



PARAMOUNT GLOBAL'S SPECIAL COMMITTEE UNANIMOUSLY APPROVES MERGER WITH SKYDANCE MEDIA

July 7, 2024

NEW YORK, July 7, 2024 /PRNewswire/ -- The Special Committee of the Board of Directors (the "Special Committee") of Paramount Global (NASDAQ: PARA, PARAA) ("Paramount" or "the Company") today confirmed that it has unanimously approved a merger agreement between Paramount and Skydance Media, LLC ("Skydance").

The Special Committee was formed on January 2, 2024, at the request of Paramount's controlling stockholder, National Amusements, Inc. ("NAI"), to evaluate potential transactions involving both NAI and Paramount as NAI considered its options relating to its investment in Paramount. The Special Committee retained independent financial and legal advisors, Centerview Partners LLC and Cravath, Swaine & Moore LLP respectively. Over a period of more than six months, the Special Committee considered multiple approaches and constructs from various counterparties and solicited interest from potential counterparties for an acquisition of Paramount.

The merger agreement includes a 45-day "go-shop" period, which permits the Special Committee and its representatives to actively solicit and consider alternative acquisition proposals. There can be no assurance that this process will result in a superior proposal, and the Company does not intend to disclose developments with respect to the go-shop process unless and until it determines such disclosure is appropriate or is otherwise required.

On behalf of the Special Committee, Charles E. Phillips, Jr. said: "We are pleased to have reached an agreement that we believe delivers to Paramount stockholders both immediate value and future upside opportunity. The Special Committee, with the assistance of independent financial and legal advisors, conducted a thorough review of actionable potential transactions to drive value for our stockholders. In addition to economic value, the Special Committee took into account the certainty of closing and regulatory approvals. Following extensive negotiations with Skydance, we believe this proposed transaction will position Paramount for success in a rapidly evolving industry landscape. Upon closing, it will deliver immediate cash consideration at a premium to both the minority Class A and Class B stockholders, who will also benefit from what we believe to be considerable upside through continued equity participation in New Paramount."

Mr. Phillips continued, "The Special Committee would like to thank our Co-CEOs George Cheeks, Chris McCarthy and Brian Robbins for making significant progress on optimizing company operations in a short period of time, positioning Paramount for a sustainable transformation and a path to profitable growth going forward."

Further information regarding terms and conditions contained in the merger agreement will be available on the investor relations section of Paramount's website at <https://ir.paramount.com/> and in a joint press release issued earlier today by Paramount and Skydance.

Important Information About the Transactions and Where To Find It

In connection with the proposed transactions involving Paramount, Skydance and NAI (the "Transactions"), Paramount will file with the Securities and Exchange Commission (the "SEC") a registration statement on Form S-4 that will include an information statement on Schedule 14C and that will also constitute a prospectus of Paramount. Paramount may also file other documents with the SEC regarding the Transactions.

This document is not a substitute for the information statement/prospectus or registration statement or any other document that Paramount may file with the SEC. INVESTORS AND SECURITY HOLDERS OF PARAMOUNT ARE URGED TO READ THE REGISTRATION STATEMENT, WHICH WILL INCLUDE THE INFORMATION STATEMENT/PROSPECTUS, AND ANY OTHER RELEVANT DOCUMENTS THAT ARE FILED OR WILL BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE TRANSACTIONS AND RELATED MATTERS. Investors and security holders may obtain free copies of the registration statement on Form S-4 (when available), which will include the information statement/prospectus, and other documents filed with the SEC by Paramount through the website maintained by the SEC at www.sec.gov or by contacting the investor relations department of Paramount (+1-646-824-5450; jaimemorris@paramount.com).

No Offer or Solicitation

This communication is for informational purposes only and is not intended to and does not constitute an offer to subscribe for, buy or sell, or the solicitation of an offer to subscribe for, buy or sell, or an invitation to subscribe for, buy or sell, any securities or a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in which such offer, invitation, sale or solicitation would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, and otherwise in accordance with applicable law.

Cautionary Notes on Forward-Looking Statements

This communication contains both historical and forward-looking statements, including statements related to our future results, performance and achievements. All statements that are not statements of historical fact are, or may be deemed to be, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Similarly, statements that describe our objectives, plans or goals are or may be forward-looking statements. These forward-looking statements reflect our current expectations concerning future results and events; generally can be identified by the use of statements that include phrases such as "believe," "expect," "anticipate," "intend," "plan," "foresee," "likely," "will," "may," "could," "estimate" or other similar words or phrases; and involve known and unknown risks, uncertainties and other factors that are difficult to predict and which may cause our actual results, performance or achievements to be different from any future results, performance or achievements expressed or implied by these statements.

Important risk factors that may cause such a difference include, but are not limited to: (i) that the Transactions may not be completed on anticipated terms and timing (or at all), (ii) that a condition to closing of the Transactions may not be satisfied, including the failure to receive any required regulatory approvals from any applicable governmental entities (or any conditions, limitations or restrictions placed on such approvals), (iii) that the

anticipated tax treatment of the Transactions may not be obtained, (iv) the potential impact of unforeseen liabilities, future capital expenditures, revenues, costs, expenses, earnings, synergies, economic performance, indebtedness, financial condition and losses on the future prospects, business and management strategies for the management, expansion and growth of the combined business after the consummation of the Transactions, (v) potential litigation relating to the Transactions that could be instituted against Paramount or its directors, (vi) potential adverse reactions or changes to business relationships resulting from the announcement or completion of the Transactions, (vii) any negative effects of the announcement, pendency or consummation of the Transactions on the market price of Paramount's common stock and on Paramount's or Skydance's operating results, (viii) risks associated with third party contracts containing consent and/or other provisions that may be triggered by the Transactions, (ix) the risks and costs associated with the integration of, and the ability of Paramount and Skydance to integrate, the businesses successfully and to achieve anticipated synergies, (x) the risk that disruptions from the Transactions will harm Paramount's business, including current plans and operations or by diverting management's attention Paramount's ongoing business operations, (xi) the ability of Paramount to retain and hire key personnel and uncertainties arising from leadership changes, (xii) legislative, regulatory and economic developments, (xiii) the other risks described in Paramount's most recent annual report on Form 10-K and quarterly report on Form 10-Q, and (xiv) management's response to any of the aforementioned factors. There may be additional risks, uncertainties and factors that we do not currently view as material or that are not necessarily known.

These risks, as well as other risks associated with the Transactions, will be more fully discussed in the information statement/prospectus that will be included in the registration statement on Form S-4 that will be filed with the SEC in connection with the Transactions. While the list of factors presented here is, and the list of factors to be presented in the registration statement on Form S-4 is, considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on Paramount's consolidated financial condition, results of operations, credit rating or liquidity. The forward-looking statements included in this communication are made only as of the date of this communication, and we do not undertake any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances, except as otherwise required by applicable law.

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 View original content: <https://www.prnewswire.com/news-releases/paramount-globals-special-committee-unanimously-approves-merger-with-skydance-media-302190510.html>

SOURCE The Special Committee of the Board of Directors of Paramount Global