote by electronic means. This requirement is met if the Company has a facility enabling all Shareholders to appoint a proxy by means of a website; and
- (ii) a Special Resolution is passed by Shareholders annually approving the reduction of the minimum notice period from 21 clear days to 14 clear days.

The Company satisfies requirement (i) already.

The Directors consider that it is in the interests of the Company to have the flexibility to hold General Meetings on shorter notice and, accordingly, Resolution 18 is a Special Resolution to approve this. The flexibility offered by this Resolution will be used where, taking into account the circumstances, the Directors consider this appropriate in relation to the business to be considered at the meeting.

The approval of this Resolution will be effective until the conclusion of the Company's Annual General Meeting in 2016 (or, if earlier, 30 June 2016), when it is intended that renewal of the approval will be sought.

This would be a renewal of the authority given at the 2014 Annual General Meeting. This authority was not used during the year.

## KIRKBI and its intentions

KIRKBI is not intending to purchase any additional Ordinary Shares during the period covered by the authority granted by Resolution 17 (Purchase of Own Shares). KIRKBI regards its current shareholding in Merlin to be a long term holding and it continues to fully support the Merlin management and its business strategy.

Pursuant to the KIRKBI Relationship Agreement, KIRKBI is entitled to appoint one Director to the Board and to have an additional Observer attend meetings of the Board for so long as it continues to hold at least ten per cent of the issued share capital of the Company. KIRKBI intends to continue to exercise these rights. The KIRKBI Relationship Agreement will remain in force for so long as (a) the Company's Ordinary Shares are listed on the premium segment of the Official List of the FCA; and (b) KIRKBI (together with members of its group) holds ten per cent or more of the Ordinary Shares of the Company.

KIRKBI has confirmed that it has no intention to change the Company's current plans with respect to:

- the continued employment of the employees and management of the Company or its subsidiaries, including any material change in conditions of employment;
- its strategic plans for the Company, or their likely repercussions on employment or the locations of the Company's place of business;
- employer contributions into the Company's pension scheme(s), the accrual of benefits for existing members or the admission of new members;
- the redeployment of the fixed assets of the Company; or
- maintenance of any of the trading facilities in respect of the Ordinary Shares of the Company.

## Action to be taken

You will find enclosed a Form of Proxy for use at the Annual General Meeting. Please complete, sign and return the Form of Proxy as soon as possible in accordance with the instructions printed thereon whether or not you intend to be present at the Annual General Meeting. The Form of Proxy should be returned so as to be received by the Company's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible and in any event no later than 11.00 a.m. on 12 May 2015, being 48 hours before the time appointed for the Annual General Meeting.

Alternatively, you can register your proxy vote electronically, either online at [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) or, if you are a CREST member, by using the service provided by Euroclear. Further details are given in the notes to this document on pages 25 to 27. Completion and return of the Form of Proxy will not prevent you from attending and voting at the Annual General Meeting in person, should you so wish, but your appointed proxy must attend the Annual General Meeting in order for them to vote on your behalf.

Your attention is drawn to the Annual Report and Accounts and to Part 2 of this document which contain certain additional information in respect of the Company, including Directors' interests. Shareholders are advised to read the whole of this document and the Annual Report and Accounts and not rely solely on the summary information set out in this letter.

## Recommendation

The Board considers all the proposed Resolutions are likely to promote the success of the Company and are in the best interests of the Company and its Shareholders as a whole, save that Søren Thorup Sørensen makes no recommendation with regard to the Rule 9 Waiver Resolution (being Resolution 15).

Accordingly, the Board, excluding Søren Thorup Sørensen for the purpose of the Rule 9 Waiver Resolution, recommends that Shareholders vote in favour of the Resolutions at the Annual General Meeting, as the Directors intend to do in respect of their own beneficial holding of shares in the Company, which amount in aggregate to 10,097,958 shares representing approximately 0.996 per cent. of the issued share capital of the Company as at 9 April 2015 (being the latest practicable date prior to the publication of this document).

Søren Thorup Sørensen is considered to be interested in the outcome of the Rule 9 Waiver Resolution as the KIRKBI Representative Director on the Board and, accordingly, makes no recommendation on the Rule 9 Waiver Resolution. The Independent Directors, who have been so advised by Citi, consider the waiver of the obligation that could arise for KIRKBI to make an offer under Rule 9 of the Takeover Code in relation to the authority granted by Resolution 17 (Purchase of Own Shares) to be fair and reasonable and in the best interests of the Independent Shareholders as a whole. In providing its advice to the Independent Directors, Citi has taken account of the Independent Directors' commercial assessments.

Accordingly, the Independent Directors unanimously recommend that the Independent Shareholders vote in favour of Resolution 15 (Rule 9 Waiver Resolution) to be proposed at the Annual General Meeting, as the Independent Directors intend to do in respect of their own beneficial holdings of Ordinary Shares, which amount to approximately 0.996 per cent. of the issued Ordinary Shares.

Yours faithfully

A handwritten signature in black ink, appearing to read 'John Sunderland', written in a cursive style.

**Sir John Sunderland**  
**Chairman**

#### **Adoption of Financial Reporting Standard (FRS) 101 – Reduced Disclosure Framework**

Following the publication of FRS 100 Application of Financial Reporting Requirements by the Financial Reporting Council, Merlin Entertainments plc is required to change its accounting framework for its entity financial statements, which is currently UK GAAP, for its financial year commencing 28 December 2014. The Board considers that it is in the best interests of the Group for Merlin Entertainments plc to adopt FRS 101 Reduced Disclosure Framework. It is anticipated that FRS 101 will require additional disclosure compared to the current UK GAAP entity financial statements and will not omit any of the disclosures currently required under UK GAAP. A Shareholder or Shareholders holding in aggregate 5% or more of the total allotted shares in Merlin Entertainments plc may serve objections to the use of the disclosure exemptions on Merlin Entertainments plc, in writing, to its registered office (3 Market Close, Poole, Dorset, BH15 1NQ), not later than 31 July 2015.

## PART 2

### ADDITIONAL INFORMATION

#### 1. Responsibility

1.1 The Directors, whose names appear at paragraph 2.3 below, accept responsibility for the information contained in this document other than:

- (i) the recommendation and associated opinion attributed to the Independent Directors set out in the section headed "Recommendation" of the Chairman's Letter; and
- (ii) any information in the document relating to KIRKBI.

To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that this is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

1.2 The directors of KIRKBI, whose names appear at paragraph 11.2 below, accept responsibility for the information relating to KIRKBI contained in this document. To the best of the knowledge and belief of KIRKBI (which has taken all reasonable care to ensure that this is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

1.3 The Independent Directors, who have been so advised by Citi, accept responsibility for the recommendation and associated opinion attributed to them in the section headed "Recommendation" of the Chairman's Letter. To the best of the knowledge and belief of the Independent Directors (who have taken all reasonable care to ensure that this is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2. The Company and Directors' and other interests

2.1 The Company was incorporated and registered in England on 20 September 2013 with registered number 08700412. The registered office of the Company and the business address of all of the Directors is 3 Market Close, Poole, Dorset BH15 1NQ.

2.2 As at 9 April 2015 (being the latest practicable date prior to the publication of this document) the issued share capital of the Company was 1,013,746,032 Ordinary Shares, carrying one vote each. The Company holds no Ordinary Shares in treasury. Therefore, the total number of voting rights in the Company on 9 April 2015 was 1,013,746,032.

2.3 The names and positions of each of the Directors are:

<b>Name</b>	<b>Position</b>
Sir John Sunderland	Non-Executive Chairman
Nick Varney	Group Chief Executive Officer
Andrew Carr	Group Chief Financial Officer
Charles Gurassa	Senior Independent Non-Executive Director
Fru Hazlitt	Non-Executive Director
Ken Hydon	Non-Executive Director
Miguel Ko <sup>1</sup>	Non-Executive Director
Rob Lucas <sup>1</sup>	Non-Executive Director (CVC Representative Director)
Dr Gerry Murphy <sup>1</sup>	Non-Executive Director (Blackstone Representative Director)
Søren Thorup Sørensen	Non-Executive Director (KIRKBI Representative Director)

<sup>1</sup> Note: Each of Miguel Ko, Rob Lucas and Dr Gerry Murphy have given notice to the Company that they will step down at the conclusion of the Annual General Meeting and will not put themselves forward for re-election.

2.4 As at the close of business on 9 April 2015 (being the latest practicable date prior to the publication of this document) the interests of each Director and persons connected with them (all of which are beneficial unless otherwise stated) in the Ordinary Share capital of the Company as notified to the Company in accordance with Rule 3.1.2R of the Disclosure and Transparency Rules and shares under option were as follows:

	<b>Ordinary Shares held</b>	<b>Awards of conditional Ordinary Shares (under the Company's Performance Share Plan)</b>	<b>Awards of options over Ordinary Shares (under the Company's Sharesave Plan)</b>	<b>Awards of conditional Ordinary Shares (under the Company's Deferred Bonus Plan)</b>
Sir John Sunderland	531,044	-	-	-
Nick Varney	6,477,823	889,798	5,816	64,364
Andrew Carr	2,835,123	485,801	5,816	33,308
Charles Gurassa	31,746	-	-	-
Fru Hazlitt	31,746	-	-	-
Ken Hydon	31,746	-	-	-
Miguel Ko	158,730	-	-	-
Rob Lucas	-	-	-	-
Dr. Gerry Murphy	-	-	-	-
Søren Thorup Sørensen	-	-	-	-
<b>Total</b>	<b>10,097,958</b>	<b>1,375,599</b>	<b>11,632</b>	<b>97,672</b>

The Executive Directors participate in Merlin's UK Sharesave Plan and Performance Share Plan. Their interests under these plans are set out below:

#### UK Sharesave awards

	<b>Type of Award</b>	<b>Maximum number of shares</b>	<b>Face value (£)</b>	<b>Options exercisable</b>
Nick Varney	Share Option	3,036	£8,997	1 April 2017 – 30 September 2017
	Share Option	2,780	£8,999	1 April 2018 – 30 September 2018
Andrew Carr	Share Option	3,036	£8,997	1 April 2017 – 30 September 2017
	Share Option	2,780	£8,999	1 April 2018 – 30 September 2018

The Executive Directors participated in the 12 February 2014 and 17 March 2015 grant of options under the Sharesave Plan on the same terms as other UK employees. No performance conditions apply to these options. Each option is exercisable at an exercise price of £2.9635 (in respect of 2014 awards) and £3.2371 (in respect of 2015 awards). The option exercise price represents a 20 per cent discount to the average closing price of a share on the three dealing days prior to the invitation to participate in the UK Sharesave Plan which was 13 January 2014 and 17 February 2015, respectively. The face value of options in the above table is based on the aforementioned share prices.

#### Performance Share Plan awards

	<b>Date of Grant</b>	<b>Date of vesting</b>	<b>Maximum number of shares</b>	<b>Dividend Equivalent shares</b>	<b>Performance Period</b>
Nick Varney	12 November 2013	1 April 2017	560,952	3,216	29 December 2013 – 31 December 2016
	2 April 2015	2 April 2018	328,846	Nil	28 December 2014 – 30 December 2017
Andrew Carr	12 November 2013	1 April 2017	306,667	1,758	29 December 2013 – 31 December 2016
	2 April 2015	2 April 2018	179,134	Nil	28 December 2014 – 30 December 2017

In accordance with the Performance Share Plan rules, the Remuneration Committee has determined that an additional award of shares will be made in respect of shares which vest under Performance Share Plan awards to reflect the value of dividends which would have been paid on those shares during the vesting period (calculated on the assumption that dividends are reinvested in Company shares on a cumulative basis). The figures in the table above relate to assumed reinvestment of the dividend paid during 2014.

- 2.5 As at the close of business on 9 April 2015 (being the latest practicable date prior to the publication of this document) the interests (all of which are beneficial unless otherwise stated) of KIRKBI in the Ordinary Share capital of the Company as notified to the Company were 302,971,529 Ordinary Shares representing 29.89 per cent. of the

issued capital of the Company.

During the period of twelve months ended on 9 April 2015 (being the latest practicable date prior to the publication of this document) neither KIRKBI nor any person acting in concert with it has engaged in any dealing in Ordinary Shares.

If the Company were to repurchase from persons other than KIRKBI, the maximum number of Ordinary Shares for which it is seeking authority pursuant to Resolution 17 (Purchase of Own Shares), KIRKBI's aggregate percentage interest in the Ordinary Share capital of the Company would (assuming no other allotments of Ordinary Shares) increase to 33.21 per cent. of the issued share capital of the Company by virtue of such repurchase.

- 2.6 Save as disclosed above and in paragraph 2.8 below, no Director has any interest in the Ordinary Share capital of the Company or any of its subsidiaries nor does any person connected with the Directors (within the meaning of section 252 of the Act) have any such interests, whether beneficial or non-beneficial.
- 2.7 As at 9 April 2015 (being the latest practicable date prior to the publication of this document), RBC cees Trustees Limited, on behalf of the Group employee benefit trust, held 130,091 Ordinary Shares in the capital of the Company.
- 2.8 As at 9 April 2015 (being the latest practicable date prior to the publication of this document) the total number of voting rights attributable to the issued Ordinary Share capital of the Company was 1,013,746,032 and (other than the Directors) the following persons had notified the Company in accordance with Rule 5 of the Disclosure and Transparency Rules that they held, directly or indirectly, three per cent. or more of the voting rights attributable to the issued share capital of the Company:

<b>Name of Shareholder</b>	<b>Number of Ordinary Shares</b>	<b>% of issued share capital</b>	<b>Nature of holding (Direct/Indirect)</b>
KIRKBI Invest A/S	302,971,529	29.89	Direct
The Wellcome Trust Limited	42,800,000	4.22	Direct
GIC Private Limited	52,562,329	5.18	Direct
Blackrock Inc	64,279,652	6.47	Indirect

- 2.9 As at the close of business on 9 April 2015 (being the latest practicable date prior to the publication of this document), there were 15,517,367 Share Options outstanding over the Company's Ordinary Shares representing 1.531 per cent. of the Ordinary Shares in issue.
- 2.10 The Company is not aware of any person who exercises, or could exercise, directly or indirectly, jointly or severally, control over the Company.
- 2.11 As at the close of business on 9 April 2015 (being the latest practicable date prior to the publication of this document), Citi (including any person controlling, controlled by or under the same control as them) does not (other than as exempt principal trader or an exempt fund manager) have any interest in, rights to subscribe or short positions in relevant securities of the Company or KIRKBI.

### **3. Middle market quotations**

The middle market quotations for the Ordinary Shares of the Company, as derived from the London Stock Exchange Daily Official List, on the first Business Day of each of the six months immediately preceding the date of this document and on 9 April 2015 (being the latest practicable date prior to the publication of this document) were:

<b>Date</b>	<b>Price per Ordinary Share (p)</b>
9 April 2015	455.7
1 April 2015	442.0
2 March 2015	426.5
2 February 2015	402.2
2 January 2015	396.6
1 December 2014	371.1
3 November 2014	352.0

### **4. General**

- 4.1 Citi has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and references to it in this document in the form and context in which they appear.
- 4.2 Save as set out in this document, no agreement, arrangement or understanding (including any compensation

arrangement), exists between KIRKBI or any person acting in concert with it, or the Directors, recent directors, Shareholders or recent shareholders of the Company having any connection with or dependence upon the proposals set out in this document.

4.3 Save as disclosed in paragraph 2 of this Part 2 of this document:

- (a) neither KIRKBI, any of its directors nor any person acting in concert with it has any interest in, right to subscribe in respect of or short position in relation to any relevant securities;
- (b) neither KIRKBI nor any person acting in concert with it has dealt in relevant securities during the period of twelve months ended on 9 April 2015 (being the latest practicable date prior to the publication of this document);
- (c) there are no relevant securities which KIRKBI or any person acting in concert with it has borrowed or lent (excluding any borrowed relevant securities which have either been on lent or sold);
- (d) none of:
  - (i) the Directors or any of their close relatives or related trusts;
  - (ii) any associated company of the Company;
  - (iii) any pension scheme or employee benefit trust of the Company or of any associated company of the Company; and/or
  - (iv) any person acting in concert with the Company,has as at 9 April 2015 (being the latest practicable date prior to the publication of this document) any interest in, right to subscribe in respect of or short position in relation to any relevant securities; and
- (e) there are no relevant securities which the Company or any person acting in concert with the Directors has borrowed or lent (excluding any borrowed relevant securities which have either been on lent or sold).

In this paragraph 4.3 reference to:

- (1) “relevant securities” means Ordinary Shares and securities carrying conversion or subscription rights into Ordinary Shares;
- (2) “derivatives” include any financial product, whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security;
- (3) “short position” means a short position, whether conditional or absolute and whether in the money or otherwise, and includes any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery;
- (4) “associated company” means in relation to any company, that company’s parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies. For these purposes, ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status;
- (5) “control” means an interest, or aggregate interests, in shares carrying in aggregate 30 per cent. or more of the voting rights of a company, irrespective of whether such interest or interests give de facto control; and
- (6) “dealt” includes the following:
  - (i) the acquisition or disposal of securities, or 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

- (v) securities carrying conversion or subscription rights; 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) the entering into, terminating or varying the terms of any agreement to purchase or sell securities; and
- (vii) 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 has a short position.

For the purposes of this paragraph 4.3 a person is treated as “interested” in securities if he has long economic exposure, whether absolute or conditional, to changes in the price of those securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person is treated as “interested” in securities if:

- (i) he owns them;
- (ii) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
- (iii) by virtue of any agreement to purchase, option or derivative, he:
  - (a) has the right or option to acquire them or call for their delivery; or
  - (b) is under an obligation to take delivery of them,
 whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise;
- (iv) he is party to any derivative:
  - (a) whose value is determined by reference to their price; and
  - (b) which results, or may result, in his having a long position in them.

4.4 The Directors are not aware of any agreement or arrangement or understanding by which the beneficial ownership of any Ordinary Shares acquired by the Company pursuant to the authority granted by Resolution 17 (Purchase of Own Shares) will be transferred to any other person. Such Ordinary Shares will, in accordance with the Act, either be held in treasury up to the amounts permitted to be held in treasury by the Act or be cancelled and the issued share capital of the Company reduced by the nominal amount of those Ordinary Shares so purchased.

4.5 There are no arrangements or understandings that are connected to, or dependent on, the acquisition of Ordinary Shares by the Company pursuant to the authority granted by Resolution 17 (Purchase of Own Shares) and/or the passing of Resolution 15 (Rule 9 Waiver Resolution).

## 5. Directors’ Service Contracts

5.1 Information about the Directors’ service contracts is set out on page 91 of the 2014 Annual Report and Accounts, which are incorporated into this document by reference. The 2014 Annual Report and Accounts can be found at [merlinentertainments.biz/results-and-presentations](http://merlinentertainments.biz/results-and-presentations) and a hard copy is available on request from [investor.relations@merlinentertainments.biz](mailto:investor.relations@merlinentertainments.biz) or the Company at 3 Market Close, Poole, Dorset BH15 1NQ.

5.2 There are no commission or profit sharing arrangements between the Company and any of the Directors. On termination of any Director’s service contract, the maximum amount payable by the Company is the value of salary and benefits for the notice period.

5.3 None of the service contracts between the Directors and the Company or any of its subsidiaries have been entered into or amended within the six months prior to the date of this document.

## 6. Material Contracts

6.1 Other than the Blackstone Relationship Agreement, the KIRKBI Relationship Agreement, the CVC Relationship Agreement, the Reorganisation Agreement, the Intermediaries Terms and Conditions, the Orderly Sale Agreement and the LEGOLAND South Korea Undertaking Agreement (as described on pages 276 to 279 (inclusive) of the Company’s IPO prospectus dated 30 October 2013 (the “IPO Prospectus”)), a £1.3 billion Multi-Currency Facilities Agreement dated 25 February 2015 between, inter alia, the Company and Unicredit Bank AG, as agent, for the purpose of providing the Company with a range of debt facilities with final maturity dates of 3 and 5 years from

19 March 2015 and an Offering Memorandum, Purchase Agreement and Indenture in connection with the issue of €500 million 2.75% Unsecured Senior Notes 2022 which closed on 19 March 2015, the Company has not entered into any contracts, other than in the ordinary course of business, within the period of two years prior to the date of this document, which are or may be material to the proposal set out in Resolution 15. The IPO Prospectus is available on the Company's website: [www.merlinentertainments.biz](http://www.merlinentertainments.biz).

6.2 Other than the KIRKBI Relationship Agreement (as described on pages 277 to 278 of the IPO Prospectus), neither KIRKBI nor KIRKBI A/S have entered into any contracts, other than in the ordinary course of business, within the period of two years prior to the date of this document, which are or may be material to the proposal set out in Resolution 15.

6.3 Pages 273, 274 and 276 to 279 (inclusive) of the Company's IPO Prospectus have been incorporated into this document by reference.

## 7. Current ratings

As at 9 April 2015 (being the latest practicable date prior to publication of this document), Standard & Poor's had assigned the following ratings to the Company:

- corporate credit rating: BB;
- unsecured refinancing package issue rating: BB (with recovery ratings of 3); and
- existing secured facilities rating: BB+ (with recovery rating of 2),

and Moody's had assigned the following ratings to the Company:

- corporate family rating: Ba2 (upgraded to Ba2 from Ba3 on January 15 2015);
- proposed 480 EUR million senior unsecured notes due 2022 provisional rating: (P)Ba2; and
- probability of default rating: Ba2-PD.

Neither KIRKBI nor KIRKBI A/S has been rated by the rating agencies.

## 8. Financial information

All information relating to the financial position of the Merlin Group required by Rules 24.3(a) and 24.3(c) of the Takeover Code may be found in the audited consolidated accounts for the Company for the financial years ended 27 December 2014 and 28 December 2013, each of which can be found at [www.merlinentertainments.biz/results-and-presentations](http://www.merlinentertainments.biz/results-and-presentations). These accounts are hereby incorporated into this document. If you wish to receive a hard copy of these documents please contact the Company at 3 Market Close, Poole, Dorset BH15 1NQ or on 01202 666900. No copies of this information will be sent to any person unless requested.

Save in respect of the £1.3 billion banking facility, structured as a £1 billion unsecured term loan and a £300 million revolving credit line, which was announced by the Company on 26 February 2015 and the offering of €500 million senior notes due 2022, as referred to in the announcement by the Company on 6 March 2015, there has been no known significant change in the financial or trading position of the Company since 27 December 2014, being the date to which the last audited published accounts of the Company and its subsidiaries were prepared. Information on the nature of the Company's business and financial and trading prospects can be found in the Company's Annual Report and Accounts 2014 on pages 2 to 102. If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document:

[www.merlinentertainments.biz/results-and-presentations](http://www.merlinentertainments.biz/results-and-presentations)

## 9. Documents available for inspection

Copies of the following documents are available on the Company's website: [www.merlinentertainments.biz](http://www.merlinentertainments.biz) and a hard copy is available on request from the Company at 3 Market Close, Poole, Dorset BH15 1NQ or on 01202 666900:

- (a) this document;
- (b) the Articles;
- (c) the audited consolidated accounts of the Company for the financial year ended 27 December 2014;
- (d) the consent letter from Citi referred to in paragraph 4.1 above; and
- (e) the KIRKBI Relationship Agreement.

No copies of this information will be sent to any person unless requested.

## 10. Restrictions

KIRKBI is not intending to purchase any additional Ordinary Shares during the period covered by the authority to make market purchases. However, in the event that the Rule 9 Wavier Resolution is approved by the Independent Shareholders, KIRKBI will not be restricted from making an offer for the Company, unless KIRKBI has either (i) made a statement that it does not intend to make an offer; or (ii) entered into an agreement with the Company not to make an offer.

## 11. KIRKBI information

11.1 The KIRKBI group is a family-owned investment group based in Billund, Denmark. Other investments of KIRKBI's parent company, KIRKBI A/S, include a 75 per cent. direct ownership share in the LEGO Group and the KIRKBI group hold other investments in a number of asset classes, including, quoted and unquoted equities, fixed income, private equity and real estate, across a number of industries and both inside and outside Denmark.

11.2 The names and positions of each of the directors of KIRKBI are:

<b>Name</b>	<b>Position</b>
Kjeld Kirk Kristiansen	Chairman
Poul Hartvig Nielsen	Non-Executive
Søren Thorup Sørensen	Chief Executive Officer

11.3 The names and positions of each of the directors of KIRKBI A/S, the parent company of KIRKBI, are:

<b>Name</b>	<b>Position</b>
Kjeld Kirk Kristiansen	Non-Executive Chairman
Niels Jacobsen	Non-Executive Director Deputy Chairman
Peter Gaemelke	Non-Executive Director
Jeppe Christiansen	Non-Executive Director
Thomas Kirk Kristiansen	Non-Executive Director
Søren Thorup Sørensen	Chief Executive Officer

11.4 The registered office of each of KIRKBI A/S, its parent company, is Koldingvej 2, DK-7190, Billund, Denmark.

11.5 Information relating to the financial position of the KIRKBI group may be found in the audited consolidated group accounts for the financial years ended 31 December 2014 and 2013, each of which can be found at [www.kirkbi.com/en-us/about-us/kirkbi-annual-report](http://www.kirkbi.com/en-us/about-us/kirkbi-annual-report). These accounts are hereby incorporated into this document.

11.6 Neither the Company nor any Director nor any person acting in concert with the Company is interested in relevant securities of KIRKBI or has any right to subscribe or short positions in any relevant securities of KIRKBI nor have any of them borrowed or lent any such relevant securities.

## 12. Information incorporated by reference

The table below sets out the various sections of those documents which are incorporated by reference into this document, so as to provide the information required pursuant to the Takeover Code. These documents will also be available on the Company's website, [www.merlinentertainments.biz](http://www.merlinentertainments.biz), from the date of this document and available for inspection as set out in paragraph 9 of this Part 2.

<b>Document</b>	<b>Section</b>	<b>Page number(s) in such document</b>
2014 Annual Report and Accounts	Directors' Remuneration Report	91
IPO Prospectus	Material Contracts	273, 274 and 276-279

## PART 3

### DEFINITIONS

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

<b>“Act”</b>	the Companies Act 2006
<b>“Annual General Meeting” or “AGM”</b>	the annual general meeting of the Company to be held at LEGOLAND Windsor Hotel, Winkfield Road, Windsor SL4 4AY at 11.00 a.m. on 14 May 2015, notice of which is set out at the end of this document
<b>“Annual Report”</b>	the annual report and accounts of the Company for the year ended 27 December 2014
<b>“Articles of Association” or “Articles”</b>	the articles of association of the Company that are in force as at the date of this document
<b>“Associate”</b>	in relation to KIRKBI has the meaning set out in the Listing Rules
<b>“Board” or “Directors”</b>	the board of directors of the Company
<b>“Business Day”</b>	any date on which banks are generally open in England and Wales for the transaction of normal banking business other than a Saturday, Sunday or public holiday
<b>“Citi”</b>	Citigroup Global Markets Limited whose registered office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB
<b>“Company” or “Merlin”</b>	Merlin Entertainments plc
<b>“CREST”</b>	the system for the paperless settlement of trades in securities operated by Euroclear in accordance with the CREST Regulations
<b>“CREST Manual”</b>	the current version of the CREST Manual which at the date of this document is available on <a href="http://www.euroclear.co.uk/CREST">www.euroclear.co.uk/CREST</a>
<b>“Crest Proxy Instruction”</b>	has the meaning in the CREST Manual
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended)
<b>“Disclosure and Transparency Rules”</b>	the disclosure and transparency rules made by the FCA in exercise of its functions as competent authority pursuant to Part VI of FSMA
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, the operator of CREST
<b>“Form of Proxy”</b>	the form enclosed with this document for use by Shareholders in connection with the Annual General Meeting
<b>“FCA”</b>	the Financial Conduct Authority
<b>“FSMA”</b>	the Financial Services and Markets Act 2000
<b>“Group” or “Merlin Group”</b>	the Company and its subsidiary undertakings
<b>“Independent Directors”</b>	the directors of the Company other than Søren Thorup Sørensen, who are deemed not to be interested in the Rule 9 Waiver Resolution
<b>“Independent Shareholders”</b>	Shareholders other than KIRKBI and its Associates
<b>“KIRKBI”</b>	KIRKBI Invest A/S, (No. 31159830) a company incorporated in Denmark whose registered office is at Koldingvej 2, DK-7190, Billund, Denmark
<b>“KIRKBI Relationship Agreement”</b>	the relationship agreement dated 30 October 2013 and entered into between the Company and KIRKBI
<b>“Listing Rules”</b>	the listing rules made by the FCA in exercise of its functions as competent authority pursuant to Part VI of FSMA
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“Notice of the Meeting”</b>	the notice of Annual General Meeting at Part 5 of this document
<b>“Official List”</b>	the official list maintained by the UK Listing Authority for the purposes of Part VI of FSMA
<b>“Ordinary Shares”</b>	ordinary shares of 1 pence each in the capital of the Company
<b>“Panel”</b>	the Panel on Takeovers and Mergers
<b>“Registrars” or “Computershare”</b>	Computershare Investor Services PLC, the registrars of the Company
<b>“Resolution” or “Resolutions”</b>	the Resolutions set out in the Notice of the Meeting at Part 5 of this document, or any of them as the context requires

<b>“Rule 9 Waiver Resolution”</b>	Resolution 15 (Rule 9 Waiver Resolution) in the form set out in the Notice of the Meeting at the end of this document approving a waiver of the mandatory offer provisions set out in Rule 9 and Rule 37 of the Takeover Code
<b>“Shareholder(s)” or “Ordinary Shareholder(s)”</b>	(a) holder(s) of Ordinary Shares
<b>“Shareholders’ Rights Regulations”</b>	the Companies (Shareholders’ Rights) Regulations 2009
<b>“Share Options”</b>	options to subscribe for and awards over Ordinary Shares under any share incentive plan
<b>“subsidiary undertaking”</b>	shall, unless otherwise stated, be construed in accordance with the Act (but for these purposes ignoring paragraph 19(1)(b) of Part 1 of Schedule 6A to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008)
<b>“Takeover Code”</b>	the City Code on Takeovers and Mergers
<b>“UK Listing Authority” or “UKLA”</b>	the FCA acting in its capacity as the competent authority for listing under Part VI of FSMA and in the exercise of its functions in respect of admission to the Official List
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland

All times referred to are London times unless otherwise stated.

**PART 4**  
**EXPECTED TIMETABLE OF EVENTS**

<b>Action</b>	<b>Time/Date</b>
Latest time/date for receipt of Forms of Proxy	11.00 a.m. on Tuesday 12 May 2015
Annual General Meeting	11.00 a.m. on Thursday 14 May 2015

## PART 5

### NOTICE OF ANNUAL GENERAL MEETING

#### MERLIN ENTERTAINMENTS PLC

(Incorporated and Registered in England and Wales with Registered Number 08700412)

Notice is hereby given that the second Annual General Meeting of Merlin Entertainments plc (the "Company") will be held on **Thursday, 14 May 2015** at **LEGOLAND Windsor Hotel, Winkfield Road, Windsor SL4 4AY commencing at 11.00 a.m.** to consider and, if thought fit, to pass the following Resolutions. It is intended to propose Resolutions 1 to 15 inclusive as Ordinary Resolutions and Resolutions 16 to 18 inclusive as Special Resolutions. Voting on all Resolutions will be by way of poll.

Resolution 15 will be voted on only by Independent Shareholders as required by the Listing Rules. As KIRKBI is interested in the outcome of Resolution 15 (Rule 9 Waiver Resolution) it will be precluded from voting on that Resolution.

#### **ORDINARY RESOLUTIONS:**

##### **Resolution 1:**

To receive the annual accounts and the reports of the Directors for the financial year ended 27 December 2014, together with the report of the auditors thereon.

##### **Resolution 2:**

To declare a final dividend on the Ordinary Shares of 4.2 pence per Ordinary Share in respect of the year ended 27 December 2014.

##### **Resolution 3:**

To approve the Annual Report on Remuneration set out on pages 74 to 92 of the Directors' Remuneration Report in the Annual Report and Accounts 2014.

##### **Resolution 4:**

To re-elect Sir John Sunderland as a Director of the Company.

##### **Resolution 5:**

To re-elect Nick Varney as a Director of the Company.

##### **Resolution 6:**

To re-elect Andrew Carr as a Director of the Company.

##### **Resolution 7:**

To re-elect Charles Gurassa as a Director of the Company.

##### **Resolution 8:**

To re-elect Ken Hydon as a Director of the Company.

##### **Resolution 9:**

To re-elect Fru Hazlitt as a Director of the Company.

##### **Resolution 10:**

To re-elect Søren Thorup Sørensen as a Director of the Company.

#### Resolution 11:

To re-appoint KPMG LLP as auditors of the Company to hold office from the conclusion of the Meeting until the conclusion of the Company's Annual General Meeting in 2016.

#### Resolution 12:

To authorise the Directors to determine the remuneration of the auditors.

#### Resolution 13:

That, in accordance with sections 366 and 367 of the Companies Act 2006 (the "Act"), the Company (and all companies which are direct or indirect subsidiaries of the Company at the date on which this Resolution is passed or during the period when this Resolution has effect) be generally and unconditionally authorised to:

- (a) make political donations to political parties or independent election candidates not exceeding £100,000 in total;
- (b) make political donations to political organisations (other than political parties) not exceeding £100,000 in total; and
- (c) incur political expenditure not exceeding £100,000 in total,

during the period beginning with the date of the passing of this Resolution and ending at the conclusion of the Company's Annual General Meeting in 2016 (or, if earlier, on 30 June 2016) provided that, in any event, the aggregate amount of political donations and political expenditure made or incurred by the Company and its subsidiaries pursuant to this Resolution shall not exceed £100,000. For the purposes of this Resolution "political donation", "political party", "political organisation", "independent election candidate" and "political expenditure" are to be construed in accordance with sections 363, 364 and 365 of the Act.

#### Resolution 14:

That the Directors be generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares ("Rights"):

- (a) up to an aggregate nominal amount (within the meaning of section 551 of the Act) of £3,379,153.44 (such amount to be reduced by the nominal amount allotted or granted under (b) below in excess of such sum); and
- (b) comprising equity securities (as defined in section 560 of the Act) up to an aggregate nominal amount (within the meaning of section 551(3) and (6) of the Act) of £6,758,306.88 (such amount to be reduced by any allotments or grants made under (a) above) in connection with or pursuant to an offer by way of a rights issue in favour of holders of Ordinary Shares in proportion (as nearly as practicable) to the respective number of Ordinary Shares held by them on the record date for such allotment (and holders of any other class of equity securities entitled to participate therein or if the Directors consider it necessary, as permitted by the rights of those securities), but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under any applicable laws or regulations or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever;

these authorisations to expire at the conclusion of the Company's Annual General Meeting in 2016 (or, if earlier, on 30 June 2016), save that the Company may before such expiry make any offer or agreement which would or might require shares to be allotted or Rights to be granted, after such expiry and the Directors may allot shares, or grant Rights, in pursuance of any such offer or agreement as if the authorisations conferred hereby had not expired.

#### Resolution 15:

That the waiver by the Panel on Takeovers and Mergers of any obligation that could arise, pursuant to Rule 9 of the City Code on Takeovers and Mergers (the "Code"), for KIRKBI Invest A/S ("KIRKBI") (or any persons with whom KIRKBI is, or is deemed to be, acting in concert under the Code) to make a general offer for all the issued share capital of the Company as a result of market purchases by the Company of up to 101,374,603 Ordinary Shares pursuant to Resolution 17, which would have the effect of increasing KIRKBI's aggregate interest to 33.21 per cent of the Company's voting rights be and is hereby approved, provided that such approval shall expire at the conclusion of the Company's Annual General Meeting in 2016 (or 30 June 2016, whichever is earlier), unless previously renewed, varied or revoked by the Company in a General Meeting.

## **SPECIAL RESOLUTIONS:**

### **Resolution 16:**

That, subject to the passing of Resolution 14 above, the Directors be given power pursuant to sections 570(1) and 573 of the Companies Act 2006 (the "Act") to:

- (a) allot equity securities (as defined in section 560 of the Act) of the Company for cash pursuant to the authorisation conferred by that Resolution; and
- (b) sell Ordinary Shares (as defined in section 560(1) of the Act) held by the Company as treasury shares for cash,

as if section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities for cash and the sale of treasury shares:

- (i) in connection with or pursuant to an offer of or invitation to acquire equity securities (but in the case of the authorisation granted under Resolution 14(b), by way of a rights issue only) in favour of holders of Ordinary Shares in proportion (as nearly as practicable) to the respective number of Ordinary Shares held by them on the record date for such allotment or sale (and holders of any other class of equity securities entitled to participate therein or if the Directors consider it necessary, as permitted by the rights of those securities) but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under any applicable laws or regulations (or the requirements of any regulatory body in any territory or any other matter whatsoever); and
- (ii) in the case of the authorisation granted under Resolution 14(a) above (or in the case of any sale of treasury shares), and otherwise than pursuant to paragraph (i) of this Resolution, up to an aggregate nominal amount of £1,013,746.02,

and shall expire at the conclusion of the Company's Annual General Meeting in 2016 (or, if earlier, on 30 June 2016), save that the Company may before such expiry make any offer or agreement that would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry and the Directors may allot equity securities, or sell treasury shares in pursuance of any such offer or agreement as if the power conferred hereby had not expired.

### **Resolution 17:**

That, subject to the passing of and conditional on Resolution 15 above, the Company be generally and unconditionally authorised for the purposes of Section 701 of the Companies Act 2006 (the "Act") to make market purchases (within the meaning of section 693(4) of the Act) of its Ordinary Shares of 1 pence each in the capital of the Company on such terms and in such manner as the Directors may from time to time determine, and where such shares are held as treasury shares, the Company may use them for the purposes of its employee share schemes, provided that:

- (a) the maximum number of shares hereby authorised to be acquired is 101,374,603 representing approximately 10% of the issued share capital of the Company as at 9 April 2015 (being the latest practicable date prior to the publication of this document);
- (b) the minimum price (excluding expenses) which may be paid for any such share is the nominal value of such share;
- (c) the maximum price (excluding expenses) which may be paid for any such share is an amount equal to 105% of the average of the middle market quotations for a share in the Company as derived from the Daily Official List of the London Stock Exchange plc for the five business days immediately preceding the day on which such share is contracted to be purchased;
- (d) the authority hereby conferred shall expire at the conclusion of the Company's Annual General Meeting in 2016 (or 30 June 2016, whichever is earlier), unless previously renewed, varied or revoked by the Company in a General Meeting; and
- (e) the Company may, before this authority expires, make a contract to purchase its shares under the authority conferred by this Resolution prior to the expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority, and may purchase its shares in pursuance of any such contract as if the authority had not expired.

**Resolution 18:**

That a General Meeting, other than an Annual General Meeting, may be called on not less than 14 clear days' notice.

**BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to read 'C. Armstrong', written in a cursive style.

**Colin N. Armstrong  
Group Legal Director  
and Company Secretary**

14 April 2015

Registered office:  
3 Market Close  
Poole  
Dorset  
BH15 1NQ  
United Kingdom

Registered in England and Wales No. 8700412

## NOTES

1. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 and section 360(b)(2) of the Companies Act 2006, to be entitled to attend and vote at the Meeting (whether in person or by proxy) (and also for determining how many votes a person entitled to attend and vote may cast), you must be registered in the Register of Members of the Company at close of business on 12 May 2015 (or, if the Meeting is adjourned, at close of business on the date that is two days prior to the adjourned Meeting). Changes to entries on the Register of Members after this time will be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the Meeting or at any adjourned Meeting.
2. You may appoint one or more persons (who need not be members) as your proxy or proxies to exercise all or any of your rights to attend, speak and vote at the Meeting. You can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to a different share or shares held by you. Completion and submission of an instrument appointing a proxy will not preclude you from attending and voting in person at the Meeting.
3. A proxy need not be a member of the Company but must attend the Meeting in person in order to represent you. You can appoint the Chairman, another Director of the Company or another person who has agreed to attend to represent you. A proxy must vote as instructed by you and must attend the Meeting in order to cast your vote. Unless you are appointing the Chairman as your proxy, please check with your appointed proxy prior to appointing him/her that he/she intends to attend the Meeting. Details of how to appoint the Chairman or another person as your proxy using the Form of Proxy are set out on the Form of Proxy and in its notes. Proxies may also be appointed electronically or through CREST. Details are given in the notes below. Appointing a proxy or any CREST proxy instruction does not preclude you from attending the Meeting and voting in person on any matters in respect of which the proxy or proxies is or are appointed but, in the event that and to the extent that you personally vote your shares, your proxy will not be entitled to vote and any vote cast by your proxy in such circumstances will be disregarded.
4. If you prefer to register the appointment of any proxy electronically via the internet, you may do so at [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy).
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST Manual (via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)) subject to the provisions of the Company's Articles of Association. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting 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.
6. 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 UK and Ireland Limited's ("Euroclear") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or 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 the issuer's agent (ID number 3RA50) by 11.00 a.m. on 12 May 2015. 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 Applications Host) from which the issuer's agent is 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.
7. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular messages. 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(s), to procure that his 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 provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

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.

8. A Form of Proxy accompanies this Notice. To be effective the Form of Proxy must:
  - (i) be in writing;
  - (ii) if you are an individual Shareholder, be signed by you or your duly appointed and authorised attorney;
  - (iii) if you are a corporate Shareholder, be duly executed under your common seal or under the hand of your officer, attorney or other person duly appointed and authorised for that purpose; and

- (iv) be received (together with any power of attorney or other authority under which it is executed, or a certified copy of such authority or in some other way approved by the Board) by the Company's Registrars, Computershare Investor Services PLC, at The Pavilions, Bridgwater Road, Bristol BS99 6ZY, or via the electronic proxy appointment service, in each case not less than 48 hours before the time appointed for the Meeting, being no later than 11.00 a.m. on 12 May 2015. If you are a CREST member, see notes 5 to 7 above.
9. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact Computershare as follows:
- Computershare Investor Services PLC  
The Pavilions  
Bridgwater Road  
Bristol  
BS99 6ZY
- Helpline: 0870 703 6259
10. Any member attending the Meeting has the right to ask questions. 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.
11. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may have a right, under an agreement between him/her and the member by whom he/she was nominated, to be appointed (or to have someone else appointed) as a proxy for the Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right, under such an agreement, to give instructions to the member as to the exercise of voting rights.
12. Should you wish to change your proxy instructions, you may do so by completing a new Form of Proxy. Additional Forms of Proxy may be obtained from the Company's Registrars, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY.
13. Where two (or more) valid but differing appointments of proxy are received before the deadline in respect of the same share(s) for use at the same Meeting and in respect of the same matter, the one which is received last (regardless of its date or of the date of its execution or submission) will be given priority and will supersede the earlier one(s). If the Company is unable to determine which appointment was received last, none of them will be treated as valid in respect of the relevant share(s).
14. If you are a corporation you may appoint a person or persons to act as your representative(s) at the Meeting. Each such representative may exercise on your behalf the same powers as you could exercise if you were an individual member of the Company, provided that they do not do so in relation to the same share(s). Representatives of Shareholders that are corporations will have to produce evidence of their proper appointment when attending the Annual General Meeting. Please contact Computershare if you need any further guidance on this.
15. Voting on the Resolutions will be conducted by way of a poll rather than a show of hands. As soon as practicable after the Meeting, the results of the voting at the Meeting and the number of proxy votes cast for and against and the number of votes actively withheld in respect of each Resolution will be announced through RNS and also placed on the Company's website: [www.merlinentertainments.biz](http://www.merlinentertainments.biz).
16. The following information is or will be available on the Company's website:
- (i) the contents of this Notice;
  - (ii) details of the total number of shares in respect of which members are entitled to exercise voting rights at the Meeting and the totals of the voting rights that members are entitled to exercise at the Meeting in respect of the shares;
  - (iii) the following interests which have been disclosed to the Company in accordance with the FCA's Disclosure and Transparency Rules ("DTRs"):
    - (a) Directors' interests under DTR 3.1.2;
    - (b) the interests of persons with disclosable interests in the Company's issued Ordinary Shares under DTR 5; and
  - (iv) if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this Notice.

- 17.** Copies of Executive Directors' service agreements and copies of the terms and conditions of appointment of Non-Executive Directors are available for inspection at the registered office of the Company during normal business hours on any weekday (public holidays excepted) and will be available at the place of the Meeting from 15 minutes prior to the commencement of the Meeting until the conclusion thereof.

You may not use any electronic address (within the meaning of section 333(4) of the Act) provided in this notice (or in any related documents including the Letter from the Chairman and Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

- 18.** Under section 527 of the Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the annual general meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act, (in each case) that the members propose to raise at the Annual General Meeting. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.
- 19.** As at 9 April 2015 (being the latest practicable date prior to the publication of this Notice) the Company's issued share capital consists of 1,013,746,032 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at that date are 1,013,746,032.



Registered Office:

Merlin Entertainments plc  
3 Market Close  
Poole  
Dorset  
BH15 1NQ

Registered Number: 08700412

Registered in England & Wales

[www.merlinentertainments.biz](http://www.merlinentertainments.biz)