

SUMMARY OF THE PROPOSED COMBINATION

[In terms of Regulation 13(1A) of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations 2011, as amended]

A. NAMES OF THE PARTIES TO THE COMBINATION

1. The Parties to the proposed combination are:
 - a. Eros International Plc ("**Eros Plc**"),
 - b. STX Filmworks Inc ("**STX**"), and
 - c. Marco Alliance Limited ("**Marco**" and together with Eros Plc and STX, the "**Parties**").

B. THE NATURE AND PURPOSE OF THE COMBINATION

2. The transaction entails two steps, as set out below:
 - a. Proposed Merger: Pursuant to an Agreement and Plan of Merger dated 17 April 2020 (the "**Merger Agreement**") entered into among, *inter alia*, Eros Plc, England Merger Corp. (the "**Merger Sub**", an indirect wholly-owned subsidiary of Eros Plc), and STX, it is proposed that the Merger Sub will merge with and into STX, with STX continuing as the surviving corporation (the "**Merged STX**"). Following the Proposed Merger, the Merged STX will be a wholly owned subsidiary of Eros Plc (the "**Combined Company**"). The Proposed

Merger is a merger under Section 5(c) of the Competition Act, 2002 (the “Act”);

b. Proposed Hony Transaction: As a condition for the Proposed Merger, Marco, an existing investor in STX, will subscribe to certain shares of Eros Plc. Therefore, Hony Group Management Limited (“**Hony Capital**”), through Marco, is expected to directly or indirectly acquire an economic interest and voting interest, along with certain other rights, in the Combined Company. The Proposed Hony Transaction is an acquisition under Section 5(a) of the Act.

3. The Proposed Hony Transaction and the Proposed Merger are collectively referred to as the “**Proposed Transaction**”.

C. PRODUCTS, SERVICES AND BUSINESS(ES) OF THE PARTIES TO THE COMBINATION

4. Eros Plc: Eros Plc is a company incorporated in the Isle of Man, with its shares listed on the New York Stock Exchange. It is a global Indian entertainment company that acquires, co-produces, and distributes films (including Hindi, Tamil, and other Indian regional language films) across all available formats such as cinema, television, and digital new media. Eros Plc also owns and operates the Over-The-Top platform ‘*Eros Now*’.

5. STX: STX is a fully-integrated global media company specialising in the production, marketing and distribution of talent-driven motion pictures, television

and multimedia content. STX does not have any direct presence in India. However, it has an insignificant indirect presence by way of licensing of certain films to Indian distributors.

6. Marco: Marco is a company organised and existing under the laws of the British Virgin Islands and is an investment holding company. Marco is controlled by Hony Capital. Hony Capital is an investment management firm that specialises in private equity buyout and expands into areas including real estate, hedge fund, mutual fund and innovation investment.

D. THE RESPECTIVE MARKETS IN WHICH THE PARTIES TO THE COMBINATION OPERATE

7. The Parties are active in the media and entertainment sector, globally. While the Eros Group is engaged in activities in this sector in India, it is submitted that STX has a negligible presence in the Indian media and entertainment sector (the **"Indian M&E Sector"**).
8. The Proposed Merger is not likely to create any appreciable adverse effect on competition (**"AAEC"**) in India. Accordingly (in line with the Hon'ble Commission's decisional practice), there should be no need to conclusively define the relevant market in this case. However, in order to assist the Hon'ble Commission in their assessment of the Proposed Transaction, the Parties have identified the following relevant markets where their activities exhibit horizontal overlaps:

- a. Market for production and supply of films to third-party distributors and exhibitors for theatrical release in India; and
- b. Market for licensing of audio-visual content in India.