



Merlin Entertainments announces LEGOLAND Shanghai Resort

Agreement with Jinshan District Government, KIRKBI, CMC Inc.

Announced as part of China International Import Expo 2019

6 November 2019: Merlin Entertainments (“Merlin” or “the Company”), a global leader in location based entertainment with brands including LEGOLAND®, Madame Tussauds and the Dungeons, today announces that it has entered into an agreement with the Shanghai Jinshan District Government, CMC Inc. and KIRKBI to develop a LEGOLAND® Resort in the Jinshan District of Shanghai, China.

Under the terms of the agreement, all parties will form a joint venture company and contribute funding to the construction and development of LEGOLAND® Shanghai. The total project investment is expected to be approximately £500 million. A separate management company will be formed to operate the resort, of which Merlin will be the majority shareholder. The schedule for the project is still to be determined, but the project is not expected to open until after 2023.

LEGOLAND® Shanghai will be one of the largest LEGOLAND® Resorts in the world and will incorporate a 250-room fully themed hotel on opening. It will be located in the Jinshan District in south west Shanghai with a two-hour catchment of 55 million people. The region comprising Shanghai, Jiangsu, Zhejiang and Anhui has an estimated population of 220 million.

The announcement was made at an event attended by the Executive Vice Mayor of Shanghai Mr. Chen Yin as part of the China International Import Expo (5-10 November). China is a focus of significant development and investment by Merlin. Since the start of 2018, the Company has opened five new Midway attractions, including the world’s first Peppa Pig World of Play (Shanghai) and Little BIG City (Beijing).

Speaking at the event in Shanghai, Nick Varney, Chief Executive of Merlin Entertainments, said:

“I’m delighted that we are able to realise the development of a LEGOLAND® Resort in Shanghai; one of the most vibrant cities in the world. A gateway city with modern consumers, Shanghai is already the home for many Merlin brands, and it has been our ambition for some time to build a full-scale theme park that offers the people

of Shanghai and visitors to the area the opportunity to immerse themselves in a unique LEGOLAND® experience.

“I’m honoured therefore to join our partners at this prestigious event and be able to announce this project which is a reflection of the scale opportunity in China and our commitment to developing our business here.”

China is a strategic growth market for the LEGO® Group. During the past few years the company has significantly expanded its retail operations and by the end of 2020 is on track to have 220 stores in more than 50 cities. The company began distributing products in mainland China more than 30 years ago. It opened a regional office in Shanghai in 2014, followed by a flagship store in the city in 2016. It also opened a state-of-the-art production facility in Jiaxing City, Zhejiang Province in 2016 to supply products to China and the Asia Pacific region. The brand now has three flagship stores in Beijing and Shanghai.

Jorgen Vig Knudstorp, Executive Chairman, LEGO Brand Group, an entity within KIRKBI, commented:

“The LEGO® brand has increased its presence, revenue and contribution in China during the past decade to create a positive impact on the development of the Chinese society with learning through play experiences. We are excited about the opportunity to bring LEGOLAND® to Shanghai Jinshan. It will give Chinese families even more opportunities to experience the benefits of LEGO® play and have fun together. We have been pleased with the positive response the LEGO® brand has received in China. KIRKBI, the LEGO® Group and LEGO® Education look forward to continuing to invest to bring even more exciting experiences to families in Shanghai and the Yangtze River Delta.”

Mr. Hu Wei Guo, Mayor and Party Secretary of Jinshan District, Shanghai, said:

“The establishment of a LEGOLAND® Park in Jinshan not only supports the economic bridge between Shanghai and Zhejiang province, and better contributes to the high-quality integrated development of the Yangtze River Delta region; it also promotes Shanghai as a theme park destination with Disney Resort in the East and LEGOLAND® Resort in the west, supporting the local tourism economy. For Jinshan, it is an important opportunity to further the momentum in our regional development, enhance the area’s attractiveness and competitiveness and facilitate the growth in consumption. It also promotes the “simultaneous development of advanced manufacturing and modern service” and accelerates the pace of economic improvement in Jinshan.”

Mr. Li Rui Gang, Chairman and CEO of CMC Inc., said:

“CMC Inc. has been a dedicated creator of premium entertainment content across on- and offline media. Kids and family, and themed entertainment are major parts of CMC’s content strategy. With an accelerated evolution in consumer taste among younger generations, we’ve committed ourselves to become a key player and trailblazer within this sector. We are pleased to work together with Jinshan District, Merlin, and KIRKBI to make LEGOLAND® Shanghai Resort an exhilarating destination.”

Merlin currently operates 13 Midway attractions in China including LEGOLAND® Discovery Centers, Madame Tussauds, SEA LIFE Centers, Dungeons, Peppa Pig World of Play and Little BIG City.

Dependent on opening schedules, LEGOLAND® Shanghai will be opened after LEGOLAND® New York (scheduled to open 2020) and LEGOLAND® Korea (scheduled to open 2022).

Ends

For enquiries contact:

Merlin Entertainments

James Crampton +44 (0)1202 493 014

Brunswick

Fiona Micallef-Eyraud / Imran Jina +44 (0)20 7404 5959

KIRKBI

Ulla Lundhus +45 5319 4767

FTI Consulting

Neil Doyle +44 (0)20 3727 1141

Mitch Barltrop +44 (0)7807 296032

CMC Inc.

Jiaming Wu

jiamingwu@cmccap.com

Images are available at <https://www.merlinentertainments.biz/newsroom/media-library>

About Merlin Entertainments

Merlin Entertainments is a global leader in location based, family entertainment. As Europe's Number 1 and the world's second-largest visitor attraction operator, Merlin now operates over 130 attractions, 20 hotels and 6 holiday villages in 25 countries and across 4 continents. The company aims to deliver memorable experiences to more than 65 million visitors worldwide, through its iconic global and local brands, and the commitment and passion of its c.28,000 employees (peak season).

Visit www.merlinentertainments.biz for more information.

About LEGOLAND Parks

Merlin currently operates eight LEGOLAND parks in seven countries, including the most recent new openings in Dubai (2016) and Japan (2017), and plans to open LEGOLAND New York in 2020 and LEGOLAND Korea in 2022. The LEGOLAND Park Operating Group constitutes 38% of Merlin revenues and welcomes over 15 million guests (2018). The roll out of new LEGOLAND Parks is one of the key growth drivers of Merlin Entertainments.

Merlin also operates LEGOLAND Discovery Centres, a smaller, indoor LEGOLAND experience which brings to life 'learning through play'.

About Jinshan District, Shanghai

Jinshan District is situated in the southwest region of Shanghai and north of Hangzhou Bay. Steeped in history and at the economic centre of the Yangtze Delta region, Jinshan's tourism sector is in growth supported by infrastructural development as well as great natural beauty.

Find out more at <http://en.jsq.sh.gov.cn/>

About KIRKBI A/S

KIRKBI is the holding and investment company of the Kirk Kristiansen family, which owns 75% of the LEGO Group. As a long-term strategic shareholder in Merlin Entertainments plc, KIRKBI's interest remains in ensuring a sustainable future for the LEGO® brand and its branded activities such that it delivers superior learning through play experiences worldwide. For more information please go to KIRKBI.com

About CMC Inc.

CMC Inc. is a media and entertainment conglomerate known for its prominent strengths in multi-genre premium content, including film, drama, variety show, game, financial media, music, fashion& lifestyle, sports, live entertainment, theatre, and a comprehensive scope of content related businesses such as artist and sports agency, cinemas, urban recreational complexes, and theme parks.

Merlin attractions in China

Madame Tussauds – Beijing, Shanghai, Hong Kong, Wuhan, Chongqing

LEGOLAND Discovery Centre – Beijing, Shanghai, Shenyang

SEA LIFE – Shanghai, Shenyang

Dungeons – Shanghai

Peppa Pig World of Play – Shanghai

Little BIG City - Beijing