

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: March 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-8625



READING INTERNATIONAL, INC.
(Exact name of Registrant as specified in its charter)

Nevada
State or other jurisdiction of incorporation or organization)

189 Second Avenue, Suite 2S
New York, New York
(Address of principal executive offices)

95-3885184
(IRS Employer Identification Number)

10003
(Zip Code)

Registrant's telephone number, including area code: **(213) 235-2240**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A Nonvoting Common Stock, \$0.01 par value	RDI	The Nasdaq Stock Market LLC
Class B Voting Common Stock, \$0.01 par value	RDIB	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer Smaller Reporting Company Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. As of May 14, 2025, there were 20,795,843 shares of Class A Nonvoting Common Stock, \$0.01 par value per share, and 1,680,590 shares of Class B Voting Common Stock, \$0.01 par value per share, outstanding.

READING INTERNATIONAL, INC. AND SUBSIDIARIES

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PART 1 – FINANCIAL INFORMATION

Item 1 - Financial Statements
READING INTERNATIONAL, INC.
CONSOLIDATED BALANCE SHEETS
(U.S. dollars in thousands, except share information)

	March 31, 2025	December 31, 2024
	(Unaudited)	
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 5,911	\$ 12,347
Restricted cash	2,433	2,735
Receivables	1,404	5,276
Inventories	1,441	1,685
Prepaid and other current assets	3,957	2,668
Land and property held for sale	17,998	32,331
Total current assets	33,144	57,042
Operating property, net	212,357	214,694
Operating lease right-of-use assets	156,381	160,873
Investment in unconsolidated joint ventures	3,187	3,138
Goodwill	23,870	23,712
Intangible assets, net	1,767	1,800
Deferred tax asset, net	766	953
Other assets	9,497	8,799
Total assets	\$ 440,969	\$ 471,011
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 48,744	\$ 48,651
Film rent payable	3,553	5,820
Debt - current portion	53,738	69,193
Taxes payable - current	299	891
Deferred revenue	8,962	9,731
Operating lease liabilities - current portion	19,983	20,747
Other current liabilities	6,575	6,593
Total current liabilities	141,854	161,626
Debt - long-term portion	104,800	105,239
Derivative financial instruments - non-current portion	148	137
Subordinated debt, net	27,450	27,394
Noncurrent tax liabilities	6,137	6,041
Operating lease liabilities - non-current portion	155,524	161,702
Other liabilities	13,736	13,662
Total liabilities	\$ 449,649	\$ 475,801
Commitments and contingencies (Note 16)		
Stockholders' equity:		
Class A non-voting common shares, par value \$0.01, 100,000,000 shares authorized, 33,681,705 issued and 20,745,594 outstanding at March 31, 2025 and 33,681,705 issued and 20,745,594 outstanding at December 31, 2024		
Class B voting common shares, par value \$0.01, 20,000,000 shares authorized and 1,680,590 issued and outstanding at March 31, 2025 and December 31, 2024	238	238
Nonvoting preferred shares, par value \$0.01, 12,000 shares authorized and no issued or outstanding shares at March 31, 2025 and December 31, 2024	17	17
Additional paid-in capital	158,351	157,751
Retained earnings/(deficits)	(119,542)	(114,790)
Treasury shares	(40,407)	(40,407)
Accumulated other comprehensive income	(6,721)	(7,173)
Total Reading International, Inc. stockholders' equity	(8,064)	(4,364)
Noncontrolling interests	(616)	(426)
Total stockholders' equity	(8,680)	(4,790)
Total liabilities and stockholders' equity	\$ 440,969	\$ 471,011

See accompanying Notes to the Unaudited Consolidated Financial Statements.

READING INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited; U.S. dollars in thousands, except per share data)

	Three Months Ended	
	2025	2024
Revenue		
Cinema	\$ 36,404	\$ 41,271
Real estate	3,765	3,781
Total revenue	40,169	45,052
Costs and expenses		
Cinema	(36,577)	(40,720)
Real estate	(1,955)	(2,235)
Depreciation and amortization	(3,375)	(4,205)
General and administrative	(5,153)	(5,423)
Total costs and expenses	(47,060)	(52,583)
Operating income (loss)	(6,891)	(7,531)
Interest expense, net	(4,742)	(5,286)
Gain (loss) on sale of assets	6,526	(1,125)
Other income (expense)	(331)	341
Income (loss) before income tax expense and equity earnings of unconsolidated joint ventures	(5,438)	(13,601)
Equity earnings of unconsolidated joint ventures	23	(25)
Income (loss) before income taxes	(5,415)	(13,626)
Income tax benefit (expense)	472	223
Net income (loss)	(4,943)	(13,403)
Less: net income (loss) attributable to noncontrolling interests	(191)	(175)
Net income (loss) attributable to Reading International, Inc.	(4,752)	(13,228)
Basic earnings (loss) per share	(0.21)	(0.59)
Diluted earnings (loss) per share	(0.21)	(0.59)
Weighted average number of shares outstanding—basic	22,426,184	22,348,994
Weighted average number of shares outstanding—diluted	22,426,184	22,348,994

See accompanying Notes to the Unaudited Consolidated Financial Statements.

READING INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited; U.S. dollars in thousands)

	Three Months Ended	
	2025	2024
Net income (loss)	\$ (4,943)	\$ (13,403)
Foreign currency translation gain (loss)	412	(2,592)
Gain (loss) on cash flow hedges	(11)	—
Other	51	51
Comprehensive income (loss)	(4,491)	(15,944)
Less: net income (loss) attributable to noncontrolling interests	(191)	(175)
Less: comprehensive income (loss) attributable to noncontrolling interests	1	(1)
Comprehensive income (loss)	\$ (4,301)	\$ (15,768)

See accompanying Notes to the Unaudited Consolidated Financial Statements.

READING INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; U.S. dollars in thousands)

	Three Months Ended March 31,	
	2025	2024
Operating Activities		
Net income (loss)	\$ (4,943)	\$ (13,403)
<i>Adjustments to reconcile net income (loss) to net cash provided by operating activities:</i>		
Equity earnings of unconsolidated joint ventures	(23)	25
(Gain) loss recognized on foreign currency transactions	340	5
(Gain) loss on sale of assets	(6,526)	1,125
Amortization of operating leases	5,144	5,414
Amortization of finance leases	10	10
Change in operating lease liabilities	(5,627)	(5,844)
Change in net deferred tax assets	199	157
Depreciation and amortization	3,375	4,205
Other amortization	314	505
Stock based compensation expense	600	678
<i>Net changes in operating assets and liabilities:</i>		
Receivables	1,888	335
Prepaid and other assets	(1,712)	(99)
Payments for accrued pension	(171)	(171)
Accounts payable and accrued expenses	2,915	5,805
Film rent payable	(2,294)	(463)
Taxes payable	(603)	(295)
Deferred revenue and other liabilities	(588)	(759)
Net cash provided by (used in) operating activities	(7,702)	(2,770)
Investing Activities		
Purchases of and additions to operating and investment properties	(253)	(1,926)
Contributions to unconsolidated joint ventures	—	(31)
Proceeds from sale of assets	18,131	9,594
Net cash provided by (used in) investing activities	17,878	7,637
Financing Activities		
Repayment of borrowings	(16,843)	(11,124)
Repayment of finance lease principal	(10)	(10)
Capitalized borrowing costs	—	(90)
(Cash paid) proceeds from the settlement of employee share transactions	—	(1)
Net cash provided by (used in) financing activities	(16,853)	(11,225)
Effect of exchange rate on cash and restricted cash	(61)	(751)
Net increase (decrease) in cash and cash equivalents and restricted cash	(6,738)	(7,109)
Cash and cash equivalents and restricted cash at the beginning of the period	15,082	15,441
Cash and cash equivalents and restricted cash at the end of the period	\$ 8,344	\$ 8,332
Cash and cash equivalents and restricted cash consists of:		
Cash and cash equivalents	\$ 5,911	\$ 7,501
Restricted cash	2,433	831
	\$ 8,344	\$ 8,332
Supplemental Disclosures		
Interest paid	\$ 4,013	\$ 4,858
Income taxes (refunded) paid	690	106
Non-Cash Transactions		
Additions to operating and investing properties through accrued expenses	402	2,475

See accompanying Notes to the Unaudited Consolidated Financial Statements.

READING INTERNATIONAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
As of and for the Three Months Ended March 31, 2025

NOTE 1 – DESCRIPTION OF BUSINESS AND SEGMENT REPORTING

Our Company

Reading International, Inc., a Nevada corporation (“RDI” and collectively with our consolidated subsidiaries and corporate predecessors, the “Company,” “Reading,” and “we,” “us,” or “our”) was incorporated in 1999. Our businesses consist primarily of:

- the development, ownership, and operation of cinemas in the United States, Australia, and New Zealand; and
- the development, ownership, operation and/or rental of retail, commercial and live venue real estate assets in Australia, New Zealand, and the United States.

NOTE 2 – LIQUIDITY AND IMPAIRMENT ASSESSMENT

Going Concern

We continue to evaluate the going concern assertion required by ASC 205-40 *Going Concern* as it relates to our Company. The evaluation of the going concern assertion involves considering whether it is probable that our Company has sufficient resources, as at the issue date of the financial statements, to meet its obligations as they fall due for twelve months following the issue date. Should it be probable that there are not sufficient resources, we must determine whether it is probable that our plans will be effectively implemented and will mitigate the consequential going concern substantial doubt. Our evaluation is informed by current liquidity positions, debt obligations, our beliefs about the marketability of certain real estate properties, our beliefs about the recovery of the global cinema industry, cash flow estimates, known capital and other expenditure requirements and commitments and our current business plan and strategies. Our Company’s business plan - two businesses (real estate and cinema) in three countries (Australia, New Zealand and the U.S.) - has served us well historically and is key to management’s overall evaluation of ASC 205-40 *Going Concern*.

We have \$53.7 million of debt due in twelve months, cash of \$8.3 million and negative working capital of \$108.7 million. This net negative working capital position includes land and property held for sale of \$18.0 million (based on book value, as opposed to fair market value). Management has concluded that going concern uncertainty exists.

As a result, we have developed a plan to address and overcome the going concern uncertainty. Our plan is informed by current liquidity positions, debt obligations, our beliefs about the marketability of certain real estate properties, our beliefs about the recovery of the global cinema industry, cash flow estimates, known capital and other expenditure requirements and commitments and our current business plan and strategies.

While we believe that, with an increase in the quantity and quality of films being released to cinemas compared to pre-pandemic levels, patronage and operating revenue levels will improve, we have no control over attendance levels and no assurances can be given as to the nature of the reception of future movies by the movie-going public.

We have begun the process of refinancing and/or extending certain loans. On January 31, 2025, we repaid our \$10.5 million Westpac loan. On February 5, 2025, we repaid \$6.1 million of our Bank of America facility, taking the balance to \$8.7 million. This loan is due on August 18, 2025. On February 26, 2025, we exercised our option to extend our Valley National debt to October 1, 2025. Our \$12.5 million NAB bridging facility matures on May 23, 2025, which we expect to repay upon the anticipated sale of our Cannon Park property, currently scheduled to close on May 21, 2025. We are currently under an unconditional contract to sell our Cannon Park property for AUS\$32.0 million. On May 2, 2025, we extended our Emerald Creek Capital loan to November 6, 2026, as further discussed in *Note 13 - Borrowings*.

Moreover, we intend to raise the liquidity necessary for the next twelve months from real estate asset monetization. We believe we have more than sufficient marketable real estate assets that can be monetized on a timely basis and at the values required to meet our funding needs over the next twelve months. After having sold eight separate property assets since 2021, we have demonstrated our ability to complete real estate asset monetizations.

In conclusion, as of the date of issuance of these financial statements, based on our evaluation of ASC 205-40 *Going Concern* and the current conditions and events, considered in the aggregate, and our various plans for enhancing liquidity and the extent to which those plans are progressing, we conclude that our plan to raise sufficient liquidity primarily through certain real estate asset monetizations to the extent needed is probable of being implemented to the extent required such that this alleviates the substantial doubt about our Company’s ability to continue as a going concern.

Impairment Considerations

Our Company considers that the events and factors described above constitute impairment indicators under *ASC 360 Property, Plant and Equipment*. At December 31, 2024, our Company performed a quantitative recoverability test of the carrying values of all its asset groups. Our Company estimated the undiscounted future cash flows expected to result from the use of these asset groups and found that no impairment charge was necessary. While our first three months of 2025 produced lower revenues and operating income compared to the same period in 2024, we believe our improved performance at an asset group level will resume in the remainder of 2025. As a result, we recorded no impairment charges for the first three months of 2025. Actual performance against our forecasts is dependent on several variables and conditions, many of which are subject to the uncertainties associated with among other things, the factors presented above, and as a result, actual results may materially differ from management's estimates.

Our Company also considers that the events and factors described above continue to constitute impairment indicators under *ASC 350 Intangibles – Goodwill and Other*. Our Company performed a quantitative goodwill impairment test and determined that our goodwill was not impaired as of December 31, 2024. The test was performed at a reporting unit level by comparing each reporting unit's carrying value, including goodwill, to its fair value. The fair value of each reporting unit was assessed using a discounted cash flow model based on the budgetary revisions performed by management in response to COVID-19 and the developing market conditions. No impairment charges were recorded in the first three months of 2025. Actual performance against our forecasts is dependent on several variables and conditions, including among other things, the factors presented above, and as a result, actual results may materially differ from management's estimates.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The accompanying consolidated financial statements include the accounts of our Company's wholly-owned subsidiaries as well as majority-owned subsidiaries that our Company controls and should be read in conjunction with our Company's Annual Report on Form 10-K as of and for the year ended December 31, 2024 ("2024 Form 10-K"). All significant intercompany balances and transactions have been eliminated on consolidation. These consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim reporting with the instructions for Form 10-Q and Rule 10-01 of Regulation S-X of the Securities and Exchange Commission ("SEC"). As such, they do not include all information and footnotes required by U.S. GAAP for complete financial statements. We believe that we have included all normal and recurring adjustments necessary for a fair presentation of the results for the interim period.

Operating results for the quarter ended March 31, 2025 are not necessarily indicative of the results that may be expected for the year ending December 31, 2025.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and footnotes thereto. Significant estimates include (i) projections we make regarding the recoverability and impairment of our assets (including goodwill and intangibles), (ii) valuations of our derivative instruments, (iii) recoverability of our deferred tax assets, (iv) estimation of breakage and redemption experience rates, which drive how we recognize breakage on our gift card and gift certificates, and revenue from our customer loyalty program, and (v) estimation of our Incremental Borrowing Rate ("IBR") as relates to the valuation of our right-of-use assets and lease liabilities. Actual results may differ from those estimates.

NOTE 4 – SEGMENT REPORTING

We report information about operating segments in accordance with ASC 280-10 Segment Reporting, which requires financial information to be reported based on the way management organizes segments with a company for making operating decisions and evaluating performance. We have organized our business into two reportable segments, being cinema exhibition and real estate.

Our cinema exhibition segment aggregates all our cinemas, both leased and owned, across the United States, Australia and New Zealand. Each of our cinemas earns revenue through the sale of movie tickets, food and beverage, screen advertising, theater rentals, merchandise, gift card and loyalty membership, and other ancillary sales. The segment also earns revenue through service fees related to online ticket sales. Expenses are incurred through film rent, wages and salaries, food and beverage costs, occupancy costs, utilities, and other ancillary costs. We further organize this segment by geography, as while all our cinemas are engaged in substantially the same business activities, each geography is subject to its own unique regulatory and business conditions.

Our real estate segment aggregates all our retail, commercial and live venue real estate assets across Australia, New Zealand, and the United States. Our retail and commercial real estate assets earn revenue through the leasing or licensing of space to third party tenants.

Our live theater assets in the United States earn revenue through leasing or licensing space to third party production companies, an activity we consider sufficiently similar to our broader real estate base to support inclusion in our real estate segment. Our live theatre

operations also earn revenue by providing front of house and box office services and through concession sale of food and beverage. All of our real estate assets incur expenses from property maintenance, utilities, taxes, and other costs of maintaining real estate and in some cases third party property management. Most of our real estate is currently self-managed.

Each of these segments has discrete and separate financial information and for which operating results are evaluated regularly by our President, Chief Executive Officer and Vice Chair of Board and Director, the chief operating decision-maker ("CODM") of the Company. The CODM is responsible for the allocation of resources to, and the assessment of the performance of, our operating segments. The CODM determines, among other things:

- the execution, renewal or termination of cinema leases
- the execution, renewal or termination of third-party tenant leases
- significant capital expenditures
- internal resource allocation
- operational budgets.

Segment operating income is a key measure of profit or loss used by the CODM to assess segment performance and allocate resources. Segment operating income includes certain amounts charged by our real estate segment to our cinema exhibition segment where a cinema exhibition is a tenant of the real estate segment. These charges are eliminated for consolidated financial statement purposes in the consolidated income statement, but are presented gross to the CODM. We do not report asset information by segment because that information is not used to evaluate the performance or allocate resources between segments.

The tables below summarize the results of operations for each of our business segments, presenting a reconciliation of segment revenue to operating segment income, and the impact of inter-segment transactions.

	2025			2024		
	Cinema	Real Estate	Total	Cinema	Real Estate	Total
<i>(Dollars in thousands)</i>						
Revenue - third party	\$ 36,404	\$ 3,765	\$ 40,169	\$ 41,271	\$ 3,781	\$ 45,052
Inter-segment revenue (1)	—	1,080	1,080	—	1,152	1,152
Total segment revenue	36,404	4,845	41,249	41,271	4,933	46,204
Operating expense	(36,577)	(1,955)	(38,532)	(40,720)	(2,235)	(42,955)
Operating Expense - Third Party	(1,080)	—	(1,080)	(1,152)	—	(1,152)
Inter-Segment Operating Expense (1)	(1,080)	—	(1,080)	(1,152)	—	(1,152)
Total of services and products (excluding depreciation and amortization)	(37,657)	(1,955)	(39,612)	(41,872)	(2,235)	(44,107)
Depreciation and amortization	(2,141)	(1,102)	(3,243)	(2,587)	(1,517)	(4,104)
Impairment of long-lived assets	(1,081)	—	(1,081)	—	—	(1,081)
General and administrative expense	(1,081)	—	(1,081)	(977)	(291)	(1,268)
Total operating expense	(40,839)	(1,754)	(42,593)	(44,336)	(1,643)	(45,979)
Segment operating income (loss)	\$ (4,435)	\$ 3,090	\$ (1,345)	\$ (4,165)	\$ 890	\$ (3,275)

(1) Inter-segment Revenues and Operating Expense relates to the internal charge between the two segments where the cinema operates within real estate owned within the group.

A reconciliation of cinema exhibition segment revenue to segment operating income for the three months ended March 31, 2025 and March 31, 2024, is as follows:

(Dollars in thousands)		Three Months Ended		
		March 31, 2025		March 31, 2024
REVENUE				
United States	Admissions revenue	\$	10,245	\$ 12,245
	Concessions revenue		6,108	6,960
	Advertising and other revenue		1,942	2,103
		\$	18,295	\$ 21,308
Australia	Admissions revenue	\$	9,630	\$ 10,261
	Concessions revenue		4,856	5,765
	Advertising and other revenue		1,196	1,296
		\$	15,682	\$ 17,322
New Zealand	Admissions revenue	\$	1,546	\$ 1,600
	Concessions revenue		766	909
	Advertising and other revenue		115	132
		\$	2,427	\$ 2,641
Total revenue		\$	36,404	\$ 41,271
OPERATING EXPENSE				
United States	Film rent and advertising cost	\$	(5,058)	\$ (6,139)
	Food & beverage cost		(1,583)	(1,907)
	Occupancy expense		(3,967)	(5,787)
	Labor cost		(4,082)	(4,148)
	Utilities		(1,218)	(1,308)
	Cleaning and maintenance		(1,541)	(1,427)
	Other operating expenses		(2,146)	(2,124)
		\$	(19,595)	\$ (22,840)
Australia	Film rent and advertising cost	\$	(3,956)	\$ (4,448)
	Food & beverage cost		(1,075)	(1,275)
	Occupancy expense		(4,295)	(4,402)
	Labor cost		(3,307)	(3,273)
	Utilities		(842)	(812)
	Cleaning and maintenance		(1,149)	(1,204)
	Other operating expenses		(775)	(872)
		\$	(15,399)	\$ (16,286)
New Zealand	Film rent and advertising cost	\$	(649)	\$ (682)
	Food & beverage cost		(148)	(204)
	Occupancy expense		(733)	(759)
	Labor cost		(534)	(562)
	Utilities		(98)	(100)
	Cleaning and maintenance		(194)	(204)
	Other operating expenses		(307)	(235)
		\$	(2,663)	\$ (2,746)
Total operating expense		\$	(37,657)	\$ (41,872)
DEPRECIATION, AMORTIZATION, GENERAL AND ADMINISTRATIVE EXPENSE				
United States	Depreciation and amortization	\$	(1,121)	\$ (1,271)
	General and administrative expense		(725)	(633)
		\$	(1,846)	\$ (1,904)
Australia	Depreciation and amortization	\$	(913)	\$ (1,190)
	General and administrative expense		(344)	(344)
		\$	(1,257)	\$ (1,534)
New Zealand	Depreciation and amortization	\$	(107)	\$ (126)
	General and administrative expense		(12)	(126)
		\$	(119)	\$ (126)
Total depreciation, amortization, general and administrative expense		\$	(3,222)	\$ (3,564)
OPERATING INCOME (LOSS) - CINEMA				
United States		\$	(3,146)	\$ (3,436)
Australia			(974)	(498)
New Zealand			(355)	(231)
Total Cinema operating income (loss)		\$	(4,475)	\$ (4,165)

A reconciliation of real estate segment revenue to segment operating income for the three months ended March 31, 2025 and March 31, 2024, is as follows:

(Dollars in thousands)		Three Months Ended	
		March 31, 2025	March 31, 2024
REVENUE			
United States	Live theater rental and ancillary income	\$ 543	\$ 413
	Property rental income	1,044	1,072
		<u>1,587</u>	<u>1,485</u>
Australia	Property rental income	3,015	3,083
New Zealand	Property rental income	243	365
Total revenue		\$ 4,845	\$ 4,933
OPERATING EXPENSE			
United States	Live theater cost	\$ (237)	\$ (234)
	Occupancy expense	(177)	(192)
	Utilities	(44)	(30)
	Cleaning and maintenance	(31)	(47)
	Other operating expenses	(165)	(342)
		<u>(654)</u>	<u>(845)</u>
Australia	Occupancy expense	(487)	(489)
	Labor cost	(44)	(58)
	Utilities	(13)	(14)
	Cleaning and maintenance	(220)	(215)
	Other operating expenses	(258)	(234)
		<u>(1,022)</u>	<u>(1,010)</u>
New Zealand	Occupancy expense	(58)	(111)
	Labor cost	(2)	(6)
	Utilities	(5)	(19)
	Cleaning and maintenance	(4)	(11)
	Other operating expenses	(210)	(233)
		<u>(279)</u>	<u>(380)</u>
Total operating expense		\$ (1,955)	\$ (2,235)
DEPRECIATION, AMORTIZATION, GENERAL AND ADMINISTRATIVE EXPENSE			
United States	Depreciation and amortization	\$ (660)	\$ (739)
	General and administrative expense	(130)	(268)
		<u>(790)</u>	<u>(1,007)</u>
Australia	Depreciation and amortization	(385)	(591)
	General and administrative expense	(63)	(24)
		<u>(448)</u>	<u>(615)</u>
New Zealand	Depreciation and amortization	(57)	(186)
	General and administrative expense	(1)	(186)
		<u>(58)</u>	<u>(186)</u>
Total depreciation, amortization, general and administrative expense		\$ (1,296)	\$ (1,808)
OPERATING INCOME (LOSS) - REAL ESTATE			
United States		\$ 143	\$ (367)
Australia		1,545	1,458
New Zealand		(94)	(201)
Total real estate operating income (loss)		\$ 1,594	\$ 890

A reconciliation of segment operating income to income before income taxes is as follows:

<i>(Dollars in thousands)</i>	Three Months Ended	
	March 31, 2025	March 31, 2024
Segment operating income (loss)	\$ (2,881)	\$ (3,275)
Unallocated corporate expense:		
Depreciation and amortization expense	(133)	(102)
General and administrative expense	(3,877)	(4,154)
Interest expense, net	(4,742)	(5,286)
Equity earnings (loss) of unconsolidated joint ventures	23	(25)
Gain (loss) on sale of assets	6,526	(1,125)
Other (expense) income	(331)	341
Income (loss) before income taxes	\$ (5,415)	\$ (13,626)

Assuming cash and cash equivalents are accounted for as corporate assets, total assets by business segment and by country are presented as follows:

<i>(Dollars in thousands)</i>	March 31,	December 31,
	2025	2024
By segment:		
Cinema	\$ 180,096	\$ 191,008
Real estate	191,792	207,044
Corporate (1)	69,081	72,959
Total assets	\$ 440,969	\$ 471,011
By country:		
United States	\$ 255,115	\$ 264,284
Australia	162,323	167,667
New Zealand	23,531	39,060
Total assets	\$ 440,969	\$ 471,011

(1) Corporate Assets includes cash and cash equivalents of \$5.9 million and \$12.3 million as of March 31, 2025 and December 31, 2024, respectively.

The following table sets forth our operating properties by country:

<i>(Dollars in thousands)</i>	March 31,	December 31,
	2025	2024
United States	\$ 144,899	\$ 146,531
Australia	58,428	59,081
New Zealand	9,030	9,082
Total operating property	\$ 212,357	\$ 214,694

The table below summarizes capital expenditures for the three months ended March 31, 2025

<i>(Dollars in thousands)</i>	Three Months Ended	
	March 31, 2025	March 31, 2024
Segment capital expenditures	\$ 406	\$ 2,028
Corporate capital expenditures	—	—
Total capital expenditures	\$ 406	\$ 2,028

NOTE 5 – OPERATIONS IN FOREIGN CURRENCY

We have significant assets in Australia and New Zealand. Historically, we have conducted our Australian and New Zealand operations (collectively “foreign operations”) on a self-funding basis, where we use cash flows generated by our foreign operations to pay for the expenses of those foreign operations. However, in recent periods, cash flows from our overseas operations have been used to cover our domestic general and administrative costs, interest expense, and losses from our domestic cinema operations. Our Australian and New Zealand assets and liabilities are translated from their functional currencies of Australian dollar (“AUS”) and New Zealand dollar (“NZS”), respectively, to the U.S. dollar based on the exchange rate as of March 31, 2025. The carrying value of the assets and liabilities of our foreign operations fluctuates as a result of changes in the exchange rates between the functional currencies of the foreign operations and the U.S. dollar. The translation adjustments are accumulated in the Accumulated Other Comprehensive Income in the Consolidated Balance Sheets.

We take a global view of our financial resources and are flexible in making use of resources from one jurisdiction in other jurisdictions.

Presented in the table below are the currency exchange rates for Australia and New Zealand:

	Foreign Currency / USD		
	As of and for the quarter ended March 31, 2025	As of and for the twelve months ended December 31, 2024	As of and for the quarter ended March 31, 2024
Spot Rate			
Australian Dollar	0.6236	0.6185	0.6524
New Zealand Dollar	0.5666	0.5596	0.5987
Average Rate			
Australian Dollar	0.6277	0.6596	0.6572
New Zealand Dollar	0.5680	0.6051	0.6124

NOTE 6 – EARNINGS PER SHARE

Basic earnings per share (“EPS”) is calculated by dividing the net income attributable to our Company by the weighted average number of common shares outstanding during the period. Diluted EPS is calculated by dividing the net income attributable to our Company by the weighted average number of common and common equivalent shares outstanding during the period and is calculated using the treasury stock method for equity-based compensation awards.

The following table sets forth the computation of basic and diluted EPS and a reconciliation of the weighted average number of common and common equivalent shares outstanding:

	Three Months Ended March 31,	
	2025	2024
<i>(Dollars in thousands, except share data)</i>		
Numerator:		
Net income (loss) attributable to Reading International, Inc.	\$ (4,752)	\$ (13,228)
Denominator:		
Weighted average number of common stock – basic	22,426,184	22,348,994
Weighted average dilutive impact of awards	—	—
Weighted average number of common stock – diluted	22,426,184	22,348,994
Basic earnings (loss) per share	\$ (0.21)	\$ (0.59)
Diluted earnings (loss) per share	\$ (0.21)	\$ (0.59)
Awards excluded from diluted earnings (loss) per share	2,410,639	1,324,698

Our weighted average number of common stock - basic increased, primarily as a result of the vesting of restricted stock units. We did not repurchase any shares of Class A Common Stock during the first three months of 2025 or 2024.

Outstanding awards of 2,410,639 shares for the period ended March 31, 2025 and 1,324,698 shares for the period ended March 31, 2024 were excluded from the computation of dilutive shares, as they were anti-dilutive because of the net loss from continuing operations.

Note 7 – Property and Equipment

Operating Property, net

Property associated with our operating activities as at March 31, 2025 and December 31, 2024, is summarized as follows:

<i>(Dollars in thousands)</i>	March 31, 2025	December 31, 2024
Land	\$ 47,400	\$ 47,267
Building and improvements	166,986	166,451
Leasehold improvements	49,573	49,444
Fixtures and equipment	144,754	143,773
Construction-in-progress	2,059	1,987
Total cost	410,772	408,922
Less: accumulated depreciation	(198,415)	(194,228)
Operating property, net	\$ 212,357	\$ 214,694

Depreciation expense for operating property was \$3.3 million for the quarter ended March 31, 2025, as compared to \$4.1 million for the quarter ended March 31, 2024.

Construction-in-Progress – Operating and Investment Properties

Construction-in-Progress balances are included in both our operating and development properties. The balances of our major projects along with the movements for the three months ended March 31, 2025, are shown below:

<i>(Dollars in thousands)</i>	Balance, December 31, 2024	Additions during the period	Completed during the period	Transferred to Held for Sale	Foreign currency translation	Balance, March 31, 2025
Cinema developments and improvements	1,745	40	—	—	3	1,788
Other real estate projects	242	31	(3)	—	1	271
Total	\$ 1,987	\$ 71	\$ (3)	\$ —	\$ 4	\$ 2,059

2025 Real Estate Monetizations

In order to support our liquidity, we have monetized certain of our real estate holdings. During 2024 and the first quarter of 2025 we sold two held for sale properties. In the first quarter of 2024, we monetized our office building in Culver City for \$10.0 million. In the first quarter of 2025, we monetized our properties in Wellington, New Zealand for \$21.5 million. In the second quarter of 2023, we classified our 2483 Trenton Avenue, Williamsport, Pennsylvania, property as held for sale. In May 2024, we classified our Cannon Park, Townsville, Queensland, Australia property as held for sale.

A 'disposal group' represents assets to be disposed of in a single transaction. A disposal group may represent a single asset, or, multiple assets. Discussed below are those real estate transactions affecting the presentation in our consolidated balance sheet as of March 31, 2025 and December 31, 2024, and the profitability determination in our consolidated statements of income for the three months ended March 31, 2025, and 2024.

Courtenay Central, Wellington, New Zealand

In June 2024, we classified our property assets in Wellington, New Zealand including Courtenay Central, as held for sale at the lower of cost and fair value less costs to sell. The disposal group consisted of our Courtenay Central cinema and retail property, along with our Tory and Wakefield Street car parks. Our book value (as opposed to fair value) of the property was \$14.7 million. No adjustments to the book value of the assets were required upon classification as held for sale. The sale was completed on January 31, 2025, when control of the property ceded to the buyer, at a gross sale price of \$21.5 million. The proceeds were used to pay off the Westpac mortgage on the property.

The gain on sale of this property is calculated as follows:

<i>(Dollars in thousands)</i>	March 31	
	2025	
Sales price	\$	21,538
Net book value		(14,666)
Gain on sale, gross of direct costs		6,872
Direct sale costs incurred		(306)
Gain on sale, net of direct costs	\$	6,566

Culver City, Los Angeles

In May 2023, we classified our Culver City administrative building, commonly known as 5995 Sepulveda Blvd., as held for sale. Our book value (as opposed to fair value) of the property was \$10.8 million, being the lower of cost and fair value less costs to sell. No adjustments to the book value of the assets contained within this disposal group were required. The disposal group consisted of land, a building and various leasehold improvements. The sale was completed on February 23, 2024, at a gross sales price of \$10.0 million. The proceeds were used to pay off the \$8.3 million first mortgage on the property.

The loss on sale of this property is calculated as follows:

<i>(Dollars in thousands)</i>	March 31	
	2024	
Sales price	\$	10,000
Net book value		(10,800)
Loss on sale, gross of direct costs		(800)
Direct sale costs incurred		(325)
Loss on sale, net of direct costs	\$	(1,125)

Disposal Groups Held for Sale

Cannon Park ETC

In May 2024, we classified our Cannon Park ETC in Townsville, Queensland, Australia, as held for sale at the lower of cost and fair value less costs to sell. The disposal group consists of our Cannon Park City Center and Cannon Park Discount Center properties, comprising approximately 9.4-acres. The current book value (as opposed to fair value) of the property is \$17.5 million. No adjustments to the book value of the assets contained within this disposal group were required. The disposal group is currently subject to an unconditional contract of sale, expected to close in May 2025.

Newberry Yard, Williamsport, Pennsylvania

In June 2023, we classified our industrial property at Newberry Yard, Williamsport, Pennsylvania, as held for sale at the lower of cost and fair value less costs to sell. The current book value (as opposed to fair value) of the property is \$460,000. The property is part of our historic railroad operations, consisting of land and an industrial building, and certain rail bed improvements. No adjustments to the book value of the assets contained within this disposal group were required. Sales efforts continue, and the property continues to meet the ASC 360 held for sale criteria.

Note 8 – Leases

In all leases, whether we are the lessor or lessee, we define lease term as the non-cancellable term of the lease plus any renewals covered by renewal options that are reasonably certain of exercise based on our assessment of economic factors relevant to the lessee. The non-cancellable term of the lease commences on the date the lessor makes the underlying property in the lease available to the lessee, irrespective of when lease payments begin under the contract.

As Lessee

We have operating leases for certain cinemas, and finance leases for certain equipment assets. Our leases have remaining lease terms of 1 to 25 years, with certain leases having options to extend up to a further 20 years. Lease payments for our cinema operating leases consist of fixed base rent, and for certain leases, variable lease payments consisting of contracted percentages of revenue, changes in the relevant CPI, and/or other contracted financial metrics.

The components of lease expense were as follows:

<i>(Dollars in thousands)</i>	Three Months Ended	
	2025	2024
Lease cost		
Finance lease cost:		
Amortization of right-of-use assets	\$ 10	\$ 10
Interest on lease liabilities	1	1
Operating lease cost	6,834	7,801
Variable lease cost	(159)	511
Total lease cost	\$ 6,686	\$ 8,323

Supplemental cash flow information related to leases is as follows:

<i>(Dollars in thousands)</i>	Three Months Ended	
	2025	2024
Cash flows relating to lease cost		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for finance leases	\$ 11	\$ 11
Operating cash flows for operating leases	3,136	7,391
Right-of-use assets obtained in exchange for new operating lease liabilities	(768)	—

Supplemental balance sheet information related to leases is as follows:

<i>(Dollars in thousands)</i>	March 31,	December 31,
	2025	2024
Operating leases		
Operating lease right-of-use assets	\$ 156,381	\$ 160,873
Operating lease liabilities - current portion	19,983	20,747
Operating lease liabilities - non-current portion	155,524	161,702
Total operating lease liabilities	\$ 175,507	\$ 182,449
Finance leases		
Property plant and equipment, gross	218	217
Accumulated depreciation	(187)	(175)
Property plant and equipment, net	\$ 31	\$ 42
Other current liabilities	32	43
Other long-term liabilities	1	—
Total finance lease liabilities	\$ 33	\$ 43
Other information		
Weighted-average remaining lease term - finance leases	1	1
Weighted-average remaining lease term - operating leases	11	11
Weighted-average discount rate - finance leases	7.07%	7.07%
Weighted-average discount rate - operating leases	4.87%	4.86%

The maturities of our leases were as follows:

<i>(Dollars in thousands)</i>	Operating	Finance
	leases	leases
2025	\$ 28,095	\$ 34
2026	25,495	—
2027	23,624	—
2028	22,546	—
2029	20,839	—
Thereafter	106,093	—
Total lease payments	\$ 226,692	\$ 34
Less imputed interest	(51,185)	(1)
Total	\$ 175,507	\$ 33

As Lessor

We have entered into various leases as a lessor for our owned real estate properties. These leases vary in length between 1 and 20 years, with certain leases containing options to extend at the behest of the applicable tenants. Lease components consist of fixed base rent, and for certain leases, variable lease payments consisting of contracted percentages of revenue, changes in the relevant CPI, and/or other contracted financial metrics. None of our leases grant any right to the tenant to purchase the underlying asset.

Lease income relating to operating lease payments was as follows:

<i>(Dollars in thousands)</i>	Three Months Ended	
	2025	2024
Components of lease income		
Lease payments	\$ 2,709	\$ 2,701
Variable lease payments	184	144
Total lease income	\$ 2,893	\$ 2,845

The book value of underlying assets under operating leases from owned assets was as follows:

<i>(Dollars in thousands)</i>	March 31, 2025	December 31, 2024
Building and improvements		
Gross balance	\$ 113,511	\$ 113,424
Accumulated depreciation	(22,415)	(21,692)
Net Book Value	\$ 91,096	\$ 91,732

The minimum contractual rent payments due on our leases were as follows:

<i>(Dollars in thousands)</i>	Operating leases
2025	\$ 8,130
2026	10,407
2027	9,919
2028	9,837
2029	9,220
Thereafter	34,533
Total	\$ 82,046

Note 9 – Goodwill and Intangible Assets

The table below summarizes goodwill by business segment as of March 31, 2025, and December 31, 2024.

<i>(Dollars in thousands)</i>	Cinema	Real Estate	Total
Balance at December 31, 2024	\$ 18,488	\$ 5,224	\$ 23,712
Foreign currency translation adjustment	158	—	158
Balance at March 31, 2025	\$ 18,646	\$ 5,224	\$ 23,870

Our Company is required to test goodwill and other intangible assets for impairment on an annual basis and, if current events or circumstances require them, on an interim basis. Our next annual evaluation of goodwill and other intangible assets is scheduled during the fourth quarter of 2025. To test the impairment of goodwill, our Company compares the fair value of each reporting unit to its carrying amount, including the goodwill, to determine if there is potential goodwill impairment. A reporting unit is generally one level below the operating segment. As of March 31, 2025, we were not aware that any events indicating potential impairment of goodwill had occurred outside of those described at *Note 2 – Liquidity and Impairment Assessment*.

The tables below summarize intangible assets other than goodwill, as of March 31, 2025, and December 31, 2024, respectively.

<i>(Dollars in thousands)</i>	As of March 31, 2025			
	Beneficial Leases	Trade Name	Other Intangible Assets	Total
Gross carrying amount	\$ 10,460	\$ 9,024	\$ 4,355	\$ 23,839
Less: Accumulated amortization	(10,295)	(8,134)	(3,643)	(22,072)
Net intangible assets other than goodwill	\$ 165	\$ 890	\$ 712	\$ 1,767

<i>(Dollars in thousands)</i>	As of December 31, 2024			
	Beneficial Leases	Trade Name	Other Intangible Assets	Total
Gross carrying amount	\$ 10,458	\$ 9,024	\$ 4,349	\$ 23,831
Less: Accumulated amortization	(10,290)	(8,102)	(3,639)	(22,031)
Less: Impairments	—	—	—	—
Net intangible assets other than goodwill	\$ 168	\$ 922	\$ 710	\$ 1,800

Beneficial leases obtained in business combinations where we are the landlord are amortized over the life of the relevant leases. Trade names are amortized based on the accelerated amortization method over their estimated useful life of 30 years, and other intangible assets are amortized over their estimated useful lives of up to 30 years (except for transferrable liquor licenses, which are indefinite-lived assets). The table below summarizes the amortization expense of intangible assets for the quarter ended March 31, 2025

<i>(Dollars in thousands)</i>	Three Months Ended	
	2025	2024
Beneficial lease amortization	\$ 3	\$ 21
Other amortization	32	60
Total intangible assets amortization	\$ 35	\$ 81

Note 10 – Investments in Unconsolidated Joint Ventures

Our investments in unconsolidated joint ventures are accounted for under the equity method of accounting.

The table below summarizes our active investment holdings in two (2) unconsolidated joint ventures as of March 31, 2025, and December 31, 2024:

<i>(Dollars in thousands)</i>	Interest	March 31,	December 31,
		2025	2024
Rialto Cinemas	50.0%	\$ (17)	\$ —
Mt. Gravatt	33.3%	3,204	3,138
Total investments		\$ 3,187	\$ 3,138

For the quarter ended March 31, 2025 and 2024, the recognized share of equity earnings from our investments in unconsolidated joint ventures are as follows:

<i>(Dollars in thousands)</i>	Three Months Ended	
	2025	2024
Rialto Cinemas	\$ (17)	\$ (68)
Mt. Gravatt	40	43
Total equity earnings	\$ 23	\$ (25)

Note 11 – Prepaid and Other Assets

Prepaid and other assets are summarized as follows:

	March 31, 2025	December 31, 2024
<i>(Dollars in thousands)</i>		
Prepaid and other current assets		
Prepaid expenses	\$ 1,614	\$ 1,473
Prepaid taxes	2,022	853
Prepaid rent	1	14
Deposits	305	314
Investments in marketable securities	15	14
Total prepaid and other current assets	\$ 3,957	\$ 2,668
Other non-current assets		
Other non-cinema and non-rental real estate assets	674	674
Investment in Reading International Trust I	838	838
Straight-line rent asset	7,979	7,279
Long-term deposits	6	8
Total other non-current assets	\$ 9,497	\$ 8,799

Note 12 – Income Taxes

The interim provision for income taxes is different from the amount determined by applying the U.S. federal statutory rate to consolidated income or loss before taxes. The differences are attributable to foreign tax rate differential, unrecognized tax benefits, and change in valuation allowance. Our effective tax rate was 8.7% and 1.6% for the three months ended March 31, 2025 and 2024, respectively. The difference is primarily due to a decrease in reserve for valuation allowance in 2025. The forecasted effective tax rate is updated each quarter as new information becomes available.

Note 13 – Borrowings

Our Company's borrowings at March 31, 2025 and December 31, 2024, net of deferred financing costs and including the impact of interest rate derivatives on effective interest rates, are summarized below:

As of March 31, 2025						
<i>(Dollars in thousands)</i>	Maturity Date	Contractual Facility	Balance, Gross	Balance, Net ⁽¹⁾	Stated Interest Rate	Effective Interest Rate
<i>Denominated in USD</i>						
Trust Preferred Securities (US)	April 30, 2027	\$ 27,913	\$ 27,913	\$ 27,450	8.55%	8.55%
Bank of America Credit Facility (US)	August 18, 2025	8,700	8,700	8,668	11.50%	11.50%
Cinemas 1, 2, 3 Term Loan (US)	October 1, 2025	20,593	20,593	20,593	9.32%	9.32%
Minetta & Orpheum Theatres Loan (US)	June 1, 2025	7,432	7,432	7,426	7.00%	7.00%
Union Square Financing (US) (2)	May 6, 2025	55,000	47,141	47,118	11.52%	11.52%
<i>Denominated in foreign currency ("FC") (3)</i>						
NAB Corporate Term Loan (AU)	July 31, 2026	62,360	62,360	62,262	5.89%	5.89%
NAB Bridge Facility (AU) (4)	April 30, 2025	12,472	12,472	12,471	6.00%	6.00%
		\$ 194,470	\$ 186,611	\$ 185,988		

(1) Net of deferred financing costs amounting to \$0.6 million.

(2) This facility was extended after March 31, 2025, and now matures on November 6, 2026. See below for discussion.

(3) The contractual facilities and outstanding balances of the foreign currency denominated borrowings were translated into U.S. dollars based on the applicable exchange rates as of March 31, 2025.

(4) This facility was extended after March 31, 2025, and now matures on May 23, 2025. See below for discussion.

As of December 31, 2024						
<i>(Dollars in thousands)</i>	Maturity Date	Contractual Facility	Balance, Gross	Balance, Net ⁽¹⁾	Stated Interest Rate	Effective Interest Rate
Denominated in USD						
Trust Preferred Securities (US)	April 30, 2027	\$ 27,913	\$ 27,913	\$ 27,384	8.85%	8.85%
Bank of America Credit Facility (US)	August 18, 2025	14,750	14,750	14,699	10.50%	10.50%
Cinemas 1, 2, 3 Term Loan (US)	April 1, 2025	20,682	20,682	20,594	9.57%	9.57%
Minetta & Orpheum Theatres Loan (US)	June 1, 2025	7,464	7,464	7,446	7.00%	7.00%
Union Square Financing (US) ⁽⁴⁾	May 6, 2025	55,000	47,141	47,049	11.78%	11.78%
Denominated in foreign currency ("FC") ⁽²⁾						
NAB Corporate Term Loan (AU)	July 31, 2026	61,850	61,850	61,740	6.12%	6.12%
NAB Bridge Facility (AU)	April 30, 2025	12,370	12,370	12,361	6.16%	6.16%
Westpac Bank Corporate (NZ) ⁽³⁾	March 31, 2025	10,543	10,543	10,543	6.95%	6.95%
Total		\$ 210,572	\$ 202,713	\$ 201,826		

(1) Net of deferred financing costs amounting to \$0.9 million.

(2) The contractual facilities and outstanding balances of the foreign currency denominated borrowings were translated into U.S. dollars based on the applicable exchange rates as of December 31, 2024.

(3) This debt was repaid in full on January 31, 2025.

(4) This loan has an option to extend for one year, which is within our control and we intend to exercise.

Our loan arrangements are presented, net of the deferred financing costs, on the face of our consolidated balance sheet as follows:

<i>Balance Sheet Caption (Dollars in thousands)</i>	March 31, 2025	December 31, 2024
Debt - current portion	\$ 53,738	\$ 69,193
Debt - long-term portion	104,800	105,239
Subordinated debt - long-term portion	27,450	27,394
Total borrowings	\$ 185,988	\$ 201,826

Bank of America Credit Facility

As at December 31, 2023, our Bank of America facility matured on September 4, 2024, following a Q1 2023 loan modification, which, among other things, extended the maturity date from March 1, 2024 to September 4, 2024.

We amended this facility on March 27, 2024, to among other terms and conditions, (i) extend the Maturity Date to August 18, 2025, (ii) require a \$275,000 principal paydown, (iii) eliminate the minimum liquidity covenant, (iv) reduce the principal amortization amounts and provide a principal holiday period, and (v) require certain paydowns on the sale of certain real estate assets. Interest is charged at 2.5% above the Bank of America Prime rate, which itself has a floor of 1.0%. Payment-in-kind interest at a rate of 0.5% commenced on January 1, 2024, and continued until December 31, 2024, increasing to 1.5% on January 1, 2025, until the facility is repaid in full. This loan is subject to mandatory prepayment out of a portion of the net proceeds realized by us in the event that we determine to sell certain specified assets. In October 2024, we amended this facility to defer the monthly principal payments required in October, November and December, to the end of 2024. All deferred payments were made as contracted. Upon the sale of our Wellington Property assets including Courtenay Central, we repaid \$6.1 million of this facility on February 5, 2025.

On April 3, 2025, we amended our Bank of America facility to defer certain scheduled pay downs, which are now payable upon the earlier of May 16, 2025 and the sale of our Cannon Park property.

Minetta and Orpheum Theatres Loan

On August 1, 2024, we extended the maturity of our \$8.0 million loan with Santander Bank, which is secured by our Minetta and Orpheum Theatres. It had previously matured on June 1, 2024. The extended facility now matures on June 1, 2025, requires monthly principal and interest payments with a balloon payment of \$7.7 million on maturity, and carries an interest rate of 7.0%.

Cinemas 1,2,3 Term Loan

Our Cinemas 1,2,3 Term Loan is held by Sutton Hill Properties LLC ("SHP"), a 75% owned subsidiary of RDI. On February 26, 2025, we exercised the last of our extension options on this loan, taking the maturity to October 1, 2025. The loan is with Valley National Bank, which carries an interest rate of 5.0% above monthly SOFR, with a floor of 7.50%.

Union Square Financing

Our \$55.0 million loan facility, executed in 2021 with Emerald Creek Capital, is secured by our 44 Union Square property and certain limited guarantees. It bears a variable interest rate of TERM SOFR plus 6.9% and includes provisions for a prepaid interest and property tax reserve fund. On April 23, 2024, we executed the first twelve month extension on this loan, taking the maturity to May 6, 2025.

On May 2, 2025, we extended the maturity date of this loan to November 6, 2026, with one option to extend further to May 6, 2027. The extension includes principal payments of \$500,000 on or before May 21, 2025 and February 6, 2026. This modification reduced the facility limit from \$55.0 million to \$49.0 million.

Debt denominated in foreign currencies

Westpac Bank Corporate Credit Facility (NZ)

We repaid our Westpac Bank Corporate Credit Facility in full on January 31, 2025.

Australian NAB Corporate Term Loan (AU)

Prior to March 31, 2024, our Revolving Corporate Markets Loan Facility with National Australia Bank ("NAB") matured on July 31, 2025. It consisted of (i) an AUS100.0 million Corporate Loan facility at 1.75% above BBSY, of which AU \$60.0 million was revolving and AUS40.0 million was core and (ii) a Bank Guarantee Facility of AUS5.0 million at a rate of 1.9% per annum.

On April 4, 2024, we amended this facility, which now matures on July 31, 2026. As part of the amendment, we obtained an additional AUS20.0 million bridge facility (the "Bridge Loan") which initially matured on March 31, 2025 (or earlier, upon the sale of certain assets), and modified certain covenants. We are also required, from March 31, 2025, to make quarterly repayments of AUS1.5 million against the AUS100.0 million Corporate Loan facility, until maturity date, representing permanent reductions in that facility's ceiling. No other changes were made. We have from time to time extended (most recently on May 14, 2025) the maturity date of the Bridge Loan to reflect the intent that the loan be repaid out of the proceeds from the sale of Cannon Park. The Bridge Loan currently matures on May 23, 2025 reflecting a May 21, 2025 anticipated closing date for the sale of our Cannon Park property. On April 2, 2025, we executed an amendment that among other things, increased the bank guarantee facility from AUS3.0 million to AUS4.0 million.

Effective June 28, 2024, we entered into an Interest Rate Hedging Agreement with NAB on AUS50.0 million of the Corporate Loan Facility with a termination date of July 31, 2026. The Interest Rate Collar transaction has a floor of 4.18% and a cap of 4.78%.

Note 14 – Other Liabilities

Other liabilities are summarized as follows:

	March 31, 2025	December 31, 2024
<i>(Dollars in thousands)</i>		
Current liabilities		
Lease liability	\$ 5,900	\$ 5,900
Accrued pension	496	500
Security deposit payable	113	117
Finance lease liabilities	32	43
Other	34	33
Other current liabilities	\$ 6,575	\$ 6,593
Other liabilities		
Lease make-good provision	6,074	5,908
Accrued pension	2,181	2,312
Deferred rent liability	3,824	3,786
Environmental reserve	1,656	1,656
Finance lease liabilities	1	—
Other non-current liabilities	\$ 13,736	\$ 13,662

Pension Liability – Supplemental Executive Retirement Plan

Details of our Supplemental Executive Retirement Plan are disclosed in Note 14 – Pension and Other Liabilities in our 2024 Form 10-K.

Included in our current and non-current liabilities are accrued pension costs of \$2.7 million on March 31, 2025. The benefits of our pension plan are fully vested and therefore no service costs were recognized for the quarter ended March 31, 2025, and 2024. Our pension plan is unfunded.

During the quarter ended March 31, 2025, the interest cost was \$37,000, and the actuarial loss was \$51,000. During the quarter ended March 31, 2024, the interest cost was \$44,000, and the actuarial loss was \$52,000.

Note 15 – Accumulated Other Comprehensive Income

The following table summarizes the changes in each component of accumulated other comprehensive income attributable to RDI:

<i>(Dollars in thousands)</i>	Foreign Currency Items	Unrealized Gain (Losses) on Available- for-Sale Investments	Accrued Pension Service Costs	Hedge Accounting Reserve	Total
Balance at January 1, 2025	\$ (5,521)	\$ (18)	\$ (1,497)	\$ (137)	\$ (7,173)
Change related to derivatives					
Total change in hedge fair value recorded in Other Comprehensive Income	—	—	—	(11)	(11)
Amounts reclassified from accumulated other comprehensive income	—	—	—	(11)	(11)
Net change related to derivatives	—	—	—	(11)	(11)
Net current-period other comprehensive income (loss)	412	—	51	(11)	452
Balance at March 31, 2025	\$ (5,109)	\$ (18)	\$ (1,446)	\$ (148)	\$ (6,721)

Note 16 – Commitments and Contingencies

Litigation Matters

We are currently involved in certain legal proceedings and, to the extent required, have accrued estimates of probable and estimable losses for the resolution of these claims, including legal costs.

- Where we are the *plaintiffs*, we accrue legal fees as incurred on an on-going basis and make no provision for any potential settlement amounts until received. In Australia, the prevailing party is usually entitled to recover its attorneys' fees, which recoveries typically work out to be approximately 60% of the amounts actually spent where first-class legal counsel is engaged at customary rates. Where we are a plaintiff, we have likewise made no provision for the liability for the defendant's attorneys' fees in the event we are determined not to be the prevailing party.
- Where we are the *defendants*, we accrue for probable damages that insurance may not cover as they become known and can be reasonably estimated, as permitted under ASC 450-20 *Loss Contingencies*. In our opinion, any claims and litigation in which we are currently involved are not reasonably likely to have a material adverse effect on our business, results of operations, financial position, or liquidity. It is possible, however, that future results of the operations for any particular quarterly or annual period could be materially affected by the ultimate outcome of the legal proceedings. From time to time, we are involved with claims and lawsuits arising in the ordinary course of our business that may include contractual obligations, insurance claims, tax claims, employment matters, and anti-trust issues, among other matters.

Environmental and Asbestos Claims on Reading Legacy Operations

Certain of our subsidiaries were historically involved in railroad operations, coal mining, and manufacturing. Also, certain of these subsidiaries appear in the chain-of-title of properties that may suffer from pollution. Accordingly, certain of these subsidiaries have, from time to time, been named in and may in the future be named in various actions brought under applicable environmental laws. Also, we are in the real estate development business and may encounter from time-to-time environmental conditions at properties that we have acquired for development and which will need to be addressed in the future as part of the development process. These environmental conditions can increase the cost of such projects and adversely affect the value and potential for profit of such projects. We do not currently believe that our exposure under applicable environmental laws is material in amount.

From time to time, there are claims brought against us relating to the exposure of former employees to asbestos and/or coal dust. These are generally covered by an insurance settlement reached in September 1990 with our insurance providers. However, this insurance settlement does not cover litigation by people who were not employees of our historic railroad operations and who may claim direct or

second-hand exposure to asbestos, coal dust and/or other chemicals or elements now recognized as potentially causing cancer in humans. Our known exposure to these types of claims, asserted or probable of being asserted, is not material.

Note 17 – Non-controlling Interests

These are composed of the following enterprises:

- Australia Country Cinemas Pty Ltd. - 25% noncontrolling interest owned by Panorama Group International Pty Ltd;
- Shadow View Land and Farming, LLC - 50% noncontrolling membership interest owned by the estate of Mr. James J. Cotter, Sr. (the "Cotter Estate"); and,
- Sutton Hill Properties, LLC - 25% noncontrolling interest owned by Sutton Hill Capital, LLC (which in turn is 50% owned by the Cotter Estate).

The components of noncontrolling interests are as follows:

<i>(Dollars in thousands)</i>	March 31, 2025	December 31, 2024
Australian Country Cinemas, Pty Ltd	\$ 114	\$ 128
Shadow View Land and Farming, LLC	(2)	(2)
Sutton Hill Properties, LLC	(728)	(552)
Noncontrolling interests in consolidated subsidiaries	\$ (616)	\$ (426)

The components of income attributable to noncontrolling interests are as follows:

<i>(Dollars in thousands)</i>	Three Months Ended March 31,	
	2025	2024
Australian Country Cinemas, Pty Ltd	\$ (15)	\$ (13)
Shadow View Land and Farming, LLC	—	—
Sutton Hill Properties, LLC	(176)	(162)
Net income (loss) attributable to noncontrolling interests	\$ (191)	\$ (175)

Summary of Controlling and Noncontrolling Stockholders' Equity

A summary of the changes in controlling and noncontrolling stockholders' equity is as follows:

<i>(Dollars in thousands, except shares)</i>	Common Stock				Additional Paid-In Capital	Retained Earnings (Accumulated Deficit)	Treasury Shares	Accumulated Other Comprehensive Income (Loss)	Reading International Inc. Stockholders' Equity	Noncontrolling Interests	Total Stockholders' Equity
	Class A Non-Voting Shares	Class A Par Value	Class B Voting Shares	Class B Par Value							
At January 1, 2025	20,743	\$ 238	1,681	\$ 17	\$ 157,751	\$ (114,990)	\$ (40,407)	\$ (7,175)	\$ (4,364)	\$ (426)	\$ (4,790)
Net income (loss)	—	—	—	—	—	(4,752)	—	—	(4,752)	(191)	(4,943)
Other comprehensive income, net	—	—	—	—	—	—	—	452	452	1	453
Share-based compensation expense	—	—	—	—	600	—	—	—	600	—	600
Restricted Stock Units	—	—	—	—	—	—	—	—	—	—	—
At March 31, 2025	20,743	\$ 238	1,681	\$ 17	\$ 158,351	\$ (119,542)	\$ (40,407)	\$ (6,721)	\$ (8,064)	\$ (616)	\$ (8,680)
At January 1, 2024	20,664	\$ 237	1,681	\$ 17	\$ 155,407	\$ (79,489)	\$ (40,407)	\$ (2,674)	\$ 33,087	\$ (91)	\$ 32,906
Net income (loss)	—	—	—	—	—	(13,228)	—	—	(13,228)	(175)	(13,403)
Other comprehensive income, net	—	—	—	—	—	—	—	(2,538)	(2,538)	(5)	(2,543)
Share-based compensation expense	—	—	—	—	678	—	—	—	678	—	678
Restricted Stock Units	9	—	—	—	(4)	—	—	—	(2)	—	(2)
At March 31, 2024	20,673	\$ 237	1,681	\$ 17	\$ 156,078	\$ (92,717)	\$ (40,407)	\$ (5,211)	\$ 17,992	\$ (269)	\$ 17,726

Note 18 – Stock-Based Compensation and Stock Repurchases

Employee and Director Stock Incentive Plan

2020 Stock Incentive Plan

On November 4, 2020, our Company enacted the 2020 Stock Incentive Plan, which was also approved by our Company's stockholders on December 8, 2020 (as amended, the "2020 Plan"). Under the 2020 Plan, the number of permitted authorized shares for issuance was originally set at 1,250,000, plus any shares reserved for awards outstanding under the 2010 Plan that were subsequently forfeited (for

instance, through a then outstanding out of the money option) or if the related shares are repurchased, a corresponding number of shares would automatically become available for issuance under the 2020 Plan. On December 7, 2023, our Company's stockholders, upon recommendation of our Company's board of directors, approved the First Amendment to the 2020 Stock Incentive Plan, increasing the number of shares of Class A Common Stock reserved for issuance under the 2020 Plan by an additional 971,807 shares. On December 5, 2024, the Company's stockholders, upon recommendation of the Company's board of directors, approved the Second Amendment to the 2020 Stock Incentive Plan, increasing the number of Class A Common Stock reserved for issuance under the 2020 Plan by an additional 3,500,000 shares.

Under the 2020 Plan, the Company may grant stock options and other share-based payment awards of our Class A Common Stock to eligible employees, directors and consultants. At March 31, 2025, there were 5,721,807 shares of Class A Common Stock available for issuance under the 2020 Plan.

Stock options are granted at exercise prices equal to the grant-date market prices and typically expire on either the fifth or tenth anniversary of the grant date. In contrast to a stock option where the grantee buys our Company's share at an exercise price determined on the grant date, a restricted stock unit ("RSU") entitles the grantee to receive one share for every RSU based on a vesting plan, typically between one year and four years from grant. As discussed further below, a performance component has been added to certain of the RSUs or options granted to management. At the time the options are exercised or RSUs vest and are settled, at the discretion of management, we will issue treasury shares or make a new issuance of shares to the option or RSU holder.

Stock Options

We have estimated the grant-date fair value of our stock options using the Black-Scholes option-valuation model, which takes into account assumptions such as the dividend yield, the risk-free interest rate, the expected stock price volatility, and the expected life of the options. We expensed the estimated grant-date fair values of options over the vesting period on a straight-line basis. Based on our historical experience, the "deemed exercise" of expiring in-the-money options and the relative market price to strike price of the options, we have not estimated any forfeitures of vested or unvested options.

For the quarter ended March 31, 2025, we recorded a compensation expense of \$299,000, with respect to our prior stock option grants. For the quarter ended March 31, 2024, we recorded a compensation expense of \$49,000, with respect to our prior stock option grants. At March 31, 2025, the total unrecognized estimated compensation expense related to non-vested stock options was \$470,000, which we expect to recognize over a weighted average vesting period of 0.75 years. The intrinsic, unrealized value of all options outstanding vested and expected to vest, at March 31, 2025, was nil, as the closing price of our Class A Common Stock on that date was \$1.39.

The following table summarizes the number of options outstanding and exercisable as of March 31, 2025, and December 31, 2024:

	Outstanding Stock Options - Class A Shares			
	Number of Options Class A	Weighted Average Exercise Price Class A	Weighted Average Remaining Years of Contractual Life Class A	Aggregate Intrinsic Value Class A
Balance - December 31, 2023				
Granted	412,779	\$ 14.19	1.79	\$ —
Exercised	1,499,755	1.49	—	—
Forfeited	—	—	—	—
	(205,122)	—	—	—
Balance - December 31, 2024	1,707,412	\$ 1.63	9.44	\$ —
Granted	—	—	—	—
Exercised	—	—	—	—
Forfeited	—	—	—	—
Balance - March 31, 2025	1,707,412	\$ 1.54	9.19	\$ —

Restricted Stock Units

The following table summarizes the status of RSUs granted to date as of March 31, 2025:

Grant Date	Restricted Stock Units					
	RSU Grants (in units)		Total Grants	Vested, March 31, 2025	Unvested, March 31, 2025	Forfeited, March 31, 2025
	Directors	Management				
Opening balance	339,438	1,222,252	1,561,690	1,169,564	280,253	111,874
April 11, 2023	—	413,536	413,536	146,714	257,790	9,032
April 21, 2023	—	237,719	237,719	79,328	149,866	8,525
April 28, 2023	—	20,427	20,427	5,109	15,318	—
Total	339,438	1,893,934	2,233,372	1,400,715	703,227	129,431

Time vested RSU awards to management typically vest 25% on the anniversary of the grant date and the remainder over a period of four years. Beginning in 2020, a performance component has been added to certain management equity grants, which vest on the third anniversary of their grant date based on the achievement of certain performance metrics. From 2021 onwards, RSUs have two vesting structures, which include time vesting and performance vesting. The majority of RSUs vest 75% evenly over a period of four years, with the remaining 25% contingent upon the achievement of certain performance metrics, vesting in full on the third anniversary of the date of the grant. In the case of our Chief Executive Officer, RSUs vest 50% evenly over a period of four years with the remaining 50% contingent upon the achievement of certain performance metrics, vesting in full on the third anniversary of the grant date. In 2024, our Board of Directors determined that our Company was not in a position to pay cash bonuses that would have been otherwise earned by our executive officers.

For the quarter ended March 31, 2025, we recorded compensation expense of \$301,000. For the quarter ended March 31, 2024, we recorded compensation expense of \$628,000. The total unrecognized compensation expense related to the non-vested RSUs was \$3.0 million as of March 31, 2025, which we expect to recognize over a weighted average vesting period of 0.85 years.

Stock Repurchase Program

Our Stock Repurchase Program expired on March 10, 2024. It has not been renewed. No stock has been repurchased by our Company since March 10, 2020.

Note 19 – Hedge Accounting

As of March 31, 2025, our Company held derivative instruments to the notional value of \$31.2 million (AU\$50.0 million). As of December 31, 2024, our Company held derivatives in the total notional amount of \$33.0 million (AU\$50.0 million).

The derivatives are recorded on the balance sheet at fair value and are included in the following line items:

(Dollars in thousands)	Liability Derivatives			
	March 31, 2025		December 31, 2024	
	Balance sheet location	Fair value	Balance sheet location	Fair value
Interest rate contracts	Derivative financial instruments - current portion	\$ —	Derivative financial instruments - current portion	\$ —
	Derivative financial instruments - non-current portion	148	Derivative financial instruments - non-current portion	137
Total derivatives designated as hedging instruments		\$ 148		\$ 137
Total derivatives		\$ 148		\$ 137

The changes in fair value of that instrument were recorded in Other Comprehensive Income and released into interest expense in the same period(s) in which the hedged transactions affect earnings. In the quarter ended March 31, 2025 and March 31, 2024, respectively, the derivative instruments affected Comprehensive Income as follows:

(Dollars in thousands)

Location of Loss Recognized in Income on Derivatives

		Three Months Ended March 31	
		2025	2024
Interest rate contracts	Interest expense	\$	\$
Total		\$	\$

(Dollars in thousands)

		Amount	
		Three Months Ended March 31	
		2025	2024
Interest rate contracts		\$ 148	\$
Total		\$ 148	\$

Line Item	Amount	
	Three Months Ended March 31	
	2025	2024
Interest expense	\$	\$
Total	\$	\$

As of March 31, 2025, we expect to release \$229,000 to earnings.

Note 20 – Fair Value Measurements

ASC 820, Fair Value Measurement establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The statement requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

- Level 1: Quoted market prices in active markets for identical assets or liabilities;
- Level 2: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets; and,
- Level 3: Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The following tables summarize our financial liabilities that are carried at cost and measured at fair value on a non-recurring basis as of March 31, 2025, and December 31, 2024, by level within the fair value hierarchy.

(Dollars in thousands)	Carrying Value ⁽¹⁾	Fair Value Measurement at March 31, 2025			Total
		Level 1	Level 2	Level 3	
Notes payable	\$ 158,698	\$ —	\$ —	\$ 158,729	\$ 158,729
Subordinated debt	27,913	—	—	27,768	27,768
	\$ 186,611	\$ —	\$ —	\$ 186,497	\$ 186,497

(Dollars in thousands)	Carrying Value ⁽¹⁾	Fair Value Measurement at December 31, 2024			Total
		Level 1	Level 2	Level 3	
Notes payable	\$ 174,800	\$ —	\$ —	\$ 174,994	\$ 174,994
Subordinated debt	27,913	—	—	27,867	27,867
	\$ 202,713	\$ —	\$ —	\$ 202,861	\$ 202,861

(1) These balances are presented before any deduction for deferred financing costs.

The following is a description of the valuation methodologies used to estimate the fair value of our financial assets and liabilities. There have been no changes in the methodologies used as of March 31, 2025, and December 31, 2024.

- **Level 1** investments in marketable securities primarily consist of investments associated with the ownership of marketable securities in U.S. and New Zealand. These investments are valued based on observable market quotes on the last trading date of the reporting period.
- **Level 2** derivative financial instruments are valued based on discounted cash flow models that incorporate observable inputs such as interest rates and yield curves from the derivative counterparties. The credit valuation adjustments associated with our non-performance risk and counterparty credit risk are incorporated in the fair value estimates of our derivatives. As of March 31, 2025, and December 31, 2024, we concluded that the credit valuation adjustments were not significant to the overall valuation of our derivatives.
- **Level 3** borrowings include our secured and unsecured notes payable, trust preferred securities and other debt instruments. The borrowings are valued based on discounted cash flow models that incorporate appropriate market discount rates. We calculated the market discount rate by obtaining period-end treasury rates for fixed-rate debt, or LIBOR for variable-rate debt, for maturities that correspond to the maturities of our debt, adding appropriate credit spreads derived from information obtained from third-party financial institutions. These credit spreads take into account factors such as our credit rate, debt maturity, types of borrowings, and the loan-to-value ratios of the debt.

Our Company's financial instruments also include cash, cash equivalents, receivables and accounts payable. The carrying values of these financial instruments approximate the fair values due to their short maturities. Additionally, there were no transfers of assets and liabilities between levels 1, 2, or 3 during the quarter ended March 31, 2025, and March 31, 2024.

Note 21 – Subsequent Events

On April 2, we executed an amendment with NAB that, among other things, increased the bank guarantee facility from AU\$3.0 million to AU\$4.0 million. On April 29, 2025, we executed a further amendment with NAB that extended the repayment of the Bridge Loan until May 14, 2025. On May 14, 2025, we received confirmation from NAB that the Bridge Loan would be further extended until May 23, 2025.

On April 3, 2025, we amended our Bank of America facility to defer certain scheduled pay downs. See *Note 13 – Borrowings*.

On April 15, 2025, we closed our Town Square cinema in San Diego, California.

On May 2, 2025, we extended our Emerald Creek Capital loan to November 6, 2026, with a further six month option to extend. See *Note 13 – Borrowings*.

This MD&A should be read in conjunction with the accompanying unaudited consolidated financial statements included in Part I, Item 1 (Financial Statements). The foregoing discussions and analyses contain certain forward-looking statements. Please refer to the "Cautionary Statement Regarding Forward-Looking Statements" included at the conclusion of this section and our "Risk Factors" set forth in our 2024 Form 10-K, Part 1 – Financial Information, Item 1A and the Risk Factors set out below.

Item 2 – Management's Discussion and Analysis ("MD&A") of Financial Condition and Results of Operations

The MD&A should be read in conjunction with our consolidated financial statements and related notes in this Report.

Business Overview & Updates

While our performance this quarter was not as strong as we had originally anticipated, especially in comparison to the first quarter of 2024, we remain optimistic about the direction of our cinema business and the cinema industry as a whole. Performances for the first quarter of 2025 from films such as *Captain America: Brave New World* and Disney's *Snow White* did not meet industry expectations.

However, looking to the second quarter of 2025, *A Minecraft Movie* and *Sinners* have already exceeded industry expectations and have created momentum for the industry. Additionally, we are encouraged about the long-term prospects of the cinema industry for a variety of reasons, including

- (i) the current movie release schedule from 2025 to 2027, reflecting a notable increase in quality tentpole films, such as *Superman (2025)*, *Fantastic Four (2025)*, and *Jurassic World: Rebirth (2025)*;
- (ii) the strong performance of selected highly anticipated and well-promoted films which we believe has demonstrated that audiences are eager to return to cinemas, with per-film attendance approaching levels seen during the pre-pandemic blockbuster era—recent examples include *A Minecraft Movie*, *Sinners* and *Thunderbolts**;

- (iii) the fact that major studios and distributors, including streaming platforms like MGM Amazon and Apple TV, are adding a cinema exhibition run to their overall distribution plan as they recognize the economic value of the theatrical release window, not only for driving box office revenues, but also for promoting and distinguishing their films from other content available on their platforms—for example, MGM Amazon's *The Accountant II* (2025), had a successful theatrical release; and
- (iv) the growing volume of content focused on niche cinema audiences, such as faith-based movies like *The King of Kings* (2025) and *I Can Only Imagine 2* (2026).

Since the start of the COVID-19 pandemic through the first quarter of 2025, we have reduced our operating costs by closing or surrendering seven (7) underperforming locations (three in Hawaii, one in California, one in Texas, two in New Zealand). The reduction in our cinema count has impacted our gross revenues but has, we believe, helped our bottom line. None of these past locations are currently operating as a cinema. We have been working to re-negotiate leases at our continuing U.S. cinemas to either reduce occupancy costs or to convert fixed rent to percentage rent, thus better aligning our landlord's interests with our own. Additionally, on April 15, 2025 we closed one more U.S. cinema, our Reading Cinemas Town Square in San Diego, CA, upon the expiration of that lease.

We have also reduced our expenses by selling during the first quarter of last year our administrative office building in Culver City, California and moving to a remote working structure while we investigate our options for replacing office space. We have worked to renegotiate various supplier contracts and have reduced our future insurance costs by approximately \$1.3 million on a going forward basis over the remainder of this year. Senior executive salaries have remained flat since 2023 and no cash bonuses have been issued in the last five years except 2022. In 2024 we substituted stock options for cash bonuses related to 2023 performance and did not issue long-term incentive grants. Our Compensation Committee has determined that it will likewise grant stock options in lieu of cash bonuses with respect to 2024 performance.

With respect to our real estate segment, our Australian real estate revenues continue to have steady, strong performance, and especially when measured in local currency. However, the Australian real estate operations for the three-month period ended March 31, 2025 have been adversely impacted by the generally downward trend in exchange rates.

The current macroeconomic conditions such as inflation, interest rates, labor cost increases, and the relatively low exchange value of the Australian and New Zealand dollars have continued to be obstacles that our cinema operations and the entire cinema industry must navigate, and have adversely impacted our global cinema segment:

- Cinema attendance levels have not yet returned to pre-pandemic levels;
- The number of movies released by the major Hollywood studios and other distributors, while increasing from pandemic levels, have not yet returned to their higher pre-pandemic levels, impacted as well by the 2023 Hollywood Strikes;
- The duration of the exclusive theatrical release window is under continuing pressure from cable and streaming;
- Inflationary pressures, ongoing supply chain issues and increased operating expenses arising post-pandemic continue to push up our variable costs while we encounter consumer resistance to higher ticket prices;
- Labor costs continue to increase due to inflation and labor shortages and government mandates;
- Increased fixed costs for third party cinema rents, some of which are increasing due to fixed rent escalations, some of which are fixed and some of which are adjusted by reference to changes in the cost of living index, which are exacerbated by having to also pay our COVID-19 related rent deferrals for the periods of time when our operations were closed or restricted;
- Declines in exchange rates for the Australian and New Zealand currencies when compared to the U.S. Dollar; and
- General market and economic conditions.

The film exhibition industry for 2025 is expected to see some notable movie titles, which were initially slated for 2024 being postponed to this current year. This will help bring positive momentum with movies such as *Thunderbolts**, *Elio*, *Mission: Impossible – The Final Reckoning*, *SpongeBob SquarePants*, and James Cameron's eagerly awaited *Avatar* sequel.

The first quarter of 2025 underperformed with movies such as Disney's *Snow White*, *Captain America: Brave New World*, and *Mickey 17* not meeting industry expectations compared to last year's successful films such as *Dune Part 2* and *Kung Fu Panda 4*. In the first quarter of 2025, we continued to see success from the Oscar winning film *Anora*, and new specialty films such as *I'm Still Here* and *The Last Showgirl*. Additionally, Q4 2024's movies such as *Moana 2*, *Sonic the Hedgehog 3*, *Mufasa: The Lion King*, and *A Complete Unknown* continued to be appreciated by audiences during the first quarter of 2025. We believe that the continued success of these Q4 titles highlights strong audience loyalty and engagement, which shows that cinema audiences are still connecting with content and are continuing to have high levels of brand loyalty.

The remaining 2025 film lineup looks powerful and promising with highly anticipated releases, which are expected to drive audiences to our big screens. These films include *Lilo & Stitch*, *Mission Impossible – The Final Reckoning*, *Ballerina*, *Superman*, *Downton Abbey 3*, *F1*, *Wicked: For Good* and *Avatar: Fire and Ash*.

We are actively working with our landlords to manage our occupancy costs, which remain high relative to our current revenue levels. Recognizing the oversupply of cinemas in the U.S., we continue to evaluate our U.S. holdings and plan to close underperforming locations where reasonable agreements with landlords cannot be reached. Since the start of the COVID-19 pandemic through the first quarter of 2025, we have closed or surrendered leases at three locations in Hawaii, one location in Texas, one location in Northern California, and two locations in New Zealand (all of which experienced negative cash flow at the theater level). We closed a further California cinema in April, 2025. In some cases the applicable cinema lease effectively came to their end by the landlord exercising termination rights (for example, in the case of month-to-month tenancies in order to convert to another use or in the last month of the term). In other cases we have elected not to exercise renewal options. None of these locations have been returned to a cinema use. While in the short term, cinema closures will have an impact on our gross revenue levels year-over-year, we anticipate that they will improve our long-term operating results. We continue to remain confident that such closures are in the best interests of our Company and our stockholders and that in the coming years, our cinema revenue will once again support our real estate development initiatives. Currently, we have one six-screen cinema project in the pipeline in Australia.

Additionally, we expect continued improvements to the operational performance of our cinemas as our global circuit steadily recovers. A key factor in this optimism is the ongoing expansion and enhancement of our Food and Beverage (F&B) offerings. As of Q1 2025, we are currently able to sell beer and wine in 100% of our U.S. cinemas, and liquor in all but three. We are actively pursuing licenses to offer liquor, along with beer and wine, at those remaining three locations. Looking ahead, we are committed to securing liquor licenses and enhancing our F&B offerings across our circuits in Australia and New Zealand as well, reinforcing our dedication to elevating the cinema experience for our customers.

Real Estate Developments

Regarding our United States real estate, during the first quarter of 2024, we sold our underutilized administrative office building in Culver City, California for \$10.0 million. We continue to work to lease up the remainder of our 44 Union Square building. The existing tenant, Petco, occupies the cellar, ground and first floors on a full rent paying basis. We believe that demand for space in the Union Square submarket is improving.

On January 31, 2025, we sold all of our Wellington, New Zealand properties for NZ\$38.0 million, and entered into an agreement to lease for the cinema premises in Courtenay Central upon completion of seismic upgrades. As of March 31, 2025, all our tenants at our Australian and New Zealand properties were in occupancy on a full rent paying basis.

Given our liquidity requirements, we have largely paused our real estate development projects. Our restricted capital expenditures in 2023 and 2024 have primarily targeted improvements to our existing cinemas. To bolster our liquidity, the Company has listed for sale various assets, being our Newberry Yard property in Williamsport, Pennsylvania, and our Cannon Park property in Townsville, Queensland, Australia.

Company Overview

We are an internationally diversified company principally focused on the development, ownership, and operation of entertainment and real estate assets in the United States, Australia, and New Zealand. Currently, we operate in two business segments:

- Cinema exhibition, through our 59 cinemas as of March 31, 2025.
- Real estate, including real estate development and the rental of retail, commercial, and live theatre assets.

While we have monetized several significant properties, we believe these two business segments continue to complement and support one another. Prior to COVID-19, we used cash flows generated by our cinema operations to fund the front-end cash demands of our real estate development business. As a result of COVID-19, we relied more upon income from our real estate assets, and tapped into the embedded value in those assets, to support our Company through the COVID-19 crisis. As the residual COVID-19 and the 2023 Hollywood Strikes impacts continue to subside, we believe that the quality of film product will continue to improve enticing patrons to return to our cinemas, reaffirming our belief that we will once again be able to rely on the cash flows generated by our cinema portfolio to enhance and add to our real estate portfolio. To meet anticipated liquidity needs, we have classified two assets (Newberry Yard and Cannon Park) as assets held for sale, but even after these dispositions we anticipate that we will continue to own properties in Pennsylvania, Manhattan, and in Australia and New Zealand that we believe will present, when capital resources are available to us, potential to build stockholder value.

Key Performance Indicators (Unaudited; U.S. dollars in thousands, except per patron data)

Food and Beverage Spend Per Patron

A key performance indicator utilized by management in our cinema segment is Food and Beverage ("F&B") Spend Per Patron ("SPP"), which is calculated based on our total Food & Beverage Revenues on a post-tax basis divided by our attendance during a specific period.

One of our strategic priorities has been to continue upgrading the food and beverage menu at several of our global cinemas. As of March 31, 2025, we have a total of 38 theater locations with elevated food and beverage menus (i.e. menus that are beyond traditional popcorn, soda, and candy). We use F&B SPP as a measure of our food and beverage operational performance as compared to that of our competitors. Although the profitability of our food and beverage operations is influenced by numerous factors, including labor and cost of goods, F&B SPP serves as an indicator of our ability to achieve consistent strong top-line performance. In addition, F&B SPP highlights our ability to optimize revenue by effectively promoting and selling supplementary products to our customers during each visit. Moreover, this metric assists in evaluating how well we can differentiate our F&B offerings from our competitors. Management in turn uses F&B SPP to adjust food and beverage pricing strategies at our individual theaters, measure the effectiveness of promotional marketing initiatives, optimize menu offerings, and to ensure price barriers are not created for our attendance.

Food & Beverage Spend Per Patron (in functional currency)	Three Months Ended		
	March 31,		% Change Favorable/(Unfavorable)
	2025	2024	
United States	\$7.97	\$7.74	3.0%
Australia	\$7.83	\$7.66	2.2%
New Zealand	\$6.80	\$6.70	1.5%

Average Ticket Price per Patron

An additional key performance indicator utilized by management in our cinema segment is Average Ticket Price ("ATP") Per Patron, which is calculated based on our total Box Office Revenues on a post-tax basis divided by our attendance during a specific period. ATP serves to measure our operational cinema performance when compared to that of our competitors. ATP is a useful metric for evaluating our ability to achieve a strong top line performance, gauging the effectiveness of our cinemas' pricing strategies and our ability to draw audiences back to our theaters. Management uses ATP to adjust and inform ticket pricing schemes for our individual theaters, measure the effectiveness of our content programming, and ensure that price barriers are not created for core guests.

Average Ticket Price (in functional currency)	Three Months Ended		
	March 31,		% Change Favorable/(Unfavorable)
	2025	2024	
United States	\$13.49	\$13.76	(2.0)%
Australia	\$15.52	\$13.62	14.0%
New Zealand	\$13.74	\$11.79	16.5%

Real Estate Key Performance Indicators

The key performance indicators used by management in our real estate segment vary according to jurisdiction. At the current time, in the United States, we assess our United States real estate division (excluding our Live Theaters), solely on a net operating income basis. In Australia and New Zealand, we assess our properties held for rent using net operating income, occupancy factor (the percentage of the net rentable area of our properties that are leased) and average lease duration. We believe our chosen indicators help us effectively assess the return on investment on our real estate assets.

Real Estate (in functional currency)	Three Months Ended			
	March 31,		% Change Favorable/(Unfavorable)	
	2025	2024		
United States	Net Operating Income	\$ (146.2)	\$ (530.4)	72.4%
Australia	Net Operating Income	\$ 1,022.1	\$ 733.5	39.3%
	Occupancy Factor	95%	95%	0.0%age points
	Average Lease Duration	3.89 Years	3.39 Years	0.5 years

New Zealand	Net Operating Income	\$	(474.6)	\$	(614.9)	22.8%
	Occupancy Factor		100%		100%	0.0%age points
	Average Lease Duration		0.42 years		0.56 Years	(.14) years

In the case of our Live Theatres, with respect to key performance indicators, we primarily look to the live theater rental revenue and ancillary income from the theatres. This key performance indicator represents box office revenues less amounts paid to producers for license fee settlements, plus ancillary income earned by us from certain theater operations. Our live theater rental revenue and ancillary income for the first quarter 2025 was \$543.0 thousand compared to \$413.0 thousand for the first quarter 2024.

Historically, in the case of our development properties (such as 44 Union Square in New York City) and our various international properties such as Newmarket Village in Australia, we have no specific key performance standards to compare performance from period to period. Rather we continue to analyze budgets and projections and compare actual results to budgeted or projected results from time to time.

Cinema Exhibition Overview

We operate our worldwide cinema exhibition businesses through various subsidiaries under various brands:

- in the U.S., under the Reading Cinemas, Angelika Film Centers, and Consolidated Theatres brands.
- in Australia, under the Reading Cinemas, Angelika Cinemas, the State Cinema by Angelika, and for our one unconsolidated joint venture theatre, Event Cinemas brands.
- in New Zealand, under the Reading Cinemas and for our two unconsolidated joint venture theatres, Rialto Cinemas brands.

Shown in the following table are the number of locations and screens in our cinema circuit in each country, by state/territory/region, our cinema brands, and our interest in the underlying assets as of March 31, 2025.

Country	State / Territory / Region	Location Count(3)	Screen Count	Interest in Asset Underlying the Cinema		Operating Brands
				Leased	Owned	
United States	Hawaii	6	74	6		Consolidated Theatres
	California	6	72	6		Reading Cinemas, Angelika Film Center
	New York	3	16	2	1	Angelika Film Center
	Texas	1	8	1		Angelika Film Center
	New Jersey	1	12	1		Reading Cinemas
	Virginia	1	8	1		Angelika Film Center
	Washington, D.C.	1	3	1		Angelika Film Center
	U.S. Total	19	193	18	1	
Australia	Victoria	9	62	9		Reading Cinemas
	New South Wales	6	44	6	0	Reading Cinemas
	Queensland	7	64	4	3	Reading Cinemas, Angelika Cinemas, Event Cinemas ⁽¹⁾
	Western Australia	4	27	3	1	Reading Cinemas
	South Australia	2	15	2		Reading Cinemas
	Tasmania	2	14	2		Reading Cinemas, State Cinema by Angelika
		Australia Total	30	226	26	4
New Zealand	Wellington	2	15	2		Reading Cinemas
	Otago	2	12	1	1	Reading Cinemas, Rialto Cinemas ⁽²⁾
	Auckland	2	15	2		Reading Cinemas, Rialto Cinemas ⁽²⁾
	Canterbury	1	8	1		Reading Cinemas
	Southland	1	5	1	0	Reading Cinemas
	Bay of Plenty	1	5	0	1	Reading Cinemas
	Hawke's Bay	1	4	0	1	Reading Cinemas
	New Zealand Total	10	64	7	3	
GRAND TOTAL		59	483	51	8	

(1) Our Company has a 33.3% unincorporated joint venture interest in a 16-screen cinema located in Mt. Gravatt, Queensland managed by Event Cinemas.

(2) Our Company is a 50% joint venture partner in two New Zealand Rialto Cinemas, with a total of 13 screens. We are responsible for the booking of these cinemas and our joint venture partner, Event Cinemas, manages their day-to-day operations.

(3) Our Wellington leased count includes our Courtenay Central cinema, which, having been sold on January 31, 2025, is now under an Agreement to Lease and we anticipate reopening following the completion of certain third-party construction works.

Our cinema revenues consist primarily of cinema ticket sales, F&B sales, screen advertising, gift card sales, cinema rentals, and online convenience fee revenue generated by the sale of our cinema tickets through our websites and mobile apps. Cinema operating expenses consist of the costs directly attributable to the operation of the cinemas, including (i) film rent expense, (ii) operating costs, such as employment costs and utilities, and (iii) occupancy costs. Cinema revenues and certain expenses fluctuate with the availability of quality

first run films and the number of weeks such first run films stay in the market. For a breakdown of our current cinema assets that we own and/or manage, please refer to *Part I, Item 1 – Our Business* of our 2024 Form 10-K. We now present a discussion of recent material developments.

Cinema Pipeline

On January 31, 2025, in connection with our sale of our Wellington Properties to Prime Property Group Limited (“Prime”) we entered into an agreement to lease with Prime to fit out and operate under a long-term lease our previously owned 10 screen cinema at the to be redeveloped Courtenay Central in Wellington, New Zealand (the “ATL”). Under the ATL, Prime is obligated to redevelop Courtenay Central and upgrade it to meet current earthquake standards. We intend to renovate the existing cinema to a “best-in-class” standard.

Our Board has also authorized management to proceed with the negotiation of lease for one new state-of-the-art cinema, located in Noosa, Queensland, Australia.

Cinema Upgrades

The upgrades to our cinema circuits’ film exhibition technology and amenities over the years are as summarized in the following table as of March 31, 2025.:

	Location Count	Screen Count
Screen Format		
Digital (all cinemas in our cinema circuit)	59	483
IMAX	1	1
TITAN XC and TITAN LUXE	26	32
Dine-in Service		
Gold Lounge (AU/NZ) ⁽¹⁾	11	29
Premium (AU/NZ) ⁽²⁾	17	45
Spotlight (U.S.) ⁽³⁾	1	6
Upgraded Food & Beverage menu (U.S.)⁽⁴⁾	16	n/a
Premium Seating (features recliner seating)	33	198
Liquor Licenses⁽⁵⁾	50	n/a

(1) **Gold Lounge:** This is our “First Class Full Dine-in Service” in our Australian and New Zealand cinemas, which includes an upgraded F&B menu (with alcoholic beverages), luxury recliner seating features (intimate 25-50 seat cinemas) and waiter service.

(2) **Premium Service:** This is our “Business Class Dine-in Service” in our Australian and New Zealand cinemas, which typically includes upgraded F&B menu (some with alcoholic beverages) and may include luxury recliner seating features (less intimate 80-seat cinemas), but no waiter service.

(3) **Spotlight Service:** Our first dine-in cinema concept in the U.S. at Reading Cinemas in Murrieta, California. Six of our 17 auditoriums at this cinema feature waiter service before the movie begins with a full F&B menu, luxury recliner seating, and laser focus on customer service. Our Spotlight service has been temporarily suspended since the initial COVID-19 shutdown.

(4) **Upgraded Food & Beverage Menu:** Features an elevated F&B menu including a menu of locally inspired and freshly prepared items that go beyond traditional concessions, which we have worked with former Food Network executives to create. The elevated menu also includes beer, wine and/or spirits at most of our locations.

(5) **Liquor Licenses:** Licenses are applicable at each cinema location, rather than each cinema auditorium. As of today, we have liquor licenses in 100% of our cinemas operating in the U.S. In Australia, 86% of our cinemas are licensed and we have no liquor licenses pending. In New Zealand, 38% of our cinemas are licensed and we have two liquor licenses pending.

Real Estate Overview

Through our various subsidiaries, we engage in the real estate business through the development, ownership, rental or licensing to third parties of retail, commercial, and live theatre assets. Our real estate business creates long-term value for our stockholders through the continuous improvement and development of our investment and operating properties, including our ETCs. In addition to owning the fee interests in eight of our cinemas (as presented in the table under *Cinema Exhibition Overview*), as of March 31, 2025, we:

- own our 44 Union Square property in Manhattan comprised of retail and office space which is currently in the lease-up phase. The cellar, ground floor, and second floor of the building are now fully leased to Petco, which is in occupancy of its premises on a full rent paying basis.
- own and operate three ETCs known as Newmarket Village (in a suburb of Brisbane), The Belmont Common (in a suburb of Perth), and Cannon Park (in Townsville) in Australia (Currently being held for sale);
- own and operate our administrative office building in South Melbourne, Australia;
- own and operate the fee interests in two developed commercial properties in Manhattan improved with live theatres comprised of a single stage in each location;

- own a 75% managing member interest in a limited liability company which in turn owns the fee interest in and improvements constituting our Cinemas 1,2,3 located in Manhattan;
- own an approximately 23.9-acre property in Williamsport, Pennsylvania, which is currently being held for sale; and
- own approximately 201-acres principally in Pennsylvania from our legacy railroad business, including the Reading Viaduct in downtown Philadelphia;

For a breakdown of our real estate assets, made current by our discussion below, please refer to *Part I, Item 1 – Our Business* of our 2024 Form 10-K. We now present a discussion of recent material developments.

The combination of the COVID-19 pandemic, the lack of any material U.S. public pandemic financial assistance due to our public company status, the 2023 Hollywood Strike, increased interest rates, inflation, increased labor costs, and decreases in the value of the Australian Dollar and New Zealand Dollar vis-a-vis the U.S. Dollar, have significantly impacted our cinema operations and necessitated capital conservation to sustain our cinema operations and service our debt. This has required us to rethink our real estate business plan and to monetize a number of properties that had pre-COVID been slated for long-term development.

To date, we have monetized the following property assets:

- (i) Our non-income producing land holdings in Coachella, California and Manukau, New Zealand;
- (ii) Our Redyard ETC in Auburn, Australia;
- (iii) Our Royal George live theatre complex in Chicago (slated for redevelopment, and now being redeveloped for residential purposes by the new owner);
- (iv) The land underlying our cinema in Invercargill, New Zealand;
- (v) Our non-competitive four-screen cinema in Maitland, Australia;
- (vi) Our administrative office building in Culver City, California; and
- (vii) Most recently, on January 31, 2025, our approximately 3.7 acre five-parcel assemblage in the entertainment center of Wellington, New Zealand, which includes the Courtenay Central building.

These properties were identified for sale and sold in significant part because of (i) our need for liquidity due to the circumstances referred to above, (ii) the amount of capital required to materially increase their value in the immediate to mid-term, (iii) they were either non-income producing or provided immaterial cash flow and (iv) in the case of our Culver City office building, the property was not required for our operations because it exceeded our office size requirements. Our Courtenay Central deal includes a long-term lease back to us of the cinema component of that property, after the completion of seismic upgrades.

As of the date of this Report, we continue to have the following properties classified as held for sale:

- (i) Our ETC properties in Townsville (QLD) in Australia known as Cannon Park; and
- (ii) Our approximately 23.9-acre Newberry Yard in Williamsport, Pennsylvania (also currently non-income producing).

United States:

- 44 Union Square Redevelopment (New York, N.Y.)* – We continue our efforts to find a tenant for the remaining four floors of the building. On January 27, 2022, we entered a long-term lease with Petco for the lower level, ground floor, and second floor of the building. Petco is now open for business and in occupancy on a full rent paying basis.
- Minetta Lane Theatre (New York, N.Y.)* – Audible has a license agreement with us through March 15, 2026, with an option to extend it for an additional year. Audible presents plays featuring a limited cast of one or two characters and special live performance engagements on the Audible streaming service. During 2024, Audible presented a number of shows, including *Laura Benati: Nobody Cares*, *Dead Outlaw* and *Strategic Love Play*. In 2025, Hugh Jackman produces and stars in *Sexual Misconduct of the Middle Class* and Liev Schreiber stars in *Creditors*.
- Orpheum Theatre (New York, N.Y.)* – STOMP closed (after 30 years at our theatre) on January 8, 2023. Under our termination agreement with the producers of STOMP, we have certain rights to provide the New York City venue for any future production of that show. Following STOMP's historic run at the Orpheum, *The Empire Strips Back* ran for approximately three months, followed by a limited holiday engagement of *Death, Let Me Do My Show* starring comedian Rachel Bloom. The Off-Broadway solo version of William Shakespeare's *Hamlet* starring Eddie Izzard also played in 2024. The year finished with a run of *The Big Gay Jamboree*, produced by the creator of *Barbie* and *Titanique*. *The Jonathon Larson Project* closed in March 2025 and a new show, *Ginger Twinsies*, is scheduled to launch during the summer of 2025.

□ Cinemas 1,2,3 (New York, N.Y.) – Currently operated as the Cinemas 123, we have historically treated this property as an asset held for long term development. However, in light of a variety of factors, such as market conditions in Manhattan for real estate assets, cost of capital and demands on our liquidity, we have begun to explore alternatives for this property.

□ The Philadelphia Viaduct and Adjacent Properties (Philadelphia, Pennsylvania) – This continues to be an area of focus in 2025 as we continue our efforts to develop and maximize the potential of our real estate holdings in Philadelphia. Since 2023, we have resumed work on this project, particularly concentrating on the Reading Viaduct—an 0.7-mile-long raised rail bed and bridge system spanning the Callowhill and Poplar neighborhoods, extending to Vine Street in the heart of the city's Central Business District. Comprising approximately 6.5 acres of land, along with various connecting bridges over public streets and sidewalks, the Reading Viaduct represents a significant contiguous land holding unobstructed by public thoroughfares.

While there has been interest from the City of Philadelphia and the City Center District in acquiring the Reading Viaduct for park purposes, no concrete steps have been taken to proceed with condemnation or transfer of the property other than a petition brought by the City before the Surface Transportation Board (“STB”) seek a determination that the Reading Viaduct is no longer railroad property subject to the jurisdiction of the STB. Under applicable law, railroad land subject to the jurisdiction of the STB is not subject to condemnation by state or local authorities.

Recent developments in the area, such as the announcement of a \$158 million federal grant for the Chinatown Stitch project in mid-March 2024, further highlight the potential of the Reading Viaduct. This project aims to reconnect the Chinatown community and surrounding neighborhoods by capping the Vine Street Expressway I-676, which directly intersects with the Reading Viaduct at Vine Street. We believe that capping the expressway at our property would significantly enhance the attractiveness and viability of the Reading Viaduct for future development.

Australia:

□ Newmarket Village ETC (Brisbane, Australia) – We will continue to operate our Newmarket Village ETC, which includes Reading Cinemas as an anchor tenant. Our site includes a 23,218 square foot parcel adjacent to the center, improved with an office building. Over the next few years, we will be evaluating different development options for this space. As of the date of this report, the combined center and office building is 96% leased.

□ Cannon Park Center ETC, (Queensland, Australia) – We acquired two adjoining properties in Townsville, Queensland, Australia comprising of approximately 9.4-acres in 2015. The total gross leasable area of the Cannon Park City Center and the Cannon Park Discount Center is 126,368 square feet. Our multiplex cinema is the anchor tenant at the Cannon Park City Center. This site is currently 94% leased. As discussed in greater detail above, our Cannon Park property is currently under an unconditional contract of sales for AU\$32.0 million, which we expect to close sometime in May 2025.

□ The Belmont Common, (Belmont, Perth, Australia) – The total gross leasable area of the Belmont Common is 60,117 square feet of net rentable land. Our multiplex cinema is the anchor tenant with six third-party tenants. The site is currently 100% leased.

New Zealand:

On January 31, 2025, we sold all of our properties in Wellington, New Zealand (including the Courtenay Central building) to Prime Property Group (“Prime”) for a purchase price of NZ\$38.0 million. We understand that Prime intends to redevelop the properties, including a seismic upgrade of the existing Courtenay Central building. As a part of that sale transaction we have entered into an Agreement to Lease for the cinema component of that upgraded Courtenay Central building.

For a complete list of our principal properties, see *Part I, Item 2 – Properties* under the heading “*Investment and Development Property*” in our 2024 Form 10-K”.

Corporate Matters

Refer to *Part I – Financial Information, Item 1 – Notes to Consolidated Financial Statements-- Note 17 – Stock-Based Compensation and Stock Repurchases* for details regarding our stock repurchase program and Board, Executive and Employee stock-based remuneration programs.

Please refer to our 2024 Form 10-K for more details on our cinema and real estate segments.

RESULTS OF OPERATIONS

The table below summarizes the results of operations for each of our principal business segments along with the non-segment information for the quarter ended March 31, 2025, and March 31, 2024, respectively:

(Dollars in thousands)	Three Months Ended		% Change Fav/ (Unfav)
	March 31, 2025	March 31, 2024	
SEGMENT RESULTS			
Revenue			
Cinema exhibition	\$ 36,404	\$ 41,271	(12) %
Real estate	4,845	4,933	(2) %
Inter-segment elimination	(1,080)	(1,152)	6 %
Total revenue	40,169	45,052	(11) %
Operating expense			
Cinema exhibition	(37,657)	(41,872)	10 %
Real estate	(1,955)	(2,235)	13 %
Inter-segment elimination	1,680	1,152	(6) %
Total operating expense	(38,532)	(42,955)	10 %
Depreciation and amortization			
Cinema exhibition	(2,141)	(2,587)	17 %
Real estate	(1,102)	(1,517)	27 %
Total depreciation and amortization	(3,243)	(4,104)	21 %
General and administrative expense			
Cinema exhibition	(1,082)	(977)	(11) %
Real estate	(194)	(291)	33 %
Total general and administrative expense	(1,276)	(1,268)	(1) %
Segment operating income			
Cinema exhibition	(4,476)	(4,165)	(7) %
Real estate	1,594	890	79 %
Total segment operating income (loss)	\$ (2,882)	\$ (3,275)	12 %
NON-SEGMENT RESULTS			
Depreciation and amortization expense	(132)	(102)	(29) %
General and administrative expense	(3,877)	(4,154)	7 %
Interest expense, net	(4,742)	(5,286)	10 %
Equity earnings of unconsolidated joint ventures	23	(25)	>100 %
Gain (loss) on sale of assets	6,526	(1,125)	>100 %
Other income (expense)	(331)	341	(>100) %
Income before income taxes	(5,415)	(13,626)	60 %
Income tax benefit (expense)	472	223	>100 %
Net income (loss)	(4,943)	(13,403)	63 %
Less: net income (loss) attributable to noncontrolling interests	(191)	(175)	(9) %
Net income (loss) attributable to Reading International, Inc.	\$ (4,752)	\$ (13,228)	64 %
Basic earnings (loss) per share	\$ (0.21)	\$ (0.59)	64 %

Consolidated and Non-Segment Results:

First Quarter Net Results

Revenue

Revenue for the quarter ended March 31, 2025, decreased by \$4.9 million, to \$40.2 million, compared to the same period in the prior year, primarily due to (i) lower attendance in all three countries as a result of underperforming movies from Hollywood studios in the first quarter of 2025 compared to the same period in 2024, in addition to the closure of certain cinemas in the U.S. and NZ, (ii) slight decreases in property rent revenue in all three countries, and (iii) the weakening of the AU/NZ foreign exchange rates against US dollar, offset by an increase in Live Theatres' revenue.

Segment Operating Income/(Loss)

Our total segment operating loss for the quarter ended March 31, 2025, decreased by \$0.4 million, from a loss of \$3.3 million to a loss of \$2.9 million, primarily due to savings in operating expenses in our cinema and real estate segments and a reduction in depreciation and amortization, partially offset by weakened cinema performance.

During the first quarter of 2025, both the Australia and New Zealand dollars devalued against the U.S. dollar. The average Australia dollar exchange rate against the U.S. dollar for the first quarter of 2025 decreased 4.5% compared to the same period in 2024. The average New Zealand dollar exchange rate against the U.S. dollar for the first quarter of 2025 decreased 7.3% compared to the same period in 2024. The devaluation of the Australia and New Zealand currencies negatively impacts segment operating income and positively impacts segment operating loss in U.S. dollar terms for the period.

Net Income/(Loss)

Our net loss attributable to Reading International, Inc. for the quarter ended March 31, 2025, decreased by \$8.5 million, from a loss of \$13.2 million to a loss of \$4.8 million, when compared to the same period in the prior year, primarily due to gain on sale of assets, reduced depreciation and amortization expense, and reduced interest expense, partially offset by weakened cinema performance.

Income Tax Expense

Income tax benefit for the three months ended March 31, 2025, increased by \$0.2 million compared to the equivalent prior-year period. The change between 2025 and 2024 is primarily related to a decrease in reserve for valuation allowance in 2025.

Business Segment Results

Cinema Exhibition

The following table details our cinema exhibition segment operating results for the quarter and nine months ended March 31, 2025, and March 31, 2024, respectively:

(Dollars in thousands)		Three Months Ended				
		March 31, 2025		March 31, 2024		Three Months Ended
REVENUE			% of Revenue		% of Revenue	
United States	Admissions revenue	\$ 10,245	28%	\$ 12,245	30%	(16)%
	Food & beverage revenue	6,308	17%	6,960	17%	(12)%
	Advertising and other revenue	1,942	5%	2,103	5%	(8)%
		\$ 18,295	50%	\$ 21,308	52%	(14)%
Australia	Admissions revenue	\$ 9,630	26%	\$ 10,261	25%	(6)%
	Food & beverage revenue	4,856	13%	5,765	14%	(16)%
	Advertising and other revenue	1,196	3%	1,296	3%	(8)%
		\$ 15,682	43%	\$ 17,322	42%	(9)%
New Zealand	Admissions revenue	\$ 1,546	4%	\$ 1,600	4%	(3)%
	Food & beverage revenue	766	2%	900	2%	(16)%
	Advertising and other revenue	115	0%	132	0%	(13)%
		\$ 2,427	7%	\$ 2,641	6%	(8)%
Total revenue		\$ 36,404	100%	\$ 41,271	100%	(12)%
OPERATING EXPENSE						
United States	Film rent and advertising cost	\$ (5,058)	14%	\$ (6,139)	15%	18%
	Food & beverage cost	(1,583)	4%	(1,907)	5%	17%
	Occupancy expense	(3,967)	11%	(5,787)	14%	31%
	Labor cost	(4,082)	11%	(4,148)	10%	2%
	Utilities	(1,218)	3%	(1,308)	3%	7%
	Cleaning and maintenance	(1,541)	4%	(1,427)	3%	(8)%
	Insurance	—	0%	—	0%	—
	Other operating expenses	(2,146)	6%	(2,124)	5%	(1)%
		\$ (19,595)	54%	\$ (22,840)	55%	14%
Australia	Film rent and advertising cost	\$ (3,956)	11%	\$ (4,448)	11%	11%
	Food & beverage cost	(1,075)	3%	(1,275)	3%	16%
	Occupancy expense	(4,295)	12%	(4,402)	10%	2%
	Labor cost	(3,307)	9%	(3,273)	8%	(1)%
	Utilities	(842)	2%	(812)	2%	(4)%
	Cleaning and maintenance	(1,149)	3%	(1,204)	3%	5%
	Insurance	(773)	2%	(872)	2%	11%
	Other operating expenses	(15,399)	42%	(16,296)	39%	5%
New Zealand	Film rent and advertising cost	\$ (649)	2%	\$ (682)	2%	5%
	Food & beverage cost	(148)	0%	(204)	0%	27%
	Occupancy expense	(733)	2%	(759)	2%	3%
	Labor cost	(534)	1%	(562)	1%	5%
	Utilities	(98)	0%	(100)	0%	2%
	Cleaning and maintenance	(194)	1%	(204)	0%	5%
	Other operating expenses	(307)	1%	(233)	1%	(31)%
		\$ (2,663)	7%	\$ (2,746)	7%	3%
Total operating expense		\$ (37,657)	103%	\$ (41,872)	101%	10%
DEPRECIATION, AMORTIZATION, IMPAIRMENT AND GENERAL AND ADMINISTRATIVE EXPENSE						
United States	Depreciation and amortization	\$ (1,121)	3%	\$ (1,271)	3%	12%
	General and administrative expense	(725)	2%	(623)	2%	(15)%
		\$ (1,846)	5%	\$ (1,904)	5%	3%
Australia	Depreciation and amortization	\$ (913)	3%	\$ (1,190)	3%	23%
	General and administrative expense	(344)	1%	(344)	1%	—
		\$ (1,257)	3%	\$ (1,534)	4%	18%
New Zealand	Depreciation and amortization	\$ (107)	0%	\$ (126)	0%	15%
	General and administrative expense	(12)	0%	—	0%	—
		\$ (119)	0%	\$ (126)	0%	6%
Total depreciation, amortization, general and administrative expense		\$ (3,222)	9%	\$ (3,564)	9%	10%
OPERATING INCOME (LOSS) – CINEMA						
United States		\$ (3,146)	(9)%	\$ (3,436)	(8)%	8%
Australia		(974)	(3)%	(498)	(1)%	(96)%
New Zealand		(355)	(1)%	(231)	(1)%	(54)%
Total Cinema operating income (loss)		\$ (4,475)	(12)%	\$ (4,165)	(10)%	(7)%

First Quarter Results

For the quarter ended March 31, 2025, cinema revenue decreased by \$4.9 million, to \$36.4 million compared to the same period in the prior year. This decrease was primarily due to a global decline in attendance from a weaker slate of overall films, plus closure of U.S. and NZ theaters.

Cinema Segment Operating Income/(Loss)

Cinema segment operating loss for the quarter ended March 31, 2025, increased by \$0.3 million, from a loss of \$4.2 million to a loss of \$4.5 million when compared to the same period in the prior year. The increase in operating loss is due to a decrease in cinema revenue in all three countries because of lower attendance, offset by a decrease in operating expenses, and lower depreciation, amortization and G&A expenses.

Operating Expense

Operating expenses for the quarter ended March 31, 2025, decreased by \$4.2 million, to \$37.7 million, compared to the same quarter in the prior year. This decrease was due to lower operating expenses across the three countries.

Depreciation, amortization, impairment, general and administrative expense

Depreciation, amortization, impairment, and general and administrative expenses for the quarter ended March 31, 2025, showed a decrease of \$0.3 million, to \$3.2 million, compared to the same quarter in the prior year.

Real Estate

The following table details our real estate segment operating results for the quarters ended March 31, 2025 and March 31, 2024, respectively:

(Dollars in thousands)	Three Months Ended					
	March 31, 2025		March 31, 2024		Three Months Ended	
		% of Revenue		% of Revenue		
REVENUE						
United States	Live theatre rental and ancillary income	\$ 543	11%	\$ 413	8%	31%
	Property rental income	1,044	22%	1,072	22%	(3)%
		1,587	33%	1,485	30%	7%
Australia	Property rental income	3,015	62%	3,083	62%	(2)%
New Zealand	Property rental income	243	5%	365	7%	(33)%
		4,845	100%	4,933	100%	(2)%
OPERATING EXPENSE						
United States	Live theater cost	\$ (227)	5%	\$ (234)	5%	(1)%
	Occupancy expense	(177)	4%	(192)	4%	8%
	Labor cost	—	0%	—	0%	-%
	Utilities	(44)	1%	(30)	1%	(47)%
	Cleaning and maintenance	(31)	1%	(47)	1%	34%
	Other operating expenses	(165)	3%	(124)	3%	52%
		(654)	10%	(647)	10%	23%
Australia	Occupancy expense	\$ (487)	10%	\$ (489)	10%	-%
	Labor cost	(44)	1%	(58)	1%	24%
	Utilities	(13)	0%	(14)	0%	7%
	Cleaning and maintenance	(220)	5%	(215)	4%	(2)%
	Insurance	—	0%	—	0%	-%
	Other operating expenses	(258)	5%	(234)	5%	(10)%
		(1,022)	21%	(1,010)	20%	(1)%
New Zealand	Occupancy expense	\$ (58)	1%	\$ (111)	2%	48%
	Labor cost	(2)	0%	(6)	0%	67%
	Utilities	(5)	0%	(19)	0%	74%
	Cleaning and maintenance	(4)	0%	(11)	0%	64%
	Insurance	—	0%	—	0%	-%
	Other operating expenses	(210)	4%	(233)	5%	10%
		(279)	6%	(380)	8%	27%
		(1,955)	40%	(2,325)	45%	13%
DEPRECIATION, AMORTIZATION, GENERAL AND ADMINISTRATIVE EXPENSE						
United States	Depreciation and amortization	\$ (660)	14%	\$ (739)	15%	11%
	Impairment expense	(1)	0%	—	0%	-%
	General and administrative expense	(130)	3%	(58)	2%	51%
		(791)	16%	(1,007)	20%	22%
Australia	Depreciation and amortization	\$ (385)	8%	\$ (591)	12%	35%
	General and administrative expense	(63)	1%	(24)	0%	(-100)%
		(448)	9%	(615)	12%	27%
New Zealand	Depreciation and amortization	\$ (57)	1%	\$ (186)	4%	69%
	General and administrative expense	(11)	0%	—	0%	-%
		(68)	1%	(186)	4%	69%
		(1,296)	27%	(1,808)	37%	28%
OPERATING INCOME (LOSS) - REAL ESTATE						
United States		\$ 143	3%	\$ (567)	(7)%	>100%
Australia		1,545	32%	1,488	30%	4%
New Zealand		(94)	(2)%	(201)	(4)%	53%
		1,594	33%	890	18%	79%

First Quarter Results

Revenue

Real estate revenue for the quarter ended March 31, 2025, decreased slightly to \$4.8 million, compared to the same period in the prior year.

Real Estate Segment Income/(Loss)

Real estate segment operating income for the quarter ended March 31, 2025 increased by \$0.7 million to \$1.6 million, compared to \$0.9 million in the same period in the prior year. This change was primarily due to improved live theater performance, decreased occupancy expenses, and decreased depreciation, amortization and general administration expense.

LIQUIDITY AND CAPITAL RESOURCES

Our Financing Strategy

Prior to the COVID-19 pandemic, we used cash generated from operations and other excess cash to the extent not needed to fund capital investments contemplated by our business plan, to pay down our loans and credit facilities. This provided us with availability under our loan facilities for future use and thereby, reduced interest charges. On a periodic basis, we reviewed the maturities of our borrowing arrangements and negotiated renewals and extensions where necessary.

However, disruptions to our cinema cash flow caused by the COVID-19 pandemic and the 2023 Hollywood Strikes, and continuing macroeconomic headwinds, have made it necessary for us to defer capital expenditures and to rely on borrowings and the proceeds of asset monetizations to cover our costs of operations, pay interest and pay down debt.

Our bank loans with NAB require that our Company comply with certain covenants. Furthermore, our Company's use of loan funds from NAB is limited due to limitations on the expatriation of funds from Australia to the United States. We believe that our lenders understand that the current situation, relating to the COVID-19 pandemic and the 2023 Hollywood Strikes, is not of our making, that we are doing everything that can reasonably be done, and that, generally speaking, our relationship with our lenders is good.

While our Company believes that there will be recovery in the global cinema business, we still face macroeconomic headwinds such as increased interest rates, inflation, supply chain issues and increased film rent, labor and operating costs, many of which are beyond our control. We have taken a variety of steps across our various operating jurisdictions to reduce our spending, including, without limitation, deferring non-essential capital expenditures, deferring certain operational expenses, renegotiating occupancy arrangements, closing certain unprofitable cinemas, deferring compensation expenses, and eliminating certain T&E expenses. We are closely monitoring our debt maturity dates to arrange necessary amendments. In February 2025, we exercised our option to extend our Valley National debt's maturity date to October 1, 2025. In April 2025, we executed an amendment to our Bank of America loan to defer the monthly principal payments of \$500,000 in April, May, and June 2025 to a later date in May 2025. As of March 31, 2025, we have debt of \$53.7 million coming due in the next 12 months. While the Central Banks of the three countries in which we do business have reduced interest rates from recent highs, rates remain elevated when compared to pre-Covid periods.

As discussed elsewhere in this Report, we believe that cinema cash flow for 2025 will be strong, even though cinema results for the first quarter of 2025 were behind those of the same period for last year. However, if our Company is unable to generate sufficient cash flow in the upcoming months, we will be required to adopt one or more alternatives, such as reducing, delaying or eliminating planned capital expenditure, monetizing additional assets, restructuring our debt and/or our lease obligations or finding additional sources of liquidity. In January 2025, we sold our Wellington property assets in New Zealand for NZ\$38.0 million. Following the sale, we repaid the NZ\$18.8 million loan to Westpac in January 2025, and paid down \$6.1 million to Bank of America in February 2025. In early 2024, understanding our reduced need for administrative space during the shift to remote-working, we decreased our overall general and administrative expense by selling our administrative building in Culver City, California, freeing up cash of approximately \$1.3 million (after paying off our mortgage, brokerage commissions and transactional fees). We are currently reviewing our need for replacement office space and believe that the disposition of this asset will save us approximately \$2.0 million in operating and holding costs for 2025. We listed as an asset held for sale our Newberry Yard property in Williamsport, Pennsylvania. This property was historically used as a rail yard, and, accordingly, improved with tracks and switches and has direct access to the area's rail system. We carry the property on our books at a book value (the lower of cost or market, as opposed to fair market value) of \$0.5 million. This asset was selected since it is currently non-income producing and as significant capital would be required to materially increase the value of this asset. Certain issues as to the location of various railroad rights of way have now been resolved on what we believe to be favorable terms and terms which enhance the value of the property.

In order to further bolster our liquidity and capital resources, in the second quarter 2024, we classified our Cannon Park property in Townsville, Australia as an asset held for sale. Our Cannon Park property is currently under an unconditional contract of sales for AU\$32.0 million, which we expect to close sometime in May 2025. Those assets have a book value of \$17.5 million.

If we cannot obtain sufficient net proceeds from the disposition of these assets (or determine to defer disposition due to unfavorable market conditions), in addition to other strategies, we may look to monetize other real estate assets.

For more information about our borrowings, please refer to *Part I – Financial Information, Item 1 – Notes to Consolidated Financial Statements – Note 13 – Borrowings*. For more information about our efforts to manage our liquidity issues, see *Part I – Financial Information, Item 1 – Notes to Consolidated Financial Statements – Note 3 – Liquidity and Impairment Assessment*.

The changes in cash and cash equivalents for the three months ended March 31, 2025, and March 31, 2024, respectively, are discussed as follows:

<i>(Dollars in thousands)</i>	Three Months Ended		% Change
	March 31,		
	2025	2024	
Net cash provided by (used in) operating activities	\$ (7,702)	\$ (2,770)	(-100) %
Net cash provided by (used in) investing activities	17,878	7,637	>100 %
Net cash provided by (used in) financing activities	(16,853)	(11,225)	(50) %
Effect of exchange rate on cash and restricted cash	(61)	(751)	92 %
Increase (decrease) in cash and cash equivalents and restricted cash	<u>\$ (6,738)</u>	<u>\$ (7,109)</u>	<u>5 %</u>

Operating activities

Cash used in operating activities for the three months ended March 31, 2025, increased by \$4.9 million, to \$7.7 million compared to cash used in the same period of the prior year of \$2.8 million. This was primarily driven by a \$4.9 million decrease in net payables.

Investing activities

Cash provided in investing activities during the three months ended March 31, 2025 was \$17.9 million compared to cash provided in the same prior year period of \$7.6 million. This was due to higher proceeds from sale of our Wellington property assets in January 2025, compared to the proceeds from the sale of our Culver City office in February 2024.

Financing activities

Cash used in financing activities for the three months ended March 31, 2025, increased by \$5.6 million, to \$16.9 million compared to cash used in the same period of prior year due to higher loan paydowns compared to the same period of 2024.

The table below presents the changes in our total available resources (cash and borrowings), debt-to-equity ratio, working capital, and other relevant information addressing our liquidity for the first quarter ended March 31, 2025, and preceding four years:

<i>(\$ in thousands)</i>	As of and for the 3-Months Ended	Year Ended December 31			
		March 31, 2025	2024	2023	2022
Total Resources (cash and borrowings)					
Cash and cash equivalents (unrestricted)	\$ 5,911	\$ 12,347	\$ 12,906	\$ 29,947	\$ 83,251
Unused borrowing facility	7,859	7,859	7,859	12,000	12,000
Restricted for capital projects	7,859	7,859	7,859	12,000	12,000
Unrestricted capacity	—	—	—	—	—
Total resources at period end	13,770	20,206	20,765	41,947	95,251
Total unrestricted resources at period end	5,911	12,347	12,906	29,947	83,251
Debt-to-Equity Ratio					
Total contractual facility	\$ 194,470	\$ 210,572	\$ 218,159	\$ 227,633	\$ 248,948
Total debt (gross of deferred financing costs)	186,611	202,713	210,300	215,633	236,948
Current	53,738	69,193	35,070	38,026	12,060
Non-current	132,873	133,520	175,230	177,607	224,888
Finance lease liabilities	33	43	209	—	—
Total book equity	(8,680)	(4,790)	32,996	63,279	105,060
Debt-to-equity ratio	(21.50)	(42.32)	6.37	3.41	2.26
Changes in Working Capital					
Working capital (deficit) ⁽¹⁾	\$ (108,710)	\$ (104,584)	\$ (88,373)	\$ (74,152)	\$ (6,673)
Current ratio	0.23	0.35	0.30	0.39	0.94
Capital Expenditures (including acquisitions)	\$ 253	\$ 2,028	\$ 4,711	\$ 9,780	\$ 14,428

(1) Our working capital is reported as a deficit, as we receive revenue from our cinema business ahead of the time that we have to pay our associated liabilities. We use the money we receive to pay down our borrowings in the first instance.

As of March 31, 2025, we had \$5.9 million in unrestricted cash and cash equivalents compared to \$12.3 million on December 31, 2024. On March 31, 2025, our total outstanding borrowings were \$186.6 million compared to \$202.7 million on December 31, 2024.

We manage our cash, investments, and capital structure to meet the short-term and long-term obligations of our business, while maintaining financial flexibility and liquidity. We forecast, analyze, and monitor our cash flows to enable investment and financing within the overall constraints of our financial strategy. In the past, we used cash generated from operations and other excess cash to the extent not needed for any capital expenditures, to pay down our loans and credit facilities providing us some flexibility on our available loan facilities for future use and thereby, reducing interest charges.

CONTRACTUAL OBLIGATIONS, COMMITMENTS AND CONTINGENCIES

The following table provides information with respect to the maturities and scheduled principal repayments of our recorded contractual obligations and certain of our commitments and contingencies, either recorded or off-balance sheet, as of March 31, 2025:

<i>(Dollars in thousands)</i>	2025	2026	2027	2028	2029	Thereafter	Total
Debt ⁽¹⁾	\$ 52,938	\$ 105,760	\$ —	\$ —	\$ —	\$ —	\$ 158,698
Operating leases, including imputed interest	28,095	25,495	23,624	22,546	20,839	106,093	226,692
Finance leases, including imputed interest	34	—	—	—	—	—	34
Subordinated debt ⁽¹⁾	—	—	27,913	—	—	—	27,913
Pension liability	410	576	607	639	445	—	2,677
Interest on pension liability	103	108	77	45	11	—	344
Estimated interest on debt ⁽²⁾	10,953	6,617	1,157	—	—	—	18,727
Village East purchase option ⁽³⁾	5,900	—	—	—	—	—	5,900
Total	\$ 98,433	\$ 138,556	\$ 53,378	\$ 23,230	\$ 21,295	\$ 106,093	\$ 440,985

(1) Information is presented gross of deferred financing costs.

(2) Estimated interest on debt is based on the anticipated loan balances for future periods and current applicable interest rates.

(3) Represents the lease liability associated with the exercise of the option associated with the ground lease purchase of the Village East Cinema, which on March 27, 2025 was extended to April 30, 2025 and our sublease of the facility was extended until September 1, 2027. The Company is working with Sutton Hill Capital, LLC on further extending the date of the closing of such option.

Litigation

We are currently involved in certain legal proceedings and, as required, have accrued estimates of probable and estimable losses for the resolution of these claims.

Please refer to *Part I, Item 3 – Legal Proceedings* in our 2024 Form 10-K for more information. There have been no material changes to our litigation since our 2024 Form 10-K, except as set forth in *Notes to Consolidated Financial Statements-- Note 16 – Commitments and Contingencies* included herein in *Part I – Financial Information, Item 1 – Financial Statements* on this Quarterly Report on Form 10-Q. This note sets out our litigation accounting policies.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements or obligations (including contingent obligations) that have, or are reasonably likely to have, a current or future material effect on our financial condition, changes in the financial condition, revenue or expense, results of operations, liquidity, capital expenditures or capital resources.

CRITICAL ACCOUNTING POLICIES

We believe that the application of the following accounting policies requires significant judgments and estimates in the preparation of our Consolidated Financial Statements and hence, are critical to our business operations and the understanding of our financial results:

(i) *Impairment of Long-lived Assets (other than Goodwill and Intangible Assets with indefinite lives)* – we evaluate our long-lived assets and finite-lived intangible assets using historical and projected data of cash flows as our primary indicator of potential impairment and we take into consideration the seasonality of our business. If the sum of the estimated, undiscounted future cash flows is less than the carrying amount of the asset, then an impairment is recognized for the amount by which the carrying value of the asset exceeds its estimated fair value based on an appraisal or a discounted cash flow calculation. For certain non-income producing properties or for those assets with no consistent historical or projected cash flows, we obtain appraisals or other evidence to evaluate whether there are impairment indicators for these assets.

No impairment losses were recorded for long-lived and finite-lived intangible assets for the quarter ended March 31, 2025.

(ii) *Impairment of Goodwill and Intangible Assets with indefinite lives* – goodwill and intangible assets with indefinite useful lives are not amortized, but instead, tested for impairment at least annually on a reporting unit basis. The impairment evaluation is based on the present value of estimated future cash flows of each reporting unit plus the expected terminal value. There are significant assumptions and estimates used in determining the future cash flows and terminal value. The most significant assumptions include our cost of debt and cost of equity assumptions that comprise the weighted average cost of capital for each reporting unit. Accordingly, actual results could vary materially from such estimates.

No impairment losses were recorded for goodwill and indefinite-lived intangible assets for the quarter ended March 31, 2025.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Our statements in this quarterly report, including the documents incorporated herein by reference, contain a variety of forward-looking statements as defined by the Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: "may," "will," "expect," "believe," "intend," "future," and "anticipate" and similar references to future periods. Examples of forward-looking statements include, among others, our expectations regarding the closing of the sale of our Cannon Park ETC in Townsville, Queensland, Australia; our beliefs regarding the impact of the 2023 Hollywood Strikes on the cinema business; our expected operating results, including our ultimate return to pre-pandemic type results; our expectations regarding the recovery and future of the cinema exhibition industry, including the strength of movies anticipated for release in the future; our expectations regarding people returning to our theatres and continuing to use discretionary funds on entertainment outside of the home; our beliefs regarding the impact of our cinema-anchored real estate developments; our beliefs regarding the success of our diversified business strategy; our belief regarding the attractiveness of 44 Union Square to potential tenants and ability to lease space on acceptable terms; our expectations regarding the effects of our enhanced F&B offerings on our operating results; our expectations regarding our ability to monetize our assets on terms acceptable to us; our expectations regarding credit facility covenant compliance and our ability to continue to obtain necessary covenant waivers and loan extensions on terms acceptable to us; and our expectations of our liquidity and capital requirements and the allocation of funds.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following:

- with respect to our cinema and live theatre operations:
 - reduced consumer demand due to inflationary pressures;
 - the adverse continuing effects of external events of past pandemic and strikes on our Company's results from operations, liquidity, cash flows, financial condition, and access to credit markets;
 - the adverse continuing impact of the COVID-19 pandemic or other contagious diseases on short-term and/or long-term entertainment, leisure and discretionary spending habits and practices of our patrons;
 - the decrease in attendance at our cinemas and theatres due to (i) increased ticket prices (ii) a change in consumer behavior in favor of alternative forms or mediums of entertainment, and (iii) limited availability of wide release content;
 - reduction in operating margins (or negative operating margins) due to (i) decreased attendance, (ii) limited availability of wide release content, and (iii.) increased operating expenses;
 - unwillingness of employees to report to work due to the adverse effects of contagious diseases or to otherwise conduct work under any revised work environment protocols;
 - competition from cinema operators who have successfully used debtor laws to reduce their debt and/or rent exposure;
 - the uncertainty as to the scope and extent of our government's responses to future outbreak of infectious diseases;
 - the disruptions or reductions in the utilization of entertainment, shopping, and hospitality venues, as well as in our operations, due to pandemics, epidemics, widespread health emergencies, or outbreaks of infectious diseases or to changing consumer tastes and habits;
 - the number and attractiveness to moviegoers of the films released in future periods, and potential changes in release dates for motion pictures;
 - the lack of availability of films in the short- or long-term as a result of (i) major film distributors releasing scheduled films on alternative channels or (ii) disruptions of film production or (iii) rescheduling of movie releases into later periods, as most currently experienced due to the implications of the 2023 Hollywood Strikes;
 - the amount of money spent by film distributors to promote their motion pictures;
 - the licensing fees and terms required by film distributors from motion picture exhibitors in order to exhibit their films;
 - the comparative attractiveness of motion pictures as a source of entertainment and willingness and/or ability of consumers (i) to spend their dollars on entertainment and (ii) to spend their entertainment dollars on movies in an outside-the-home environment;
 - the extent to which we encounter competition from other cinema exhibitors, from other sources of outside-the-home entertainment, and from inside-the-home entertainment options, such as "home cinemas" and competitive film product distribution technology, such as, streaming, cable, satellite broadcast, video on demand platforms, and Blu-ray/DVD rentals and sales;
 - our ability to continue to obtain, to the extent needed, waivers or other financial accommodations from our lenders and landlords;
 - the impact of major movies being released directly to one of the multitudes of streaming services available;
 - the impact of certain competitors' subscription or advance pay programs;

- the failure of our new initiatives to gain significant customer acceptance and use or to generate meaningful profits;
- the cost and impact of improvements to our cinemas, such as improved seating, enhanced F&B offerings, and other improvements;
- the ability to negotiate favorable rent abatement, deferral and repayment terms with our landlords (which may include lenders who have foreclosed on the collateral held by our prior landlords);
- disruptions during cinema improvements;
- in the U.S., the impact of the termination and phase-out of the so called "Paramount Decree;"
- the risk of damage and/or disruption of cinema businesses from earthquakes as certain of our operations are in geologically active areas;
- the impact of protests, demonstrations, and civil unrest on, among other things, government policy, consumer willingness to go to the movies;
- labor shortages and increased labor costs related to such shortages and to increasingly costly labor laws and regulations applicable to part time non-exempt workers. Disruptions in film supply and film marketing due to the 2023 Hollywood Strikes; and
- competition from a newly restructured Regal, which may have lower occupancy costs than we do.
- with respect to our real estate development and operation activities:
 - the increased costs of wages, supplies, services and other development expenses from inflation;
 - the impact on tenants from inflationary pressures;
 - uncertainty as to governmental responses to infectious diseases;
 - the rental rates and capitalization rates applicable to the markets in which we operate and the quality of properties that we own;
 - the ability to negotiate and execute lease agreements with material tenants;
 - the extent to which we can obtain on a timely basis the various land use approvals and entitlements needed to develop our properties;
 - the risks and uncertainties associated with real estate development;
 - the availability and cost of labor and materials;
 - the ability to obtain all permits to construct improvements;
 - the ability to finance improvements, including, but not limited to increased cost of borrowing and tightened lender credit policies;
 - the disruptions to our business from construction and/or renovations;
 - the possibility of construction delays, work stoppage, and material shortage;
 - competition for development sites and tenants;
 - environmental remediation issues;
 - the extent to which our cinemas can continue to serve as an anchor tenant that will, in turn, be influenced by the same factors as will influence generally the results of our cinema operations;
 - the increased depreciation and amortization expense as construction projects transition to leased real property;
 - the ability to negotiate and execute joint venture opportunities and relationships;
 - the risk of damage and/or disruption of real estate businesses from earthquakes as certain of our operations are in geologically active areas;
 - the disruptions or reductions in the utilization of entertainment, shopping and hospitality venues, as well as in our operations, due to pandemics, epidemics, widespread health emergencies, or outbreaks of infectious diseases, or to changing consumer tastes and habits; and
 - the impact of protests, demonstrations, and civil unrest on government policy, consumer willingness to visit shopping centers.
- with respect to our operations generally as an international company involved in both the development and operation of cinemas and the development and operation of real estate and previously engaged for many years in the railroad business in the United States:
 - our ability to renew, extend, renegotiate or replace our loans that mature in 2025 and beyond, and the impact of increasing interest rates;
 - our ability to grow our Company and provide value to our stockholders;
 - our ongoing access to borrowed funds and capital and the interest that must be paid on that debt and the returns that must be paid on such capital, and our ability to borrow funds to help cover the cessation of cash flows we experienced during the COVID-19 pandemic;
 - our ability to reallocate funds among jurisdictions to meet short-term liquidity needs;
 - the relative values of the currency used in the countries in which we operate;
 - changes in government regulation, including by way of example, the costs resulting from the requirements of Sarbanes-Oxley and other increased regulatory requirements;
 - our labor relations and costs of labor (including future government requirements with respect to minimum wages, shift scheduling, the use of consultants, pension liabilities, disability insurance and health coverage, and vacations and leave);

- our exposure from time to time to legal claims and to uninsurable risks, such as those related to our historic railroad operations, including potential environmental claims and health-related claims relating to alleged exposure to asbestos or other substances now or in the future recognized as being possible causes of cancer or other health related problems, and class actions and private attorney general wage and hour and/or safe workplace-based claims;
- our exposure to cybersecurity risks, including misappropriation of customer information or other breaches of information security;
- the impact of future major outbreaks of contagious diseases;
- the availability of employees and/or their ability or willingness to conduct work under any revised work environment protocols;
- the increased risks related to employee matters, including increased employment litigation and claims relating to terminations or furloughs caused by cinema and ETC closures;
- our ability to generate significant cash flow from operations if our cinemas and/or ETCs continue to experience demand at levels significantly lower than historical levels, which could lead to a substantial increase in indebtedness and negatively impact our ability to comply with the financial covenants, if applicable, in our debt agreements;
- our ability to comply with credit facility covenants and our ability to obtain necessary covenant waivers and necessary credit facility amendments;
- changes in future effective tax rates and the results of currently ongoing and future potential audits by taxing authorities having jurisdiction over our various companies;
- inflationary pressures on labor and supplies, and supply chain disruptions;
- impacts from the recent tariffs imposed on goods and services imported into the United States;
- changes in applicable accounting policies and practices;
- changes in future effective tax rates and the results of currently ongoing and future potential audits by taxing authorities having jurisdiction over our various companies;
- the impact of the conflict events occurring in Eastern Europe and the threats of potential conflicts in the Asia-Pacific region; and
- the impact of the conflict events occurring in Israel and the threats of other potential conflicts in the Middle East.

The above list is not necessarily exhaustive, as business is by definition unpredictable and risky, and subject to influence by numerous factors outside of our control, such as changes in government regulation or policy, competition, interest rates, supply, technological innovation, changes in consumer taste and fancy, weather, earthquakes, pandemics, and the extent to which consumers in our markets have the economic wherewithal to spend money on beyond-the-home entertainment. Refer to *Item 1A - Risk Factors*, as well as the risk factors set forth in any other filings made under the Securities Act of 1934, as amended, including any of our Quarterly Reports on Form 10-Q, for more information.

Given the variety and unpredictability of the factors that will ultimately influence our businesses and our results of operation, no guarantees can be given that any of our forward-looking statements will ultimately prove to be correct. Actual results will undoubtedly vary and there is no guarantee as to how our securities will perform either when considered in isolation or when compared to other securities or investment opportunities.

Forward-looking statements made by us in this quarter report are based only on information currently available to us and are current only as of the date of this Quarterly Report on Form 10-Q for the period ended March 31, 2024. We undertake no obligation to publicly update or to revise any of our forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable law. Accordingly, you should always note the date to which our forward-looking statements speak.

Item 3 – Quantitative and Qualitative Disclosure about Market Risk

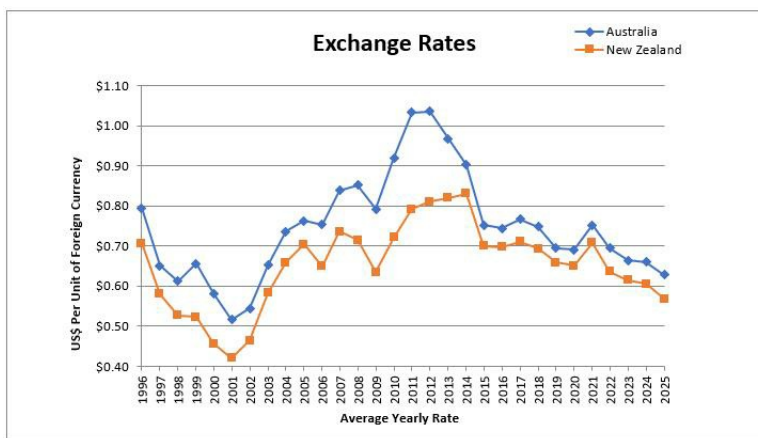
The SEC requires that registrants include information about potential effects of changes in currency exchange and interest rates in their filings. Several alternatives, all with some limitations, have been offered. We base the following discussion on a sensitivity analysis that models the effects of fluctuations in currency exchange rates and interest rates. This analysis is constrained by several factors, including the following:

- It is based on a single point in time; and
- It does not include the effects of other complex market reactions that would arise from the changes modeled.

Although the results of such an analysis may be useful as a benchmark, they should not be viewed as forecasts.

Currency Risk

While we report our earnings and net assets in U.S. dollars, substantial portions of our revenue and of our obligations are denominated in either Australian or New Zealand dollars. The value of these currencies can vary significantly compared to the U.S. dollar and compared to each other. We do not hedge the currency risk, but rather have relied upon the natural hedges that exist as a result of the fact that our film costs are typically fixed as a percentage of the box office, and our local operating costs and obligations are likewise typically denominated in local currencies. However, we do have intercompany debt and our ability to service this debt could be adversely impacted by declines in the relative value of the Australian and New Zealand dollars compared to the U.S. dollar. Also, our use of local borrowings to mitigate the business risk of currency fluctuations has reduced our flexibility to move cash between jurisdictions. Set forth below is a chart of the exchange ratios between these two currencies in relation to US dollars since 1996:



In recent periods, we have paid material intercompany dividends and have repaid intercompany debt, using these proceeds to fund capital investment in the United States. Accordingly, our debt levels in Australia are higher than they would have been if funds had not been returned for such purposes. On a company wide basis, this means that a reduction in the relative strength of the U.S. dollar versus the Australian dollar and/or the New Zealand dollar would effectively raise the overall cost of our borrowing and capital and make it more expensive to return funds from the United States to Australia and New Zealand.

Our Company transacts business in Australia and New Zealand and is subject to risks associated with fluctuating foreign currency exchange rates. During the first quarter of 2025, the average Australian dollar and New Zealand dollar weakened against the U.S. dollar by 4.5% and 7.3%, respectively, compared to the same prior year period.

At March 31, 2025, approximately 36.9% and 5.6% of our assets were invested in assets denominated in Australian dollars (Reading Entertainment Australia) and New Zealand dollars (Reading New Zealand), respectively, including approximately \$3.5 million in cash and cash equivalents. At December 31, 2024, approximately 35.6% and 8.3% of our assets were invested in assets denominated in Australian dollars (Reading Entertainment Australia) and New Zealand dollars (Reading New Zealand), respectively, including approximately \$7.3 million in cash and cash equivalents.

Our policy in Australia and New Zealand is to match revenues and expenses, whenever possible, in local currencies. As a result, we have procured a majority of our expenses in Australia and New Zealand in local currencies. Despite this natural hedge, recent movements in foreign currencies and the current holding of U.S. dollars by certain Australian and New Zealand subsidiaries have had an effect on our current earnings. The effect of the translation adjustment on our assets and liabilities noted in our other comprehensive income was a decrease of \$0.4 million for the quarter ended March 31, 2025, respectively. As we continue to progress our acquisition and development activities in Australia and New Zealand, no assurances can be given that the foreign currency effect on our earnings will not be material in the future.

Historically, our policy has been to borrow in local currencies to finance the development and construction of our long-term assets in Australia and New Zealand. As a result, the borrowings in local currencies have provided somewhat of a natural hedge against the foreign currency exchange exposure. We have also historically paid management fees to the U.S. to cover a portion of our domestic overhead. The fluctuations of the Australian and New Zealand currencies, however, may impact our ability to rely on such funding for ongoing support of our domestic overhead.

We record unrealized foreign currency translation gains or losses that could materially affect our financial position. As of March 31, 2025, and December 31, 2024, the balance of cumulative foreign currency translation adjustments were approximately a (\$5.1) million loss and (\$5.5) million loss, respectively.

Interest Rate Risk

Our exposure to interest rate risk arises out of our long-term floating-rate borrowings. To manage the risk, we utilize interest rate derivative contracts to convert certain floating-rate borrowings into fixed-rate borrowings. It is our Company's policy to enter into interest rate derivative transactions only to the extent considered necessary to meet its objectives as stated above. Our Company does not enter into these transactions or any other hedging transactions for speculative purposes.

Historically, we maintain most of our cash and cash equivalent balances in short-term money market instruments with original maturities of three months or less. Due to the short-term nature of such investments, a change of 1% in short-term interest rates would not have a material effect on our financial condition. The negative spread between our borrowing costs and earned interest will exacerbate as we hold cash to provide a safety net to meet our expenses.

We have a combination of fixed and variable interest rate loans. In connection with our variable interest rate loans, a change of approximately 1% in short-term interest rates would have resulted in an approximate \$448,000 increase or decrease in our quarterly interest expense.

For further discussion on market risks, please refer to *Part I, Item 1A – Risk Factors* included on our 2024 Form 10-K.

Item 4 – Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Company's reports filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of our disclosure controls and procedures, as such, term is defined under Rule 13a-15(c) promulgated under the Exchange Act. Based upon our evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of March 31, 2025, because of the material weakness in internal controls over financial reporting relating to the erroneous reversal and treatment of a liability. This material weakness existed for the periods June 30, 2024, September 30, 2024, December 31, 2024, and March 31, 2025, and resulted in the Company restating its consolidated financial statements for the June 30, 2024, and September 30, 2024 periods. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

As a result of the material weakness in internal control over financial reporting described above, management has concluded that we did not maintain effective internal control over financial reporting as of March 31, 2025. For a discussion regarding management's remediation plan of the material weakness, please refer to Item 9A of the Company's 2024 Form 10-K.

Changes in Internal Control over Financial Reporting

There were no other changes in our internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the first quarter ended March 31, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – Other Information

Item 1 – Legal Proceedings

The information required under Part II, Item 1 (*Legal Proceedings*) is incorporated by reference to the information contained in *Notes to Consolidated Financial Statements-- Note 16 – Commitments and Contingencies* included herein in *Part I – Financial Information, Item 1 – Financial Statements* on this Quarterly Report on Form 10-Q.

For further details on our legal proceedings, please refer to *Part I, Item 3 – Legal Proceedings*, contained in our 2024 Form 10-K.

Item 1A – Risk Factors

There have been no material changes to the risk factors we previously disclosed in Item 1A of our 2024 Form 10-K.

We encourage investors to review the risks and uncertainties relating to our business disclosed under the heading Risk Factors or otherwise in the 2024 Form 10-K, as well as those contained in Part I – Forward-Looking Statements thereof, as revised or supplemented by our Quarterly Reports filed with the SEC since the filing of the 2024 Form 10-K.

Item 2 – Sales of Equity Securities and Use of Proceeds

None.

Item 3 – Defaults upon Senior Securities

None.

Item 4 – Mine Safety Disclosure

Not applicable.

Item 5 – Other Information

During the quarter ended March 31, 2025, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement” (in each case, as defined in Item 408 of Regulation S-K).

Item 6 – Exhibits

10.1**	Amended and Restated Mortgage Promissory Note dated September 29, 2023, between Sutton Hill Properties, LLC and Valley National Bank
10.2**	Mortgage Modification and Extension Agreement dated September 29, 2023, between Sutton Hill Properties, LLC and Valley National Bank
10.3**	Note Modification Agreement dated October 1, 2024, between Sutton Hill Properties, LLC and Valley National Bank
10.4**	Amendment Deed Dated February 19, 2025, between National Australia Bank Limited and Reading Entertainment Australia Pty Ltd
10.5*	Purchase and Sale Agreement and Escrow Instructions dated September 4, 2019, between Sutton Hill Capital, L.L.C. and Citadel Cinemas, Inc.
10.6*	Amendment No. 1 to Purchase and Sale Agreement and Escrow Instructions dated March 12, 2020, between Sutton Hill Capital, L.L.C. and Citadel Cinemas, Inc.
10.7*	Amendment No. 2 to Purchase and Sale Agreement and Escrow Instructions dated June 30, 2021, between Sutton Hill Capital, L.L.C. and Citadel Cinemas, Inc.
10.8*	Amendment No. 3 to Purchase and Sale Agreement and Escrow Instructions dated November 4, 2022, between Sutton Hill Capital, L.L.C. and Citadel Cinemas, Inc.
10.9*	Amendment No. 4 to Purchase and Sale Agreement and Escrow Instructions dated August 8, 2024, between Sutton Hill Capital, L.L.C. and Citadel Cinemas, Inc.
10.10*	Amendment No. 5 to Purchase and Sale Agreement and Escrow Instructions dated March, 27, 2025, between Sutton Hill Capital, L.L.C. and Citadel Cinemas, Inc.
31.1*	Certification of the Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32**	Certifications Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following material from our Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, formatted in iXBRL (Inline Extensible Business Reporting Language): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Income, (iii) Consolidated Statements of Comprehensive Income, (iv) Consolidated Statements of Cash Flows, and (v) the Notes to the Consolidated Financial Statements.
104	Cover Page Interactive Data File (formatted in iXBRL and contained in Exhibit 101)

* Filed herewith
** Furnished herewith

† Certain portions of this exhibit have been omitted pursuant to Items 601(a)(5) and 601(b)(10)(iv) of Regulation S-K. Information in this exhibit that has been omitted has been noted in this document with a placeholder identified by the mark "[***]". The Company hereby agrees to furnish a copy of any omitted schedules or exhibits to the SEC upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

READING INTERNATIONAL, INC.

Date: May 15, 2025

By: /s/ Ellen M. Cotter

Ellen M. Cotter
President and Chief Executive Officer

Date: May 15, 2025

By: /s/ Gilbert Avanes

Gilbert Avanes
Executive Vice President, Chief Financial Officer and Treasurer

PORTIONS OF THIS EXHIBIT HAVE BEEN OMITTED BECAUSE THEY ARE BOTH (I) NOT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED. INFORMATION THAT HAS BEEN OMITTED HAS BEEN NOTED IN THIS DOCUMENT WITH A PLACEHOLDER IDENTIFIED BY THE MARK "[****]"

AMENDED AND RESTATED MORTGAGE PROMISSORY NOTE

September 29, 2023
New York, New York

FOR VALUE RECEIVED, SUTTON HILL PROPERTIES, LLC, a Nevada limited liability company qualified to do business in New York, having its principal place of business at 5995 Sepulveda Boulevard, Suite 300, Culver City, California 90230 (the "**Borrower**") hereby promises to pay to the order of VALLEY NATIONAL BANK, a national banking association at its offices at 1455 Valley Road, Wayne, New Jersey 07470, and its successors and assigns ("**Mortgagee**"), the original principal sum of Twenty-One Million Sixty Thousand Nine Hundred Twelve and 57/100 Dollars (\$21,060,912.57) together with interest according to the following terms and conditions:

1. Payments.

This Amended and Restated Mortgage Promissory Note ("**Note**" and "**Restated Note**" as referred to in the Extension and Modification Agreement of even date herewith between Borrower and Mortgagee) shall be repaid as follows:

(A) Interest hereon for the period from the date hereof through the end of the current calendar month shall be due and payable simultaneously with the execution of this Note.

(B) Eleven (11) equal consecutive monthly installments of principal and interest, in an amount as calculated pursuant to Interest Rate and Interest Calculations (as defined below) commencing on November 1, 2023 (the "**First Payment Date**", and each payment being a "**Payment Date**"), and continuing on the first day of each month thereafter until and including September 1, 2024.

(C) One (1) payment in the amount of One Million Sixty Thousand Nine Hundred Twelve and 57/100 Dollars (\$1,060,912.57) (the "**Required Paydown Amount**") due and payable in full on March 1, 2024. Borrower shall deliver to Mortgagee, together with the Required Paydown Amount, a certificate in form reasonably acceptable to Mortgagee executed by Borrower's manager or an authorized officer of Borrower certifying that each of the representations and warranties of the Borrower contained in the Loan Documents is true, complete and correct in all material respects as of the date of such manager or officer certificate except to the extent such representations and warranties are matters which by their nature can no longer be true and correct as a result of the passage of time. Notwithstanding the foregoing, in the event that Borrower has entered into a

purchase and sale agreement for the sale of the entire Mortgaged Property with a bona-fide third party purchaser with a non-refundable (i.e., all contingency periods, if any, under such agreement have expired and such purchaser shall have no termination rights thereunder except for cause (e.g., a termination right which may be triggered by casualty, condemnation, title defect or other event as would customarily lead to such right of purchaser)) earnest money deposit in an amount equal to not less than five percent (5%) of the purchase price, which purchase price shall be in an amount equal to or greater than such amount as shall be required to indefeasibly repay in full the entire indebtedness evidenced by this Note plus all closing costs payable by Borrower as seller in connection with such sale of the Mortgaged Property (the "PSA") and has provided a copy of such fully-executed PSA to Mortgagee, then the date upon which such Required Paydown Amount shall be due and payable shall be extended until the earlier to occur of (i) the date on which the closing of title shall occur pursuant to the PSA, (ii) five (5) days after the date of any termination or cancellation of the PSA, or (iii) the Maturity Date.

(D) A final installment of principal in such amount as shall constitute the entire outstanding principal balance of this Note, plus all accrued and unpaid interest as calculated pursuant to Interest Rate and Interest Calculations (as defined below), and all other sums due under this Note and/or the Mortgage (as defined below) due and payable in full on October 1, 2024 (the "**Maturity Date**").

The monthly installments of principal and interest described above shall be based on a two hundred sixty (260) month amortization schedule.

2. Interest Rate.

The annual rate of interest payable under this Note ("**Interest Rate**") for the period commencing on and including the date hereof through and including the Maturity Date (the "**Loan Term**"), shall be calculated at a floating rate equal at all times to three hundred fifty (350) basis points (3.50%) above the SOFR Loan Rate (as defined below), as such rate may change from time to time, adjusted daily, provided that at no time during the Loan Term shall the rate of Interest be less than seven and one half of one percent (7.50%) per annum, and provided further, that the rate of Interest may be increased to the Default Interest Rate (as defined below) in accordance with the terms and provisions of the Loan Documents.

"**SOFR**" shall mean, with respect to any U.S. Government Securities Business Day, a rate per annum equal to the secured overnight financing rate for such U.S. Government Securities Business Day.

"**SOFR Loan Rate**" shall mean, for any applicable Interest Period (as defined below), the rate per annum equal to Term SOFR (as defined below) published for the Rate Determination Date and having a term equivalent to such Interest Period. Notwithstanding the foregoing, if, as of 5:00 p.m. (ET) on any applicable Rate Determination Date, Term SOFR has not been published, then the rate used will be such Term SOFR as published for the first preceding U.S. Government Securities Business Day so long as such first preceding U.S. Government Securities Business Day is not more than two (2) U.S. Government Securities Business Days prior to such Rate Determination Date.

"Interest Period" shall mean each period beginning on, and including, a Payment Date and ending on, and including, the day preceding the next Payment Date.

"Rate Determination Date" shall mean, for any applicable Interest Period, the date that is two (2) U.S. Government Securities Business Days prior to the commencement of such Interest Period.

"Term SOFR" shall mean, for any Interest Period, the 1-month CME SOFR Term Reference Rate administered by Chicago Mercantile Exchange ("CME") (or any successor forward-looking term rate derived from SOFR published by any successor administrator thereof, as may be recommended by the Federal Reserve Bank of New York) and published on the applicable commercially available screen page as may be reasonably designated by the Mortgagee from time to time. Notwithstanding anything herein to the contrary, in the event that, by reason of circumstances affecting the relevant market, Term SOFR (i) is permanently or indefinitely unavailable or unascertainable, (ii) ceases to be published, (iii) is officially discontinued by the administrator of Term SOFR and such circumstances are unlikely to be temporary, (iv) the government authority having jurisdiction over the Mortgagee set forth a specific date that Term SOFR shall no longer be available for determining interest rates, (v) can no longer be lawfully relied upon in contracts, (vi) does not accurately and fairly reflect the cost of making or maintain the type of advance under this Note, or (vii) the Mortgagee in its sole reasonable judgment believes that Term SOFR is no longer a widely recognized benchmark for the origination of loans and such circumstances are unlikely to be temporary, then all references to Term SOFR herein will instead mean the Alternate Rate (as defined below). The Mortgagee will provide prompt written notice to the Borrower of such Alternate Rate, which will be effective on the date of the earliest event set forth in clauses (i)-(vii) of this paragraph. If there is any ambiguity as to the date of occurrence of any such event, Mortgagee's judgment will be dispositive.

"Alternate Rate" shall mean a replacement rate for Term SOFR determined by the Mortgagee in its sole judgment. If at any time such Alternate Rate is less than zero percent (0%), then the replacement rate shall be deemed zero percent (0%) for purposes of calculating the Interest Rate.

3. Interest Calculations. Interest shall accrue on the unpaid principal amount of this Note from the date hereof until all sums under this Note are paid in full. Interest during the term hereof shall be computed on the basis of a 360-day year and actual number of days elapsed.

4. Application of Payments. Payments received under this Note (including prepayments) shall be applied first to accrued interest and then to installments of principal, in inverse order of their maturity dates. Notwithstanding the previous sentence, Mortgagee shall have the right, at its sole option, to apply any payment received under this Note first to any late fees, collection or other expenses to which Mortgagee may be entitled under this Note, the Mortgage (as defined below) or any other Loan Document. The making of any partial prepayment shall not change the due dates or amounts of

monthly installment payments next becoming due, but shall only change the allocations of future payments of interest and principal based on such prepayment and produce possibly an earlier payoff date on this Note.

5. **Late Fee.** If any payment (including tax or insurance escrow payments) is not received by Mortgagee within fifteen (15) days following its due date, without limiting any right or remedy under this Note, the Mortgage or any other Loan Document, Mortgagee may charge a late fee equal to Five Percent (5%) of the total amount overdue.

6. **Prepayments.** Prepayment of the Loan is permitted at any time upon not less than thirty (30) days prior written notice to Mortgagee. Such prepayment must be accompanied by payment of all accrued interest on the amount being prepaid and any and all applicable charges due under the Loan Documents. All prepayments shall be applied first to any outstanding charges or fees relating to the Loan, then to interest and then to principal.

Except as otherwise expressly set forth in this Note, the Mortgagee shall not be required to accept partial prepayments of the Loan.

No prepayment premium shall be due in connection with any prepayments of the Loan.

7. **Place and Manner of Payment.** Payments under this Note are to be made in United States currency at the offices of Mortgagee listed in this Note or at such other location designated by Mortgagee. Without limiting in any way Mortgagee's right of setoff against Borrower, Mortgagee is authorized and directed to apply funds in any account in the name of Borrower with Mortgagee to make any payments under this Note without any additional authorization, from, and without prior notice to, the undersigned. Any delay by Mortgagee in submitting a statement of any amount due under this Note shall not relieve Borrower of its duty to inquire as to the amount due and to make timely payments.

8. **Collateral.** This is the Note referred to in, and secured by the Mortgage ("Mortgage") of this date from the undersigned in favor of Mortgagee, the terms and conditions of which are hereby incorporated into this Note. Capitalized terms in this Note that are defined in the Mortgage, and not otherwise defined in this Note, shall have the meaning set forth in the Mortgage.

9. **Defaults and Remedies.** Upon the occurrence of an Event of Default, all sums outstanding under this Note may, at Mortgagee's sole option, become, or may be declared to be, immediately due and payable in full, and the Mortgagee may exercise any of its other rights and remedies as set forth in the Mortgage and/or all other Loan Documents, including, without limitation, the right to increase the interest rate on such sums to the Default Interest Rate. Mortgagee's delay or failure to accelerate this Note or to exercise any other available right or remedy shall not impair any such right or remedy, nor shall it be construed to be a forbearance or waiver. The term "Default Interest Rate"

means a rate of Five Percent (5%) in excess of the interest rate provided for in this Note. Unless otherwise agreed to by Mortgagee, the Default Interest Rate shall (a) be applied retroactively to the date of the first occurrence of the Event of Default, (b) be computed on a three hundred sixty (360) day year based on a 30/360 day basis, and (c) survive entry of any judgment relating to the Loan.

10. **New York Law.** This Note has been executed and delivered at and shall be deemed to have been made in the State of New York and shall in all respects be governed by and construed, applied and enforced in accordance with the internal laws, including the conflict of law rules, of the State of New York, except to the extent that procedural matters must be governed by the law of the jurisdiction wherein the Mortgaged Property is located. Whenever possible, each provision of this Note shall be interpreted in such manner as to be effective and valid under applicable law; but if any provision of this Note shall be prohibited by or be invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Note.

11. **Partial Invalidity.** If any term or provision of this Note is at any time held to be invalid by any court of competent jurisdiction, the remaining terms and provisions of this Note shall not be affected and shall remain in full force and effect.

12. **Waivers.** Without limiting any other provisions of the Mortgage or the Loan Documents, Borrower, for itself and all endorsers, guarantors and sureties of this Note, and ~~their heirs~~, legal representatives, successors and assigns, hereby waives, to the fullest extent permitted by law, valuation, appraisal, presentment for payment, demand, notice of nonpayment, notice of dishonor, protest, notice of protest, lack of diligence, delays in collection or enforcement of this Note, notice of the intention to accelerate, the benefit of all applicable law affording any right or redemption or cure and all other notices in connection with the delivery, acceptance, performance, default or enforcement of the payment of this Note, except as expressly provided herein or in the Mortgage, and in connection with any suit, action or proceeding brought by Mortgagee on this Note, any and every right it may have to (a) a trial by jury, (b) interpose any counterclaim therein (other than a counterclaim which can only be asserted in a suit, action or proceeding brought by Mortgagee on this Note and cannot be maintained in a separate action), and (c) have the same consolidated with any other or separate suit, action or proceeding, and agrees that their respective liability shall be unconditional and without regard to the liability of any other party and shall not be in any manner affected by any indulgence, extension of time, renewal, waiver or modification granted or consented to by Mortgagee. **BORROWER HEREBY REPRESENTS THAT BORROWER'S COUNSEL HAS BEEN CONSULTED SPECIFICALLY AS TO THIS WAIVER.** By accepting this Note, Mortgagee also waives its right to request a trial by jury.

Borrower (or each of them, if more than one) hereby expressly waives, to the extent permitted by law, for the benefit of the Mortgagee: (i) any right to require the Mortgagee, as a condition of payment or performance by either Borrower, to (A) proceed against the other Borrower or any other person or entity, (B) proceed against or exhaust any collateral for the Loan held from the other Borrower or any other person or entity, (C) proceed against or have resort to any balance of any deposit account, securities account, or credit on the books of the Mortgagee in favor of the other Borrower or any other person or entity, or (D) pursue any other remedy in the power of the Mortgagee whatsoever; (ii) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of the other Borrower,

including any defense based on or arising out of the lack of validity or the unenforceability of the Loan or any document, agreement or instrument relating thereto or by reason of the cessation of the liability of the other Borrower from any cause other than payment in full of the Loan; (iii) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (iv) any defense based upon the Mortgagee's errors or omissions in the administration of the Loan; (v) (1) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms hereof and any legal or equitable discharge of its obligations hereunder, (2) the benefit of any statute of limitations affecting its liability hereunder or the enforcement hereof, (3) any rights to set-offs, recoupments and counterclaims, and (4) promptness, diligence and any requirement that the Mortgagee protect, secure, perfect or insure any security interest or lien or any property subject thereto; (vi) notices, demands, presentments, protests, notices of protest, notices of dishonor and notices of any action or inaction, including acceptance hereof, notices of default thereunder or under this Note, the Mortgage or the Loan Documents, any agreement or instrument related thereto, notices of any renewal, extension or modification of the Loan or any agreement related thereto, notices of any extension of credit to the other Borrower and notices of any matters referred to in any guaranty securing this Note and any right to consent to any thereof; and (vii) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate sureties, or which may conflict with the terms hereof.

13. Consent to Jurisdiction. FOR ANY CLAIM, ACTION, OR DISPUTE ARISING UNDER, OR TO INTERPRET OR APPLY, THIS NOTE OR ANY OTHER LOAN DOCUMENT, OR TO RESOLVE ANY DISPUTE ARISING UNDER THE FOREGOING OR THE RELATIONSHIP BETWEEN THE PARTIES, BORROWER AND MORTGAGEE IRREVOCABLY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND THE UNITED STATES DISTRICT COURT LOCATED IN THE BOROUGH OF MANHATTAN IN NEW YORK CITY, NEW YORK, AND APPELLATE COURTS FROM ANY OF SUCH COURTS. BORROWER AND MORTGAGEE IRREVOCABLY WAIVES ANY OBJECTION THAT IT MAY HAVE AT ANY TIME TO VENUE OF ANY SUCH SUIT, ACTION, OR PROCEEDING BROUGHT IN ANY SUCH COURT, INCLUDING ANY CLAIM THAT ANY SUCH SUIT, ACTION, OR PROCEEDING SO BROUGHT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. NOTHING IN THE MORTGAGE OR OTHER LOAN DOCUMENTS SHALL BE DEEMED TO PRECLUDE MORTGAGEE FROM BRINGING ANY SUIT, ACTION, OR PROCEEDING RELATING TO ANY OTHER LOAN DOCUMENT OR THE INDEBTEDNESS EVIDENCED HEREBY IN ANY OTHER JURISDICTION WHERE MORTGAGEE COULD OTHERWISE PROPERLY BRING SUCH SUIT, ACTION, OR PROCEEDING. BORROWER FURTHER CONSENTS AND AGREES TO SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER LEGAL PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING BY REGISTERED OR CERTIFIED U.S. MAIL, POSTAGE PREPAID, TO BORROWER AT THE ADDRESS SET FORTH ON PAGE 1 HEREOF, AND CONSENTS AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE IN EVERY RESPECT VALID AND EFFECTIVE SERVICE (BUT NOTHING HEREIN SHALL AFFECT THE VALIDITY OR EFFECTIVENESS OF PROCESS SERVED IN ANY OTHER MANNER PERMITTED BY LAW). SUBJECT TO THE REQUIREMENTS FOR A CASE TO BE HEARD IN THE COMMERCIAL DIVISION OF THE NEW YORK STATE SUPREME COURT, THE PARTIES AGREE TO SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COMMERCIAL DIVISION OF THE NEW YORK STATE SUPREME COURT, AND TO THE APPLICATION OF SAID COURT'S ACCELERATED PROCEDURES PURSUANT TO RULE 9 OF SECTION 202.70(G) OF THE UNIFORM RULES FOR NEW YORK STATE TRIAL COURTS.

14. Interest Limits. If any provision of this Note relating to the rate of interest violates any applicable law in effect at the time payment is due, the interest rate then in effect shall be automatically reduced to the maximum rate then permitted by law. If for any reason Mortgagee should receive as interest an amount that would exceed the highest applicable lawful rate of interest, the amount that would exceed that highest lawful rate shall be deemed to be credited against principal and not to the payment of interest.

15. Successors and Assigns. This Note shall be binding on Borrower and its successors and assigns, and shall inure to the benefit of Mortgagee and its successors and assigns. The term "Mortgagee" in this Note shall refer to Valley National Bank or to any other future holder of this Note.

16. Cross Default. The occurrence of an Event of Default shall constitute a default under any other Obligations of Borrower and a default under any other Obligations of Borrower shall constitute an Event of Default under this Note, the Mortgage and all other Loan Documents.

17. Intentionally Omitted.

18. End of Term. If the Borrower fails to pay the Loan in full at the end of the term of this Note, and Borrower thereafter requests the Mortgagee to renew the Loan, then if the Mortgagee agrees to renew the Loan in its sole absolute discretion and same does not occur within thirty (30) days following the date on which the Loan came due, the Borrower shall be required to pay a late fee equal to one (1%) percent of the then outstanding principal balance of the Loan.

19. Time of the Essence. **TIME IS OF THE ESSENCE** with regard to Borrower's performance of all the terms, covenants and conditions of this Note.

20. Notices. All notices to be given under this Note shall be given in the same manner as provided in the Mortgage.

21. Amendment. This Note, and any provisions hereof, may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Borrower or Mortgagee, but only by an agreement in writing signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

22. Amended and Restated Note. This Note amends and restates in their entirety the terms and provisions of those certain promissory notes secured by those certain mortgages as more fully described on Exhibit A attached hereto (said promissory notes being hereinafter collectively referred to as the "Existing Notes") so that this Note shall hereafter constitute evidence of but one debt in the aggregate principal amount of \$21,060,912.57. The conditions contained in this Note shall supersede and control the terms, covenants, agreements, rights, obligations and conditions of the Existing Notes (it being agreed that the modification of the Existing Notes shall not impair the debt evidenced by each of the Existing Notes). This Note does not create new or additional indebtedness but evidences the same indebtedness evidenced by the Existing Notes and secured by the Mortgage and shall continue to be secured by, inter alia, the Mortgage without interruption in the lien or priority thereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Borrower has caused this Note to be duly executed on the date first written above.

SUTTON HILL PROPERTIES, LLC,
a Nevada limited liability company,
qualified to do business in New York

By: Citadel Cinemas, Inc., a
Nevada corporation,
its Manager

By: /s/ Gilbert Avanes
Name: Gilbert Avanes
Title: Chief Financial Officer
and Treasurer

EXHIBIT A

[**]

**AMENDMENT NUMBER FIVE TO
PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS**

This Amendment Number Five to Purchase and Sale Agreement and Escrow Instructions (the "Amendment Number Five") is entered into as of this 27th day of March, 2025 by and between Sutton Hill Capital L.L.C., a New York limited liability company ("Seller"), and Citadel Cinemas, Inc., a Nevada corporation ("Buyer"), and amends that certain Purchase and Sale Agreement and Escrow Instructions between Buyer and Seller dated as of September 3, 2019 (the "Original Agreement"), as amended by that certain Amendment Number One to Purchase and Sale Agreement and Escrow Instructions entered into as of March 12, 2020 (the "Amendment Number One"), that certain Amendment Number Two to Purchase and Sale Agreement and Escrow Instructions entered into as of June 30, 2021 (the "Amendment Number Two"), that certain Amendment Number Three to Purchase and Sale Agreement and Escrow Instructions entered into as of November 4, 2022 (the "Amendment Number Three"), that certain Amendment Number Four to Purchase and Sale Agreement and Escrow Instructions entered into as of August 8, 2024 (the "Amendment Number Four" and together with the Original Agreement, and Amendment Number One, Amendment Number Two, Amendment Number Three, the "Amended Agreement," and as amended by this Amendment Number Five, the "Further Amended Agreement").

RECITALS

- A. WHEREAS, Buyer desires to postpone the Close of Escrow to a date on or before April 30, 2025 and amend the Lease; and
- B. WHEREAS, Seller is willing to accommodate such desire on the part of the Buyer.

NOW, THEREFORE, in consideration of the above stated premises, the terms and provisions of this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

AGREEMENT

1. Any term not specifically defined in this Amendment Number Five shall have the same meaning as set forth in the Amended Agreement or the Lease, as applicable.
2. Section 4(b) of the Amended Agreement is hereby amended to read as follows: "As used herein the term "**Close of Escrow**" shall be on or before April 30, 2025, time being of the essence of this Agreement."

3. The Lease is hereby amended as follows:

- a. The term of the Lease is extended to and including September 1, 2027;
- b. The Put Period is extended to and including December 4, 2027; and
- c. Reading International, Inc. shall guaranty (i) Tenant's payment of the monthly rent of \$49,166 through the end of the Lease and (ii) Tenant's performance of its obligations under this Further Amended Agreement and the Lease.

4. This Further Amended Agreement and the Lease, as also amended by this Further Amended Agreement, (a) constitutes the entire agreement of the parties hereto with respect to the subject matter hereof; (b) supersedes prior or simultaneous negotiations or agreements; and (c) may not be modified amended or changed in any manner except by a writing executed by the party to be charged.

5. This Amendment Number Five may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

6. Except as specifically set forth herein, the Amended Agreement and the Lease continue in full force and effect, unamended and unmodified. This Amendment Number Five is made on the express condition that nothing herein contained shall in any way be construed as affecting, impairing or waiving any rights of the parties under the Amended Agreement and the Lease, except as specifically amended pursuant to this Amendment Number Five.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Number Five to be executed and delivered as of the date first set forth above.

SELLER

Sutton Hill Capital, L.L.C.
A New York limited liability company

By: /s/ James D. Vandever

Name: James D. Vandever

Its: Manager

PURCHASER

Citadel Cinemas, Inc.
A Nevada corporation

By: /s/ Gilbert Avanes

Name: Gilbert Avanes

Its: Chief Financial Officer

AGREED TO AND ACKNOWLEDGED BY:

GUARANTOR

Reading International, Inc.

A Nevada corporation

By: /s/ Gilbert Avanes

Name: Gilbert Avanes

Its: Chief Financial Officer

PORTIONS OF THIS EXHIBIT HAVE BEEN OMITTED BECAUSE THEY ARE BOTH
(I) NOT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED. INFORMATION THAT HAS BEEN OMITTED HAS BEEN NOTED
IN THIS DOCUMENT WITH A PLACEHOLDER IDENTIFIED BY THE MARK “[***]”

**MORTGAGE
MODIFICATION AND EXTENSION AGREEMENT**

Dated: as of September 29, 2023 in the original principal amount of

\$21,060,912.57

between

SUTTON HILL PROPERTIES, LLC, Mortgagor
a Nevada limited liability company, qualified to do business in New York having its principal place of business at: 5995
Sepulveda Boulevard, Suite 300 Culver City, California 90230

and

VALLEY NATIONAL BANK, Mortgagee
a national banking association, having an office at:
1455 Valley Road Wayne, New Jersey 07470

LOCATION OF PREMISES:

Street Address : **1001-1007 Third Avenue**
City of : **New York**
County of : **New York**
State of : **New York**
Block : **1414**
Lots : **48**

AFTER RECORDING, PLEASE RETURN TO: VALLEY NATIONAL BANK
1720 ROUTE 23 NORTH WAYNE, NEW JERSEY 07470

MORTGAGE MODIFICATION AND EXTENSION AGREEMENT (the "**Modification and Extension Agreement**"), dated as of September 29, 2023, given between SUTTON HILL PROPERTIES, LLC, a Nevada limited liability company qualified to do business in New York, having its principal place of business at 5995 Sepulveda Boulevard, Suite 300, Culver City, California 90230 ("**Mortgagor**") and VALLEY NATIONAL BANK, a national banking association having an office at 1455 Valley Road, Wayne, New Jersey 07470 ("**Mortgagee**").

WITNESSETH:

WHEREAS, Mortgagor is the lawful owner of that certain parcel of real property known as 1001-1007 Third Avenue, New York, New York 10022, in the City, County and State of New York, as more particularly described in Schedule A attached hereto and made a part hereof (the "**Land**"), together with all buildings and other improvements located on the Land (the Land, together with all such **buildings** and other improvements, collectively, the "**Premises**");

WHEREAS, Mortgagee is the lawful owner and holder of those certain mortgages set forth on Schedule B attached hereto and made a part hereof (collectively, the "**Mortgages**") and the notes secured thereby (collectively, the "**Notes**") in the aggregate original principal amount of \$25,000,000.00 on which Notes there is currently outstanding, in the aggregate, the reduced principal amount of **\$21,060,912.57**; and

WHEREAS, Mortgagor and Mortgagee have agreed in the manner hereinafter set forth to (i) coordinate the respective liens of the Mortgages, (ii) coordinate the Notes and the principal sums evidenced thereby and (iii) modify the time and manner of payment and the terms and provisions of the Notes and the Mortgages.

NOW, THEREFORE, in consideration of the foregoing and of the mutual agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Representations and Warranties. Mortgagor represents and warrants to Mortgagee that:

(a) There is, as of the date hereof, due and owing upon the Mortgages, the aggregate principal amount of **\$21,060,912.57**, together with interest thereon and other charges evidenced thereby, in each case without offset, defense or counterclaim of any kind or nature whatsoever. (Such outstanding amounts, together with all interest thereon and such other amounts as may be outstanding from time to time under the Notes and Mortgages and under the Restated Note (as hereafter defined), being hereinafter referred to, collectively, as the "**Indebtedness**").

(b) As of the date hereof, there are no notices of defaults or notices of events of default under the Notes and Mortgages.

(c) Mortgagor is the holder of good, marketable, insurable fee title in and to the Premises, subject to the Permitted Encumbrances (as defined in Schedule C attached hereto) and has full power, good right and lawful authority to encumber the Premises in the manner and form set forth in the Mortgages and to execute and deliver this Modification and Extension Agreement.

(d) The execution and delivery of this Modification and Extension Agreement does not and will not violate the terms of Mortgagor's operating agreement or articles of organization, or any other lease, agreement, mortgage, indenture or instrument affecting Mortgagor or the Premises or any law, rule, order, ordinance or statute of any governmental authority, purporting to have jurisdiction over Mortgagor or the Premises.

2. **Coordination of Notes.** The Notes and the respective principal indebtedness evidenced thereby are hereby coordinated to constitute a single indebtedness in the reduced aggregate principal amount of ~~of~~ **\$21,060,912.57**, together with interest heretofore accrued on each of such Notes.

3. **Restated Note.** Concurrently herewith, Mortgagor is executing and delivering to Mortgagee that certain Restated Mortgage Promissory Note (the "**Restated Note**"), dated or even date herewith, made by Mortgagor, as maker, in favor of Mortgagee, as payee, evidencing the restatement of the Notes, which Restated Note amends, modifies and restates in their entirety the terms, provisions and time of payment of the Notes in all respects and from and after the date hereof, the Notes shall be deemed replaced by the Restated Note and Mortgagor shall pay the Indebtedness in accordance with, and shall comply with the terms and conditions set forth in the Restated Note, which Restated Note is hereby substituted for the Notes.

4. **Coordination of Mortgages.** The liens of the Mortgages are hereby coordinated so that together they shall hereafter constitute in law but one mortgage, a single, first lien upon the Premises securing the Indebtedness evidenced by the Restated Note.

5. **Restated Mortgage.** The Mortgages, as coordinated hereby, are also modified, extended, amended and restated in their entirety and the terms, covenants and conditions of the Mortgages, as coordinated, shall be and hereby are superseded and replaced by the terms, covenants and conditions set forth in Schedule C annexed hereto and made a part hereof (the Mortgages, as so coordinated, modified, extended, amended and restated in Schedule C hereto, together with this Modification and Extension Agreement, are referred to, collectively, as the "**Restated Mortgage**"). Mortgagor agrees to comply with and be subject to all of the terms, covenants and conditions of this Restated Mortgage.

6. **Use of Terms.** The terms "**Land**", "**Improvements**", "**Premises**" and "**Mortgaged Property**" shall have the meanings ascribed to them in Schedule C attached hereto when used in this Restated Mortgage. Whenever the term "note" or "Note", shall be used in this Restated Mortgage or in the Restated Note, such term shall mean and refer to the Restated Note, as such Restated Note may be further modified from time to time.

time. Whenever the terms "**mortgage**" or "**Mortgage**" shall be used in this Restated Mortgage (including, without limitation, Schedule C hereto), or in the Restated Note, such terms shall mean and refer to this Restated Mortgage, as this Restated Mortgage may be further modified from time to time. Terms defined in this Modification and Extension Agreement that are used in Schedule C hereto that are not otherwise defined in such schedule, shall have the meaning accorded such terms in this Modification and Extension Agreement.

7. **Subsequent Modifications.** Any written agreement or agreements hereafter entered into by the Mortgagee that (i) extend the time of payment of the Indebtedness, (ii) ~~change or modify the time or times of payment or the amount of the installments or fixed sums or the interest or the rate thereof,~~ (iii) change, modify, extend, renew or terminate other terms, provisions, covenants or conditions of the Restated Mortgage or the obligations that it secures or this Modification and Extension Agreement, or (iv) consolidate, spread, release or sever the lien of the Restated Mortgage shall be effective in accordance with the terms and provisions thereof and shall be binding according to the tenor thereof on the owner or holder of subordinate, intervening or subsequent liens or security interests on the Premises and any such liens or security interests shall continue to be subject and subordinate to this Restated Mortgage and any such agreement or agreements.

8. **No New Indebtedness: Maximum Principal Amount.** (a) The parties hereto hereby certify that this Modification and Extension Agreement secures the same indebtedness evidenced by the Notes, together with interest thereon, and secured by this Restated Mortgage, and evidences and secures no further or other indebtedness or obligation.

(b) Notwithstanding anything to the contrary contained herein, the maximum principal that which is secured by the Restated Mortgage as of the date hereof, or that under any contingency may be secured by the Restated Mortgage at any time in the future, shall not exceed the principal sum of **\$21,060,912.57** plus (i) taxes, charges and assessments which may be imposed by law on the Premises, (ii) premiums on the insurance policies required to be maintained under the Restated Mortgage, and (iii) expenses incurred in upholding the lien of this Restated Mortgage including, but not limited to, the expenses of any litigation to prosecute or defend the rights and liens created by this Restated Mortgage, any amount, cost or charge to which this Restated Mortgage becomes subrogated, upon payment, whether under recognized principles of law or equity, or under express statutory authority, and interest at the regular interest rate or Default Rate (as defined in the Restated Note).

9. **No Oral Modification.** The terms hereof may not be waived, changed, modified, terminated or discharged orally, but only by an agreement in writing signed by the party against whom enforcement of any such waiver, change, modification, termination or discharge is sought.

10. **Ratification.** Mortgagor hereby (i) ratifies and confirms the Indebtedness and the lien, conveyance and grant contained in and created by this

Restated Mortgage and (ii) agrees that nothing contained in this Modification and Extension Agreement is intended to or shall impair the validity of the Indebtedness or the lien, conveyance and grant of the Restated Mortgage. Unless specifically modified by the terms hereof, the parties hereto ratify and confirm each and every term of the Restated Mortgage and the Restated Note, which shall continue in full force and effect.

11. Further Assurances. Mortgagor shall execute and deliver, at Mortgagor's sole cost and expense, such additional documents as shall be requested by Mortgagee from time to time to effectuate the terms and conditions of this Modification and Extension Agreement, the Restated Note and the Restated Mortgage, including, without limitation, such affidavits as shall be necessary to permit this Modification and Extension Agreement to be recorded in the appropriate public records. Mortgagor hereby appoints Mortgagee its attorney in fact to execute, acknowledge and deliver for and in the name of the Mortgagor any and all of the instruments mentioned in this section, and this power, being coupled with an interest, shall be, irrevocable as long as any part of the Indebtedness remains unpaid.

12. Successors and Assigns. This Modification and Extension Agreement shall bind, and inure to the benefit of, the parties hereto, their respective successors and permitted assigns.

13. Counterparts. This Modification and Extension Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

[SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, this Modification and Extension Agreement has been executed by the parties hereto as of the day and year first written above.

MORTGAGOR:

SUTTON HILL PROPERTIES, LLC,
a Nevada limited liability company, qualified to do business in New York

By: Citadel Cinemas, Inc., a Nevada corporation, its Manager

By: /s/ Gilbert Avanes Name: Gilbert Avanes
Title: EVP, Chief Financial Officer and Treasurer

MORTGAGEE:

VALLEY NATIONAL BANK,
a national banking association

By: /s/ Ann S. Wilhelm Name: Ann S. Wilhelm
Title: Senior Vice President

SCHEDULE A

[**]

SCHEDULE B

[**]

Sutton Hill-Mod&Ext

-7-

SCHEDULE C

[**]

PORTIONS OF THIS EXHIBIT HAVE BEEN OMITTED BECAUSE THEY ARE BOTH
(I) NOT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED. INFORMATION THAT HAS BEEN OMITTED HAS BEEN NOTED IN THIS
DOCUMENT WITH A PLACEHOLDER IDENTIFIED BY THE MARK "[****]"

NOTE MODIFICATION AGREEMENT

This NOTE MODIFICATION AGREEMENT (this "Agreement") is made as of October 1, 2024 (the "Effective Date"), by and between SUTTON HILL PROPERTIES, LLC, a Nevada limited liability company qualified to do business in New York, having its principal place of business at 189 Second Avenue, Suite 2S, New York, New York 10003 ("Borrower"), and VALLEY NATIONAL BANK, a national banking association at its offices at 70 Speedwell Avenue, Morristown, New Jersey 07960 ("Bank").

RECITALS

A. Bank made a commercial mortgage loan to Borrower in the original principal sum of \$21,060,912.57 (the "Loan"), which Loan is evidenced by that certain Amended and Restated Mortgage Promissory Note dated as of September 29, 2023, executed by Borrower in favor of Bank (the "Note");

B. The Note is secured by, among other things, that certain Mortgage Modification and Extension Agreement dated as of September 29, 2023 executed by and between Borrower and Bank and recorded on October 12, 2023 in the Office of the City Register of the City of New York, County of New York (the "Office"), as CRFN 2023000262607 (the "Mortgage") encumbering the property commonly known as and located at 1001-1007 Third Avenue, New York, New York and as more particularly described in the Mortgage ("Mortgaged Property");

C. As of the Effective Date, exclusive of the October 1, 2024 payment due pursuant to the terms of the Note and the terms hereof, the principal amount outstanding under the Loan is \$20,775,420.80;

D. Borrower and Bank have agreed to modify the Note in accordance with the terms of this Agreement.

NOW THEREFORE, in consideration of the premises, and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto mutually agree as follows:

1. Recitals. The recitals set forth above are true and correct.
2. Defined Terms. Borrower and Bank agree that defined terms used herein and not otherwise defined herein shall have the meaning ascribed thereto in the Note.
3. Extension. As of the Effective Date, the term of the Loan is hereby extended for a period of six (6) months commencing on October 1, 2024 and ending on April 1, 2025 (the "First Extension Term").
4. Modification. As of the Effective Date, the Note is hereby modified and amended as follows:

(a) The Note is hereby amended to add at the end of Section 1 as follows:

(E). Five (5) equal consecutive monthly installments of principal and interest, in an amount as calculated pursuant to the Interest Rate and Interest Calculations commencing on October 1, 2024 and continuing on the first day of each month thereafter until and including March 1, 2025 (each payment being a "**Payment Date**").

(F). A final installment principal in such amount as shall constitute the entire outstanding principal balance of this Note, plus all accrued and unpaid interest as calculated pursuant to Paragraphs 2 and 3 below, and all other sums due under this Note and/or the Mortgage shall be due and payable in full on April 1, 2025 (the "**First Extension Maturity Date**").

Provided that all of the following conditions (the "Extension Conditions") are fully satisfied, Borrower shall have the option to extend the First Extension Maturity Date for one(1) additional term of six (6) months (the "Second Extension Term") to commence on April 1, 2025 and to end on October 1, 2025 (the "Second Extension Term Maturity Date"):

(i) no Event of Default has occurred and be continuing, or no default or event has occurred which, but for the passage of time, would result in an Event of Default hereunder or under any of the other Loan Documents prior to the time that the extension option is exercised and as of the date the Second Extension Term is to commence;

(ii) Borrower shall notify the Bank in writing (the "Extension Notice") of its election to extend the First Extension Maturity Date not later than thirty (30) days prior to the originally scheduled First Extension Maturity Date;

(iii) there shall be no material adverse change in the financial condition of Borrower, Guarantor and/or the Mortgaged Property;

(iv) Borrower shall deposit with Bank the sum of \$500,000.00, which shall be held by Bank for the term of the Loan and which shall be deemed additional collateral for all sums due and owing to Bank under the Loan; and

(v) Borrower shall pay all actual third-party costs and expenses in connection with the extension of the First Extension Term of the Loan, including, without limitation, payments to third-party vendors, title insurance fees and surveys, appraisal fees, recording fees, if any, and Bank's reasonable attorneys' fees and disbursements in connection with any modification of the Loan Documents or otherwise.

In the event that Borrower shall timely exercise Borrower's option to extend the First Extension Maturity Date in accordance with the terms and provisions of this Note and all of the Extension Conditions shall be fully satisfied, during the Second Extension Term, the outstanding principal amount advanced to Borrower under this Note shall be repaid as follows:

(G). Five (5) equal consecutive monthly installments of principal and interest, in an amount as calculated pursuant to the Interest Rate and Interest Calculations commencing on April 1, 2025 and continuing on the first day of each month thereafter until and including September 1, 2025 (each payment being a "**Payment Date**").

April 1, 2025 and continuing on the first day of each month thereafter until and including September 1, 2025 (each payment being a "**Payment Date**").

(H) A final installment principal in such amount as shall constitute the entire outstanding principal balance of this Note, plus all accrued and unpaid interest as calculated pursuant to Paragraphs 2 and 3 below, and all other sums due under this Note and/or the Mortgage shall be due and payable in full on the Second Extension Maturity Date.

Borrower acknowledges and agrees that Borrower shall have no right to extend the maturity date of the loan evidenced hereby (the "**Loan**") beyond the Second Extension Term Maturity Date.

The unpaid principal balance shall continue to bear interest after the Maturity Date or, in the event that the term is extended for the First Extension Term, after the First Extension Term Maturity Date, or, in the event that the term is extended for the Second Extension Term, after the Second Extension Term Maturity Date, as applicable, at the Default Interest Rate set forth in this Note until and including the date on which the unpaid principal balance and all interest, fees and other charges due under the Loan Documents are paid in full.

follows:
(b) The first paragraph of Section 2 of the Note is hereby deleted and replaced as

The annual rate of interest payable under this Note ("**Interest Rate**") for the period commencing on and including the date hereof through and including the First Extension Maturity Date and/or, if applicable, the Second Extension Maturity Date, shall be calculated at a floating rate equal at all times to five hundred (500) basis points (5.00%) above the SOFR Loan Rate (as defined below), as such rate may change from time to time, adjusted daily, provided that at no time during the First Extension Term and/or Second Extension Term, as applicable, shall the rate of Interest be less than seven and one half of one percent (7.50%) per annum, and provided further, that the rate of Interest may be increased to the Default Interest Rate in accordance with the terms and provisions of the Loan Documents.

(c) The Bank's address as set forth in the Note and the other Loan Documents is hereby deleted and replaced as follows: 70 Speedwell Avenue, Morristown, New Jersey 07960. Borrower's and Guarantor's addresses as set forth in the Note and the other Loan Documents are hereby deleted and replaced as follows: 189 Second Avenue, Suite 2S, New York, New York 10003.

(d) As a condition to the effectiveness of this Agreement, Borrower shall, simultaneously with the execution and delivery of this Agreement to Bank:

- (i) pay to Bank the October 1, 2024 monthly payment due pursuant to the terms of the Note and the terms hereof;
- (ii) pay to Bank a non-refundable extension fee in the amount of \$105,000.00;

- (iii) deposit with Bank the sum of \$500,000.00, which shall be held by Bank in an interest-bearing account for the benefit of Borrower together, in the same account, with the funds in the amount of \$1,064,750.00 currently held by Bank (collectively, the "Collateral Funds"). The Collateral Funds shall be held by Bank for the term of the Loan and shall be deemed additional collateral for all sums due and owing to Bank under the Loan. Upon the indefeasible payment in full of the entire indebtedness evidenced by the Note, the Collateral Funds (including any interest accrued thereon), at Borrower's option and upon prior written notice to Bank, shall be remitted to Borrower, or credited at payoff, subject to the prepayment provisions in accordance with the terms of the Note. Upon the occurrence and during the continuance of an Event of Default, Bank may apply any Collateral Funds to the payment of the following items in any order in its sole discretion: (i) any out-of-pocket costs of collection payable pursuant to the Mortgage, the Note or the other Loan Documents, including without limitation protective advances made by Bank pursuant to the terms of the Loan Documents; (ii) any unpaid costs or balances of advances (excluding the original advance of the principal) made by Bank in connection with the Loan Documents and to any other amounts which may be overdue on account of any of the several terms, provisions, conditions or covenants contained in the Loan Documents; (iii) late charges and any other fees or charges due under the Note or the other Loan Documents, if any; (iv) interest then due and payable under the Note or the other Loan Documents (at the Default Interest Rate, if applicable); and (v) reduction of the principal balance of the Note;
- (iv) pay to Bank an appraisal fee in the amount of \$4,845.00; and
- (v) pay to Bank's counsel a legal fee in the amount of \$4,500.00 and pay to Bank any other fees, costs and expenses incurred by Bank in connection with the modification and extension of the Loan.

5. Warranties and Representations. Borrower affirms and represents and warrants to Bank that:

- (a) the principal amount outstanding under the Loan as of the Effective Date, exclusive of the October 1, 2024 payment due pursuant to the terms of the Note and the terms hereof, is \$20,775,420.80;
- (b) Borrower is not in default under the Note or the Mortgage or any of the other documents executed in connection therewith nor has any event occurred that would be deemed a default thereunder with the passage of time, the giving of notice, or both;
- (c) there are no defenses, offsets or counterclaims to the Note or the Mortgage, the indebtedness evidenced and secured thereby, or any of the other documents executed in connection with the Note and/or Mortgage;
- (d) Borrower is the holder of good, marketable, insurable title in fee simple to the Mortgaged Property and has full power, good right and lawful authority to encumber the Mortgaged Property in the manner and form set forth in the Mortgage and to execute and deliver this Agreement and has the power and authority to perform its obligations under each of the Loan Documents;
- (e) Borrower's execution and delivery of this Agreement, and Borrower's continued performance of its obligations under the other Loan Documents has been duly authorized by all necessary action on the part of Borrower;

(f) the Loan Documents and this Agreement have been duly executed and delivered by Borrower, are in full force and effect in accordance with the provisions thereof, and are the valid and binding obligations of Borrower, enforceable against it in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, liquidation, moratorium or other similar laws of general application and equitable principles relating to or affecting creditors' rights;

(g) the execution and delivery of this Agreement does not and will not violate the terms of Borrower's organizational documents, or any lease, agreement, mortgage, indenture or instrument affecting Borrower, Guarantor or the Mortgaged Property or any law, rule, order, ordinance or statute of any governmental authority, purporting to have jurisdiction over Borrower and/or the Mortgaged Property;

(h) except as amended by this Agreement and except as set forth on Exhibit A annexed hereto, all representations and warranties contained in the Loan Documents are true and correct in all material respects as if made on the date hereof (except in each case for representations and warranties which by their terms are expressly applicable only to an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date) and are not limited in any way by the representations and warranties set forth in this Agreement; and

(i) no payments of interest or any other charges have been made to Bank or paid by Borrower in connection with the Loan, or any Loan Document executed in connection therewith, which would result in the computation or earning of interest in excess of the maximum legal rate of interest which is permitted under the laws of the State in which the Note and any other Loan Documents executed in connection therewith would be enforced.

Borrower hereby acknowledges that Bank will rely upon the foregoing representations, warranties and waivers and that Bank would not enter into this Agreement in the absence of the foregoing representations, warranties and waivers.

6. Ratification. Except as expressly modified by the terms of this Agreement, the terms, provisions and requirements of the Note, the Mortgage and all other Loan Documents remain the same and in full force and effect in accordance with the terms and provisions thereof. Borrower hereby (i) unconditionally ratifies and confirms, renews and reaffirms all of the liabilities, obligations, duties and responsibilities of Borrower under and pursuant to the Loan Documents, (ii) acknowledges and agrees that such liabilities, obligations, duties and responsibilities remain and shall continue in full force and effect, binding on and enforceable against Borrower in accordance with the terms, covenants and conditions of the Loan Documents, without impairment, and that Borrower remains unconditionally liable to Bank in accordance with the terms, covenants and conditions of the Loan Documents, as amended hereby, (iii) certifies, confirms, acknowledges and agrees that nothing herein contained shall be construed to impair the security or affect the priority of or otherwise impair the lien of any mortgage or other lien which Bank ever had, now has or may hereafter have on any of its/his property under any of the Loan Documents, nor to impair any rights or powers which Bank or its successors may have for nonperformance of any term of any of the Loan Documents, (iv) ratifies and confirms, renews and reaffirms in all respects and without condition, all of the terms, covenants and conditions set forth in the Loan Documents, as amended hereby, and (v) acknowledges, agrees, represents and warrants that no oral or other agreements, understandings, representations or warranties exist with respect to the Loan Documents or with respect to its/his obligations thereunder. In the event of any conflict or ambiguity between the terms, covenants and provisions of this Agreement and those of the Note, the Mortgage or any other Loan Document, the terms, covenants and provisions of this Agreement shall control.

7. Miscellaneous.

- (a) Bank is under no obligation to further modify the terms of the Note, or any other Loan Document executed in connection therewith.
- (b) This Agreement is a modification of the terms of the Note. Any and all references to the Note shall mean the Note as modified by this Agreement.
- (c) This Agreement contains the entire agreement of the parties with respect to the modification of the Note and this Agreement may not be modified, amended, changed or terminated except by an agreement in writing signed by Borrower and Bank.
- (d) This Agreement shall be binding upon and inure to the benefit of Borrower and the successors of Borrower and Bank and the successors and assigns of Bank.
- (e) This Agreement shall have no force or effect unless and until, and shall become effective only upon, the execution and delivery hereof by Borrower and Bank and the satisfaction in full of all conditions to the effectiveness hereof as set forth herein.
- (f) If any term, covenant or condition of this Agreement shall be held to be invalid, illegal or unenforceable in any respect, this Agreement shall be construed without such provision.
- (g) This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to its principles of conflicts or choice of laws.
- (h) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute the same instrument. This Agreement may be executed electronically using electronic signature technology that produces an audit trail of such execution (e.g., Adobe Sign, DocuSign) and/or may be delivered electronically (e.g., a scanned .PDF sent by email), and any such electronically executed signatures and/or electronically delivered signatures shall have the same legal and binding effect as original handwritten signatures.

[The remainder of this page is left intentionally blank. Signature page follows.]

IN WITNESS WHEREOF, Borrower and Bank have caused the due execution of this Note Modification Agreement as of the day and year first above written.

BORROWER:

SUTTON HILL PROPERTIES, LLC,
a Nevada limited liability company,

By: Citadel Cinemas, Inc., a
Nevada corporation,
its Manager

By: /s/ Gilbert Avanes

Name: Gilbert Avanes

Title: Chief Financial Officer and
Treasurer

BANK:

VALLEY NATIONAL BANK

By: /s/ Ann S. Wilhelm

Name: Ann S. Wilhelm

Title: Senior Vice President

EXHIBIT A

[**]

PORTIONS OF THIS EXHIBIT HAVE BEEN OMITTED BECAUSE THEY ARE BOTH (I) NOT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED. INFORMATION THAT HAS BEEN OMITTED HAS BEEN NOTED IN THIS DOCUMENT WITH A PLACEHOLDER IDENTIFIED BY THE MARK “[*]”**

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Execution Version

National Australia Bank Limited Reading Entertainment Australia Pty Ltd Each Guarantor

Amendment Deed

Corporate Markets Loan & Bank Guarantee Facility Agreement

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Date 19 February 2025

Parties

National Australia Bank Limited ABN 12 004 044 937 of Level 17, 395 Bourke Street, Melbourne, Victoria 3000 (**Bank**)

Reading Entertainment Australia Pty Ltd ACN 070 893 908 of 98 York Street, South Melbourne, Victoria 3205 (**Borrower**)

Each entity listed in the schedule (**Corporate Guarantor**)

Agreed terms

1 Definitions

In this deed words and expressions which are defined or given a specific meaning in the Amended Facility Agreement but which are not defined or given a specific meaning in this deed have the same meaning as in the Amended Facility Agreement. Otherwise, terms have the following meanings:

Amended Facility Agreement	The Facility Agreement as amended in accordance with this deed.
Effective Date	The date on which each of the conditions precedent set out in clause 3 have been satisfied (subject to clause 3.2(d)).
Facility Agreement	The Facility Agreement between the Bank, the Borrower, the Corporate Guarantors, dated 24 June 2011, as amended from time to time.

2 Consideration

The Borrower and each Corporate Guarantor have entered into this deed in consideration of the Bank agreeing to amend the Facility Agreement in accordance with this deed.

3 Conditions precedent

3.1 Conditions precedent to Effective Date

The amendments to the Facility Agreement effected by this deed, and the occurrence of the Effective Date, are subject to the following conditions precedent that:

- (a) at least two clear Business Days (or such shorter period as the Bank may agree) before the Effective Date, the Bank has received, in form and substance satisfactory to the Bank:
 - (i) a fully executed original copy of this deed, duly executed by the Borrower and each Corporate Guarantor; and
 - (ii) anything which the Bank has reasonably requested that the Borrower or a Corporate Guarantor provide to it in relation to any Transaction Document;
- (b) the representations and warranties set out in clauses 8.1 and 8.2 of the Amended Facility Agreement are correct and not misleading on the date that the Borrower and each Corporate Guarantor execute this deed;
- (c) no Event of Default or Potential Event of Default subsists; and
- (d) the Effective Date is no later than 15 March 2025, or such later date agreed by the Bank.

3.2 Satisfaction of conditions precedent

- (a) The Borrower and each Corporate Guarantor must use their best endeavours to satisfy the conditions precedent.
- (b) Any certificates or copies of documents referred to in **clause 3.1** must be certified by a company secretary or director of the Borrower or a Corporate Guarantor (as applicable) as being true, complete and current.
- (c) The conditions precedent are for the benefit of the Bank.
- (d) The Bank may waive, or agree to a delay of, the satisfaction of any of the conditions precedent in writing at any time before or after the time by which they must be satisfied.

4 Amendment of Facility Agreement

4.1 Amendment

On and from the Effective Date, the Facility Agreement is amended in the form of the **annexure**, by deleting the items struck through, and by adding the items underlined.

4.2 Parties bound

The parties will be bound by the Amended Facility Agreement on and from the Effective Date.

5 Representations and warranties

5.1 General

The Borrower and the Corporate Guarantors each represent and warrant that at the time of its execution of this deed:

- (a) it has capacity unconditionally to execute, deliver and comply with its obligations under this deed;
- (b) it has taken all necessary action to authorise the unconditional execution and delivery of, and compliance with, its obligations under this deed;
- (c) this deed constitutes the valid and legally binding obligations of it and is enforceable against it in accordance with its terms;
- (d) it has duly executed each of the Transaction Documents to which it is expressed to be a party;
- (e) the Transaction Documents are valid and enforceable in accordance with their respective terms; and
- (f) its unconditional execution and delivery of, and compliance with its obligations under, this deed do not contravene its constituent documents or any obligation of it under any law or to any other person.

5.2 Survival of representations and warranties

The representations and warranties in **clause 5.1** survive the execution of this deed and the amendment of the Facility Agreement.

6 Acknowledgments

The Borrower and each Corporate Guarantor:

- (a) agree to the amendment of the Facility Agreement effected by this deed;
- (b) agree that this deed is a Transaction Document for the purposes of the Amended Facility Agreement;
- (c) acknowledge that the Bank has agreed to execute this deed at the request of the Borrower and the Corporate Guarantors and that, except as expressly set forth herein, this is without prejudice to any other current or future right the Bank may have against the Borrower or a Corporate Guarantor, or any other Security Provider or under or in connection with any Transaction Document; and
- (d) agree that each Collateral Security to which it is a party extends to and secures its obligations to the Bank under the Amended Facility Agreement.

7 General

7.1 Amendment

This deed may only be varied or replaced by a deed executed by all of the parties to this deed.

7.2 Construction

Clause 1.2 of the Facility Agreement applies to this deed as if set out in full in this deed with such changes as are necessary.

7.3 Counterparts

This deed may consist of a number of counterparts and, if so, the counterparts taken together constitute one deed.

7.4 Deed

This document is a deed. Factors which might suggest otherwise are to be disregarded.

7.5 Duty

The Borrower, as between the parties, is liable for and must pay all duty (including any fine, interest or penalty except where it arises from default by the other party) on or relating to this deed, any document executed under it or any dutiable transaction evidenced or effected by it.

7.6 Entire understanding

- (a) This deed contains the entire understanding between the parties as to the subject matter of this deed.
- (b) All previous negotiations, understandings, representations, warranties, memoranda or commitments concerning the subject matter of this deed are merged in and superseded by this deed and are of no effect. No party is liable to any other party in respect of those matters.
- (c) No oral explanation or information provided by any party to another:
 - (i) affects the meaning or interpretation of this deed; or
 - (ii) constitutes any collateral agreement, warranty or understanding between any of the parties.

7.7 Further steps

Each party must promptly do whatever any other party reasonably requires of it to give effect to this deed and to perform its obligations under it.

7.8 Governing law and jurisdiction

- (a) This deed is governed by and is to be construed in accordance with the laws applicable in the Relevant Jurisdiction.
- (b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in the Relevant Jurisdiction and any courts which have jurisdiction to hear appeals from

any of those courts and waives any right to object to any proceedings being brought in those courts.

7.9 Legal costs

- (a) The Borrower must pay, and if paid by the Bank reimburse the Bank, the cost of stamping and registering this deed and the reasonable legal and other costs and expenses of the Bank in relation to:
 - (a) the negotiation, preparation and execution of this deed; and
 - (b) deed.
- (b) Except as expressly stated otherwise in this deed, each party must pay its own legal and other costs and expenses of performing its obligations under this deed.

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Schedule

Execution

Executed as a deed

Executed by)
 Reading Entertainment Australia Pty)
 Ltd ACN 070 893 908)
 Australia Country Cinemas Pty Ltd)
 ACN 076 276 349)
 Reading Cinemas Asset Management)
 Pty Ltd ACN 122 571 420)
 Burwood Developments Pty Ltd)
 ACN 105 384 905)
 Epping Cinemas Pty Ltd)
 ACN 073 997 172)
 Hotel Newmarket Pty Ltd)
 ACN 094 367 969)
 Newmarket Properties Pty Ltd)
 ACN 105 386 409)
 Newmarket Properties No. 2 Pty Ltd)
 ACN 109 038 806)
 Newmarket Properties #3 Pty Ltd)
 ACN 126 697 505)
 Reading Armadale Pty Ltd)
 ACN 107 939 211)
 Reading Belmont Pty Ltd)
 ACN 126 697 498)
 Reading Bundaberg 2012 Pty Ltd)
 ACN 122 406 320)
 Reading Charlestown Pty Ltd)
 ACN 123 938 483)
 Reading Cinemas Pty Ltd)
 ACN 073 808 643)
 Reading Cinemas Management Pty Ltd)
 ACN 122 406 311)
 State Cinema Hobart Pty Ltd)
 ACN 108 861 061)
 Reading Dandenong Pty Ltd)
 ACN 129 018 739)

/s/ Ellen Cotter
.....

Ellen Cotter
Director/Company Secretary

Tick if signatory signing electronically.
By ticking this box, the signatory warrants that they are signing this document in accordance with section 110A(2) of the Corporations Act 2001 (Cth).

/s/ Wayne Douglas Smith
.....

Wayne Douglas Smith
Director

Tick if signatory signing electronically.
By ticking this box, the signatory warrants that they are signing this document in accordance with section 110A(2) of the Corporations Act 2001 (Cth).

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Executed by)
 Reading Elizabeth Pty Ltd))
 ACN 114 582 099))
 Reading Exhibition Pty Ltd))
 ACN 103 529 782))
 Reading Licences Pty Ltd))
 ACN 089 544 605))
 Reading Maitland Pty Ltd))
 ACN 126 697 461))
 Reading Melton Pty Ltd))
 ACN 109 074 517))
 Reading Properties Pty Ltd))
 ACN 071 195 429))
 Reading Properties Indooroopilly Pty))
 Ltd ACN 121 284 884))
 Reading Noosa Pty Ltd))
 ACN 128 819 483))
 Reading Property Holdings Pty Ltd))
 ACN 126 289 772))
 Reading Rouse Hill Pty Ltd))
 ACN 123 245 885))
 Reading Sunbury Pty Limited))
 ACN 109 074 571))
 Rhodes Peninsula Cinema Pty Limited))
 ACN 120 827 812))
 Westlakes Cinema Pty Ltd))
 ACN 108 531 308))
 Reading Busselton Pty Ltd))
 ACN 143 633 096))
 Reading Cannon Park Pty Ltd))
 ACN 609 837 569))
 Angelika Anywhere Pty Ltd))
 ACN 642 993 593))
 Reading Jindalee Pty Ltd))
 ACN 629 483 914))
 Reading Devonport Pty Ltd))
 ACN 629 484 126))

/s/ Ellen Cotter
.....

Ellen Cotter
Director/Company Secretary

Tick if signatory signing electronically.
By ticking this box, the signatory warrants that they are signing this document in accordance with section 110A(2) of the Corporations Act 2001 (Cth).

/s/ Wayne Douglas Smith
.....

Wayne Douglas Smith
Director

Tick if signatory signing electronically.
By ticking this box, the signatory warrants that they are signing this document in accordance with section 110A(2) of the Corporations Act 2001 (Cth).

Corrs Chambers Westgarth

Executed by National Australia Bank) Limited ABN 12 004 044 937 by its) Attorney who holds the position of Level 2) Attorney under Power of Attorney dated)
1/3/2007 in the presence of:)

/s/ Joshua Manzo

.....

Joshua Manzo
Witness

The witness was physically present when the signatory signed the document

OR

The witness was not physically present when the signatory signed the document. By ticking this box, the signatory warrants that they observed the signatory signing the document by audio visual link in accordance with the Electronic Transactions (Victoria) Act 2000.

/s/ Meagan Zwerwer

.....

Megan Zwerwer
Attorney

Tick if signatory signing electronically. By ticking this box, the signatory warrants that they are signing this document in accordance with the Electronic Transactions (Victoria) Act 2000.

Annexure

Amended Facility Agreement

3457-0667-0645v1
Amendment Deed

567 Collins Street, Melbourne VIC 3000, Australia GPO Box 9925, Melbourne VIC 3001, Australia
Tel +61 3 9672 3000
Fax +61 3 9672 3010
www.corr.com.au

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WESTGARTH

Sydney
Melbourne
Brisbane
Perth Port
Moresby

Annexure A – Amended Facility Agreement

National Australia Bank Limited Reading Entertainment Australia Group

Corporate Markets Loan & Bank Guarantee Facility Agreement

Ref: BMHOSM9143151
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Date

Parties

National Australia Bank Limited ABN 12 004 044 937 of Level 17, 395 Bourke Street, Melbourne, Victoria 3000 (**Bank**)

Reading Entertainment Australia Pty Ltd ACN 070 893 908 of 98 York Street, South Melbourne, Victoria 3205 (**Borrower**)

Each person listed in schedule 1 (each an **Original Guarantor**)

Agreed terms

1 Interpretation

1.1 Definitions

In this document:

AASB 16 means Accounting Standard AASB 16, issued by the Australian Accounting Standards Board under section 334 of the Corporations Act.

Accounting Standards means accounting principles and practices consistently applied which are generally accepted in Australia and are consistent with any applicable legislation in each case as in effect on the date of this document, including instruments in force under section 334 of the Corporations Act and provisions of such instruments.

Adjusted EBITDA means, for any period, EBITDA adjusted to include any Management Fees paid in cash and exclude:

- (a) any non-cash impairment for non-current assets included in the consolidated financial statements of the Reading Entertainment Australia Group during the relevant period;
- (b) any net gains or losses on asset sales
- (c) non-operating income or losses (except any interest income);
- (d) share of profit or loss in connection with a joint venture with a person who is not a Reading Entertainment Australia Group Member
- (e) accrued Management Fees, and
- (f) any net foreign exchange amounts (whether realised or unrealised) included in the consolidated financial statements of the Reading Entertainment Australia Group during the relevant period.

and subject to adjustment in respect of any further extraordinary items with the

Advance means the principal amount of an advance made under the Corporate Markets Loan Facility or the Bridge Facility or, where appropriate, requested under the Corporate Markets Loan Facility or the Bridge Facility.

Aggregate Amount means, in relation to a Drawing, the aggregate of the Face Values of all Bank Guarantees comprising that Drawing.

Amendment Deed means the document entitled 'Amendment Deed' executed in March 2019 between the Bank and the Transaction Parties.

Annual Compliance Certificate means, in relation to a Financial Year, a certificate substantially in the form of [schedule 9](#).

Approved Valuer means a company or firm of duly qualified and licensed real estate valuers acceptable to the Bank in all respects and instructed by (or with the approval of) the Bank.

April 2024 Amendment Date has the meaning given to the term 'Effective Date' in the April 2024 Amendment Deed.

April 2024 Amendment Deed means the Amendment Deed dated on or about [4](#) April 2024 between the Borrower, each Guarantor and the Bank, under which this document is amended.

Attorney means any attorney appointed under this document and any sub-attorney appointed by an Attorney.

August 2023 Amendment Date has the meaning given to the term 'Effective Date' in the August 2023 Amendment Deed.

August 2023 Amendment Deed means the Amendment Deed dated on or about August 2023 between the Borrower, each Guarantor and the Bank, under which this document is amended.

Authorisation includes any authorisation, consent, licence, permission, approval or exemption from any Government Body. If a Government Body could prohibit anything being done in connection with any matter or otherwise intervene within a specified time after notice has been given to it or any document lodged or filed with it in connection with the matter, the relevant matter will not be taken to have been authorised until the specified time limit has expired without the Government Body taking any relevant action.

Authorised Representative means, in relation to any party to this document, a person with the right to act as the agent of that party for the purposes of this document. It includes a director or company secretary of that party (if it is a corporation) and, in the case of the Bank, an employee of the Bank whose title contains the word "manager", "director", "associate" or a similar term and a lawyer for the Bank. It also includes a person appointed by a party as an Authorised Representative of that party whose appointment is notified by the appointor to the other party in a notice which contains the specimen signature of the appointee.

Availability Period means in respect of each Facility, the period beginning on the date on which the conditions precedent are satisfied or waived by the Bank in accordance with the Transaction Documents and ending on the Termination Date.

Available Commitment means in respect of a Facility, the Facility Limit less the Outstanding Accommodation relating to that Facility.

Bank Guarantee means each bank guarantee issued (or deemed to have been issued) in accordance with this document.

Bank Guarantee Facility means the Facility described as such in **schedule 2** and granted pursuant to **clause 4.1(a)(ii)**.

Base Rate means, in relation to a Pricing Period:

(a) the rate (expressed as a percentage yield per annum to maturity, and not being less than zero) being the arithmetic average (rounded up to the nearest four decimal places) of the buying rates published at or about 10.15 am on the first Business Day of the Pricing Period on the Reuters possible equal to that Pricing Period; or

(b) if:

(i) the rate is not displayed for a term equivalent to that period; or

(ii) the basis of the calculation of the rate is changed after the date of this document so that in the opinion of the Bank it ceases to reflect the cost of providing the Facility,

the Base Rate will be the rate per centum per annum, and not being less than zero, determined by the Bank to be the average of the buying rates quoted to the Bank by at least three Reference Banks at or about that time on that date. The buying rates must be for bills of exchange accepted by a leading Australian bank and which have a term equivalent to the period. If there are no buying rates, the rate will be determined by the Bank having regard to indexes or other bases which the Bank determines to be as near as practicable to the indexes and bases used to determine the rate referred to in paragraph (a).

Beneficiary means in relation to a Bank Guarantee, the person who from time to time is entitled to make a claim for payment under that Bank Guarantee against the Bank.

Bill means a bill of exchange as defined in the *Bills of Exchange Act 1909* (but does not include a cheque). It includes a document which, when signed by the persons named as drawer and acceptor in the relevant document, will become such a bill of exchange.

Break Costs means, in relation to any financial accommodation provided or to be provided by the Bank under a Facility, any liability or costs incurred by the Bank by reason of:

- (a) liquidating or re-deploying deposits or other funds acquired or contracted for by or on account of the Borrower or the Bank;
- (b) terminating or reversing any agreement or arrangement (including by entering into new agreements or arrangements to close out or net off existing agreements or arrangements) entered into by or on account of the Borrower or the Bank with a counterparty or an internal department of the Bank responsible for such agreements or arrangements to hedge, fix, swap or limit its effective cost of funding; or
- (c) any loss of any margins in relation to future lending or loss of any fees.

Bridge Facility means the Committed Revolving Corporate Markets Loan described as 'Bridge Facility' in **schedule 2** and granted pursuant to **clause 4.1(a)(iii)**.

Business Day means a day which is not a Saturday, Sunday or bank or public holiday in Melbourne.

Cannon Park Property means the land and improvements known as Cannon Park City Centre and Cannon Park Discount Centre, Corner Hervey Range Road and Pioneer Drive, Thurwingowa Central, Queensland, described in title references 50442105, 50442106 and 51155321.

Cannon Park Property Release Date means, the date on which the Bank is satisfied in its absolute discretion that:

- (a) the Cannon Park Property is sold; and
- (b) the Borrower will apply the Net Sale Proceeds from that sale in permanent reduction of the Facility Limit of the Bridge Facility, in accordance with the terms of this document.

Cash means all cash on hand, short term deposits and cash equivalents.

Cash Cover Rate means the rate (expressed as a rate per centum per annum) determined by the Bank (in good faith) to be the interest rate which it would pay on deposits at call for an amount similar to the amount at which the relevant deposit is made.

Calculation Date means 31 March, 30 June, 30 September and 31 December in each year.

Calculation Period means each period of twelve months ending on a Calculation Date.

Change of Control means there is a change (from that prevailing at the date of this document) in the persons who control any of the following in respect of a Transaction Party:

- (a) more than 50% of the votes eligible to be cast in the election of directors or any similar matter; or
- (b) the right to appoint or remove directors (or members of a governing body having functions similar to a board of directors) representing more than

- 50% of the votes exercisable by the directors (or persons have similar functions); or
- (c) an interest of more than 50% in any category of the profits, distributions or net liquidation proceeds, Transaction Party.

Collateral Security means:

- (a) any Guarantee by which any person Guarantees the Borrower's compliance with its obligations under any of the Transaction Documents;
- (b) any Security which secures the payment of money owing (actually or contingently) from time to time by:
- (i) any Transaction Party in relation to any of the Transaction Documents; or
 - (ii) any person in relation to a Guarantee of any Transaction Party's compliance with its obligations under any of the Transaction Documents; and
- (c) without limiting the generality of paragraphs (a) and (b) each thing listed in **schedule 3**.

Contaminant means a noxious, harmful or hazardous condition (including an odour, temperature, sound, vibration or radiation) or substance the presence or use of which (having regard, without limitation, to the nature and quantity of the substance and other substances with which it is stored or used) does or may result in the breach of an Environmental Law or the issuing of an order or direction under an Environmental Law.

Corporate Markets Loan Facility means the Facility described as such in **schedule 2** and granted pursuant to **clause 4.1(a)(i)**. **Corporations Act** means the *Corporations Act 2001* (Cth).

Current Bank Guarantee means a Bank Guarantee which has not Matured or Expired.

Daily Interest Rate means, for any day, the Interest Rate on that day divided by 365.

Delay Event means, in respect of **clause 9.5(h)**, a declaration of emergency and/or natural disaster by the Queensland Government which:

- (a) has a direct adverse effect on the Cannon Park Property; and
- (b) reasonably prevents the Borrower from complying with its obligation under **clause 9.5(h)** by ~~31 August 2024~~ 15 March 2025.

Disposal means a sale, lease, transfer or other disposal by any Transaction Party of any interest in:

- (a) any share or stock (whether or not ordinary or preference and whether or not redeemable) or any other instrument convertible or exchangeable into or entitling a person to acquire or subscribe for any share or stock;
- (b) the whole or any part of a business, business unit or line of business; or
- (c) any other asset under a particular transaction or related transactions not in the ordinary course of business of the Reading Entertainment Australia Group taken as a whole.

Distribution means:

- (a) in relation to any share capital of a Transaction Party, any dividend, charge, interest, fee, payment or other distribution (whether in cash or in kind) or redemption, repurchase, defeasance, retirement or redemption;
- (b) any interest, any redemption or early redemption of any amount of principal or any other payment in respect of any shareholder loan or other subordinated loans made to any Transaction Party; or
- (c) any loan or other financial accommodation made available by a Transaction Party to a person other than another Transaction Party.

Drawing means each Bank Guarantee issued or to be issued in accordance with this document under the same Funding Notice.

EBIT means, in relation to any period and without double counting, operating profit (loss) of the Reading Entertainment Australia Group (on a consolidated basis) from ordinary operations before interest, income tax and minority interests, but after deduction of depreciation and amortisation for that period, as determined in accordance with Accounting Standards.

EBITDA means, in relation to any period, EBIT for the Reading Entertainment Australia Group for that period, plus depreciation and amortisation as determined in accordance with Accounting Standards

Encumbrance means any interest in or right over property and anything which would at any time prevent, restrict or delay the registration of any interest in or dealing with property. It includes a Security Interest.

Environmental Assessment Report means a report in relation to compliance with Environmental Law of the Land and any activities carried out on the Land.

Environmental Law means any legislation, regulations or related codes, standards or policies which relate to environmental and planning matters, including matters concerning land use, development, building works, pollution, contamination, waste, toxic and hazardous substances, disposal of waste or other substances, human health, conservation of natural or cultural resources, heritage and resource allocation.

Environmental Liability means any liability, obligation, expense, penalty or fine arising out of a breach of Environmental Law which could be imposed on any Transaction Party or the Bank in respect of the Land as a result of activities carried on during the ownership, occupation or control of the Land by

that Transaction Party, the Bank, any predecessor in title or any previous occupier or controller of the Land.

Event of Default means any event or circumstance described in **clause 10.1**.

Excluded Financial Indebtedness means Financial Indebtedness of the kind referred to in paragraph (a), (c) or (d) of the definition of Permitted Financial Indebtedness.

Excluded Property means:

- (a) the present or future interest of Reading Exhibition Pty Ltd in the Garden City Cinema joint venture with Village Roadshow Exhibition and Birch Carroll & Coyle or the assets the subject of the joint venture or the relevant joint venture agreement; and
- (b) the present or future interest of Epping Cinemas Pty Ltd in the lease granted by Bevendale Pty Ltd or the property the subject of the lease to the extent that the existence of a charge over that interest or property would cause a breach of the that lease.

Expired means, in relation to a Bank Guarantee, that its Expiry Date has passed whether or not a claim has been made under it by the Beneficiary.

Expiry Date means, in relation to a Bank Guarantee, the date specified in that Bank Guarantee as the latest date by which the Beneficiary may make a claim under it.

Face Value means, in relation to a Bank Guarantee:

- (a) subject to paragraph (b), the amount specified in that Bank Guarantee as the aggregate maximum amount which the Beneficiary may claim under it; or
- (b) if the Beneficiary makes a claim, then between when the Beneficiary makes the first of those claims and the first to occur of the Bank Guarantee Maturing or Expiring, the Face Value of the Bank Guarantee will be the difference between its original face value and the aggregate of all valid claims made under it.

Facility means each of the facilities listed in **schedule 2** (and each Facility may be referred to by the Facility Name listed in **schedule 2**).

Facility Limit means, in respect of each Facility, the relevant Facility Limit set out in **schedule 2**, as reduced under this document including in accordance with **clause 5.6-5.6**.

Financial Close means the initial Funding Date.

Financial Indebtedness means any indebtedness or other liability (present or future, actual or contingent) relating to any financial accommodation including indebtedness or other liability:

- (a) for money borrowed or raised;
- (b) relating to the sale or negotiation of any negotiable instrument;

- (c) as lessee under any finance lease, as hirer under any hire purchase agreement or as purchaser under any title retention agreement;
- (d) relating to any preference share or unit categorised as debt under Accounting Standards;
- (e) under any commodity, currency or interest rate swap agreement, forward exchange rate agreement or futures contract (as defined in any statute);
- (f) under any Guarantee relating to any financial accommodation; or
- (g) for any deferred purchase price (other than in the nature of warranty retention amounts) for any asset or service.

Financial Ratio means any of the financial ratios referred to in **clause 9.8**.

directors' declarations, directors' reports and auditor's reports attached to **Financial Statements** means a balance sheet, an income statement, a statement of changes in equity, a cash flow statement, notes comprising a summary of significant accounting policies and other explanatory note; and any intended to be read with or required by the Corporations Act to accompany, all or any of those documents.

Financial Year means a period of 12 months ending on 31 December.

Fixed Charges Cover Ratio means at any date the ratio of:

- (a) the aggregate amount of:
 - (i) Adjusted EBITDA in respect of the 12 month period ending on that date; and
 - (ii) Total Lease Payments in respect of the 12 month period ending on that date,to
- (b) the aggregate amount of:
 - (i) Gross Interest Expense paid or payable by the Reading Entertainment Australia Group (whether payable in respect of the Facilities or otherwise) in respect of the 12 month period ending on that date; and
 - (ii) Total Lease Payments in respect of the 12 month period ending on that date;

Freehold Property means each freehold property owned by a Transaction Party that is the subject of a real property mortgage referred to in **of schedule 3**.

Funding Date means a date on which:

- (a) an Advance is, or is proposed to be, made; or
- (b) a Bank Guarantee is, or is proposed to be, issued, under this document.

Funding Notice means a notice in accordance with **clause 4.4**.

Government Body means any person or body exercising an executive, legislative, judicial or other governmental function. It includes any public authority constituted under a law of any country or political sub-division of any country. It also includes any person deriving a power directly or indirectly from any other person or body referred to in this definition.

Gross Interest Expense means, in relation to any period, the aggregate of all interest and amounts in the nature of interest (including commissions, discount fees, acceptance fees, facility fees, the interest element of a finance lease and fees or charges) payable in connection with any Financial Indebtedness of the Reading Entertainment Australia Group (other than Excluded Financial Indebtedness) for that period on a consolidated basis, whether accrued, paid, payable or expensed (including interest expense under each of the Facilities).

Guarantee means:

- (a) a guarantee, indemnity, undertaking, letter of credit, Security, acceptance or endorsement of a negotiable instrument or other obligation (actual or contingent) given by any person to secure compliance with an obligation by another person;
- (b) an obligation (actual or contingent) of a person to ensure the solvency of another person or the ability of another person to comply with an obligation, including by the advance of money or the acquisition for valuable consideration of property or services; and
- (c) an option under which a person is obliged on the exercise of the option to buy:
 - (i) any debt or liability owed by another person; or
 - (ii) any property which is subject to a Security Interest.

Guaranteed Money means all money:

- (a) which now or in the future is owing (actually or contingently) by a Transaction Party to the Bank under or in relation to any of the Transaction Documents;
- (b) which having now or in the future become owing (actually or contingently) by a Transaction Party to the Bank under or in relation to any of the Transaction Documents, ceases to be owing by reason of any law relating to insolvency and remains unpaid by the Transaction Party and unreleased by the Bank; or
- (c) that now or in the future may become owing (actually or contingently) by a Transaction Party to the Bank under or in relation to any of the Transaction Documents,

for any reason, whether such money is payable:

- (d) by a Transaction Party alone or jointly or severally with any other person;
- (e) by a Transaction Party in its own right or in any capacity;
- (f) to the Bank in its own right or in any capacity; and

(g) by a Transaction Party as liquidated or unliquidated damages caused or contributed to by any breach by the Transaction Party of any obligation owed by the Transaction Party (or any other Transaction Party) to the Bank under or in relation to any of the Transaction Documents, and if any Transaction Document or any obligation of a Transaction Party to the Bank under or in relation to any of the Transaction Documents is void, voidable or otherwise unenforceable by the Bank in accordance with its terms, it includes all money which would have been within this definition if that Transaction Document or obligation was not void, voidable or otherwise unenforceable.

Guarantor means the Original Guarantors and each person that becomes a guarantor under **clause 16**. If there are more than one, Guarantor means each of them individually and every two or more of them jointly.

Guarantor Accession Deed means a deed substantially in the form of **schedule 8**.

Half means each six month period ending on 30 June and 31 December in each year.

Hedging Transaction means a contract, agreement or arrangement (other than in respect of the price of electricity, gas, oil, foreign exchange or any other non-interest rate derivative contract) which is a futures contract or an interest rate hedge, swap, option, swaption, forward rate agreement or any other contract, agreement or arrangement similar to or having in respect of its subject matter a similar effect to any of the preceding.

Indemnity Amount means, in relation to a Bank Guarantee, the amount or, as the case may be, the aggregate of the amounts payable by the Borrower in relation to a Bank Guarantee in accordance with **clause 5.3**.

Insolvency means:

- (a) in relation to a corporation, its winding up or dissolution or its administration, provisional liquidation or any administration having a similar effect;
- (b) in relation to an individual, his or her bankruptcy; and
- (c) in relation to a person, any arrangement (including a scheme of arrangement or deed of company arrangement), composition or compromise with, or assignment for the benefit of, all or any class of that person's creditors or members or a moratorium involving any of them .

Insolvency Event means any of the following:

- (a) a person is or states that the person is unable to pay from the person's own money (or funds or commitments provided by another Reading Entertainment Australia Group Member) all the person's debts as and when they become due and payable;
- (b) a person is taken or must be presumed to be insolvent or unable to pay the person's debts under any applicable legislation;

- (a) an order is made for the winding up or dissolution or an effective resolution is passed for the winding up or dissolution of a corporation;
- (b) an administrator, provisional liquidator, liquidator or person having a similar or analogous function under the laws of any relevant jurisdiction is appointed in relation to a corporation or an effective resolution is passed to appoint any such person and the action is not stayed, withdrawn or dismissed within 10 Business Days;
- (c) a controller is appointed in relation to any property of a corporation;
- (d) a corporation is deregistered under the Corporations Act or notice of its proposed deregistration is given to the corporation;
- (e) a distress, attachment or execution is levied or becomes enforceable against any property of a person;
- (f) any class of the person's creditors or members or a moratorium involving a person enters into or takes any action to enter into an arrangement (including a scheme of arrangement or deed of Borrower arrangement), composition or compromise with, or assignment for the benefit of, all or any of them;
- (g) a petition for the making of a sequestration order against the estate of a person is presented and the petition is not stayed, withdrawn or dismissed within seven days or a person presents a petition against himself or herself;
- (h) a person presents a declaration of intention under section 54A of the *Bankruptcy Act 1966*; or
- (i) anything analogous to or of a similar effect to anything described above under the law of any relevant jurisdiction occurs in relation to a person.

Insurance means insurance which a Transaction Party is obliged to take out or maintain under a Transaction Document.

Interest Rate means, in relation to a Pricing Period for an Advance until it becomes due and owing, an interest rate equal to the aggregate of the Base Rate for that Pricing Period and the Margin.

Interim Compliance Certificate means a certificate in substantially the form set out in [schedule 10](#).

Land means any land owned or occupied by a Transaction Party that forms part of the Secured Property.

Leasehold Properties means each leasehold property leased by a Transaction Party that is the subject of a mortgage of lease referred to in [schedule 3](#) (including the mortgage of lease described at item 11 of [schedule 3](#)).

Leverage Ratio means as at any date the ratio of:

- (a) Total Gross Debt outstanding on that date; to
- (b) Adjusted EBITDA in respect of the 12 month period ending on that date.

Loan to Value Ratio at any date means the ratio (expressed as a percentage) of:

- (a) the aggregate of the Total Gross Debt outstanding on that date and any Outstanding Accommodation in relation a Current Bank Guarantee as at that date; to
- (b) the market value of the Freehold Properties and Leasehold Properties included in the Secured Property as noted in the most recent Valuation provided to the Bank pursuant to this document and accepted by the Bank.

Management Fees means management and consulting fees payable to ReadingInternational Inc or any of its affiliates (other than any affiliate who is a Reading Entertainment Australia Group Member) each Financial Year.

Margin means in relation to a Pricing Period for an Advance, 1.75% per annum.

Material Adverse Effect means a material adverse effect on:

- (a) the business, operation, property, condition (financial or otherwise) of a Transaction Party or the Reading Entertainment Australia Group taken as a whole;
- (b) the ability of a Transaction Party to perform its obligations under the Transaction Documents; or
- (c) the validity or enforceability of the whole or any material part of any Transaction Document or any rights or remedies of the Bank under the Transaction Documents.

Matured means, in relation to a Bank Guarantee, that the Beneficiary has made a claim and is not entitled to claim any more under the relevant Bank Guarantee.

Merchant Services Agreement means the agreement for merchant services between the Bank and Reading Entertainment Australia Group.

Minimum Liquidity means all unrestricted Cash of the Borrower, determined on a consolidated basis, as detailed in the Borrower's management accounts.

Month means a calendar month.

Net Sale Proceeds means in relation to the sale of the Cannon Park Property or the Waurrn Ponds Property, the gross sale or disposal price set out in the relevant sale contract less the aggregate of estate agent commissions, conveyancing fees, adjustments (for both water and council rates), land tax owners corporation fees and fees associated with the discharge or release of an Encumbrance over the Cannon Park Property or the Waurrn Ponds Property (as applicable) and any GST payable in relation to the sale contract.

Outstanding Accommodation means at any time, the aggregate of:

- (a) the aggregate of the unpaid Advances outstanding under the Corporate Markets Loan Facility or the Bridge Facility (as applicable);
- (b) the Face Values of all Current Bank Guarantees and all Indemnity Amounts in relation to each Bank Guarantee which are due and payable; and
- (c) for the purposes of **clauses 5.5, 10 and 18.14** only and for no other purposes, any other amounts which the Borrower owes to the Bank or which the Borrower may owe to the Bank under or in connection with the Facilities and includes:
 - (i) any other amounts which the Borrower owes to the Bank or which the Borrower may owe to the Bank under or in connection with any Hedging Transaction; and
 - (ii) all interest, costs and fees payable under the Transaction Documents,whether such amounts are owing actually or contingently and whether such amounts are then due for payment or will or may become due for payment and includes all interest, costs and fees payable under the Transaction Documents.

When used in relation to any Facility, it means the Outstanding Accommodation in relation to Advances or Drawings under that Facility (as applicable).

Overdue Money means money due and payable from time to time under each Transaction Document.

Overdue Rate means at any time, the aggregate of the Interest Rate and a default margin of 1.00% per annum.

Parent means Reading International Cinemas LLC.

Parent Subordination Agreement means the document entitled 'deed of subordination to be entered into by the Borrower, the Parent and the Bank.

Permitted Disposal means a disposal:

- (a) of assets between the Transaction Parties;
- (b) represented by a lease or licence of real property granted by a Transaction Party in the ordinary course of business of the Reading Entertainment Australia Group;
- (c) of trading stock or cash made in the ordinary course of business;
- (d) of plant and equipment in exchange for other assets comparable or superior as to type, value and quality;
- (e) of obsolete or redundant assets;
- (f) arising as a result of a Permitted Encumbrance or a Distribution or payment permitted by **clause 9.6(f)** or **clause 9.6(k)**;

- (g) of assets that are the subject of a floating charge (or its equivalent) under a Collateral Security, provided the disposal is made in the ordinary course of business;
- (h) where the aggregate value of the assets disposed of in the 12 month period ending on the date of the relevant disposal (and including the value of the relevant disposal) does not exceed \$2,000,000;
- (i) of the Cannon Park Property or the Waurn Ponds Property;
- (j) of cash under any Permitted Distribution; and
- (k) of cash being payments of any expenses pursuant to **clause 9.13(b)**. **Permitted Distribution** means a Distribution:
 - (a) made by a Transaction Party only in form of dividend provided that no Event of Default, Potential Event of Default or Review Event subsists or will occur from making such Distribution; or
 - (b) in respect of the Canon Park Property:
 - (i) following repayment of the Stage 1 Amount in permanent reduction of the Outstanding Accommodation and the Facility Limit under the Bridge Facility to \$10,000,000 in accordance with clause 5.4(b)(i)(A) and cancellation of the Bridge Facility Limit, any the remaining Net Sale Proceeds from the Stage 1 Sale up to \$5,000,000; and
 - (ii) following the repayment of the Stage 2 Amount in permanent reduction of the Outstanding Accommodation under the Bridge Facility to nil and cancellation of the Facility Limit of the Bridge Facility in accordance with clause 5.4(b)(i)(B), any remaining Net Sale Proceeds from the Stage 2 Sale; in respect of the Cannon Park Property or the Waurn Ponds Property; or
 - (b)(c) following repayment of the Bridge Facility and cancellation of the Bridge Facility Limit, any remaining Net Sale Proceeds in respect of the Waurn Ponds Property; or
- (e)(d)m

Permitted Encumbrance means:

- (a) an Encumbrance which has been approved by the Bank (including the Security Interests created by any Transaction Document);
- (b) any right of set off or combination arising by operation of law or practice over money deposited with a bank or financial institution in the ordinary course of the business of a Transaction Party;
- (c) an Encumbrance which arises by operation of law in the ordinary course of the business of a Transaction Party provided the debt secured by that Encumbrance is paid when due or contested in good faith by appropriate proceedings;

- (d) every easement, restrictive covenant, caveat or similar restriction over property, right of way, exception, encroachment, reservation, restriction, condition or limitation which arises in the ordinary course of the ordinary business of the relevant Transaction Party and does not either by itself or in the aggregate materially interfere with or impair the operation or use of a property affected thereby, have a Material Adverse Effect or otherwise restrict or prevent the Bank exercising its rights against any Secured Property under the relevant Collateral Security;
- (e) every right reserved to, or vested in, any municipality or governmental or other public authority by the terms of any right, power, franchise, grant, licence or permit to control or regulate any part of the property of a Transaction Party, or to use that property in any manner which does not either by itself or in the aggregate materially interfere with or impair the operation or the use thereof, have a Material Adverse Effect or otherwise restrict or prevent the Bank exercising its rights against any Secured Property under the relevant Collateral Security;
- (f) in connection with workers' compensation, unemployment insurance and every Encumbrance incurred or deposits made in the ordinary course of ordinary business to secure the performance of tenders, statutory obligations, surety bonds, bids, leases, government contracts, performance and return of money bonds (provided that such Encumbrances do not restrict or prevent the Bank exercising its rights against any Secured Property under the relevant Collateral Security) or other types of social security;
- (g) every Encumbrance incurred or deposit made in the ordinary course of the business of a Transaction Party in respect of a leasehold property, the purchase of assets or the use of utilities, provided that:
 - (i) in relation to an Encumbrance incurred or deposit made in respect of the purchase of assets which secures an aggregate amount greater than \$250,000 the Bank has given prior written consent to the Borrower; and
 - (ii) the recourse of the holder of that Encumbrance is limited to the leasehold interest, the assets purchased or use of utilities and the proceeds of enforcement of the Encumbrance.
- (h) every retention of title arrangement in respect of trading stock acquired or to be acquired by a Transaction Party in the ordinary course of business;
- (i) any easement, caveat or other restriction in relation to a Freehold Property that would be apparent from a title search conducted before the date of this document.

Permitted Financial Accommodation means:

- (a) financial accommodation granted by a Transaction Party to another Transaction Party;

- (b) loan granted by Reading Entertainment Australia Group to the Parent and/or Reading New Zealand Ltd, up to \$15,100,000;
- (c) any trade credit extended by a Transaction Party to its customers on normal commercial terms and in the ordinary course of business;
- (d) additional financial accommodation up to a maximum aggregate amount not exceeding \$15,900,000; or
- (e) any other financial accommodation granted with the prior consent of the Bank.

Permitted Financial Indebtedness means:

- (a) trade debt incurred in the ordinary course of business of the Transaction Parties;
- (b) Financial Indebtedness incurred under the Transaction Documents;
- (c) Financial Indebtedness owing from one Transaction Party to another Transaction Party;
- (d) any Subordinated Debt;
- (e) a \$225,000 loan from the landlord of the Westlakes Cinema property;
- (f) a \$400,000 loan from the landlord of the Rhodes Cinema property;
- (g) Financial Indebtedness arising under any performance or similar bond guaranteeing performance by a Transaction Party under any contract entered into in the ordinary course of business;
- (h) Financial Indebtedness arising under a guarantee given to a landlord in respect of a lease entered into by a Transaction Party;
- (i) Financial Indebtedness under finance or capital leases of vehicles, plant, equipment or computers; and
- (j) Financial Indebtedness not permitted by the preceding paragraphs and the outstanding principal amount of which does not exceed \$2,000,000 in aggregate for the Transaction Parties at any time.

PPS Act means the *Personal Property Securities Act 2009* (Cth).

PPS property means all property (other than Excluded Property) over which the Borrower or a Security Provider is legally capable under the PPS Act of granting a security interest.

Potential Event of Default means any thing which, with the giving of notice, lapse of time or determination of materiality, will constitute an Event of Default.

Pricing Period means, in relation to an Advance under the Corporate Markets Loan Facility or the Bridge Facility (as applicable), the period having the duration selected in accordance with **clause 6.1** and beginning on the Funding Date in relation to the Advance.

Quarter means each three month period ending on 31 March, 30 June, 30 September and 31 December in each year.

Reading Entertainment Australia Group Member means, at any time, the Borrower and any subsidiary of the Borrower and **Reading Entertainment Australia Group Member** means any one of them.

Release Date means the Business Day following the later of:

- (a) the latest of the Expiry Dates of all Current Bank Guarantees; and
- (b) the date on which the Bank is satisfied in its reasonable opinion that it has been paid all amounts which are then or may in the future become due and payable to the Bank under any of the Transaction Documents and that there is no prospect that any amounts which the Bank has received in relation to any of the Transaction Documents will subsequently be made void or be required to be repaid in whole or in part.

Relevant Date means the date on which the Bank receives the Annual Compliance Certificate in accordance with **clause 9.5(b)** for the Financial Year ending on 31 December 2023.

Relevant Jurisdiction means Victoria.

Relevant Period means the period from (and including) 31 August 2020 to (and including) the Relevant Date.

Receiver means a receiver or receiver and manager appointed by the Bank under any Transaction Document and any person who derives a right directly or indirectly from a Receiver.

Reference Banks means each of Australia and New Zealand Banking Group Limited, Commonwealth Bank of Australia and Westpac Banking Corporation, or any other banks or financial institutions determined by the Bank from time to time following consultation with the Borrower.

Regulatory Event means any:

- (a) change in, or introduction of a new, law or other form of regulation;
- (b) change in, or introduction of a new, practice or policy of an Government Body;

- (c) investigation into a Transaction Party or any related entity of a Transaction Party by a Government Body;
 - (d) application for or grant of an injunction or order in respect of any Encumbrance, Facility or account held with the Bank made by a Government Body, or
 - (e) change in, or introduction of a new, code of practice or custom relating to the provision of the Services which a reasonable and prudent banker would comply with,
- in the Bank's good faith opinion,

applies in any way to a Transaction Party, or the Service.

Representative of a person means an officer, employee, contractor or agent of that person.

Reset Margin means the reset margin (if any) applicable if a Pricing Period is, or becomes, shorter than three months, as determined in accordance with **clause 6.6**. It is 0.02% per annum (indicatively).

Restatement Deed means the document entitled 'Restatement Deed' executed in December 2015 between the Bank and the Transaction Parties.

Review Event means any event or circumstance described in **clause 10.4**.

Revolving Tranche means at any time, the aggregate of the unpaid Advances outstanding under the Corporate Markets Loan Facility at that time less the Term Tranche at that time.

Secured Property means all property which, from time to time, is subject to a Security which forms part of the Collateral Security.

Security means any document or transaction which reserves or creates a Security Interest.

Security Interest means any interest or right which secures the payment of a debt or other monetary obligation or the compliance with any other obligation. It includes any retention of title to any property and any right to set off or withhold payment of any deposit or other money.

Security Provider means each person who gives a Collateral Security (other than a related body corporate of the Bank).

Service means any service the Bank provides to the Borrower under or in relation to a Facility including making or processing any payment or issuing any document.

Subordinated Debt means:

- (a) Financial Indebtedness that is or may become owing by the Borrower to Reading International Cinemas, LLC, that is fully subordinated on the terms set out in the Parent Subordination Agreement; and
- (b) Financial Indebtedness that is or may become owing by a Transaction Party to Reading International Inc (or any subsidiary or affiliate of Reading International Inc) that is fully subordinated on substantially the

same terms (except for the name and other details of the subordinated lender) as those set out in the Parent Subordination Agreement.

Tax means a tax (including any tax in the nature of a goods and services tax), rate, levy, impost or duty (other than a tax on the net overall income of the Bank) and any interest, penalty, fine or expense relating to any of them.

Term Tranche means the first \$43,000,000 of the unpaid Advances outstanding under the Corporate Markets Loan Facility on the 'Amendment Date' as defined in the Amendment Deed, as that amount may be reduced from time to time in accordance with **clause 5.6-5.6**.

Termination Date means, in respect of each Facility, the Termination Date set out in **schedule 2**, or such other date agreed in writing by the parties.

Total Gross Debt means, on any date, all Financial Indebtedness of the Reading Entertainment Australia Group, but excluding any Excluded Financial Indebtedness.

Total Lease Payments means the aggregate amount of all rental expenditure of the Reading Entertainment Australia Group, other than rental expenditure payable to any Transaction Party, calculated in accordance with Accounting Standards, for that period.

Transaction Documents means:

- (a) this document;
- (b) not used;
- (c) each Guarantor Accession Deed;
- (d) the Collateral Security;
- (e) the Parent Subordination Agreement;
- (f) the ISDA Master Agreement dated 17 June 2011 between the Bank and the Borrower, as amended from time to time;
- (g) each deed of consent referred to in item 12 (*Deed of consent*) of **schedule 3** upon it being executed by the relevant parties;
- (h) any agreement relating to the priority of any Security which is a Collateral Security;
- (i) the Merchant Services Agreement;
- (j) any document which the Borrower and the Bank agree is a Transaction Document for the purposes of this document; and
- (k) each document entered into for the purpose of amending, novating, restating or replacing any of them.

Transaction Parties means the Borrower and each Guarantor.

Trust means, in relation to any Transaction Party that enters into a Transaction Document in the capacity as trustee of a trust, the relevant trust.

Trust Deed means, in relation to a Trust, the trust deed or other document which establishes or evidences that Trust.

Trustee means a Transaction Party that enters into a Transaction Document acting as the trustee of a Trust.

Valuation means a valuation of the Freehold Properties or leasehold properties included in the Secured Property addressed to the Bank, by an Approved Valuer in form and substance satisfactory to the Bank in all respects.

Verification Certificate means a certificate in substantially the form set out in [schedule 6](#).

Waurm Ponds Property means the leasehold land improvements known as Reading Cinema Waurm Ponds, Corner Pioneer Road and Princes Highway, Waurm Ponds Victoria and described in certificate of title volume 10530 folio 739.

Waurm Ponds Property Release Date means, the date on which the Bank is satisfied in its absolute discretion that:

- (a) the Waurm Pond Property is sold; and
- (b) the Borrower will apply the Net Sale Proceeds from that sale in permanent reduction of the Facility Limit of the Bridge Facility, in accordance with the terms of this document.

1.2 Construction

Unless expressed to the contrary, in this document:

- (a) words in the singular include the plural and vice versa;
- (b) any gender includes the other genders;
- (c) if a word or phrase is defined its other grammatical forms have corresponding meanings;
- (d) "includes" means includes without limitation;
- (e) no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause or would otherwise benefit from it; and
- (f) a reference to:
 - (i) a person includes a partnership, joint venture, unincorporated association, corporation and a government or statutory body or authority;
 - (ii) a person includes the person's legal personal representatives, successors, assigns and persons substituted by novation;

- (iii) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced;
- (iv) an obligation includes a representation or warranty and a reference to a failure to comply with an obligation includes a breach of representation or warranty;
- (v) a right includes a benefit, remedy, discretion or power;
- (vi) time is to local time in Melbourne;
- (vii) "\$" or "dollars" is a reference to Australian currency;
- (viii) this or any other document includes the document as novated, varied or replaced and despite any change in the identity of the parties;
- (viii) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes fax transmissions;
- (ix) any thing (including any amount) is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them;
- (x) this document includes all schedules and annexures to it; and
- (xi) a clause, schedule or annexure is a reference to a clause, schedule or annexure, as the case may be, of this document.

1.3 Headings

Headings do not affect the interpretation of this document.

1.4 Corporations Act, GST and Accounting Standards

Unless expressed to the contrary:

- (a) "control", "controller", "corporation", "disclosing entity", "holding company", "marketable security", "prospective liability", "public company", "related body corporate" and "subsidiary" each has the meaning which it is defined to have in the Corporations Act;
- (b) "adjustment event", "consideration", "GST", "input tax credit", "supply", "taxable supply" and "tax invoice" each has the meaning which it is defined to have in the A New Tax System (Goods and Services Tax) Act 1999; and
- (c) "economic entity", "entity" and "finance lease" each has the meaning which it has in the Accounting Standards.
- (d) terms have the meanings given to them in the PPS Act.

1.5 Subsisting Events of Default and Potential Events of Default

- (a) An Event of Default subsists if it has occurred and has not been waived by the Bank in accordance with this document or remedied.

(b) A Potential Event of Default subsists if it exists and has not been waived by the Bank in accordance with this document or remedied.

1.6 Not used

1.7 Inconsistency

If there is any inconsistency between this document and any other Transaction Document, then this document prevails to the extent of that inconsistency.

2 Consideration

The Borrower enters into this document in consideration of the Bank agreeing to make the Facility available in accordance with this document.

3 Conditions precedent

3.1 Not used

3.2 Conditions precedent to Advances and Drawings

The obligation of the Bank to make any Advances or Drawings is subject to the further conditions precedent that the Bank is satisfied in its absolute discretion that:

- (a) the representations and warranties set out in **clause 8.1** are correct and in all material respects not misleading in any material respect when the Funding Notice is given and on the Funding Date;
- (b) all fees and charges then due and payable in connection with the Facility have been paid (including the Restructure Fee set out in **clause 9.1(a)**); and
- (c) no Event of Default or Potential Event of Default subsists when the Funding Notice is given and on the Funding Date.

4 Facility

4.1 Nature

- (a) Subject to **clauses 3** and **10.2**, the Bank will make available:
 - (i) the revolving Corporate Markets Loan Facility under which it will make Advances;
 - (ii) the Bank Guarantee Facility under which it will issue Bank Guarantees at the request of the Borrower; and
 - (iii) on and from the April 2024 Amendment Date, the revolving Bridge Facility under which it will make Advances,in accordance with this document.

- (b) The Borrower may request one or more Advances and Drawings in accordance with this **clause 4**, but so that the Outstanding Accommodation under each Facility does not at any time exceed the relevant Facility Limit.

4.2 Purpose

The Borrower must only use Advances and Drawings under each Facility for the relevant purposes set out in **schedule 2**, and the Borrower must promptly repay to the Bank all Advances and Drawings not used for these purposes.

4.3 Advances and Drawings

- (a) The Borrower may request an Advance or a Drawing by giving a Funding Notice to the Bank by 11.00 am at least one clear Business Day before the date the proposed Advance or Drawing is required.
- (b) An Advance under the Corporate Markets Loan Facility or the Bridge Facility (as applicable) must not be for an amount which, when added to the Outstanding Accommodation (if any) under that Facility, causes the Facility Limit for that Facility to be exceeded. In determining whether an Advance will cause the Facility Limit to be exceeded:
- (i) the amount of all Advances repaid on the Funding Date are excluded from the calculation of the Outstanding Accommodation; and
 - (ii) the aggregate amount of all other Advances which the Borrower has requested to be made on the same Funding Date are included in that calculation.
- (c) The Aggregate Amount of a Drawing under the Bank Guarantee Facility must not, when added to the Outstanding Accommodation (if any) under that Facility, cause the Facility Limit for that Facility to be exceeded at any time during the Funding Period. In determining whether the Aggregate Amount of a Drawing will cause the Facility Limit to be exceeded:
- (i) the Face Value of all Bank Guarantees under a Facility which will mature on the Funding Date for the relevant Drawing are excluded from the calculation of the Outstanding Accommodation; and
 - (ii) the Aggregate Amount of all other Drawings which the Borrower has requested to be made under the same Facility and on the same Funding Date are included in that calculation.
- (d) The Bank is only obliged to make Advances or accept any Drawings during the Availability Period.

4.4 Funding Notices

- (a) A Funding Notice must:
- (i) be substantially in the form of **schedule 7**;
 - (ii) be signed by an Authorised Representative of the Borrower;

- (iii) specify the proposed Funding Date which must be a Business Day during the Availability Period;
 - (iv) specify the Facility under which the proposed Advance is to be made;
 - (v) specify the amount of the proposed Advance or the Aggregate Amount of the proposed Drawing;
 - (vi) specify the duration of the Pricing Period for each Advance; and
 - (vii) in the case of any Drawing, specify whether the Drawing is:
 - (A) to comprise the issue of a new Bank Guarantee, and if so, also specify the date to be shown as the Expiry Date, the person to be named as the Beneficiary and the Face Value of each requested Bank Guarantees; or
 - (B) deemed to comprise an existing bank guarantee that prior to the date of this document has been issued by the Bank at the request of the Borrower and, if so, specify the date shown as the Expiry Date, the person named as the Beneficiary and the Face Value of that bank guarantee.
- (b) The requirement of a Funding Notice is for the benefit of the Bank. The Bank may waive the requirement at any time and in any manner.
- (c) A Funding Notice is irrevocable from the time of its actual receipt in legible form by the Bank.

4.5 Not used

4.6 Not used

4.7 Not used

4.8 Bank Guarantee Facilities

In the case of the Bank Guarantee Facility on the Funding Date specified in the Funding Notice:

- (a) the Bank must for the purposes of a Drawing contemplated under **clause 4.4(a)(vii)(A)**, issue each Bank Guarantee requested in the Funding Notice in accordance with that Funding Notice; or
- (b) the parties agree that for the purposes of a Drawing contemplated under **clause 4.4(a)(vii)(B)**, the existing bank guarantee referred to in the Funding Notice is deemed to be a Bank Guarantee issued in accordance with the Bank Guarantee Facility and that Funding Notice.

4.9 Cancellation

The Borrower may cancel the Available Commitment or any part of it (being \$100,000 or an integral multiple of that amount) by giving 30 Business Days notice to the Bank specifying the amount to be cancelled and the date on which the cancellation takes effect. The cancellation takes effect on the date

specified in the notice (which must be a date not earlier than five Business Days after the date the Bank receives the notice).

4.10 Market disruption

- (a) If the Bank determines that a Market Disruption Event occurs or has occurred in relation to an Advance, then the Bank will promptly notify the Borrower, and the Interest Rate on that Advance for that Pricing Period will be the rate per annum which is the sum of:
- (i) the Margin for the Advance; and
 - (ii) the rate notified to the Borrower as soon as practicable and in any event no later than the Business Day before interest is due to be paid in respect of that Pricing Period, to be that which expresses as a percentage rate per annum the cost to the Bank of funding that Advance from whatever source or sources the Bank may reasonably select.
- (b) For the purposes of **clause 4.10(a)**:
- (i) **Market Disruption Event** means:
 - (A) at or about the time on the day (Quotation Day) for the Bank to determine the Screen Rate for the relevant currency and Pricing Period, the Screen Rate is not available and the Bank is unable to specify another page or service displaying an appropriate rate; or
 - (B) in relation to an Advance, before 5.00 pm (local time) on the Business Day after the Quotation Day for the relevant period, the Bank notifies the Borrower, that as a result of market circumstances not limited to the Bank the cost to the Bank of funding the Advance exceeds the Screen Rate.
 - (ii) **Screen Rate** means the rate specified in paragraph (a) of the

4.11 Alternative basis of interest or funding

If a Market Disruption Event occurs and the Bank or the Borrower so requires, the Bank and the Borrower will enter into negotiations (for a period of not more than 30 days) with a view to agreeing a substitute basis for determining the rate of interest or discount.

4.12 Pricing Review Events

- (a) The Bank has the right to review the pricing applicable to a Facility (**Review**):
- (i) at any time if the Bank reasonably believes that an Event of Default subsists;
 - (ii) at any time:
 - (A) a change occurs in the financial markets which affects financial institutions generally; and/or

- (B) a general change occurs in the cost of funds in the financial markets in which the Bank raises funds (not being a change resulting from a change in the Bank's credit rating or any other matter relating specifically to the Bank).
- (b) The Bank may request the Borrower to provide information in connection with a Review and the Borrower must provide such information as soon as possible following receipt of the request.

4.13 Consequences of a Pricing Review

- (a) Following a Review, the Bank may, by giving written notice to the Borrower and/or by way of advertisement in the local or national press:
 - (i) introduce a new fee, charge or premium or change an existing fee, charge or premium (including its amount, the way in which it is calculated and when it is charged); and
 - (ii) change the acceptance margin, line fee, interest rate or yield rate applicable to a Facility including by changing or introducing a margin (including by making the margin positive or negative), or substituting a different indicator rate for the relevant indicator rate (except where the rate is a fixed rate).
- (b) Where the Bank gives the Borrower notice under **clause 4.10(a)** by way of advertisement in the local or national press, the Bank will also endeavour to directly notify the Borrower of the change although the Bank will not be precluded from charging the new or adjusted pricing if it does not directly notify the Borrower.
- (c) An introduction or change of a matter specified in **clause 4.10(a)** takes effect on the date specified in the relevant notice to the Borrower (which must be at least 30 days after the date on which the notice is given to the Borrower).

5 Payments

5.1 Not used

5.2 Voluntary prepayments

- (a) In relation to any Advance, the Borrower:
 - (i) may prepay any Advance or a part of it (being a minimum of \$100,000 or an integral multiple of that amount) by giving 5 Business Days' notice to the Bank specifying the amount to be prepaid and the date on which the prepayment will be made;
 - (ii) may, subject to **clauses 4.3** and **5.6**, redraw any amount prepaid in accordance with this **clause 5.2** which forms part of the Revolving Tranche or the Bridge Facility (as applicable); and
 - (iii) must make any prepayment under this document together with accrued interest on the amount prepaid, any fees payable under

clause 9.1 and any Break Costs, but otherwise without premium or penalty.

- (b) The Borrower may reimburse or repay the Face Value in respect of any Current Bank Guarantee by:
- (i) providing to the Bank, cash collateral (on terms satisfactory to the Bank and subject to **clause 10.3**) in an amount not less than the Face Value of the Bank Guarantee; or
 - (ii) cancelling that Bank Guarantee by returning the original to the Bank together with written confirmation from the Beneficiary that the Bank has no further liability under that Bank Guarantee.

5.3 Indemnity in respect of Bank Guarantees

- (a) Without limiting **clause 12.1**, the Borrower indemnifies the Bank against any liability, loss, cost or expense sustained or incurred in relation to any Bank Guarantee or as a direct or indirect consequence of any claim made or purported to be made under any Bank Guarantee, or anything done by any person who is or claims to be entitled to the benefit of a Bank Guarantee.
- (b) Without limiting **clause 5.3(a)**, the Borrower must pay to the Bank all amounts claimed by or paid to any Beneficiary in relation to any Bank Guarantee (whether or not the Beneficiary was entitled to make that claim or the Bank was required to make that payment), including any payment made by the Bank under **clause 10.2(a)(iv)(B)**.
- (c) The Borrower's obligations under **clause 5.4** are absolute and unconditional. They are not affected by any reduction, termination or other impairment by set-off, deduction, abatement, counterclaim, agreement, defence, suspension, deferment or otherwise.
- (d) The Borrower is not released, relieved or discharged from any obligation under this document, nor will such obligation be prejudiced or affected for any reason, including:
 - (i) any falsity, inaccuracy, insufficiency or forgery of or in any demand, certificate or declaration or other document which on its face purports to be signed or authorised under a Bank Guarantee;
 - (ii) any failure by the Bank to enquire whether a cable, telex or other notification was inaccurately transmitted, received or given by an unauthorised person (other than where such failure occurs due to the wilful default or fraud of the Bank);
 - (iii) the impossibility or illegality of performance of, or any invalidity of or affecting, any Transaction Document or Bank Guarantee or any other document;
 - (iv) any act of any Government Body or arbitrator including any law, judgment, decree or order at any time in effect in any jurisdiction affecting any Transaction Document or Bank Guarantee or any document delivered under a Transaction Document;

- (v) any failure to obtain any consent, license or other authorisation necessary or desirable in connection with any Transaction Document or any Bank Guarantee; or
 - (vi) any other cause or circumstance, foreseen or unforeseen, whether or not similar to any of the above, affecting any Transaction Document or Bank Guarantee or any transaction under a Transaction Document or Bank Guarantee,
 - (vii) and the Bank need not inquire into any of these matters.
- (e) The Bank is irrevocably authorised and directed by the Borrower to pay immediately against a demand appearing or purporting to be made by or on behalf of a Beneficiary, any sums up to the Face Value of a Bank Guarantee which may be demanded from the Bank from time to time without any reference to or any necessity for confirmation or verification on the part of the Borrower, and notwithstanding any instructions from the Borrower to the contrary.
- (f) The obligations of the Borrower will not be affected or in any way limited by any falsity, inaccuracy, insufficiency or forgery of or in any notice or demand pursuant to any liability or the failure of the Bank to enquire (other than where such failure arises due to the wilful default or fraud of the Bank) whether any notice or demand has been inaccurately transmitted or received from any cause whatsoever or has been given or sent by an unauthorised person.

5.4 Mandatory prepayments

- (a) Unless the Bank otherwise agrees, if any of the assets, business or undertaking of any Transaction Party is the subject of any Disposal (other than a Permitted Disposal) the Borrower must apply or ensure is applied an amount equal to the cash or equivalent proceeds received by the Transaction Party from the Disposal net of reasonable transaction costs and Taxes in prepayment of Outstanding Accommodation or at the Borrower's election, in permanent reduction of the unused portion of one or more of the Facility Limits.
- (b) The Borrower must, in relation to the Permitted Disposal under paragraph (i) of that definition:
- (i) in respect of the Cannon Park Property, apply the Net Sale Proceeds ~~as follows: in permanent reduction of the Outstanding Accommodation and the Facility Limit under the Bridge Facility~~
 - (A) immediately following the sale of first portion of the Cannon Park Property scheduled to occur on or about March 2025 (Stage 1 Sale), repay such amount of the Net Sale Proceeds from the Stage 1 Sale (Stage 1 Amount) in permanent reduction of the Outstanding Accommodation and the Facility Limit under the Bridge Facility to \$10,000,000; and

~~(A)~~ (B) immediately following the sale of second portion of the Cannon Park Property scheduled to occur on or about April 2025 (Stage 2 Sale), repay such amount of the Net Sale Proceeds from the Stage 2 Sale (Stage 2 Amount) in permanent reduction of the Outstanding Accommodation and the Facility Limit under the Bridge Facility to nil; and

- (iii) in respect of the Waurn Ponds Property, apply the Net Sale Proceeds in permanent reduction of the Outstanding Accommodation and the Facility Limit under the Bridge Facility.

5.5 Repayment

Subject to **clause 10.2** and **clause 10.3**, each Borrower must:

- (a) pay instalments, in permanent reduction of the Outstanding Accommodation and the Facility Limit for the Corporate Markets Loan Facility, of \$1,500,000 on the last Business Day of the Quarter ending 31 March 2025 and on the last Business Day of each Quarter thereafter until the Corporate Markets Loan Facility is repaid in full.
- (b) repay the Outstanding Accommodation in respect of each Facility on the Termination Date in respect of that Facility; and
- (c) subject to **clause 5.8**, and any other provision in a Transaction Document that provides otherwise, pay any other amounts payable in connection with the Transaction Documents, to the Bank on demand.

5.6

Amounts may not be redrawn

Amounts repaid or prepaid:

- (a) which form part of the Term Tranche; or
- (b) from the proceeds of the sale of the Cannon Park Property or the Waurn Ponds Property under **clause 5.4(b)(ii)**, may not be redrawn, and the Facility Limit in respect of the Corporate Markets Loan Facility or the Bridge Facility (as applicable) will be reduced by the aggregate amount of such repayments or prepayments.

5.7 Release of Cannon Park Property on Cannon Park Property Release Date

- (a) On the Cannon Park Property Release Date, the Bank releases and discharges the registered freehold mortgage over Cannon Park Property 719329379 dated 27 March 2019 granted by Reading Cannon Park Pty Ltd in favour of the Bank.
- (b) Subject to this **clause 5.7**, each Transaction Party acknowledges and agrees that nothing in this document or any other Transaction Document terminates, releases or otherwise affects any other Collateral Security granted by a Transaction Party under a Transaction Document.

5.8 Release of Waurn Ponds Property on Waurn Ponds Property Release Date

- (a) On the Waurn Ponds Property Release Date, the Bank releases and discharges the registered caveat AJ188641H with respect to the leasehold mortgage over the Waurn Ponds Property dated 12 September 2011 granted by Reading Cinemas Pty Ltd, in favour of the Bank.
- (b) Subject to this **clause 5.8**, each Transaction Party acknowledges and agrees that nothing else in this document or any other Transaction Document terminates, releases or otherwise affects any other Collateral Security granted by a Transaction Party under a Transaction Document.

6 Interest and fees

6.1 Pricing Periods

- (a) Subject to **clause 6.1(c)**, the Pricing Period for each Advance must be a period of 30, 60 or 90 days or six Months or another period agreed by the Bank.
- (b) Subject to **clause 6.1(c)**, the first Pricing Period for an Advance commences on its Funding Date and will have the duration specified in the relevant Funding Notice. Each subsequent Pricing Period for the Advance:
 - (i) commences on the day after the preceding Pricing Period for the Advance expires; and
 - (ii) is a period notified by the Borrower to the Bank at least two Business Days before the last day of the current Pricing Period, but if the Borrower does not give notice, is of the same duration as the Pricing Period which immediately precedes it.
- (c) A Pricing Period:
 - (i) which would otherwise end on a day which is not a Business Day ends on the next Business Day and a Pricing Period which would otherwise end after the Termination Date ends on the Termination Date. For the avoidance of doubt, if a Pricing Period ends on a day that is not followed by a Business Day, the Bank may extend that Pricing Period accordingly (except where this would be contrary to **clause 6.1(c)(ii)**, in which case the Bank may shorten the Pricing Period); and
 - (ii) May be adjusted by the Bank where necessary so that:
 - (A) a Pricing Period starts on a Business Day;
 - (B) all Advances will have the same Pricing Period;
 - (C) a Pricing Period does not end after the Termination Date; and

- (D) if a new Advance is made during a Pricing Period for an existing Advance, the first Pricing Period for that new Advance ends on the same day as the Pricing Period for the existing Advance.

6.2 Payment and rate

- (a) In respect of the Corporate Markets Loan Facility and the Bridge Facility (as applicable):
- (i) interest for each day is calculated by applying the Daily Interest Rate to the Advance at the end of that day (excluding any amount to which the Overdue Rate applies); and
 - (ii) the Borrower must pay accrued interest in respect of:
 - (A) each Pricing Period, on the First Business Day after the expiry of that Pricing Period; and
 - (B) the last Pricing Period, for the period up to and including the Termination Date, on the Termination Date.
- (b) The Borrower must pay interest on Overdue Money, and such interest must be paid on demand by the Bank.
- (c) The interest rate on Overdue Money will be the Overdue Rate.

6.3 Computation of interest

Interest will:

- (a) accrue from day to day;
- (b) be computed from and including the day when the money on which interest is payable becomes owing to the Bank by the Borrower until but excluding the day of payment of that money; and
- (c) be calculated on the actual number of days elapsed on the basis of a 365 day year.

6.4 Capitalisation of interest

The Bank may:

- (a) capitalise, on a monthly or other periodical basis as the Bank determines, any part of any interest which becomes due and payable and interest is payable in accordance with this document on capitalised interest; and
- (b) continue to capitalise interest despite:
 - (i) that as between the Bank and the Borrower the relationship of Bank and customer has ceased;
 - (ii) any composition agreed to by the Bank;
 - (iii) any judgment or order against the Borrower; or
 - (iv) any other thing.

6.5 Merger

If the liability of the Borrower to pay to the Bank any money payable under a Transaction Document becomes merged in any deed, judgment, order or other thing, the Borrower must pay interest on the amount owing from time to time under that deed, judgment, order or other thing at the higher of the rate payable under the Transaction Documents and that fixed by or payable under that deed, judgment, order or other thing.

6.6 Reset Margin

- (a) The Borrower must pay a Reset Margin where a Pricing Period is, or becomes, shorter than 3 months.
- (b) The Reset Margin (if any) for a Pricing Period:
 - (i) will be determined by the Bank on the commencement of that period;
 - (ii) will be advised to the Borrower in writing shortly after the commencement of that period; and
 - (iii) will be fixed for that period.
- (c) Subject to **clause 6.6(b)**, if a Reset Margin is applicable to a Facility, the Bank may vary the rate of the Reset Margin from time to time (and any rate set out in this document is indicative only). The Bank publishes Reset Margin rates periodically on nab.com.au.
- (d) The Reset Margin will be payable in arrears:
 - (i) on the first Business Day following the end of each Pricing Period that is shorter than 3 months;
 - (ii) on the Termination Date of the relevant Facility; and
 - (iii) upon the early repayment or all or part of the relevant Advance.
- (e) The Reset Margin is calculated on a daily basis on the outstanding principal amount of the relevant Advance on the basis of a 365 day year and the actual number of days elapsed.

7 Payments

7.1 Place, manner and time of payment

Each Transaction Party must make payments to the Bank under the Transaction Documents:

- (a) at the address specified in **clause 19.3** or at such other place reasonably required by the Bank;
- (b) in a manner reasonably required by the Bank;
- (c) by 11.00 am local time in the place where payment is required to be made; and

- (d) in immediately available funds and without set-off, counter claim, condition or, unless required by law, deduction or withholding.

7.2 Gross-up

If a Transaction Party is required by law to deduct or withhold Taxes from any payment it must:

- (a) make the required deduction and withholding;
- (b) pay the full amount deducted or withheld in accordance with the relevant law;
- (c) deliver to the Bank an original receipt for each payment; and
- (d) pay an additional amount with such payment so that, after all applicable deductions or withholdings, the Bank actually receives for its own benefit the full amount which would have been payable to the Bank if no deduction or withholding had been required.

7.3 Appropriation

Subject to any express provision to the contrary in any Transaction Document, the Bank may appropriate any payment towards the satisfaction of any money due for payment by the Borrower in relation to a Transaction Document in any way that the Bank thinks fit and despite any purported appropriation by the Borrower.

8 Representations and warranties

8.1 Nature

Each Transaction Party represents and warrants that:

- (a) **duly incorporated:** if it purports to be a corporation, it is duly incorporated in accordance with the laws of its place of incorporation, validly exists under those laws and has the capacity to sue or be sued in its own name and to own its property and conduct its business as it is being conducted;
- (b) **capacity:** it has capacity unconditionally to execute and deliver and comply with its obligations under the Transaction Documents;
- (c) **action taken:** it has taken all necessary action to authorise the unconditional execution and delivery of, and the compliance with its obligations under, the Transaction Documents to which it is a party;
- (d) **binding obligations:** each Transaction Document constitutes the valid and legally binding obligations of, and is enforceable against it by the Bank in accordance with its terms (subject to any necessary stamping or registration and to equitable principles and insolvency laws);
- (e) **priority:** each Security Interest which each Transaction Document purports to create exists and has the priority which the Bank has agreed to (subject to any necessary stamping and registration);

- (f) **authorisations:** each authorisation from, and filing and registration with, a Government Body necessary to enable it to unconditionally execute and deliver and comply with its obligations under the Transaction Documents to which it is a party has been obtained, effected and complied with;
- (g) **no contravention:** the unconditional execution and delivery of, and compliance with its obligations by it under, the Transaction Documents to which it is a party do not:
- (i) contravene any law to which it or any of its property is subject or any order or directive from a Government Body binding on it or any of its property;
 - (ii) contravene its constituent documents;
 - (iii) contravene any agreement or instrument to which it is a party;
 - (iv) contravene any obligation it has to any other person; or
 - (v) require it to make any payment or delivery in relation to any Financial Indebtedness (other than Excluded Financial Indebtedness) before the scheduled date for that payment or delivery;
- (h) **correct information:** all information given and each statement made to any Bank by it or at its direction in relation to the Transaction Documents, is correct, complete and not misleading;
- (i) **full disclosure:** it has disclosed to the Bank all information which the Borrower has or has access to and which is relevant to the assessment by the Bank of the nature and amount of the risks undertaken by the Bank becoming a creditor of or taking a Security from it;
- (j) **Financial Statements:** the Financial Statements of each of Transaction Party given to the Bank under **clause 9.3:**
- (i) are a true, fair and accurate statement of their respective financial performance and position and their respective consolidated financial performance and position at the date to which they are prepared; and
 - (ii) have been prepared in accordance with **clause 9.2** and **9.3**, except for such departures expressly disclosed in those Financial Statements;
- (k) **no change in financial position:** there has been no change in the financial performance or position of a Transaction Party since the date to which the last Financial Statements given to the Bank under **clause 9.3** were prepared, which has a Material Adverse Effect;
- (l) **no related party transaction:** no person has contravened or will contravene sections 208 or 209 of the Corporations Act due to a Transaction Party entering into or performing its obligations under a Transaction Document;

- (m) **no proceeding:** except as notified to the Bank in writing before the date of this document, no litigation, arbitration or administrative proceeding is current, pending or, to the knowledge of the Borrower, threatened, which has, or the adverse determination of which would be likely to have, a Material Adverse Effect;
- (n) **no trust:** except as notified to the Bank in writing before the date of this document, no Transaction Party enters into a Transaction Document as trustee of any trust;
- (o) **sole owner and no Encumbrances:** except as notified to the Bank in writing before the date of this document:
 - (i) each Transaction Party is the sole legal and beneficial owner of the property it purports to own; and
 - (ii) there are no Encumbrances over the property of any Transaction Party other than Permitted Encumbrances;
- (p) **no existing default:** no Event of Default, Review Event or Potential Event of Default subsists;
- (q) **ranking of obligations:** each obligation of the Borrower under this document ranks at least pari passu with all unsecured and unsubordinated obligations of the Borrower except obligations mandatorily preferred by law;
- (r) **warranties correct:** the representations and warranties given by any Transaction Party in any Transaction Document are correct in all material respects and not misleading in any material respect and will be when given or repeated;
- (s) **no immunity:** each Transaction Party and its property are free of any right of immunity from set-off, proceedings or execution in relation to its obligations under any Transaction Document;
- (t) **insurance:** the Insurances are enforceable against the relevant insurer in accordance with their terms and are not void or voidable;
- (u) **trust provisions:** in relation to each Transaction Party which enters into any Transaction Document as trustee of a Trust:
 - (i) the Trustee has power as trustee of the Trust to execute and perform its obligations under the Transaction Documents;
 - (ii) the Trustee, in executing the Transaction Documents and entering into those transactions, have properly performed their obligations to the beneficiaries of the Trust;
 - (iii) all necessary action required by the Trust Deed to authorise the unconditional execution and delivery of, and compliance with its obligations under, the Transaction Documents has been taken;
 - (iv) the Trustee is the only trustee of the Trust;
 - (v) no effective action has been taken to remove the Trustee as trustee of the Trust or to appoint an additional trustee of the Trust;

- (vi) (A) the Trustee has a right to be fully indemnified out of the property of the Trust in relation to all of its obligations under the Transaction Documents;
- (B) the Trustee has not released or disposed of its equitable lien over the property of the Trust which secures that indemnity; and
- (C) the property of the Trust is sufficient to satisfy that indemnity;
- (vii) the Trustee has complied with all of its obligations as trustee of the Trust in relation to execution of the Transaction Documents;
- (viii) no effective action has been taken or, so far as the Trustee is aware, is contemplated by the beneficiaries of the Trust to terminate the Trust;
- (ix) the Trustee has disclosed to the Bank full details of:
 - (A) the Trust and any other trust or fiduciary relationship affecting the property of the Trust and, without limitation, has given to the Bank copies of any instruments creating or evidencing the Trust; and
 - (B)
- (x) the Trust is properly constituted and the Trust Deed is not void, voidable or otherwise unenforceable;
- (xi) the rights of the beneficiaries of the Trust in relation to, and their interest in, the property of the Trust are subject to:
 - (A) the rights of the Bank in relation to, and their respective interests in, the property of the Trust; and
 - (B) any rights or interests in the property of the Trust to which the Bank may from time to time be subrogated; and
- (xii) the Trustee:
 - (A) if it is a corporation, is duly incorporated in accordance with the laws of its place of incorporation, validly exists under those laws and has the capacity to sue and be sued in its own name, to own property and to act as trustee of the Trust;
 - (B) if it is natural person, has the capacity to be trustee of the Trust;
- (v) **solvency:** each Transaction party is not insolvent;
- (w) **corporate benefit:** each of the Transaction Parties will receive corporate benefit by entering into the Transaction Documents to which they are a party.

8.2 General

- (a) The interpretation of any statement contained in any representation or warranty will not be restricted by reference to or inference from any other statement contained in any other representation or warranty.
- (b) The Borrower acknowledges that the Bank enters into the Transaction Documents in reliance on each representation and warranty.
- (c) Each representation and warranty survives the execution of the Transaction Documents and is deemed to be repeated with reference to the facts and circumstances then existing on the date each Funding Notice is issued, on each Funding Date, on the last day of each Funding Period and on each day that an Annual Compliance Certificate or Interim Compliance Certificate is given.

9 General obligations

9.1 Fees

The Borrower must pay to the Bank:

- (a) **restructure fee:** on or before execution of the Restatement Deed, a non-refundable Restructure Fee of \$30,000 (which fee has been paid);
- (b) **restructure fee:** on or before the 'Amendment Date' referred to in the Amendment Deed, a non-refundable Restructure & Application Fee of \$300,000 (less the \$20,000 work fee referred to in the term sheet dated 17 December 2018 if the Borrower has paid that work fee to the Bank);
- (c) **Corporate Markets Loan Facility fee:** a non-refundable facility fee on the Facility Limit in respect of the Corporate Markets Loan Facility calculated at 1.00% per annum from the date of the 'Amendment Date' under the Amendment Deed and 1.25% per annum on and from the April 2024 Amendment Date, which will:
 - (i) accrue from day to day from the date of this document up to and including the Termination Date;
 - (ii) be payable quarterly in arrears, on the first Business Day of each Quarter;
 - (iii) be calculated on the actual number of days elapsed and on the basis of a 365 day year;
- (d) **Reset Fee:** on the first Business Day of each Pricing Period (other than the first Pricing Period) a non-refundable fee of \$150.00;
- (e) **Bank Guarantee service fee:** on and from the first services fee charge date following the August 2023 Amendment Date, a non-refundable fee of 1.90% per annum, calculated on the Face Value of the Bank Guarantee, payable on a pro-rata basis half yearly in arrears, with the first payment due six months after the relevant Funding Date of the Bank Guarantee, and subsequent payments due every six months thereafter

until the Bank Guarantee Matures or Expires or is cancelled. This fee will be calculated on the actual number of days elapsed and on the basis of a 365 day year;

- (f) **Bank Guarantee issuance fee:** a non-refundable fee in respect of each Bank Guarantee of 0.95% calculated on the Face Value of the Bank Guarantee (or \$125 whichever is greater), payable on the relevant Funding Date of the Bank Guarantee; and
- (g) **Bridge Facility fee:** a non-refundable facility fee on the Facility Limit in respect of the Bridge Facility calculated at 1.25% per annum, which will:
 - (i) accrue from day to day from the April 2024 Amendment Date up to and including the Termination Date;
 - (ii) be payable quarterly in arrears, on the first Business Day of each Quarter;
 - (iii) be calculated on the actual number of days elapsed and on the basis of a 365 day year.

9.2 Records

The Borrower must ensure that each Transaction Party:

- (a) prepares and keeps books, accounts and other records in accordance with the law and Accounting Standards; and
- (b) on demand, makes the same available for inspection and copying by the Bank.

9.3 Financial Statements and other financial information

The Borrower must give to the Bank:

- (a) **Annual Financial Statements:** as soon as practicable, and in any event within 120 days after the end of each Financial Year the consolidated audited Financial Statements of the Reading Entertainment Australia Group for that Financial Year;
- (b) **Quarterly Financial Statements:** as soon as practicable, and in any event within 45 days after the end of each Quarter (other than the Quarter ending 31 December) the consolidated unaudited Financial Statements of the Reading Entertainment Australia Group for that Quarter (showing both actual and budget figures and any information regarding the effect of AASB 16 on EBITDA, including but limited to, AASB 16 interest expense and AASB 16 depreciation);
- (c) **group structure diagram:** within 120 days after the end of each Financial Year, a group structure diagram in relation to Reading International Inc. and the Reading Entertainment Australia Group which lists all the then Group Members and which contains such other information in relation to the legal relationship between Reading International Inc. and the Reading Entertainment Australia Group Members as the Bank reasonably requires;

- (d) **budget:** as soon as practicable, and in any event before 31 March for each Financial Year, a consolidated budget for the Reading Entertainment Australia Group for the current Financial Year showing the budgeted profit and loss, balance sheet and cash flow for the Reading Entertainment Australia Group and such other matters customarily dealt with in such budgets;
- (e) **Parent Subordination Agreement:** as soon as practicable, and in any event by no later than 30 November 2023 (or such later date as agreed by the Bank in writing in its absolute discretion):
 - (i) a fully executed original copy of the Parent Subordination Agreement, duly executed by the Borrower and the Parent; and
 - (ii) a legal opinion from the Borrower's US counsel, addressed to the Lender, in relation to the due execution of the Parent Subordination Agreement by the Parent,each in a form and substance which is acceptable to the Lender in its absolute discretion.
- (f) **other financial information:** promptly on reasonable notice from the Bank, such additional information in relation to the financial condition and the operations of the Borrower and each other Transaction Party as the Bank reasonably requests from time to time.

The Borrower must ensure that all Financial Statements given to the Bank under the Transaction Documents are prepared in accordance with the Corporations Act and the Accounting Standards.

If after the date of this document there is a change in the accounting principles or practices referred to in the definition of 'Accounting Standards' and the Bank or the Borrower reasonably considers that, if the change were to apply for the purposes of this document, the change would have a material effect on the Financial Statements or the calculation of the financial ratios in **clause 9.8**, the Bank and the Borrower shall endeavour to agree mutually acceptable changes to this document so that the accounting change can be adopted for the purposes of this document.

9.4 Adjustments for AASB 16

- (a) The parties acknowledge that:
 - (i) AASB 16 took effect on and from 1 January 2019, which changed or eliminated the distinction between operating leases and finance leases; and
 - (ii) the parties are continuing to assess the potential effect of AASB 16 on the calculation of the financial ratios referred to in **clause 9.8** and the related definitions.
- (b) For each Calculation Date occurring on or prior to 31 December 2021:

- (i) the financial ratios referred to in **clause 9.8** and the related definitions will be calculated ignoring any changes following AASB 16 taking effect on 1 January 2019; and
 - (ii) the Company must provide with its Financial Statements and other financial information any reconciliation statements (audited, where applicable) necessary to enable the financial ratios in **clause 9.8** and the related definitions to be calculated in accordance with **clause 9.4(b)(i)**.
- (c) If, in the reasonable opinion of the Borrower or the Bank, at any time after 31 December 2021, taking into account the AASB 16 changes when calculating the financial ratios referred to in **clause 9.8** and the related definitions would materially alter the effect of, or the calculation of, those financial ratios or related definitions, the Borrower and the Bank will negotiate in good faith to amend the relevant undertakings and definitions so that they have an effect comparable to that as if the AASB 16 changes did not apply.

9.5 Other information

The Borrower must give to the Bank:

- (a) **other information:** on reasonable notice from the Bank, any other information in the possession or under the control of a Transaction Party which in the Bank's reasonable opinion is necessary to verify the Borrower's compliance with any Transaction Document;
- (b) **Annual Compliance Certificate:** as soon as practicable, and in any event within 120 days after the end of each Financial Year, an Annual Compliance Certificate for that Financial Year signed by at least one director of the Borrower;
- (c) **Interim Compliance Certificate:** as soon as practicable, and in any event within 45 days after the end of each Quarter (other than the Quarter ending 31 December) an Interim Compliance Certificate for the previous 12 months signed by at least one director of the Borrower;
- (d) **tenancy schedule:** as soon as practicable, and in any event within 120 days of the end of each Financial Year an updated tenancy schedule for each Freehold Property, including (without limitation) the following details:
 - (i) the name of each tenant;
 - (ii) area let by each tenant;
 - (iii) current passing rent paid by each tenant;
 - (iv) the lease start date;
 - (v) the lease term;
 - (vi) the lease maturity date;
 - (vii) the option term (if any);
 - (viii) rent review details; and

- (ix) any other material or special clauses or conditions;
- (e) **Valuations:** on demand (provided that no more than one demand is made in a Financial Year and the Bank reasonably considers that there has been a material devaluation of the freehold and leasehold interests subject to the Collateral Security), a Valuation in respect of each Freehold Property and leasehold interest that is subject to the Collateral Security Each Valuation is to be at the Borrower's expense, addressed to the Bank, conducted by an Approved Valuer and in a form and substance (other than as to value) reasonably satisfactory to the Bank;
- (f) **details of any proceeding:** full details of any litigation, arbitration, administrative proceeding or native title claim which affects a Transaction Party and which has or the adverse determination of which would be likely to have a Material Adverse Effect, as soon as it is commenced or to the knowledge of the Borrower is threatened;
- (g) **claims:** on being notified of it, full details of any event which entitles the Borrower or the Bank to claim more than \$1,000,000 under the Insurances; and
- (h) **Cannon Park Property:** as soon as practicable, but in any event by 15 March 2025 (or, if a Delay Event occurs, such later date as agreed by the Borrower and the Bank in writing), a duly executed contract of sale in respect of the Cannon Park Property confirming a purchase price of no less than [***] and a settlement term of no longer than 75 days.

9.6 Other financial undertakings

Each Transaction Party must ensure that:

- (a) **negative pledge:** no Encumbrances exist on its property, except Permitted Encumbrances;
- (b) **permitted financial transactions:** it does not, without the prior written consent of the Bank:
 - (i) incur any Financial Indebtedness except Permitted Financial Indebtedness;
 - (ii) provide any financial accommodation (excluding trade credit in the ordinary course of business) except Permitted Financial Accommodation;
- (c) **disposals:** must not dispose of any of its assets, either in a single transaction or in a series of transactions whether related or not and whether voluntary or involuntary, except Permitted Disposals;
- (d) **mergers:** a Transaction Party does not:
 - (i) enter into any merger, reconstruction or amalgamation; or
 - (ii) acquire any property or business or make any investment if the property, business or investment is substantial in relation to the relevant Transaction Party,

if it would have or be likely to have a Material Adverse Effect;

- (e) **maintain status:** it does everything necessary to maintain its corporate existence in good standing and:
 - (i) ensures that it has the right and is properly qualified to conduct its business in all relevant jurisdictions; and
 - (ii) obtains and maintains all Authorisations necessary for the conduct of its business;
 - (iii) comply with all laws affecting it or its business in all relevant jurisdictions
- (f) **Distributions:** it must not make any Distribution except a Permitted Distribution;
- (g) **Taxes:** must
 - (i) promptly pay when they become due for payment (or reimburse the Bank on demand for) all Taxes payable by it from time to time other than Taxes being contested in good faith where it has made adequate provisioning;
 - (ii) not transfer any Tax losses to any person other than to the Borrower in connection with the preparation of consolidated annual Financial Statements or in connection with the Reading Entertainment Australia Group's tax consolidation arrangements; and
 - (iii) not become a member of a consolidated group for the purposes of Part 3-90 of the *Income Tax Assessment Act 1936* and the *Income Tax Act 1997* including any amendments thereto (including any amendments made by the *New Business Tax (Consolidation Act (No. 1)) 2002* and the *New Business Tax System (Consolidation, Value Shifting, Damages and other Measures) Act 2002*) other than in accordance with a Tax Sharing Agreement or otherwise on terms approved by the Bank;
- (h) **Guarantor coverage:**
 - (i) Subject to paragraph (ii), the Borrower shall ensure that at all times:
 - (A) the aggregate of total assets (calculated on the same basis as total assets of the Reading Entertainment Australia Group) of the Guarantors represents at least 90 per cent of total assets of the Reading Entertainment Australia Group; and
 - (B) the aggregate EBITDA of the Guarantors (calculated on the same basis as EBITDA of the Reading Entertainment Australia Group) represents at least 90 per cent of EBITDA of the Reading Entertainment Australia Group;

- (C) any member of the Reading Entertainment Australia Group which contributes 5 per cent of more of EBITDA of the Reading Entertainment Australia Group is a Guarantor; and
 - (D) any member of the Reading Entertainment Australia Group which holds intellectual property which the Bank considers to be material to the operations of the Reading Entertainment Australia Group is a Guarantor
- (and in each case the figures for the Guarantors will be calculated on an unconsolidated basis and excluding all intra-Reading Entertainment Australia Group items and investments in Subsidiaries); and

- (ii) where an entity becomes a member of the Reading Entertainment Australia and is required to become a Guarantor to comply with paragraph (i), the Borrower shall ensure:

- (A) the entity becomes an Additional Guarantor by executing a Guarantor Accession Deed;
- (B) the entity executes a general security agreement over all its assets in favour of the Bank, in form and substance consistent with the general security agreements previously executed by the other Guarantors; and
- (C) provides the Bank with any documents or evidence in relation to the entity as the Bank may reasonably consider necessary in respect of the entering into, validity and enforceability of the accession documents,

as soon as reasonably practicable and in any event within 45 days.

Provided the Borrower complies with this paragraph (ii), the Borrower will not be in breach of paragraph (i) by reason only that the entity is not a Guarantor.

- (i) **Major developments:** in respect of any major development projects to be undertaken by the Transaction Parties (that are outside of the budgeted capital expenditure that has been disclosed to the Bank):
 - (i) the Bank is provided with development budgets and other information reasonably requested by the Bank; and
- (j) **Major acquisitions:** in respect to any acquisitions or investments in consent is obtained for (and prior to) the purchase of:
 - (i) any freehold title or ground lease with a remaining tenor of 25 years or more and a consideration greater than \$50,000,000; and
 - (ii) the purchase of any other operating business assets with a consideration greater than \$25,000,000.
- (k) **Management Fees:** no Management Fees are paid except:

- (i) At any time on or prior to the Relevant Date, with the Bank's prior written consent; and
 - (ii) at any time after the Relevant Date, if no Event of Default subsists and provided that the aggregate amount of Management Fees paid per Financial Year does not exceed \$5,000,000.
- (l) **Preservation and protection of Security:** it does everything necessary or reasonably required by the Bank to:
- (i) keep the Secured Property in good repair and in good working order;
 - (ii) promptly pay when they become due for payment (or reimburse the Bank on demand for) all Taxes payable in respect of the Secured Property;
 - (iii) preserve and protect the value of the Secured Property as a whole; and
 - (iv) protect and enforce its title and the Bank's title as mortgagee to the Secured Property
- (m) **mandatory hedging:** in respect of the Borrower only, as soon as practicable, but in any event by 30 June 2024, it enters into an interest rate Hedging Transaction with the Bank in respect of at least 50% of the Facility Limit of the Corporate Markets Loan Facility on such terms in accordance with the Borrower's hedging strategy.

9.7 Insurance

- (a) Subject to the provisions of the Transaction Documents, the Borrower must effect and maintain insurance over and in relation to the Secured Property, the business operations of the Group (including business interruption) and for public liability with insurers, for amounts, against risks and on terms and conditions:
- (i) that the Bank reasonably requires; or
 - (ii) if the Bank does not notify the Borrower of its requirements, that a prudent and reasonable owner of the Secured Property would effect and maintain, including insurance for full replacement value on a reinstatement basis.
- (b) Subject to the provisions of the Transaction Documents, the Borrower must give to the Bank on demand a certificate in form and substance satisfactory to the Bank from the insurer to the effect that the required Insurances are current and no premium is overdue.

9.8 Financial ratios

- (a) The Borrower must ensure that:
- (i) **Fixed Charges Cover Ratio:**
 - (A) subject to **clause 9.8(a)(i)(B)**, at each Calculation Date commencing 31 March 2024 until 30 June 2025 (inclusive),

- the Fixed Charges Cover Ratio for the Calculation Period ending on that Calculation Date is not less than 1.40 times;
- (B) at the Calculation Date 31 December 2024 only, the Fixed Charges Cover Ratio for the Calculation Period ending on that Calculation Date is not less than 1.35 times ; and
 - (C) at each other Calculation Date commencing 30 September 2025, the Fixed Charges Cover Ratio for the Calculation Period ending on that Calculation Date is not less than 1.50 times.
- (ii) **Leverage Ratio:**
- (A) at the Calculation Date 30 September 2025, the Leverage Ratio for the Calculation Period ending on that Calculation Date is less than or equal to 4.25 times;
 - (B) at each Calculation Date commencing 31 December 2025 until 31 March 2026 (inclusive), the Leverage Ratio for the Calculation Period ending on that Calculation Date is less than or equal to 4.00 times; and
 - (C) at each other Calculation Date commencing 30 June 2026, the Leverage Ratio for the Calculation Period ending on that Calculation Date is less than or equal to 3.50 times;
- (iii) **Loan to Value Ratio:** at each Calculation Date, the Loan to Value Ratio for the Calculation Period ending on that date is less than or equal to 70%; and
- (iv) **Minimum Liquidity:** the Borrower's Minimum Liquidity is at all times at least:
- (A) up to and until 30 April 2025, \$2,500,000; and (A)(B)thereafter \$5,000,000-at all times.
- (b) A financial ratio or amount to be determined under **clause 9.8(a)** must be tested or determined by reference to the most recently prepared Financial Statements. The calculation of any amounts on a consolidated basis must be made in accordance with the requirements of the Accounting Standards relating to the consolidation of entities.

9.9 Environment

- (a) Each Transaction Party must ensure that at all times all practical and reasonable steps that can be taken and measures and precautions that can be adopted are taken or adopted by each Transaction Party to ensure that:
 - (i) all persons, things and activities of any kind on or using the Land comply with all Environmental Laws and any consent, permit, approval, licence, authorisation, certification, order or direction granted or issued under any Environmental Law;

- (ii) if there is any non-compliance with any Environmental Law or any consent, permit, approval, licence, authorisation, certification, order or direction granted or issued under any Environmental Law:
 - (A) the impact on the Land and the environment is minimised; and
 - (B) steps are taken as quickly as possible to rectify the non-compliance, eliminate or reduce any liability arising from the non-compliance and to ensure the non-compliance does not recur;
- (iii) it or any person on the Land does not:
 - (A) allow onto or permit to exist on the Land any Contaminant; or
 - (B) allow a Contaminant to escape or be released into the environment, if to do so would be in breach of any Environmental Law or any consent, permit, approval, licence, authorisation, certification, order or direction granted or issued under any Environmental Law or could give rise to an order or direction being issued under any Environmental Law; and
- (iv) if any Contaminant is discovered on or affecting the Land (other than a Contaminant which is safely stored in accordance with lawful authority) or, without lawful authority, escapes or is released from the Land into the environment:
 - (A) the impact on the Land and the environment is minimised; and
 - (B) steps are taken as quickly as possible to safely contain the Contaminant and to remove the Contaminant from the environment or the Land or reduce the levels of the Contaminant to a level required or recommended by the relevant Government Body as safe and in either case to eliminate or reduce any liability arising from the Contaminant and do all things necessary to restore the Land and the environment.
- (b) If there is any non-compliance under **clauses 9.9(a)(i), (ii) or (iii)** or any Contaminant is discovered or the Borrower has reason to believe that there is some Contaminant on the Land requiring action to be taken under **clause 9.9(a)(iv)**, the Borrower must immediately notify the Bank.
- (c) If there is or the Bank has reason to believe that there may be any non-compliance under **clauses 9.9(a)(i), (ii) or (iii)** or any Contaminant is discovered or the Bank has reason to believe that there is some Contaminant on the Land requiring action to be taken under **clause 9.9(a)(iv)**, the Borrower, at the request of the Bank, must procure and furnish to the Bank, in a form acceptable to the Bank, an

Environmental Assessment Report in relation to the Land and any operations conducted on it.

- (d) The Borrower indemnifies the Bank from and against all:
- (i) Environmental Liability; and
 - (ii) damages, losses, outgoings, costs, charges or expenses suffered or incurred by the Bank in respect of any action, claim or demand made or brought in respect of or otherwise arising from or in connection with any breach of any Environmental Law in relation to the Land.
- (e) The Borrower must immediately notify the Bank of:
- (i) the existence of any Contaminant on or adjacent to or affecting the Land; and
 - (ii) the receipt by any Transaction Party of any notice, order or direction:
 - (A) to clean up any Contaminant on the Land; or
 - (B) alleging any breach of Environmental Law.
- (f) If requested by the Bank, the Borrower must provide the Bank with a copy of each environmental consent, permit, approval, licence, authorisation, certification, order and direction relating to the Land together with confirmation that:
- (i) it is complying with the terms and conditions of each consent, permit, approval, licence, authorisation, certification, order and direction; and
 - (ii) it has renewed each consent, permit, approval, licence, authorisation, certification, order and direction as appropriate.
- (g) The Borrower must:
- (i) when reasonably required by the Bank, obtain or permit the Bank to obtain an Environmental Assessment Report from a person approved by the Bank in relation to the Land; and
 - (ii) promptly comply with any reasonable recommendation contained in any Environmental Assessment Report relating to compliance with Environmental Law in relation to the Land and obtain any consent, permit, approval, licence, authorisation, certification, order and direction required in order to comply with that recommendation.

9.10 No default

The Borrower must ensure that an Event of Default does not occur.

9.11 Obligations of Trustees

If a Transaction Party is a Trustee the Borrower must ensure that it:

- (a) ensures that the property of the Trust is not mixed with any other property;
- (b) complies with its obligations as trustee of the Trust;
- (c) does not release, dispose of or otherwise prejudice its right of indemnity against, and equitable lien over, the property of the Trust and its right of indemnity (if any) against the beneficiaries of the Trust in relation to any money owing to the Bank;
- (d) at the Bank's request
 - (i) exercises its right of indemnity against, and equitable lien over, the property of the Trust and its right of indemnity (if any) against the beneficiaries of the Trust in relation to any money owing to the Bank; and
 - (ii) assigns to the Bank those indemnities and that equitable lien and otherwise facilitates the subrogation of the Bank to those indemnities and that equitable lien;
- (e) does not, if the Trust is a unit trust, consent to or register the transfer of units in the Trust or cancel, repurchase, redeem or issue any units in the Trust;
- (f) ensures that:
 - (i) another person is not appointed as trustee of the Trust;
 - (ii) the Trust is not terminated or its terms varied;
 - (iii) the Trustee does not resign and is not removed or replaced as trustee of the Trust;
 - (iv) the property of the Trust is not resettled;
 - (v) the capital of the property of the Trust is not distributed at any time; and
 - (vi) income of the Trust is not distributed to anyone other than a Transaction Party while an Event of Default or Potential Event of Default subsists;
- (g) prepares and keeps full and true records and books of accounts of the Trust and makes them available for inspection and copying by the Bank on demand; and
- (h) does not default in performing or observing its obligations under the Transaction Documents.

9.12 Release for Permitted Disposals

The Bank must on request from (and at the cost of) a Transaction Party release from the Collateral Security that part of the Secured Property that is the subject of a Permitted Disposal (other than a Permitted Disposal of the kind referred to in paragraph (a) of that term's definition).

10 Events of Default

10.1 Nature

Each of the following is an Event of Default (whether or not caused by anything outside the control of any Transaction Party):

- (a) **non-payment:** a Transaction Party does not pay on the due date any principal, interest and fees due for payment by it under a Transaction Document in accordance with the relevant Transaction Document unless the Bank is satisfied that the sole reason for such failure to pay is caused by administrative or technical error in the banking system generally which is beyond the control of that Transaction Party and payment is made within 2 Business Days after its due date;
- (b) **other non-compliance:** (subject to **clause 10.6** in the case of a failure to comply with a Financial Ratio other than the Fixed Charges Cover Ratio) a Transaction Party does not comply with any other obligation under a Transaction Document and if that default is capable of rectification:
 - (i) it is not rectified within 10 Business Days (or any other longer period agreed by the Bank) after its occurrence; or
 - (ii) the Transaction Party does not during that period take all action which in the Bank's reasonable opinion is necessary to rectify that default;
- (c) **untrue warranty:** a representation, warranty or statement made or deemed to be made by a Transaction Party in a Transaction Document is untrue or misleading in any material respect or a reply by a Transaction Party to a requisition made by, or on behalf of, the Bank is untrue or misleading in any material respect;
- (d) **void document:** a Transaction Document is void, voidable or otherwise unenforceable by the Bank or is claimed to be so by a Transaction Party;
- (e) **compliance unlawful:** it is unlawful for a Transaction Party to comply with any of its obligations under a Transaction Document or it is claimed to be so by a Transaction Party;
- (f) **loss of priority:** a Security Interest created by or purportedly created by a Collateral Security does not have or ceases to have the priority which it purports to have under the relevant Transaction Document or becomes ineffective to secure the payment of the money or compliance with the obligations which it purports to secure, otherwise than by any act of the Bank;
- (g) **Insolvency Event:** an Insolvency Event occurs in relation to a Transaction Party;

- (h) **authorisation ceasing:** an Authorisation from a Government Body necessary to enable:
- (i) a Transaction Party to comply with its obligations under a Transaction Document or carry on its principal business or activity;
 - (ii) a Transaction Party to carry on its principal business or activity; or
 - (iii) the Bank to exercise its rights under a Transaction Document, is withheld or ceases to be in full force and effect and, in the case of **clause 10.1(h)(i)**, would have a Material Adverse Effect;
- (i) **Material Adverse Effect:** an event or series of events whether related or not, including any material adverse change in the property or financial condition of a Transaction Party, occurs which has a Material Adverse Effect;
- (j) **cross default:**
- (i) Financial Indebtedness (other than Excluded Financial Indebtedness) of a Transaction Party in excess of \$500,000 becomes due for payment before its stated maturity other than by the exercise of an option of the Transaction Party to pay it before its maturity;
 - (ii) a Transaction Party fails to pay when due for payment (or within any applicable grace period) any Financial Indebtedness (other than Excluded Financial Indebtedness) in excess of \$500,000;
 - (iii) an obligation by a person to a Transaction Party to provide financial accommodation or to acquire or underwrite Financial Indebtedness (other than Excluded Financial Indebtedness) in excess of \$500,000 ceases before its stated maturity other than by the exercise of an option of the Transaction Party to cancel that obligation; or
 - (iv) a marketable security issued by a Transaction Party and having a face value over \$500,000 is required to be redeemed or repurchased before its stated maturity other than by the exercise of an option of the issuer to redeem or repurchase;
- (k) **cessation of business:** a Transaction Party ceases or threatens to cease to carry on its business or a substantial part of its business;
- (l) **enforcement of other Security:** a person who holds a Security over property of a Transaction Party exercises a right under that Security against the property to recover any money the payment of which is secured by that Security or enforce any other obligation the compliance with which is secured by it;
- (m) **undertaking:** an undertaking given to the Bank (or its lawyers) by or on behalf of a Transaction Party (or its lawyers) is not honoured in accordance with its terms and if capable of rectification, is not rectified

within three Business Days (or any other longer period agreed by the Bank) after its occurrence;

- (n) **reduction of capital:** if a Transaction Party is a corporation:
- (i) it reduces or takes any action to reduce its capital other than by the redemption of redeemable preference shares;
 - (ii) it passes or takes any action to pass a resolution of the type referred to in section 254N of the Corporations Act;
 - (iii) it:
 - (A) buys or takes any action to buy, or
 - (B) financially assists (within the meaning of section 260A of the Corporations Act) or takes any action to financially assist any person to acquire, shares in itself or in a holding company of it,
- (o) **investigation:** if a Transaction Party is a corporation, an investigation is instituted under the Corporations Act or other legislation into, or an inspector is appointed to investigate, its affairs, which would have a Material Adverse Effect;
- (p) **environmental claim:** a Government Body takes any action, there is a legally valid claim or there is a legally enforceable requirement for expenditure or for cessation or alteration of activity under an Environmental Law, which, in the reasonable opinion of the Bank, would have a Material Adverse Effect;
- (q) **Trust:** if a Transaction Party is a Trustee:
- (i) the Trustee ceases to be the trustee or the only trustee of the Trust or any action is taken for the removal of the Trustee as trustee of the Trust, or for the appointment of another person as trustee in addition to the Trustee;
 - (ii) an application or order is sought or made in any court, which is not withdrawn or dismissed within ten Business Days, for:
 - (A) the property of the Trust to be administered by the court; or
 - (B) an account to be taken in relation to the Trust; or
 - (iii) non-compliance by the Trustee with its obligations as trustee under the Trust Deed which has a Material Adverse Effect.

10.2 Effect of Event of Default

- (a) If an Event of Default subsists the Bank may at any time by notice to the Borrower do any or all of the following:
- (i) **cancel Facility:** cancel any or all of the Facilities or any part of a Facility, specified in the notice;
 - (ii) **accelerate:** make so much of the Outstanding Accommodation which is not then immediately due and payable, any unpaid

accrued interest or fees and any other money owing by the Borrower to the Bank in relation to the Transaction Documents either:

- (A) payable on demand; or
- (B) immediately due for payment;

(iii) Not used

(iv) Bank Guarantees:

- (A) by notice to the Borrower require the Borrower to pay immediately to the Bank the aggregate of the Face Values for all Current Bank Guarantees as at the date of the notice, together with any unpaid accrued interest or fees and any other money (including all Indemnity Amounts) owing by the Borrower to the Bank in relation to the Transaction Documents;
 - (B) pay the Beneficiaries of any one or more of the Current Bank Guarantees the amount agreed between the Bank and the relevant Beneficiary sufficient to obtain from the Beneficiary an unconditional release of the Bank's obligations under the relevant Bank Guarantee on terms satisfactory to the Bank (acting reasonably).
- (v) **engage consultants:** at the cost of the Borrower, appoint (or require the Borrower to appoint) such accountancy, financial management and other consultants as the Bank may nominate to investigate the business affairs and financial condition of any Transaction Party and whether each Transaction Party has complied with each Transaction Document to which it is a party and to make recommendations relating to the manner in which the Transaction Party carries on its business. Each Transaction Party agrees to provide all assistance and information required by the consultants (including making all financial records available and giving access to all premises and records) to enable the consultants to conduct their examination promptly, completely and accurately. No Transaction Party is obliged to accept the recommendations of any consultant, and the Bank will assume no liability with respect to any actions a Transaction Party takes, or does not take, as a result of those recommendations; or
- (vi) **treasury related transactions:** if there are any Hedging Transactions or treasury related transactions in existence between the Bank and the Borrower (**Open Positions**) then:
- (A) the Bank may close out the Open Positions, by entering into opposite positions for the balance of the unexpired term, or by such other means as may be usual in the relevant market. Any such close out must be at market rates prevailing at the time;

- (B) any costs incurred by the Bank in closing out Open Positions must be paid by the Borrower to the Bank immediately upon demand by the Bank;
- (C) any gain derived from the closing out of the Open Positions will be credited to the Borrower and set off against the Amount Owing; and
- (D) the Bank will give the Borrower reasonable particulars of the manner of close out of the Open Positions and the basis of calculation of any amounts payable by or to the relevant Borrower arising from that close out.

- (b) On receipt of a notice under **clause 10.2(a)(ii)(A)** or **10.2(a)(ii)(B)**, the Borrower must immediately pay in full the amounts referred to in that notice.

10.3 Cash Cover Account regarding Bank Guarantees

- (a) The Bank must credit so much of the money paid by the Borrower under **clause 10.2(a)(iv)(A)** which the Bank appropriates towards the Face Values of Current Bank Guarantees to an account maintained by the Bank for this purpose (**Cash Cover Account**).
- (b) The following provisions apply to the Cash Cover Account:
 - (i) the account will be in the name of the Borrower;
 - (ii) despite the Cash Cover Account being in the name of the Borrower, until the Release Date the money held in the account is not owed by the Bank to the Borrower and the Borrower is not entitled to withdraw or be paid any of that money (including interest credited to the account);
 - (iii) the Bank must credit to the account interest at the Cash Cover Rate from time to time and that interest will be credited to the account monthly and on the Release Date; and
 - (iv) without limiting this **clause 10.3**, the Bank may apply any amounts from time to time held in the account towards payment of any amounts due and payable from time to time to the Bank under any Transaction Document.
- (c) On the Release Date, the Bank must pay to the Borrower the credit balance of the Cash Cover Account.

10.4 Review Events

Each of the following is a Review Event (whether or not caused by anything outside the control of any Transaction Party):

- (a) there is an Insolvency Event in respect of Reading International Inc; and
- (b) a Change of Control occurs in relation to any Transaction Party.

10.5 Reviews

- (a) In addition to any other review rights the Bank has under this document, the Bank may conduct a review of any Facility following a Review Event.
- (b) If a Review Event has occurred, then, at any time or from time to time:
 - (i) the Bank may change any of the conditions applying to the Facility including, but not limited to, increasing or otherwise varying the fees payable in connection with the Facility; and/or
 - (ii) the Bank may terminate the Facility. If the Bank terminates the Facility, the Termination Date occurs on the date 30 days after the date the Bank notifies the Borrower that it wishes to terminate the Facility.
- (c) The Bank may not change any of the conditions applying to the Facility unless it has first given 30 days prior notice to the Borrower of the intended change.
- (d) If the Bank gives notice of any change to the conditions of any Facility and the Borrower refuses to accept the changes before the end of the period of notice, then at the end of that period, the Facility will become repayable within 30 days of any demand by the Bank.
- (e) Nothing in this clause affects the Bank's rights if any Event of Default occurs.

10.6 Equity Cure

- (a) If a breach of a Financial Ratio (other than the Fixed Charges Cover Ratio) occurs, the Borrower will have the right subject to **clause 10.6(b)** to cure the breach by procuring additional Subordinated Debt or an equity contribution by way of subscription for new shares in the Borrower (or a combination of both) in an amount sufficient to cure the breach when applied in prepayment of the Outstanding Accommodation (Equity Cure).
- (b) Equity Cure may not be used:
 - (i) more than 3 times during the term of the Facilities; or
 - (ii) in respect of breach of a Financial Ratio on a Calculation Date, where Equity Cure has been used to cure a breach on the preceding Calculation Date.
- (c) The Borrower must notify the Bank of its intention to provide an Equity Cure and effect the Equity Cure, within 10 Business Days of the delivery of the Compliance Certificate that identified the breach.
- (d) The amount of an Equity Cure will be deemed to be applied as of the first day of the relevant test period in prepayment of the Outstanding Accommodation. The breach of the Financial Ratio will be taken to have been cured immediately upon the requisite proceeds being applied in prepayment and the Borrower confirming to the Bank that the amount prepaid when the Financial Ratio is recalculated is sufficient to ensure that the relevant Financial Ratio is met.

- (e) Notwithstanding **clause 10.6(d)**, any Equity Cure will be disregarded when calculating the Leverage Ratio for the purposes of determining the Margin.

11 Costs and expenses

11.1 Interpretation

A reference to "costs and expenses" in Transaction Documents includes legal costs and expenses on a full indemnity basis.

11.2 Nature

The Borrower must on demand pay and if paid by the Bank reimburse to the Bank:

- (a) the Bank's reasonable costs and expenses relating to:
- (i) any Valuation obtained for the purposes of any Transaction Document;
 - (ii) the negotiation, preparation, execution, stamping and registration of the Transaction Documents or any document contemplated by them;
 - (iii) any consent, request for consent (whether or not given), communication or waiver of any right, or the variation, replacement or discharge of any Transaction Document or any document contemplated by it;
 - (iv) the enforcement or attempted enforcement or the preservation of any rights of the Bank under the Transaction Documents;
 - (v) the occurrence of any Event of Default or Potential Event of Default; and
 - (vi) the lodgment or removal of any Encumbrance on the Secured Property by any person; and
- (b) subject to **clause 18.14(d)**, any Taxes and registration or other fees (including fines and penalties relating to the Taxes and fees) which are payable or are assessed by a relevant Government Body or other person to be payable in relation to the Transaction Documents or any document or transaction contemplated by them.

11.3 Remuneration

The Bank, any Receiver and any Attorney must be remunerated by the Borrower for any services rendered by them in relation to the enforcement of any right under the Transaction Documents. The rate of the remuneration and the manner of payment will be that determined by the Bank, acting reasonably.

12 Indemnities

12.1 Nature

The Borrower indemnifies the Bank on demand against any liability, loss, cost or expense (including Break Costs) caused or contributed to by:

- (a) any failure by any Transaction Party to comply with any obligation under any Transaction Document;
- (b) any Event of Default or Potential Event of Default;
- (c) the enforcement or attempted enforcement of any right by the Bank, any Receiver or any Attorney under the Transaction Documents;
- (d) any Drawing requested by the Borrower not being granted by the Bank for any reason other than a default by the Bank;
- (e) any payment not being made by the Borrower in accordance with any Transaction Document; or
- (f) any act by the Bank in reliance on any communication purporting to be from the Borrower or to be given on behalf of the Borrower.

12.2 Representatives

The Borrower indemnifies each Receiver and Attorney and their respective Representatives and the Representatives of the Bank against any liability, loss, cost and expense caused by anything the Bank is indemnified against under **clause 12.1** and the Bank holds the benefit of this **clause 12.2** on trust for those persons.

12.3 Currency deficiency

If there is any deficiency between:

- (a) an amount payable by a Transaction Party under a Transaction Document which is received by the Bank in a currency other than the currency payable under the Transaction Document because of a judgment, order or otherwise; and
- (b) the amount produced by converting the payment received from the currency in which it was paid into the currency in which it was agreed to be paid either directly or through a currency other than that in which it was agreed to be paid,

the Borrower must pay to the Bank the deficiency and any loss, costs or expenses resulting from it.

12.4 Independence and survival

Each indemnity in a Transaction Document is a continuing obligation, separate and independent from the other obligations of the Borrower and survives the termination of that Transaction Document.

12.5 Accounting for transactions

- (a) The Borrower irrevocably authorises the Bank to open such accounts as the Bank requires in connection with a Facility.
- (b) The Borrower irrevocably authorises the Bank to debit from any account in the name of the Borrower (including an account the Bank opens in the Borrower's name) any amounts payable by the Borrower in relation to that Facility or account, including interest, costs, Taxes, enforcement expenses and any amount payable under an indemnity.
- (c) If the Borrower authorises the Bank to debit any amount from an account, the Bank can debit that amount from that account even if it causes the account to become overdrawn. Alternatively, if there are insufficient cleared funds in that account, the Borrower authorises the Bank to debit that amount from any account of the Borrower the Bank decides, including an account the Bank opens in the Borrower's name.
- (d) Where the Bank debits an account in the name of the Borrower, opened by:
 - (i) the Borrower, the Borrower must pay the Bank interest (including default interest if applicable) on any debit balance in accordance with the terms of that account;
 - (ii) the Bank, the Borrower must pay the Bank interest on the overdrawn balance of that account at the Overdue Rate applying to the relevant Facility or, if there is none, in accordance with the terms normally applied by the Bank to accounts of that type; or
 - (iii) either the Borrower or the Bank, the overdrawn balance of the account in excess of the applicable Facility Limit is immediately payable without further notice.
- (e) Unless otherwise provided, the Bank may apply any payment under or in connection with this document towards satisfying obligations under this document as the Bank sees fit.
- (f) Where the Bank is authorised to debit an amount from an account under this document, it can do so without prior notice.

12.6 Liability for Regulatory Events

- (a) The Borrower acknowledges that the Services may be interrupted, prevented, delayed or otherwise adversely affected by a Regulatory Event.
- (b) To the extent permitted by Law:
 - (i) the Bank is not liable for any loss incurred by a Borrower or any other person if an event described in **clause 12.6(a)** occurs, irrespective of the nature or cause of that loss, and the Bank has no obligation to contest any Regulatory Event or to mitigate its impact on the Borrower or the Bank; and

- (ii) the Borrower releases the Bank from all liability in connection with any loss incurred by a Borrower or any other person if an event described in **clause 12.6(a)** occurs.
- (c) To the extent that the Bank's liability cannot be excluded, the Bank's liability is limited to the cost of having the Service supplied again.
- (d) The Bank may use and disclose to any other financial institution or agency, any information about any Borrower, the Services or any person connected with it or the Services, for any purpose which the Bank, or any other financial institution, considers appropriate or necessary in connection with any Regulatory Event or the Services and this may result in information being transmitted overseas.
- (e) The Borrower agrees to provide information to the Bank about it, the Services or any person connected with it or the Services on request, and to promptly procure any consents the Bank requires to give effect to **clause 12.6(d)**.

13 Goods and Services Tax

13.1 Taxable supply

- (a) If GST is payable by the Bank on any supply made under a Transaction Document, the Borrower must pay to the Bank an amount equal to the GST payable on the supply.
- (b) That amount must be paid at the same time that the consideration for the supply is to be provided under the Transaction Document and must be paid in addition to the consideration expressed elsewhere in the Transaction Document.
- (c) On receiving that amount from the Borrower, the Bank must provide the Borrower with a tax invoice for the supply.

13.2 Adjustment events

If an adjustment event arises in relation to a supply made by the Bank to the Borrower under a Transaction Document, a corresponding adjustment must be made between the Bank and the Borrower in relation to any amount paid to the Bank by the Borrower under **clause 13.1** and payments to give effect to the adjustment must be made.

13.3 Payments

If the Borrower is required under a Transaction Document to pay for or reimburse an expense or outgoing of the Bank or is required to make a payment under an indemnity in relation to an expense or outgoing of the Bank, the amount to be paid by the Borrower is the sum of:

- (a) the amount of the expense or outgoing less any input tax credit in relation to that expense or outgoing that the Bank is entitled to; and

- (b) if the Bank's recovery from the Borrower is in relation to a taxable supply, an amount equal to the GST payable by the Bank in relation to that recovery.

14 Increased costs

If the Bank determines that:

- (a) the cost to it of providing, funding or maintaining the Facility is increased;
- (b) an amount payable to the Bank or the effective return to the Bank under a Transaction Document is reduced;
- (c) the effective return to the Bank under any Transaction Document as a proportion of the capital of the Bank is reduced; or
- (d) the Bank must make a payment or forego any interest or other return calculated by reference to any amount received or receivable by it from any Transaction Party under a Transaction Document,

because of:

- (e) any law, regulation or Government Body directive or request (whether or not having the force of law) introduced or made after the date of this document, including those relating to taxation, capital adequacy or reserve requirements or banking or monetary controls; or
- (f) any change in the interpretation or application of any of them,

the Borrower must, within two Business Days after a demand by the Bank, pay to the Bank the amount which, in the Bank compensates the Bank for the increased cost, reduction, payment or foregone interest or other return.

15 Illegality

15.1 Prepayment

If because of any change after the date of this document in:

- (a) a law, regulation or a Government Body directive or request which is legally enforceable or compliance with which is in accordance with the practice of responsible Banks in the relevant jurisdiction; or
- (b) the interpretation or application of any of them,

the Bank determines that it is or it will become impossible or illegal or contrary to that Government Body directive or request for:

- (c) the Bank to fund, provide or maintain the Facility or otherwise comply with its obligations under the Transaction Documents; or
- (d) a person from whom the Bank has raised or proposes to raise money in relation to the Facility to fund, provide or maintain that money,

the Borrower must, within five Business Days after receipt of a notice from the Bank to do so, pay the amount referred to in **clause 10.2(a)(ii)(A)** or **10.2(a)(ii)(B)** as if that notice were a notice under **clause 10.2(a)(ii)(A)** or **10.2(a)(ii)(B)**.

15.2 Facility terminated

The Bank's obligation to make Advances or Drawings under this document terminates on the giving of a notice under **clause 15.1**.

16 Guarantee and indemnity

16.1 Guarantee

- (a) Each Guarantor unconditionally and irrevocably guarantees the payment to the Bank of the Guaranteed Money.
- (b) If the Borrower does not pay the Guaranteed Money on time and in accordance with the Transaction Documents, then the Guarantors agree to pay the Guaranteed Money on demand from the Bank.
- (c) A demand may be made at any time and from time to time and whether or not the Bank or the Bank has made demand on the Borrower or any other Transaction Party.

16.2 Nature of guarantee

- (a) The guarantee in **clause 16.1** is a continuing obligation despite any intervening payment, settlement or other thing and extends to all of the Guaranteed Money.
- (b) As between each Guarantor and the Bank (but without affecting the obligations of any other Transaction Party) each Guarantor is liable under this document in relation to the Guaranteed Money as a sole and principal debtor and not as surety.

16.3 Indemnity

- (a) Each Guarantor indemnifies the Bank against any liability or loss arising and any costs it suffers or incurs:
 - (i) if a Transaction Party does not, is not obliged to or is unable to pay the Guaranteed Money in accordance with the Transaction Documents;
 - (ii) if a Guarantor is not obliged to pay the Bank an amount under **clause 16**;
 - (iii) if the Bank is obliged, or agrees, to pay an amount to a trustee in bankruptcy or liquidator (of an insolvent person) in connection with a payment by a Transaction Party under or in connection with a Transaction Document;
 - (iv) if a Guarantor defaults under the Guarantee in **clause 16.1**; or

- (v) in connection with any person exercising, or not exercising, rights under the Guarantee in **clause 16.1**.
- (b) Each Guarantor agrees to pay amounts due under this indemnity immediately on demand from the Bank.

16.4 Reinstatement of rights

- (a) Following an Insolvency Event in respect of a Transaction Party, a person may claim that a transaction (including a payment) in connection with this Guarantee or the Guaranteed Money is void or voidable.
- (b) If a claim is made and upheld, conceded or comprised:
 - (i) the Bank is immediately entitled as against the Guarantors to the rights in respect of the Guaranteed Money to which it was entitled immediately before the transaction; and
 - (ii) on request from the Bank, each Guarantor agrees to do anything (including signing any document) to restore to the Bank any Security Interest (including this Guarantee) held by it from the Guarantors immediately before the transaction.

16.5 Rights of the Bank are protected

Rights given to the Bank under this Guarantee (and each Guarantor's liabilities under it) are not affected by any act or omission by the Bank or by anything else that might otherwise affect them under law or otherwise, including:

- (a) the fact that it varies or novates any agreement under which the Guaranteed Money is expressed to be owing, such as by increasing the Facility Limit or extending the term;
- (b) the fact that it releases any Transaction Party or gives it a concession, such as more time to pay;
- (c) the fact that a Transaction Party opens an account with it;
- (d) the fact that it releases, loses the benefit of or does not obtain any Security Interest;
- (e) the fact that it does not register any Security Interest which could be registered;
- (f) the fact that it releases any person who gives a guarantee or indemnity in **clause 16.13**;
- (g) the fact that a person becomes a Guarantor after the date of this document (including under **clause 16.14**);
- (h) the fact the obligations of any person who guarantees any Transaction Party's obligations (including under this Guarantee) may not be enforceable;
- (i) the fact that any person who was intended to guarantee any Transaction Party's obligations does not do so or does not do so effectively;

- (j) changes in the membership, name or business of any person; or
- (k) the fact that a person who is a co-surety or co-indemnifier for payment of the Guaranteed Money is discharged under an agreement or by operation of law.

16.6 No merger

- (a) This Guarantee does not merge with or adversely affect, and is not adversely affected by, any of the following:
 - (i) any other guarantee, indemnity, or Security Interest, or other right or remedy to which the Bank is entitled; or
 - (ii) a judgment which the Bank obtains against the Guarantors in connection with the Guaranteed Money or any other amount payable under this Guarantee.
- (b) The Bank may still exercise rights under this Guarantee as well as under the judgment, other guarantee, indemnity, Security Interest, or other right or remedy.

16.7 Extent of Guarantor's obligations

If more than one person is named as "Guarantor", each of them has the obligations under this Guarantee both individually and jointly with any one

16.8 Guarantor's rights are suspended

As long as any of the Guaranteed Money remains unpaid, the Guarantor may not, without the Bank's consent,

- (a) reduce its liability under this Guarantee by claiming that it or any other Transaction Party or any other person has a right of set-off or counterclaim against the Bank;
- (b) exercise any legal right to claim to be entitled to the benefit of another guarantee, indemnity, or Security Interest given in connection with the Guaranteed Money or any other amount payable under this Guarantee;
- (c) in respect of this claim an amount from another Transaction Party, or another guarantor of the Guaranteed Money (including a person who has signed this guarantee; or
- (d) claim an amount in the insolvency of a Transaction Party or of another guarantor of the Guaranteed Money (including a person who has signed

16.9 Guarantor's right of proof limited

Each Guarantor agrees not to exercise a right of proof after an event occurs relating to the insolvency of a Transaction Party or another guarantor of the Guaranteed Money (including a person who has signed this document as a "Guarantor") independently of an attorney appointed under clause 16.12.

16.10 No set-off against assignees

If the Bank assigns or otherwise deals with its rights under this Guarantee, the Guarantors may not claim against any assignee (or any other person who has an interest in this Guarantee) any right of set-off or other right the Guarantors have against the Bank.

16.11 Suspense account

The Bank may place in a suspense account any payment it receives from the Guarantors if there is currently an Insolvency Event, or an Insolvency Event is likely to occur, in relation to any Transaction Party, but must apply it towards satisfying the Guaranteed Money within six months unless the winding up of the relevant Guarantor has commenced.

16.12 Right to prove

- (a) The Guarantor irrevocably appoints the Bank and each of its Authorised Representatives individually as its attorney and agrees to formally approve all action taken by an attorney under this **clause 16**.
- (b) Each attorney may, at any time while any Guaranteed Money is outstanding:
 - (i) may be done in the Guarantor's name or the attorney's name and do anything which a Guarantor may lawfully do to exercise their right of proof in respect of a Transaction Party after an Insolvency Event occurs in respect of such Transaction Party. These things they include signing and delivering documents, taking part in legal proceedings and receiving any dividends arising out of the right of proof;
 - (ii) delegates its powers (including this power) and may revoke a delegation; and
 - (iii) exercise its powers even if this involves a conflict of duty and even if it has a personal interest in doing so.
- (c) The attorney need not account to a Guarantor for any dividend received on exercising the right of proof under **clause 16.12(i)** except to the extent that any dividend remains after the Bank has received all of the Guaranteed Money and all other amounts payable under the Guarantee.

16.13 Release of Guarantors

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Bank
clause

The Bank must, at the Borrower

- (a) Bank documentation in respect of the **16**.
- (b) As between the Transaction Parties and the Bank, the Bank is not obliged to consent to a release unless required to do by the terms of another Transaction Document.
- (c) The rights and obligations of the remaining Guarantors under the Guarantee in **clause 16.1** will continue in full force and effect despite the release of a Guarantor under this **clause 16.13**.

16.14 New Guarantors

If a Subsidiary of any Transaction Party is required by the terms of a Transaction Document to become a Guarantor, the Borrower must ensure that such subsidiary executes a Guarantor Accession Deed as a new Transaction Party.

16.15 Consideration

Each Guarantor acknowledges having executed this document in return for the Bank entering into the Transaction Documents at the request of the Guarantor and other valuable consideration.

16.16 New Guarantors

- (a) A person automatically becomes a party to this document as a Guarantor and Transaction Party (after the date of this document) by signing and delivering to the Bank a Guarantor Accession Deed and doing anything else which the Bank reasonably requests to ensure the enforceability of
- (b) Each of the other parties to his document irrevocably appoints the Bank as its agent to sign on its behalf any Guarantor Accession Deed.
- (c) The execution of a Guarantor Accession Deed will not operate to release any party from its obligations under any Transaction Document.

17 Attorney

17.1 Appointment

If and for so long as an Event of Default occurred and is continuing, the Borrower irrevocably appoints the Bank its attorney with the power:

- (a) at any time to:
 - (i) do everything which in the Attorney's reasonable opinion is necessary or expedient to enable the exercise of any right of the Bank in relation to the Transaction Documents;
 - (ii) not used;
 - (iii) complete the Transaction Documents to which it is a party; and
 - (iv) appoint its directors, officers, employees and solicitors as substitutes and otherwise delegate its powers to any of them (except this power of delegation); and
- (b) ~~at any time after a notice is given under clause 10.2(a)(ii)(A) or 10.2(a)(ii)(B), to do all acts and things which the Borrower is obliged to~~ do all acts and things which the Borrower is obliged to do at any time after a notice is given under **clause 10.2(a)(ii)(A) or 10.2(a)(ii)(B)**, to do all acts and things which the Borrower is obliged to do are necessary or expedient to enable the exercise of any right of the Bank in relation to the Transaction Documents.

17.2 Not used

17.3 General

- (a) Any Attorney may exercise any right solely for the benefit of the Bank, even if the exercise of the right constitutes a conflict of interest or duty.
- (b) The Borrower by this document ratifies anything done or not done by the Attorney pursuant to the power of attorney.
- (c) The power of attorney is granted:
 - (i) to secure the compliance by the Borrower with its obligations to the Bank under the Transaction Documents and any proprietary interests of the Bank under the Transaction Documents; and
 - (ii) for valuable consideration (receipt of which is acknowledged) which includes entry into of this document by the Bank at the Borrower's request.

18 General

18.1 Set-off

The Bank may set off any money due for payment by the Bank to the Borrower, whatsoever, including any money in any currency held by the Bank for the account of the Borrower in any place, against any money due for payment by the Borrower to the Bank under a Transaction Document.

18.2 Bank Certificate

- (a) A certificate by the Bank relating to any amount owing under a Transaction Document or as to its opinion in relation to any matter under any Transaction Document is prima facie evidence against the Borrower of the matters certified unless proven incorrect or there is a manifest error.
- (b) The Bank is not obliged to give the reasons for its determination or opinion in relation to any matter under any Transaction Document. Any certification, determination or opinion relating to an amount must contain reasonable detail as to how the amount was calculated.
- (c) A determination or an opinion of an Authorised Representative of the Bank which is given to the Borrower or otherwise expressed or acted on by the Bank as being a determination or an opinion of the Bank will be deemed to be a determination or opinion of the Bank.

18.3 Supervening legislation

Any present or future legislation which operates:

- (a) to lessen or vary in favour of the Borrower any of its obligations in connection with the Transaction Documents; or

- (b) to postpone, stay, suspend or curtail any rights of the Bank under the Transaction Documents, is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

18.4 Time of the essence

Time is of the essence as regards any obligations of the Borrower or any date or period determined under the Transaction Documents, and if any date or period is altered by agreement between the parties, time is of the essence as regards such altered date or period.

18.5 Business Days

- (a) If the day on or by which anything, other than making a payment, must be done by the Borrower under a Transaction Document is not a Business Day, that thing must be done on or by the preceding Business Day.
- (b) If a payment would otherwise be due on a day which is not a Business Day it will be due on the immediately following Business Day. However, if this would result in the payment being due in the month after the original due day or after the Termination Date it will be due on the immediately preceding Business Day.
- (c) If anything, including making a payment, is to be done by the Borrower on or by a particular day and it is done:
- (i) after the time by which a Transaction Document states it must be done or, if the Transaction Document does not state a time, after 4.00 pm in the place where it is to be done; or
 - (ii) on a day which is not a Business Day,
- it will be deemed to have been done at 9.00 am on the next Business Day.

18.6 Confidentiality

- (a) The Bank must keep any information or document relating to a Transaction Party confidential. However, the Bank may disclose to any person any information or document relating to a Transaction Party:
- (i) where permitted in a Transaction Document;
 - (ii) to another party to a Transaction Document;
 - (iii) to a potential transferee, assignee, participant or sub-participant of the Bank's interests under a Transaction Document or to any other person who is considering entering into contractual relations with it in connection with a Transaction Document;
 - (iv) to the Bank's related bodies corporate and shareholders, or to any employee, banker, lawyer, auditor or other consultant of the Bank, its related bodies corporate or its shareholders;

- (v) to the professional advisers or consultants of any party involved in connection with any Facility who are bound by a duty or obligation of confidence;
 - (vi) if required by law or by any Government Body or stock exchange;
 - (vii) in connection with any legal proceedings relating to a Transaction Document or a document delivered under or in relation to a Transaction Document;
 - (viii) if the information or document is in the public domain; or
 - (ix) with the consent of the Borrower (which must not be unreasonably withheld or delayed).
- (b) Subject to **paragraph (c)**, the Transaction Parties shall keep confidential and not disclose to any other person the terms of the Transaction Documents.
- (c) However, the Transaction Parties and any officers or employees of each Transaction Party may disclose such information:
- (i) with the prior written consent of the Bank;
 - (ii) to the extent required by any applicable law or regulation;
 - (iii) to the extent it reasonably deems necessary in connection with any actual or contemplated proceedings or a claim with respect to this **clause 18.6**; or
 - (iv) to the extent permitted by clause 18.6(a) (other than paragraph (iii)) as if each reference in that clause to the 'Bank' were to a 'Transaction Party' and each reference to the 'Borrower' were to the 'Bank'; or
 - (v) Reading International, Inc. or any other holding company of a Transaction Party (who in turn may disclose such information to their officers or employees or to the extent required by any applicable law or regulation or rule of any stock exchange).
- (d) The Bank and the Transaction Parties agree that:
- (i) neither of them will disclose information of the kind mentioned in section 275(1) of the PPS Act; and
 - (ii) this document does not create a Security Interest.
- (e) This **clause 18.6** survives the termination of this document.
- (f) The Bank acknowledges that:
- (i) information provided from time to time by the Transaction Parties to the Bank may constitute confidential non-public information; and
 - (ii) trading in marketable securities of Reading International Inc while in possession of the information referred to **clause 18.6(f)(i)** will violate United States' federal securities laws.
- (g) The Bank agrees to:

- (i) take reasonable precautions to maintain the confidentiality of the information referred to in **clause 18.6(f)(i)**; and
 - (ii) advise any party to whom the information referred to in **clause 18.6(f)(i)** is disclosed that it may not trade in the marketable securities of Reading International Inc while in the possession of such information.
- (h) This **clause 18.6** will not be deemed to restrict the provision of information by any party to the Internal Revenue Service of the United States of America.

18.7 Exchange rate

Subject to any express provision to the contrary, if for the purposes of a Transaction Document it is necessary to convert one currency into another currency, the conversion must be effected using an exchange rate selected by the Bank acting reasonably and in accordance with its usual practices.

18.8 Records as evidence

The Bank may maintain records specifying:

- (a) payments made by the Bank for the account of a Transaction Party under a Transaction Document;
- (b) payments by a Transaction Party for the account of the Bank under a Transaction Document; and
- (c) interest, fees, charges, costs and expenses payable in relation to the Transaction Documents, and those records will against the Borrower constitute prima facie evidence of the matters set out in them.

18.9 Further assurances

The Borrower must promptly execute all documents and do all things that the Bank from time to time reasonably requires to:

- (a) effect, perfect or complete the provisions of each Transaction Document or any transaction contemplated by it;
- (b) establish the priority of or reserve or create any Security Interest contemplated by or purported to be reserved or created by a Transaction Document; and
- (c) stamp and register each Transaction Document in any relevant jurisdiction and by any person that the Bank thinks fit.

18.10 Amendment

This document may only be varied or replaced by a document executed by the parties.

18.11 Waiver and exercise of rights

- (a) A right in favour of the Bank under a Transaction Document, a breach of an obligation of the Borrower under a Transaction Document or an Event of Default can only be waived by an instrument signed by the Bank. No other act, omission or delay of the Bank constitutes a waiver binding, or estoppel against, the Bank.
- (b) A single or partial exercise or waiver by the Bank of a right relating to a Transaction Document does not prevent any other exercise of that right or the exercise of any other right.
- (c) The Bank and its Representatives are not liable for any loss, cost or expense of the Borrower caused or contributed to by the waiver, exercise, attempted exercise, failure to exercise or delay in the exercise of a right and the Bank holds the benefit of this **clause 18.11** on trust for itself and its Representatives.

18.12 Rights cumulative

The rights of the Bank under the Transaction Documents are cumulative and in addition to its other rights.

18.13 Approval and consent

Except where a Transaction Document expressly provides otherwise, the Bank may conditionally or unconditionally give or withhold any consent under a Transaction Document and is not obliged to give its reasons for doing so.

18.14 Assignment

- (a) The Borrower must not dispose of or Encumber any right under the Transaction Documents without the consent of the Bank.
- (b) The Bank may assign any of its rights or novate, sub-participate, sell-down or transfer by whatever form or otherwise deal with any or all of its rights and obligations under any Transaction Document without the consent of, or notice to, the Borrower.
- (c) If an Event of Default subsists then, in order to facilitate the Bank to deal with its rights and obligations, the Bank may (but is not obliged to), from time to time, separate and sever any of its rights (or any part of any of its rights) described in a notice given by the Bank to the Borrower from its other rights and obligations under any Transaction Document. Any such notice is effective on the time of delivery to separate and sever the rights described in the notice so that:
 - (i) those rights and obligations are independent from, and may be assigned (including at law), novated, sub-participated, sold-down, transferred or otherwise dealt with separately from, any other of the rights and obligations of the Bank under that Transaction Document;

- (ii) those rights and obligations may be exercised differently from any other rights and obligations of the Bank under that Transaction Document; and
 - (iii) the Outstanding Accommodation in respect of those rights may be calculated separately from the other Outstanding Accommodation.
- (d) If the Bank assigns its rights or transfers its rights and obligations under this document or any other Transaction Document, no Transaction Party will be required to pay any net increase in the aggregate amount of costs, Taxes, fees or charges which is a direct consequence of the assignment or transfer.

18.15 Counterparts

This document may consist of a number of counterparts and, if so, the counterparts taken together constitute one document.

18.16 Sovereign immunity

The Borrower irrevocably waives any immunity that it or its property has from:

- (a) set-off;
 - (b) legal, arbitral or administrative proceedings;
 - (c) any process or order of any court, administrative tribunal or arbitrator for the satisfaction or enforcement of a judgment, order or arbitral award or for the arrest, detention or sale of any property; or
 - (d) service on it of any process, judgment, order or arbitral award,
- on the grounds of sovereignty or otherwise under any law of any jurisdiction where any proceedings may be brought or enforced in relation to any Event of Default under a Transaction Document.

18.17 Governing law and jurisdiction

- (a) This document is governed by and is to be construed in accordance with the laws applicable in the Relevant Jurisdiction.
- (b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in the Relevant Jurisdiction and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

18.18 Telephone recording

The Borrower consents to the Bank recording any telephone conversations between it and the Bank in relation to any Facility that are customarily recorded in the finance industry or where the Borrower is notified prior to the commencement of the telephone conversation and such recordings being used in any arbitral or legal proceedings and any telephone recording remains the Bank's sole property at all times.

18.19 Legal advice

The Borrower acknowledges that, except as expressly set out in a Transaction Document:

- (a) none of the Bank or any of its advisers have given any representation or warranty or other assurance to it in relation to any Transaction Document or the transactions contemplated by any Transaction Document, including as to Tax or other effects;
- (b) it has not relied on the Bank or any of its advisers or on any conduct (including any recommendation) by the Bank or any of its advisers; and
- (c) it has obtained its own independent financial, Tax and legal advice.

18.20 Further assurances

Whenever the Bank requests a Transaction Party to do anything:

- (a) to ensure any Transaction Document (or any security interest (as defined in the PPS Act) or other Security Interest, right or power under any Transaction Document) is fully effective, enforceable and perfected with the contemplated priority;
- (b) for more satisfactorily assuring or securing to the Bank the property the subject of any such security interest or other Security in a manner consistent with the Transaction Documents; or
- (c) for aiding the exercise of any right or power in any Transaction Document,

the Transaction Party shall do it promptly at its own cost. This may include obtaining consents, getting documents completed and signed, supplying information, delivering documents and evidence of title and executed blank transfers, and giving possession or control with respect to any Secured Property.

18.21 Exclusion of certain provisions

Where there is a Security Interest under any Transaction Document:

- (a) to the extent permitted, sections 142 and 143 of the PPS Act are excluded in full and will not apply to that Security Interest and the Bank need not comply with sections 95, 118, 121(4), 125, 130, 132(3)(d), and 132(4) of the PPS Act; and
- (b) each Transaction Party waives its right to receive from the Bank any notice required under s157 of the PPS Act or the provisions of the PPS Act referred to in s144 of the PPS Act, except section 135.

This does not affect any rights a person has or would have other than by reason of the PPS Act and applies despite any other clause in any Transaction Document.

18.22 Notice of changes

Each Transaction Party agrees to notify the Bank at least 14 days before:

- (a) a Transaction Party (or if the Transaction Party is trustee of a Trust or a partner of a partnership, the Trust or the partnership) changes its name;
- (b) any ABN, ARBN or ARSN allocated to a Transaction Party (or if the Transaction Party is trustee of a Trust or a partner of a partnership, the Trust or the partnership) changes, is cancelled or otherwise ceases to apply to it (or if it does not have an ABN, ARBN or ARSN, one is allocated, or otherwise starts to apply, to it); or
- (c) the Borrower becomes trustee of a trust, or a partner in a partnership, which is not expressly contemplated in the Transaction Documents.

19 Notices

19.1 General

A notice, demand, certification, process or other communication relating to a Transaction Document must be in writing in English and may be given by an Authorised Representative of the sender.

19.2 How to give a communication

In addition to any other lawful means, a communication may be given by being:

- (a) personally delivered;
- (b) left the party's current address for notices;
- (c) sent to the party's current address for notices by pre-paid ordinary mail or, if the address is outside Australia, by pre-paid airmail; or
- (d) sent by fax to the party's current fax number for notices.

19.3 Particulars for delivery of notices

- (a) The particulars for delivery of notices are initially:

Transaction Parties:

As set out in [schedule 1](#), **Bank:**

Address: Level 17, 395 Bourke Street, Melbourne, Victoria 3000

Attention: Jonathan Kerr

- (b) Each party may change its particulars for delivery of notices by notice to each other party.

19.4 Communications by post

Subject to [clause 19.6](#), a communication is given if posted:

- (a) within Australia to an Australian address, three Business Days after posting; or
- (b) in any other case, ten Business Days after posting.

19.5 Communications by fax

Subject to **clause 19.6**, a communication is given if sent by fax when the sender's fax machine produces a report that the fax was sent to the addressee. That report is conclusive evidence that the addressee received the fax in full at the time indicated on that report.

19.6 After hours communications

If a communication is given:

- (a) after 5.00 pm in the place of receipt; or
- (b) on a day which is a Saturday, Sunday or bank or public holiday in the place of receipt, it is taken as having been given at 9.00 am on the next day which is not a Saturday, Sunday or bank or public holiday in that place.

19.7 Process service

Any process or other document relating to litigation, administrative or arbitral proceedings relating to a Transaction Document may be served on a party to this document by any method contemplated by this **clause 19.7** or in accordance with any applicable law.

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PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

THIS PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS (the "Agreement") is made and entered into as of the 4th day of September, 2019 by and between SUTTON HILL CAPITAL, L.L.C., a New York limited liability company ("Seller") and CITADEL CINEMAS, INC., a Nevada corporation ("Buyer").

WITNESSETH:

WHEREAS, Seller currently holds (i) a leasehold interest under a ground lease ("Ground Lease") for that certain real property described on Exhibit "A" attached hereto and made a part hereof, commonly known as 181 Second Avenue, Sec. 2, Block 467, Lot 31, New York, New York ("Leased Site"), (ii) an ownership interest in the building and other improvements now located on the Leased Site and described on Exhibit "B" attached hereto and made a part hereof ("Improvements"), and (iii) an ownership interest in the personal property and other equipment now located on the Leased Site ("Equipment" and, together with the Ground Lease and Improvements, the "Property");

WHEREAS, Seller has leased its interest in the Property to Buyer, pursuant to that certain Lease Agreement, dated as of July 28, 2000, by and between Seller and Buyer, as amended by that certain (i) Amended and Restated Lease Agreement, dated as of January 29, 2002, by and between Seller and Buyer, (ii) Omnibus Amendment Agreement, dated as of October 22, 2003, by and among Buyer, Seller, Nationwide Theatres Corp., Sutton Hill Associates and Reading International, Inc., (iii) Second Amendment to Amended and Restated Master Operating Lease, dated as of September 1, 2005, by and between Seller and Buyer, and (iv) Third Amendment to Amended and Restated Master Operating Lease Agreement, dated as of June 2010, by and between Seller and Buyer (collectively, the "Lease"), and the Lease grants to Buyer an irrevocable option to purchase the Property upon the terms and conditions set forth herein. Capitalized terms used, but not defined, herein shall have the meaning set forth in the Lease.

AGREEMENT:

NOW THEREFORE, for and in consideration of the sum of One Dollar (\$1.00) paid by Buyer to Seller, the receipt of which is hereby acknowledged, and in further consideration of the mutual covenants and conditions set forth herein and in the Lease, the parties agree that:

1. **Purchase Price.** The purchase price for the Property shall be the sum of Five Million Nine Hundred Thousand Dollars (\$5,900,000.00) (the "Purchase Price") and shall be payable in cash on or before one (1) business day prior to the Close of Escrow (as hereinafter defined), plus such additional sums as may be necessary for Buyer's share of escrow and other costs as set forth herein.

2. **Title.** Title to the Property shall be conveyed to Buyer, or a nominee of Buyer, by quitclaim deed in the form attached as Exhibit "C" hereto (the "Deed") with respect to the Improvements (which Deed shall be duly executed and acknowledged and shall be delivered and deposited by Seller into escrow at least two (2) Business Days prior to the Close of Escrow), a bill of sale in the form attached as Exhibit "D" hereto ("Bill of Sale") with respect to the Equipment, and an Assignment and Assumption Agreement, in the form attached as Exhibit "E" hereto (the "Assignment") with respect to the Ground Lease, subject only to the following conditions of title (the "Conditions of Title"):

- (a) a lien to secure payment of real estate taxes not delinquent;
- (b) matters affecting the condition of title suffered or created by, or with the written consent of Buyer; and
- (c) any other matters disclosed by a preliminary title report covering the Property, issued in connection with the transfer of title with respect to the Property by a title company mutually approved by the parties (the "Preliminary Title Report"), and not disapproved in writing by Buyer within fifteen (15) calendar days after receipt by Buyer of the Preliminary Title Report and all documents referred to therein; failure to disapprove any such matter within said fifteen (15) day period by giving written notice thereof to Seller and Escrow Holder shall be conclusively deemed to be the approval thereof by Buyer.

3. **"AS-IS" SALE.** Since the initial effective date of the Lease, Buyer has remained in possession of the Property continuously as tenant through the date hereof. Buyer and its representatives have had adequate opportunity to enter upon the Property and to make such inspections of the Property and matters related thereto, including the conduct of soil, environmental and engineering tests, as Buyer and its representatives desire to satisfy itself as to the condition of the Property and the existence or nonexistence or curative action to be taken with respect to any hazardous or toxic substances on or discharged from the Property, and will rely solely upon the same. Buyer further acknowledges that (i) neither Seller, nor any principal, agent, attorney, employee, broker or other representative of Seller, has made any representations or warranties of any kind whatsoever, either express or implied, with respect to the Property or any of such related matters, including, but not limited to, any warranties or representations as to habitability, merchantability or fitness for a particular purpose or as to the physical, structural or environmental conditions of the Property or its compliance with laws, and (ii) Buyer is not relying on any warranty, representation or covenant, express or implied, with respect to the Property and that Buyer is acquiring the Property in an "AS-IS, WHERE IS, WITH ALL FAULTS" condition. Buyer acknowledges that it is knowledgeable in real estate matters, and Buyer has made all of the investigations and inspections Buyer deems necessary in connection with its purchase of the Property. Upon the Close of Escrow, Buyer shall assume the risk that adverse matters, including but not limited to, construction defects and adverse physical and environmental conditions, may not have been revealed by Buyer's investigations, and Buyer, upon Close of Escrow, shall be deemed to have waived, relinquished and released Seller (and Seller's officers, directors, shareholders, employees and agents) from and against any and all claims, demands, causes of action (including causes of action in tort), losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees) of any and every kind or character, known or unknown, which Buyer might have asserted or alleged against Seller (and Seller's officers, directors, shareholder, employees and agents) at any time by reason of or arising out of the physical and environmental conditions of the land or improvements, any latent or patent construction defects, violations of any applicable laws and any and all other acts, omissions, events, circumstances or matters regarding the Property. Buyer expressly understands and acknowledges that it is possible that unknown losses or claims exist or that present losses may have been underestimated in amount or severity, and Buyer explicitly took that into account in determining the consideration for the execution of this Agreement, and a portion of said consideration, having been bargained for between the parties with the knowledge of the possibility of such unknown losses or claims, was given in exchange for a full accord, satisfaction and discharge of all such losses or claims.

4. **Escrow.**

(a) As used herein, the term "**Opening of Escrow**" shall mean the date counterparts of this Agreement shall have been executed by Buyer and Seller and delivered to any commercial escrow company mutually agreed upon by the parties (the "**Escrow Holder**"); Opening of Escrow shall be on or before a date which is five (5) Business Days after the date the Exercise Notice is delivered to Seller.

(b) As used herein, the term "**Close of Escrow**" shall be May 31, 2020, time being of the essence of this Agreement.

(c) At least 2 Business Days prior to the Close of Escrow, Seller shall deliver the following to Escrow Holder:

- (i) The Deed, duly executed and acknowledged by Seller, in recordable form, and ready for recordation;
- (ii) The Bill of Sale, duly executed by Seller;
- (iii) The Assignment, duly executed by Seller; and
- (iv) Any other documents or instruments called for hereunder which have not previously been delivered.

(d) At least 2 Business Days prior to the Close of Escrow, Buyer shall deliver the following to Escrow Holder:

- (i) The Bill of Sale, duly executed by Buyer;
- (ii) The Assignment, duly executed by Buyer; and
- (iii) Any other documents or instruments called for hereunder which have not previously been delivered.

5. **Title Insurance.** At the Close of Escrow, Escrow Holder shall furnish to Buyer a standard owner's coverage policy of title insurance, insuring title in fee simple to the Improvements and leasehold title with respect to the Leased Site, each as vested in Buyer and subject only to the Conditions of Title (the "**Title Policy**"). The Title Policy shall be in an amount equal to the Purchase Price, shall be dated as of the date and time of recordation of the Deed, and shall be issued and delivered to Buyer and Seller as promptly as practicable following such recordation. Buyer shall bear the costs of the issuance of the Title Policy.

6. **Expenses/Prorations.**

(a) Buyer shall pay all escrow fees, and all costs in connection with the recordation of the Deed.

(b) All taxes and assessments pertaining to the Property shall be paid or assumed by Buyer.

7. **Broker's Commission.** Seller warrants and represents to Buyer that Seller has not incurred any obligation for the payment of any real estate commission, finder's fee or other like sum in connection with the transactions contemplated herein, and Buyer likewise warrants and represents to Seller that Buyer has not incurred any such obligation. Buyer and Seller hereby agree to indemnify and hold the other harmless from any and all causes of action, claims, demands, suits, and expenses, including attorneys' fees, which any broker, agent, or finder, licensed or otherwise, may have or claim to have by reason of the conduct or contracts of the indemnifying party.

8. **Possession of Land.** Possession of the Property shall be delivered to Buyer at the Close of Escrow.

9. **Notices.** All written notices and demands of any kind which either party may be required or may desire to serve on the other in connection with this Agreement may be served by personal delivery or registered or certified mail, return receipt requested. Any notices or demands so served by registered or certified mail shall be deposited in the United States mail, with postage thereon fully prepaid, addressed to the other party to be so served at the address set forth in the Lease. Any such communication shall be deemed to have been given at the time of such personal delivery or seventy-two (72) hours after the mailing thereof as hereinabove provided. Any party may change the address at which it is to receive notices by so notifying the other party to this Agreement in writing.

10. **No Waiver.** The waiver by either party of any term, condition or provision of this Agreement shall not be construed as a waiver of any other or subsequent term, condition or provision of this Agreement.

11. **Time Is Of The Essence.** Time is of the essence of the parties' obligations hereunder.

12. **Gender.** Whenever the context of this Agreement so requires, the masculine gender includes the feminine and neuter, the singular in number includes the plural, and the plural number includes the singular.

13. **Attorneys' Fees.** If either party hereto commences an action against the other to enforce any of the terms hereof, the losing or defaulting party shall pay to the prevailing party reasonable attorneys' fees and costs incurred in connection with the prosecution of such action (and upon any appeal).

14. **Agreement.** This Agreement, together with the Lease, (a) constitutes the entire agreement between the parties hereto with respect to the subject matter hereof; (b) supersedes all prior or simultaneous negotiations or agreements; and (c) may not be modified, amended or otherwise changed in any manner except by a writing executed by the party to be charged.

15. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to the principles of conflicts of law.

16. **Successors and Assigns.** This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto; Buyer's rights and obligations hereunder may be assigned without the prior consent of Seller.

17. General Escrow Provisions. Escrow Holder's standard general provisions are hereby incorporated herein to the extent such provisions do not conflict with the terms and conditions contained in this Agreement.

18. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[THE REMAINDER OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

"SELLER":

SUTTON HILL CAPITAL, L.L.C.,
a New York limited liability company

By: /s/ James D. Vandever
Name: James D. Vandever
Title: Manager

"BUYER":

CITADEL CINEMAS, INC.,
a Nevada corporation

By: /s/ Ellen M. Cotter
Name: Ellen M. Cotter
Title: Chair

EXHIBIT "A"
LEGAL DESCRIPTION OF LEASED SITE

[TO BE CONFIRMED BASED ON TITLE REPORT]

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough in Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of East 12th Street and the westerly side of Second Avenue;

RUNNING THENCE southerly along said westerly side of Second Avenue 103 feet; THENCE westerly parallel with said southerly side of East 12th Street, 117 feet 3 inches;
THENCE northerly parallel with said westerly side of Second Avenue and part of the way through a party wall, 103 feet to said southerly side of East 12th Street; and

THENCE easterly along said southerly side of East 12th Street, 117 feet 3 inches to the point of place of BEGINNING;

EXCEPTING THEREFROM all buildings and improvements thereon, including without limitation, that building commonly known as Village East Cinemas.

EXHIBIT "B"
LEGAL DESCRIPTION OF IMPROVEMENTS

[TO BE CONFIRMED BASED ON TITLE REPORT]

ALL buildings and improvements, including without limitation, that building commonly known as Village East Cinemas located on that certain plot, piece or parcel of land, situate, lying and being in the Borough in Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of East 12th Street and the westerly side of Second Avenue;

RUNNING THENCE southerly along said westerly side of Second Avenue 103 feet; THENCE westerly parallel with said southerly side of East 12th Street, 117 feet 3 inches;

THENCE northerly parallel with said westerly side of Second Avenue and part of the way through a party wall, 103 feet to said southerly side of East 12th Street; and

THENCE easterly along said southerly side of East 12th Street, 117 feet 3 inches to the point of place of BEGINNING.

This space reserved for Recorder's use only.
This space reserved for Recorder's use only.

This instrument was prepared by and after recording return to:

ATTN:

QUITCLAIM DEED

(Village East Cinema, New York, NY)

THIS INDENTURE, made this _____ day of _____, 20____, between **SUTTON HILL CAPITAL, L.L.C.**, a New York limited liability company ("Grantor") and **CITADEL CINEMAS, INC.**, a Nevada corporation ("Grantee"),

WITNESSETH, THAT GRANTOR, for and in consideration of the sum of _____ and 00/100Dollars (\$ _____) and other good and valuable consideration in hand paid by Grantee, the receipt of which is hereby acknowledged, and pursuant to authority of the board of said corporation, **DOES HEREBY REMISE, RELEASE, AND QUITCLAIM UNTO GRANTEE**, its successors and assigns FOREVER, the buildings, fixtures and improvements situated in the City, County and State of New York more particularly described on **Exhibit A** attached hereto.

TOGETHER WITH all and singular hereditaments and appurtenances belonging there, or in anyway appertaining, and all the estate, right, title, interest, claim or demand whatsoever, of Grantor, either at law or in equity of, in and to the above-described premises, with the hereditaments and appurtenances,

SUBJECT TO the encumbrances and reservations described on **Exhibit B** annexed to this indenture,

TO HAVE AND TO HOLD the said premises as described above, with the appurtenances, unto Grantee, its successors and assigns forever.

IN WITNESS WHEREOF, said Grantor has caused these presents to be signed by its duly authorized officer the day and year first above written.

SUTTON HILL CAPITAL, L.L.C.,
a New York limited liability company

By:

Name:

Title:

..

IN PRESENCE OF:

SIGNATORY ACKNOWLEDGEMENT:

STATE OF NEW YORK }

COUNTY OF[***] }

On the [***] day of [***], two thousand [***], before me, the undersigned, personally appeared[***], personally known to me or proved to me to on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

WITNESS ACKNOWLEDGEMENT:

STATE OF NEW YORK }

COUNTY OF[***] }

On the [***] day of [***], two thousand [***], before me, the undersigned, personally appeared [***], the subscribing witness to the foregoing instrument, with whom I am personally acquainted, who, being by me duly sworn, did depose and say that he resides in [***]; that he knows [***] to be the individual described in and who executed the foregoing instrument; that the subscribing witness was present and said execute the same; and that said witness at the same time subscribed his name as a witness thereto.

Notary Public

- Block:
- Lot:
- County:
- Address:

RETURN BY MAIL TO:

EXHIBIT A

Legal Description

[TO BE CONFIRMED BASED ON TITLE REPORT]

ALL buildings and improvements, including without limitation, that building commonly known as Village East Cinemas located on that certain plot, piece or parcel of land, situate, lying and being in the Borough in Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of East 12th Street and the westerly side of Second Avenue;

RUNNING THENCE southerly along said westerly side of Second Avenue 103 feet; THENCE westerlyparallel with said southerly side of East 12th Street, 1 17 feet 3 inches;

THENCE northerly parallel with said westerly side of Second Avenue and part of the way through a party wall, 103 feet to said southerly side of East 12th Street; and

THENCE easterly along said southerly side of East 12th Street, 117 feet 3 inches to the point of place of BEGINNING.

EXHIBIT B

Encumbrances and Reservations

[TO BE CONFIRMED BASED ON TITLE REPORT]

EXHIBIT "D"

BILL OF SALE

FOR VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, SUTTON HILL CAPITAL, L.L.C. (together with its successors, legal representatives and assigns, "Seller") does hereby convey to CITADEL CINEMAS, INC. (together with its successors, legal representatives and assigns, "Buyer"), all of its right, title and interest in and to the personal property described in Schedule 1 attached hereto (the "Personal Property").

Notwithstanding any prior or contemporaneous oral or written representations, statements, documents or understandings, Seller makes only those representations and warranties, if any, with respect to the Personal Property that are expressly set forth in that certain Purchase and Sale Agreement and Escrow Instructions dated _____, 20__ between Seller and Buyer (the "Agreement").

Buyer hereby acknowledges receipt of the Personal Property and further acknowledges that it is receiving such Personal Property in an "As Is" condition with only those warranties, if any, that are expressly set forth in the Agreement.

Buyer hereby agrees to assume and be bound by any and all of Seller's obligations, duties and liabilities arising on or after the date hereof in connection with any and all of the assets of Seller intended to be transferred and conveyed hereby.

This Bill of Sale may be executed by Seller and Buyer in one or more counterparts, each of which when so executed and delivered shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Bill of Sale as of _____, 20__.

"SELLER":

SUTTON HILL CAPITAL, L.L.C.

By: _____

"BUYER":

CITADEL CINEMAS, INC.

By: _____

SCHEDULE!

All tangible personal property located upon the Property, including, without limitation, any and all appliances, furniture, carpeting, draperies and curtains, tools and supplies, and other items of personal property, in each case to the extent owned by Seller (excluding cash and any software), and used exclusively in connection with the operation of the Property.

EXHIBIT "E"

ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement"), dated as of 20 is made by and between SUTTON HILL CAPITAL, L.L.C. (together with its successors, legal representatives and assigns, "Assignor") and CITADEL CINEMAS, INC. (together with its successors, legal representatives and assigns, "Assignee").

RECITALS

A. Reference is made to certain Indenture of Lease dated as of January 31, 1987 between Senyar Holding Company, as landlord ("Senyar") and M-Square Theaters, Inc., as tenant ("M-Square"), the predecessor-in-interest to Assignor, covering premises at 181-189 Second Avenue, New York, New York 10003, containing the Village East Theatre ("Demised Premises"), as amended by that certain First Amendment to Lease, dated as of June 15, 1989, between Senyar and M-Square, and the letter regarding notices, dated December 20, 1993 from Senyar to M-Square (collectively, "Ground Lease").

B. Under that certain Purchase and Sale Agreement and Joint Escrow Instructions, dated as of 20 , by and between Assignor, as seller, and Assignee, as buyer (the "PSA"), Assignee has agreed to buy and such Assignor has agreed to sell, among other things, its interest in the Ground Lease. In connection with the PSA, Assignor now intends to assign all of its right, title and interest as tenant under the Ground Lease to Assignee, who intends to assume the obligations of the tenant under the Ground Lease from Assignor. Capitalized terms used herein shall have their meanings set forth in the PSA unless otherwise defined herein.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto now agree as follows:

AGREEMENT

1. Assignment. As of the Closing of Escrow, Assignor hereby transfers and assigns to Assignee all of its right, title and interest as tenant in and to the Ground Lease, including, without limitation, any possessory rights and rights to any monies which on the Closing of Escrow or thereafter become due to such Assignor from landlord under the Ground Lease.

2. Assumption. Effective on the Closing of Escrow, Assignee hereby (a) assumes the performance of all the obligations of the tenant under the Ground Leases accruing on and after the Closing of Escrow and (b) agrees to fully perform all the terms, covenants, provisions and conditions of the Ground Lease herein assigned, all with the full force and effect as if the Assignee had signed the Ground Lease originally as the named tenant therein.

ASSIGNEE ACCEPTS THE DEMISED PREMISES IN ITS CURRENT "AS-IS" CONDITION AND ACKNOWLEDGES THAT ASSIGNOR IS NOT RESPONSIBLE TO PROVIDE, AND HAS MADE NO REPRESENTATIONS OR WARRANTIES THAT IT WILL PROVIDE, ANY IMPROVEMENTS TO THE DEMISED PREMISES WHATSOEVER, AND FURTHER ACKNOWLEDGES THAT, EXCEPT AS MAY EXPRESSLY BE SET FORTH IN THE PSA, ASSIGNOR HAS NOT MADE, AND ASSIGNEE IS NOT RELYING ON, ANY

3. Indemnity. As of the Closing of Escrow, Assignee hereby agrees that it shall indemnify and save harmless Assignor from all manners of suit, actions, damages, charges and expense, including attorneys fees and court costs that Assignor may sustain by reason of Assignee's breach of any of the terms, covenants and conditions of the Ground Lease occurring on or after the Closing of Escrow.

4. Entire Agreement. This Agreement, together with the PSA, contains the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes any prior agreements, whether oral or in writing, previously entered into between the parties hereto with respect to the subject matter hereof.

5. Counterparts. This Agreement may be executed in two or more counterparts, each of which, when combined, constitutes one single, binding and valid agreement.

[Signature page follows.]

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of the day and year first set forth above.

"ASSIGNOR":

SUTTON HILL CAPITAL, L.L.C.

By: _____

"ASSIGNEE":

CITADEL CINEMAS, INC.

By: _____

Acknowledgement:

By its execution below, the undersigned, as landlord under the Ground Lease, hereby consents to this Assignment and acknowledges the continuance of the Ground Lease by and between Landlord, as landlord, and Assignee, as tenant.

"LANDLORD":

By: _____

**AMENDMENT NUMBER ONE TO
PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS**

This Amendment Number One to Purchase and Sale Agreement and Escrow Instructions (the "Amendment") is entered into as of this 12th day of March 2020 by and between Sutton Hill Capital L.L.C., a New York limited liability company ("Seller"), and Citadel Cinemas, Inc., a Nevada corporation ("Buyer"), and amends that certain Purchase and Sale Agreement and Escrow Instructions between Buyer and Seller dated as of September 3, 2019 (the "Original Agreement" and as amended by this Amendment, the "Amended Agreement"), with reference to the following facts.

Whereas, Buyer desires to postpone the Close of Escrow for a period of one (1) year; and Whereas, Seller is willing to accommodate such desire on the part of Buyer;

Now, therefore, in consideration of the above stated premises, the terms and provisions of this Agreement, and other good and valid consideration, the receipt of sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows

1. Any term not specifically defined in this Amendment shall have the same meaning as set forth in the Original Agreement or the Lease, as applicable.
 2. Section 4(b) of the Original Agreement is hereby amended read as follows: "As used herein the term "**Close of Escrow**" shall be on or about May 31, 2021, time being of the essence of this Agreement."
 3. The Lease is hereby amended as follows:
 - a. The term of the Lease is extended to and including January 31, 2022, and
 - b. The Put Period is extended to and including December 4, 2021.
 4. This Agreement, as amended by the Amendment, and the Lease, as also amended by this Amendment, (a) constitutes the entire agreement of the parties hereto with respect to the subject matter hereof, (b) supersedes all prior or simultaneous negotiations or agreements; and (c) may not be modified, amended or changed in any manner except by a writing executed by the party to be charged."
 5. Seller's obligation under this Agreement to purchase the Property is hereby guaranteed by Reading International, Inc. ("Guarantor").
 6. Purchaser and Seller agree that their respective obligations under this Agreement and the Lease may be specifically enforced, without any showing that monetary damages would not be sufficient.
-

7. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
8. The effectiveness of this Amendment is subject to the approval of the Audit and Conflicts Committee of the Board of Directors of Reading International, Inc., and if not approved by March 25, 2020 shall be null and void and of no force or effect.
9. Except as specifically set forth herein, the Original Agreement and the Lease continue in full force and effect, unamended and unmodified. This Amendment is made on the express condition that nothing herein contained shall in any way be construed as affecting, impairing or waiving any rights of the parties under the Original Agreement and/or the Lease, except as specifically amended pursuant to this Amendment.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered as of the date first set forth above.

SELLER

Sutton Hill Capital, L.L.C.

A New York limited liability company

By: /s/ James D. Vandever

Name: James D. Vandever

Its: Manager

PURCHASER

Citadel Cinemas, Inc.

A Nevada corporation

By: /s/ Gilbert Avanes

Name: Gilbert Avanes

Its: Manager

GUARANTOR

Reading International, Inc.

A Nevada corporation

By: /s/ Gilbert Avanes

Name: Gilbert Avanes

Its: Manager

**AMENDMENT NUMBER TWO
TO
PURCHASE AND SALE AGREEMENT AND
ESCROW INSTRUCTIONS**

This Amendment Number Two to Purchase and Sale Agreement and Escrow Instructions (the "Amendment Number Two") is entered into as of this 30th day of June 2021 by and between Sutton Hill Capital L.L.C., a New York limited liability company ("Seller"), and Citadel Cinemas, Inc., a Nevada corporation ("Buyer"), and amends that certain Purchase and Sale Agreement and Escrow Instructions between Buyer and Seller dated as of September 3, 2019 (the "Original Agreement"), as amended by that certain Amendment Number One to Purchase and Sale Agreement and Escrow Instructions entered into as of March 12, 2020 (the "Amendment Number One," together with the Original Agreement, the "Amended Agreement", and as amended by this Amendment Number Two, the "Further Amended Agreement").

RECITALS

- A. WHEREAS, Buyer desires to postpone the Close of Escrow to a date on or before January 1, 2023 and amend the Lease; and
- B. WHEREAS, Seller is willing to accommodate such desire on the part of the Buyer.

NOW, THEREFORE, in consideration of the above stated premises, the terms and provisions of this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

AGREEMENT.

- 1. Any term not specifically defined in this Amendment Number Two shall have the same meaning as set forth in the Amended Agreement or the Lease, as applicable.
 - 2. Section 4(b) of the Amended Agreement is hereby amended to read as follows: "As used herein the term "**Close of Escrow**" shall be on or before January 1, 2023, time being of the essence of this Agreement."
 - 3. The lease is hereby amended as follows:
 - a. The term of the Lease is extended to and including September 1, 2023;
 - b. The Put Period is extended to and including December 4., 2023;
 - c. Tenant shall make a lump sum payment on or before July 1., 2021 in the amount of Six Hundred Fourteen Thousand Five Hundred Seventy Five Dollars and 00/100 (\$614,575.00) (the "Lump Sum Payment") in full satisfaction of all outstanding Basic Rent obligations for calendar years 2020 and 2021;
-

4. Tenant shall re-commence payment of Basic Rent in the amount of \$49,166 per month on April 1, 2021; and
- a. Reading International, Inc. guarantees Tenant's payment of the Lump Sum Payment and monthly rent of \$49,166 from April 1, 2021.
5. This Further Amended Agreement and the Lease, as also amended by this Further Amended Agreement, (a) constitutes the entire agreement of the parties hereto with respect to the subject matter hereof; (b) supersedes prior or simultaneous negotiations or agreements; and (c) may not be modified amended or changed in any manner except by a writing executed by the party to be charged.
6. This Amendment Number Two may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
7. Except as specifically set forth herein, the Amended Agreement and the Lease continue in full force and effect, unamended and unmodified. This Amendment Number Two is made on the express condition that nothing herein contained shall in any way be construed as affecting, impairing or waiving any rights of the parties under the Amended Agreement and the Lease, except as specifically amended pursuant to this Amendment Number Two.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Number Two to be executed and delivered as of the date first set forth above.

SELLER
 Sutton Hill Capital, L.L.C.
 A New York limited liability company
 By: /s/ James D. Vandever
 Name: James D. Vandever
 Its: Manager

BUYER
 Citadel Cinemas, Inc.
 A Nevada corporation
 By: /s/ Gilbert Avanes
 Name: Gilbert Avanes
 Its: Chief Financial Officer and Treasurer

AGREED TO AND ACKNOWLEDGED BY:
GUARANTOR AS TO ITS OBLIGATIONS UNDER SECTION 3(e)

Reading International, Inc.

A Nevada corporation

By: /s/ Gilbert Avanes

Name: Gilbert Avanes

Its: Executive Vice President,
Chief Financial Officer and Treasurer

**AMENDMENT NUMBER THREE TO
PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS**

This Amendment Number Three to Purchase and Sale Agreement and Escrow Instructions (the "Amendment Number Three") is entered into as of this 4th day of November, 2022 by and between Sutton Hill Capital L.L.C., a New York limited liability company ("Seller"), and Citadel Cinemas, Inc., a Nevada corporation ("Buyer"), and amends that certain Purchase and Sale Agreement and Escrow Instructions between Buyer and Seller dated as of September 3, 2019 (the "Original Agreement"), as amended by that certain Amendment Number One to Purchase and Sale Agreement and Escrow Instructions entered into as of March 12, 2020 (the "Amendment Number One") and that certain Amendment Number Two to Purchase and Sale Agreement and Escrow Instructions entered into as of June 30, 2021 (the "Amendment Number Two" and together with the Original Agreement, and the Amendment Number One, the "Amended Agreement," and as amended by this Amendment Number Three, the "Further Amended Agreement").

RECITALS

A. WHEREAS, Buyer desires to postpone the Close of Escrow to a date on or before July 1, 2024 and amend the Lease; and

B. WHEREAS, Seller is willing to accommodate such desire on the part of the Buyer.

NOW, THEREFORE, in consideration of the above stated premises, the terms and provisions of this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

AGREEMENT

1. Any term not specifically defined in this Amendment Number Three shall have the same meaning as set forth in the Amended Agreement or the Lease, as applicable.
2. Section 4(b) of the Amended Agreement is hereby amended to read as follows: "As used herein the term "**Close of Escrow**" shall be on or before July 1, 2024, time being of the essence of this Agreement."
3. The Lease is hereby amended as follows:
 - a. The term of the Lease is extended to and including September 1, 2025;
 - b. The Put Period is extended to and including December 4, 2025; and

c. Reading International, Inc. shall guaranty (i) Tenant's payment of the monthly rent of \$49,166 through the end of the Lease and (ii) Tenant's performance of its obligations under this Further Amended Agreement and the Lease.

4. This Further Amended Agreement and the Lease, as also amended by this Further Amended Agreement, (a) constitutes the entire agreement of the parties hereto with respect to the subject matter hereof; (b) supersedes prior or simultaneous negotiations or agreements; and (c) may not be modified amended or changed in any manner except by a writing executed by the party to be charged.
5. This Amendment Number Three may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
6. Except as specifically set forth herein, the Amended Agreement and the Lease continue in full force and effect, unamended and unmodified. This Amendment Number Three is made on the express condition that nothing herein contained shall in any way be construed as affecting, impairing or waiving any rights of the parties under the Amended Agreement and the Lease, except as specifically amended pursuant to this Amendment Number Three.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Number Three to be executed and delivered as of the date first set forth above.

SELLER

Sutton Hill Capital, L.L.C.

A New York limited liability company

By: /s/ James D. Vandever

Name: James D. Vandever

Its: Manager

PURCHASER

Citadel Cinemas, Inc.

A Nevada corporation

By: /s/ Gilbert Avanes

Name: Gilbert Avanes

Its: Chief Financial Officer

AGREED TO AND ACKNOWLEDGED BY:

GUARANTOR

Reading International, Inc.

A Nevada corporation

By: /s/ Gilbert Avanes

Name: Gilbert Avanes

Its: Chief Financial Officer

**AMENDMENT NUMBER FOUR TO
PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS**

This Amendment Number Four to Purchase and Sale Agreement and Escrow Instructions (the "Amendment Number Three") is entered into as of this 8th day of August 2024 by and between Sutton Hill Capital L.L.C., a New York limited liability company ("Seller"), and Citadel Cinemas, Inc., a Nevada corporation ("Buyer"), and amends that certain Purchase and Sale Agreement and Escrow Instructions between Buyer and Seller dated as of September 3, 2019 (the "Original Agreement"), as amended by that certain Amendment Number One to Purchase and Sale Agreement and Escrow Instructions entered into as of March 12, 2020 (the "Amendment Number One") and that certain Amendment Number Two to Purchase and Sale Agreement and Escrow Instructions entered into as of June 30, 2021 (the "Amendment Number Two") and November 4, 2022 (the "Amendment Number Three" and together with the Original Agreement, and the Amendment Number One, the Amendment Number Two and the Amendment Number Three the "Amended Agreement," and as amended by this Amendment Number Four, the "Further Amended Agreement").

RECITALS

A. WHEREAS, Buyer desires to postpone the Close of Escrow to a date on or before November 30, 2024 and amend the Lease; and

B. WHEREAS, Seller is willing to accommodate such desire on the part of the Buyer.

NOW, THEREFORE, in consideration of the above stated premises, the terms and provisions of this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

AGREEMENT

1. Any term not specifically defined in this Amendment Number Four shall have the same meaning as set forth in the Amended Agreement or the Lease, as applicable.
2. Section 4(b) of the Amended Agreement is hereby amended to read as follows: "As used herein the term "**Close of Escrow**" shall be on or before November 30, 2024, time being of the essence of this Agreement."
3. The Lease is hereby amended as follows:

- a. The term of the Lease is extended to and including September 1, 2026; and
 - b. The Put Period is extended to and including December 4, 2026.
 - c. Reading International, Inc. shall guaranty (i) Tenant's payment of the monthly rent of \$49,166 through the end of the Lease and (ii) Tenant's performance of its obligations under this Further Amended Agreement and lease.
4. This Amended Agreement and the lease, as also amended by this Further Amended Agreement, (a) constitutes the entire agreement of the parties hereto with respect to the subject matter hereof; (b) supersedes prior or simultaneous negotiations or agreements; and (c) may not be modified amended or changed in any manner except by a writing executed by the party to be charged.
 5. This Amendment Number Four may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
 6. Except as specifically set forth herein, the Amended Agreement and the Lease continue in full force and effect, unamended and unmodified. This Amendment Number Three is made on the express condition that nothing herein contained shall in any way be construed as affecting, impairing or waiving any rights of the parties under the Amended Agreement and the lease, except as specifically amended pursuant to this Amendment Number Four.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Number Three to be executed and delivered as of the date first set forth above.

SELLER

Sutton Hill Capital, L.L.C.

A New York limited liability company

By: /s/ James D. Vandever

Name: James D. Vandever

Its: Manager

PURCHASER

Citadel Cinemas, Inc.

A Nevada corporation

By: /s/ Gilbert Avanes

Name: Gilbert Avanes

Its: Chief Financial Officer

AGREED TO AND ACKNOWLEDGED BY:

GUARANTOR

Reading International, Inc.

A Nevada corporation

By: /s/ Gilbert Avanes

Name: Gilbert Avanes

Its: Chief Financial Officer

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO EXCHANGE ACT RULE 13a-14(a)/15d-14(a) AS ADOPTED
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Ellen M. Cotter, certify that:

- 1) I have reviewed this Quarterly Report on Form 10-Q of Reading International, Inc.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Ellen M. Cotter
Ellen M. Cotter
President and Chief Executive Officer
May 15, 2025

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO EXCHANGE ACT RULE 13a-14(a)/15d-14(a) AS ADOPTED
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Gilbert Avanes, certify that:

- 1) I have reviewed this Quarterly Report on Form 10-Q of Reading International, Inc.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Gilbert Avanes
Gilbert Avanes
Executive Vice President, Chief Financial Officer and Treasurer
May 15, 2025

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Ellen M. Cotter, Chief Executive Officer, and Gilbert Avanes, Chief Financial Officer, of Reading International, Inc. (the "Company"), pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, do each hereby certify, that, to his or her knowledge:

- The Quarterly Report on Form 10-Q for the period ended March 31, 2025 (the "Report") of the Company fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Dated: May 15, 2025

/s/ Ellen M. Cotter
Name: Ellen M. Cotter
Title: President and Chief Executive Officer

/s/ Gilbert Avanes
Name: Gilbert Avanes
Title: Executive Vice President, Chief Financial Officer and Treasurer
