

# ASX ANNOUNCEMENT



6 September 2019

VILLA WORLD LIMITED ABN 38 117 546 326 ASX CODE: VLW

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## Amendments to Villa World Bonds Trust Deed

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Please see attached form of letter to be despatched to Bondholders on or about Tuesday, 10 September 2019, together with Supplemental Deed Poll.

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For enquiries:

Brad Scale

Company Secretary

Tel: (07) 5588 8888

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### VILLA WORLD LIMITED

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10 September 2019

Mr Sam Sample  
123 Sample Street  
SAMPLEVILLE VIC 3030

Dear Bondholder

## **Amendments to Villa World Bonds Trust Deed**

### Background

As you may be aware, and as announced to ASX on 8 July 2019, Villa World Limited (***Villa World***) entered into a scheme implementation agreement with AVID Property Group Australia Pty Limited (***AVID***), which, if implemented, would result in AVID acquiring all of the shares in Villa World by way of a scheme of arrangement (***Scheme***).

The implementation of the Scheme would result in a "change of control event" under the terms of the "Villa World Bonds – Trust Deed" dated 22 March 2017 between, among others, Villa World and the Trustee in relation to the Villa World Bonds (ASX Code: VLWHA), including the Base Terms set out in Schedule 2 to that deed (together, the ***Trust Deed***).

Pursuant to the terms of the Trust Deed, on the occurrence of a "change of control event", Villa World may elect to redeem the Villa World Bonds, with such redemption to occur fifty (50) business days after the occurrence of the "change of control event". If Villa World so elects, Bondholders will receive the face value of each Villa World Bond held by them, together with any interest accrued but unpaid on that Villa World Bond for the period up to the redemption date (***Redemption Amount***).

### Proposed amendments

AVID (as sole shareholder of Villa World following implementation of the Scheme) has indicated to Villa World that it would like Villa World to redeem all of the Villa World Bonds *on the date of implementation of the Scheme* (rather than fifty (50) business days later). *The Bondholders will, however, still receive an amount for each Villa World Bond held by them that is equal to the Redemption Amount.*

In accordance with the terms of the Trust Deed, Villa World has, with the approval of the Trustee, amended the Trust Deed to give effect to the abovementioned arrangements (as set out in the Supplemental Deed Poll accompanying the announcement to ASX on 6 September 2019) (***Scheme Amendments***). The Scheme Amendments will not be effective if the Scheme is, for whatever reason, not implemented.

Villa World is of the opinion that the Scheme Amendments are not materially prejudicial to the interests of Bondholders as a whole for the reason that their economic position is unaffected by the Scheme Amendments. Namely, all Bondholders will receive an amount, in respect of each Villa World Bond held by them, that is equivalent to the Redemption Amount, and will receive such amount on implementation of the Scheme, rather than on a date that is fifty (50) business days following that date.

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#### **NEW SOUTH WALES:**

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P: 02 8923 1900

#### **VICTORIA:**

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80 Dorcas Street,  
Southbank VIC 3006  
P: 03 9693 7800

**villaworld.com.au**

ABN: 38 117 546 326  
ASX Code: VLW



Indicative timetable

An indicative timetable for implementation of the Scheme has been released to ASX on 6 September 2019, together with the Scheme Booklet.

On behalf of Villa World, we would like to thank you, our Bondholders, for your loyalty and ongoing support.

Yours sincerely

Brad Scale  
General Counsel & Company Secretary

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ABN: 38 117 546 326  
ASX Code: VLW

# Supplemental Deed Poll: Trust Deed - Villa World Bonds

## **Villa World Limited**

ACN 117 546 326

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## Supplemental Deed Poll

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**Date** 5 September 2019

**Made by** **Villa World Limited** (ACN 117 546 326) of Level 1, Oracle West, 19 Elizabeth Street, Broadbeach QLD 4218 (the **Issuer**)

**In favour of** **Australian Executor Trustees Limited** (ABN 84 007 869 794) of Suite 19.03, Level 19, 60 Castlereagh Street, Sydney NSW 2000. (the **Trustee**)

### Recitals

- A. On 22 March 2017, the Issuer and the Trustee entered into the document titled "Trust Deed - Villa World Bonds" (as amended from time to time, the **Trust Deed**).
- B. On 5 July 2019, the Issuer entered into a scheme implementation agreement (**SIA**) with AVID Property Group Australia Pty Limited ABN 76 608 061 874 (the **Bidder**) in relation to the Bidder's proposed acquisition of all of the shares in the Issuer pursuant to a scheme of arrangement (**Scheme**).
- C. To allow the Redemption to occur on the Implementation Date, the Issuer wishes to amend the Trust Deed in accordance with the amendments set out in Schedule 1 of this deed poll (**Proposed Amendments**).
- D. Pursuant to clause 17.1(a) of the Trust Deed and clause 10.3(a) of the Terms, the Issuer may, with the approval of the Trustee but without the consent of the Holders, amend the Terms by way of a supplemental deed poll if the Issuer is of the opinion that such amendment is not materially prejudicial to the interests of the Holders as a whole. In forming this opinion, clause 10.3(a) of the Terms provides that the Issuer does not need to take into account the tax or other special consequences or circumstances which are personal to a Holder.
- E. Pursuant to clause 17.1(b) of the Trust Deed, the Issuer must deliver to the Trustee a copy of the Proposed Amendments no later than 2 Business Days before the Effective Date.
- F. Consistent with the requirements under clause 17.1(a) of the Trust Deed and clause 10.3(a) of the Terms, the Issuer wishes to make the Proposed Amendments in accordance with the terms of this deed poll.

### Operative provisions

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## 1. Definitions and Interpretation

### 1.1 Definitions

In this deed poll, the following definitions apply unless the context requires otherwise:

**Effective Date** means the date of this deed poll.

**Implementation Date** means the date on which the Scheme is implemented and the shares in the Issuer are transferred to the Bidder.

**Proposed Amendments** has the meaning given to the term in recital C of this deed poll.

**Scheme** has the meaning given to the term in recital B of this deed poll.

**SIA** has the meaning given to the term in recital B of this deed poll.

**Trust Deed** has the meaning given to it in recital A of this deed poll.

## 1.2 Interpretation

- (a) Terms used but not defined in this deed poll have the same meanings given to them in the Trust Deed, as amended by this deed poll.
- (b) Clause 1.2 (*Interpretation*) and 9.1 (*Limitation of liability*) of the Trust Deed applies to this deed poll as if set out in full in this deed poll, with all necessary amendments to give effect to those clauses in this deed poll.

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## 2. Benefit

- (a) This document is executed as a deed poll by the Issuer in favour of the Trustee.
- (b) This deed poll is made by the Issuer with the intent that the benefit of this deed poll shall enure to the Trustee even though the Trustee is not a party to it.

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## 3. Amendments

- (a) With effect on and from the Effective Date, the Trust Deed is amended in accordance with the terms set out in Schedule 1 of this deed poll and the Trust Deed shall be read and construed as so varied.
- (b) The provisions of the Trust Deed existing immediately prior to the amendments effected by this deed poll remain in full force and effect.

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## 4. Notice

- (a) The Trustee confirms that it has received from the Issuer a copy of the Proposed Amendments by no later than 2 Business Days before the Effective Date.
- (b) As soon as reasonably practicable after the occurrence of the Effective Date, the Issuer will provide a certified copy of this deed poll, duly signed by the Issuer, to the Trustee, the Initial Guarantors, the Registrar and the Holders in accordance with clause 20 (*Notices*) of the Trust Deed and clause 11 (*Notices*) of the Terms.

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## 5. No Resettlement

The Issuer confirms that it is not by this deed poll:

- (a) resettling or redeclaring the Trust declared under the Trust Deed;
- (b) declaring any trust; or
- (c) causing the transfer, vesting or accruing of any property comprising the assets of the Trust in any person.

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## 6. General

### 6.1 Governing law

This deed poll is governed by and must be construed according to the law applying in Queensland.

## 6.2 Jurisdiction

The Issuer irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of Queensland, and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this deed poll; and
- (b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 6.2(a).



## Schedule 1 - Amendments

For the purpose of clause 3 of this deed poll, the Trust Deed is amended in accordance with the terms of this Schedule 1, and the Trust Deed shall be read, and shall apply, accordingly:

1. In the Base Terms in Schedule 2 of the Trust Deed after clause 5.4, a new clause 5.4A is inserted as follows:

### 5.4A Redemption following Scheme Implementation

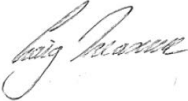
- (a) The Issuer has provided to the Trustee a copy of the SIA, which is also publicly available on the Stock Exchange as an ASX announcement of the Issuer.
- (b) If the Scheme becomes Effective:
  - (i) the Issuer must, as soon as reasonably practicable after the Effective Date, give written notice of the Redemption, the proposed Implementation Date, and details in relation to the Prepayment Amount as at the date of the proposed Implementation Date to the Trustee, with a copy to the Registrar and the Holders;
  - (ii) notwithstanding anything to the contrary in the Trust Deed or the Terms, but subject to the Scheme being implemented and the fully paid ordinary shares in the capital of the Issuer being transferred to AVID (as bidder) in accordance with the Scheme, the Issuer will Redeem all (but not some) of the Villa World Bonds of each Series on the Implementation Date at the aggregate Prepayment Amount; and
  - (iii) the Scheme is deemed not to be a Change of Control Event for the purposes of clause 5.4.
- (c) For the purposes of this clause 5.4A, the following definitions apply:
  - (i) **AVID** means AVID Property Group Australia Pty Limited ABN 76 608 061 874.
  - (ii) **Court** means the Federal Court of Australia or such other court of competent jurisdiction as the Issuer and AVID agree in writing.
  - (iii) **Effective** means, in relation to the Scheme, the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.
  - (iv) **Effective Date** means the date on which the Scheme becomes Effective.
  - (v) **Implementation Date** means the date on which the Scheme is implemented and the fully paid ordinary shares in the capital of the Issuer are transferred to AVID (as bidder) in accordance with the Scheme.
  - (vi) **Prepayment Amount** means, in respect of a Villa World Bond, the Face Value of that Villa World Bond, together with:
    - A. any interest accrued but unpaid on that Villa World Bond up to (but excluding) the Implementation Date; and
    - B. an additional amount referable to the amount of interest that would have accrued for the period from the Implementation

Date to (but excluding) the date that is the 50th Business Day after the Implementation Date if that Villa World Bond was not redeemed on the Implementation Date.

- (vii) **Scheme** means a scheme of arrangement under Part 5.1 of the Corporations Act between the Issuer (as target) and the shareholders of the Issuer, substantially in the form set out in Annexure A to the SIA or in such other form as the Issuer (as target) and AVID (as bidder) agree in writing.
- (viii) **SIA** means the scheme implementation agreement dated 5 July 2019 between the Issuer (as target) and AVID (as bidder).

Executed as a deed poll.

Executed by Villa World Limited ACN 117 546 326 in accordance with section 127 of the Corporations Act 2001 (Cth):



\_\_\_\_\_  
Signature of Director

Craig Treasure  
\_\_\_\_\_  
Name of Director in full



\_\_\_\_\_  
Signature of Secretary/ Director

Bradley Scale  
\_\_\_\_\_  
Name of Secretary/ Director in full