

2 May 2019

Revised Indicative Offer recommended by Villa World Board

AVID Property Group Australia Pty Ltd (**AVID**) notes the ASX Announcement made by Villa World Limited (**VLW**) regarding a revised non-binding and indicative offer by AVID for VLW (**Revised Indicative Offer**).

AVID is pleased to confirm that it submitted a Revised Indicative Offer on 1 May 2019 to acquire 100% of the outstanding shares in VLW through a scheme of arrangement at a cash price of \$2.345¹ per share (**Proposed Transaction**).

AVID and the directors of VLW believe that the Revised Indicative Offer provides VLW shareholders with certainty of value and the opportunity to realise a meaningful premium to the market value of their shares. The Revised Indicative Offer implies the following premia:

Consideration per VLW share	\$2.345 ¹	Premia
Undisturbed price ²	\$2.00	17.3 %
Undisturbed 1-month VWAP ³	\$1.96	19.9 %
Undisturbed 3-month VWAP ³	\$1.81	29.3 %
Adjusted NTA per share ⁴	\$2.23	5.2 %

The directors of VLW intend to unanimously recommend that shareholders vote in favour of the Proposed Transaction, subject to the parties entering into a binding Scheme Implementation Agreement (**SIA**), in the absence of a superior proposal and subject to an independent expert concluding that the Proposed Transaction is in the best interests of VLW shareholders.

AVID has been granted access to due diligence, exclusively on customary terms, for a limited period expected to expire around the middle of June 2019 to enable AVID to progress the Proposed Transaction and to facilitate a binding proposal.

At this stage, there is no assurance that any transaction will eventuate. The Proposed Transaction is subject to satisfactory due diligence outcomes, Board approvals and the negotiation and execution of a SIA. The implementation of the SIA would then also be subject to various conditions including regulatory, court and shareholder approvals.

The Revised Indicative Offer was intended as an expression of interest and is not intended to constitute, and does not constitute, a legally binding offer. It represents an indicative, conditional, incomplete and non-binding offer and is not capable of acceptance or otherwise capable of giving rise to a binding contract.

¹ Under the Revised Indicative Offer, the consideration offered will be reduced by the amount of any dividends or distributions that VLW shareholders become or are entitled to receive after the date of this Revised Indicative Offer.

² On 4 March 2019 (last trading day prior to the initial approach on 5 March 2019).

³ Volume Weighted Average Price. The 1 month and 3 month VWAP calculations are to 4 March 2019 (last trading day prior to the initial approach on 5 March 2019).

⁴ NTA per share as at 31 December 2018 adjusted for the 1H19 dividend of 8 cents per share (the ex-date of which was 12 March 2019).

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About AVID Property Group

AVID is a diversified Australian property development business with a \$3bn portfolio of broad acre and medium density residential and industrial project. Its current portfolio comprises over 6,500 residential lots and 180ha of industrial land. AVID currently has 8 active residential projects in QLD, NSW and VIC. The business has successfully delivered over \$1.7bn worth of residential projects in Australia over the last 9 years. AVID is headquartered in Sydney, Australia.