



NEWS RELEASE

WMG Acquisition Corp. Announces Launch of Senior Secured Notes Offering and Cash Tender Offer and Consent Solicitation for Any and All Outstanding 5.000% Senior Secured Notes due 2023

2020-06-16

NEW YORK, June 16, 2020 (GLOBE NEWSWIRE) -- Warner Music Group Corp. ("Warner Music Group" or "WMG") today announced that through its wholly owned subsidiary WMG Acquisition Corp. (the "Company") it has commenced a private offering (the "Secured Notes Offering") of senior secured notes (the "New Notes").

The New Notes will be offered in a private offering exempt from the registration requirements of the United States Securities Act of 1933, as amended (the "Securities Act"). The New Notes will be offered only to qualified institutional buyers pursuant to Rule 144A and to certain persons outside the United States pursuant to Regulation S, each under the Securities Act.

The New Notes have not been registered under the Securities Act and may not be offered or sold within the United States absent registration or an applicable exemption from the registration requirements.

Concurrent with the commencement of the Secured Notes Offering, the Company announced that it has commenced a tender offer to purchase for cash any and all of its outstanding debt securities listed in the table below (the "2023 Notes"). In conjunction with the tender offer, the Company is soliciting consents ("Consents") to the adoption of certain proposed amendments to the indenture governing the 2023 Notes to, among other things, eliminate substantially all of the restrictive covenants, certain events of default and other related provisions.

Capitalized terms used herein and not defined herein have the meaning given to them in the Company's Offer to

Purchase and Consent Solicitation Statement dated as of June 16, 2020.

The 2023 Notes and material pricing terms for the tender offer are set forth in the table below.

CUSIP / ISIN Nos.	Outstanding Principal Amount	Issuer	Title of Security	Purchase Price (1)(2)	Consent Payment (1)(2)	Total Consideration (1)
92933B AK0 / US92933BAK08	\$300,000,000	WMG Acquisition Corp	5.000% Senior Secured Notes due 2023	\$986.23	\$30.00	\$1,016.23
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(1) Per \$1,000 principal amount of Notes and excluding Accrued Interest, which will be paid in addition to the Total Consideration or Purchase Price, as applicable, up to the applicable Payment Date (as defined below).

(2) Included in Total Consideration.

The tender offer will expire at 12:00 a.m., New York City time, on July 14, 2020, unless extended (such time and date, as the same may be extended, the "Expiration Time"). Holders of 2023 Notes must validly tender (and not validly withdraw) their 2023 Notes and validly deliver (and not validly revoke) their corresponding Consents at or prior to 5:00 p.m., New York City time, on June 29, 2020, unless extended (such time and date, as the same may be extended, the "Consent Time"), to be eligible to receive the Total Consideration, which includes the Consent Payment, as set forth in the table above. Holders who tender their 2023 Notes after the Consent Time and prior to the Expiration Time will be eligible to receive the Purchase Price as set forth in the table above, but not the Consent Payment. Tendered 2023 Notes may be withdrawn and Consents may be revoked at or prior to the "Withdrawal Deadline", which is the earlier of (a) the "Effective Time" (as defined below) and (b) the Expiration Time. The Company intends to execute a supplemental indenture with respect to the indenture governing the 2023 Notes promptly following the receipt of the Requisite Consents (as defined below). The time and date on which the supplemental indenture with respect to the indenture is executed is referred to as the "Effective Time" for the tender offer. The Effective Time with respect to the tender offer may occur prior to the Consent Time. A Holder cannot deliver a Consent without tendering its corresponding 2023 Notes or tender its 2023 Notes without delivering a corresponding Consent.

Upon the terms and conditions described in the Offer to Purchase and Consent Solicitation Statement and the related Consent and Letter of Transmittal, payment for 2023 Notes accepted for purchase in the tender offer will be made (1) with respect to 2023 Notes validly tendered and not validly withdrawn at or prior to the Consent Time, promptly after acceptance of such 2023 Notes for purchase, which will occur promptly following the satisfaction or

waiver of the conditions to the tender offer, including the receipt by the Company of net proceeds from the Secured Notes Offering on terms and conditions satisfactory to the Company (the “Debt Financing Transactions”) and (2) with respect to 2023 Notes validly tendered after the Consent Time but at or before the Expiration Time, promptly after acceptance of such 2023 Notes for purchase, which will occur promptly following such Expiration Time. However, as the Company intends to accept 2023 Notes validly tendered and not validly withdrawn at or prior to the Consent Time promptly following the consummation of the Debt Financing Transactions, the Company may extend the Expiration Time and, consequently, the date or dates of acceptance for the 2023 Notes tendered and the corresponding date or dates of payment as necessary for this to occur. We currently expect the Initial Payment Date for the Notes to be June 30, 2020.

The tender offer and consent solicitation may be amended, modified or terminated by the Company in its sole discretion.

In addition to the Total Consideration or Purchase Price, as applicable, holders of 2023 Notes tendered and accepted for payment will receive accrued and unpaid interest on such 2023 Notes from the last interest payment date for the 2023 Notes up to, but not including, the applicable payment date (“Accrued Interest”).

The consummation of the tender offer is conditioned upon the timely receipt of Consents at or prior to the Consent Time from holders of at least a majority of the outstanding aggregate principal amount of the 2023 Notes (with respect to the indenture, the “Requisite Consents”). In addition, consummation of the tender offer is conditioned upon the consummation of the Debt Financing Transactions. The tender offer is also subject to the satisfaction or waiver of certain other conditions as set forth in the Offer to Purchase and Consent Solicitation Statement.

The Company currently intends to issue, on or about the Initial Payment Date, a notice of redemption for all of the 2023 Notes that are not accepted for purchase in the tender offer and consent solicitation. The notice of redemption may be subject to one or more conditions. Upon the satisfaction of such conditions, any 2023 Notes that remain outstanding on the redemption date specified in the notice of redemption will be redeemed. We currently expect to redeem any 2023 Notes that are not accepted for purchase in the tender offer and consent solicitation on or about August 1, 2020 at the then-applicable redemption price of 101.250%. 2023 Notes acquired by the Company in the tender offer and consent solicitation will be canceled and holders of such 2023 Notes will not be entitled to any payment in connection with such redemption. There can be no assurance as to whether we will redeem the 2023 Notes.

Concurrent with the commencement of the Secured Notes Offering, the Company intends to issue a conditional notice of redemption for all of its outstanding 4.875% Senior Secured Notes due 2024 (the “4.875% Notes”) and 4.125% Senior Secured Notes due 2024 (the “4.125% Notes” and, together with the 4.875% Notes, the “2024 Notes”; the 2023 Notes, the 2024 Notes and the New Notes, together, are referred to herein as the “Notes”). Each notice of

redemption will be conditioned upon, among other things, the consummation of the Debt Financing Transactions. Upon the satisfaction of such conditions, 2024 Notes that are outstanding on the redemption date specified in the notice of redemption will be redeemed. We currently expect to redeem all of the outstanding 4.125% Notes at the then-applicable redemption price of 103.094% and all of the outstanding 4.875% Notes at the then-applicable redemption price of 103.656%. In the event that the conditions specified in the notice of redemption are not satisfied, the redemption will not occur.

This announcement is not an offer to purchase, a solicitation of an offer to sell or purchase, or a solicitation of an offer to sell or purchase securities with respect to the Notes and shall not constitute an offer, solicitation or sale in any state or jurisdiction in which, or to any person to whom such an offer, solicitation or sale would be unlawful. The tender offer and consent solicitation are only being made pursuant to the terms of the Offer to Purchase and Consent Solicitation Statement and the related Consent and Letter of Transmittal and the Secured Notes Offering is being made only by the Offering Circular being sent to prospective investors.

The complete terms and conditions of the tender offer and consent solicitation are set forth in an Offer to Purchase and Consent Solicitation Statement that is being sent to holders of the 2023 Notes. Holders are urged to read the tender offer documents carefully before making any decision with respect to the tender offer and consent solicitation. Holders of 2023 Notes must make their own decisions as to whether to tender their 2023 Notes and provide the related Consents, and if they decide to do so, the principal amount of the 2023 Notes to tender.

The Company has engaged Credit Suisse Securities (USA) LLC as Dealer Manager for the tender offer and as Solicitation Agent for the consent solicitation. Questions and requests for assistance regarding the tender offer and consent solicitation should be directed to Credit Suisse Securities (USA) LLC at (212) 325-2476 (collect) or (800) 820-1653 (toll free). Requests for copies of the Offer to Purchase and Consent Solicitation Statement or other tender offer materials may be directed to D.F. King & Co., Inc., the Information Agent and Depositary, at (888) 628-8208 (toll free) or (212) 269-5550 (Banks and Brokers) or via wmg@dfking.com.

None of the Company, the Dealer Manager and Solicitation Agent, the Information Agent and Depositary or any other person makes any recommendation as to whether holders of 2023 Notes should tender their 2023 Notes or provide the related Consents, and no one has been authorized to make such a recommendation.

About Warner Music Group

With a legacy extending back over 200 years, Warner Music Group (WMG) today brings together artists, songwriters and entrepreneurs that are moving entertainment culture across the globe. Operating in more than 70 countries through a network of affiliates and licensees, WMG's Recorded Music division includes renowned labels such as Asylum, Atlantic, Big Beat, Canvasback, Elektra, Erato, First Night, Fueled by Ramen, Nonesuch, Parlophone, Reprise,

Rhino, Roadrunner, Sire, Spinnin', Warner Records, Warner Classics and Warner Music Nashville. WMG's music publishing arm, Warner Chappell Music, has a catalog of more than 1.4 million musical compositions spanning every musical genre, from the standards of the Great American Songbook to the biggest hits of the 21st century. Warner Music Group is also home to ADA, the independent artist and label services company, as well as consumer brands such as Songkick the live music app, EMP the merchandise e-tailer, and UPROXX the youth culture destination.

This communication includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include statements regarding expectations as to the completion of the Debt Financing Transactions, the transactions contemplated by the tender offer for the 2023 Notes and the redemption of the 2024 Notes. The forward-looking statements contained herein involve risks and uncertainties that could cause actual results to differ materially from those referred to in the forward-looking statements. More information about Warner Music Group and other risks related to Warner Music Group are detailed in Warner Music Group's most recent annual report on Form 10-K and its quarterly reports on Form 10-Q and current reports on Form 8-K as filed with the Securities and Exchange Commission. Warner Music Group does not undertake an obligation to update forward-looking statements.

Warner Music Group maintains an Internet site at www.wmg.com. Warner Music Group uses its website as a channel of distribution of material Company information. Financial and other material information regarding Warner Music Group is routinely posted on and accessible at <http://investors.wmg.com>. In addition, you may automatically receive email alerts and other information about Warner Music Group by enrolling your email address through the "email alerts" section at <http://investors.wmg.com>. Warner Music Group's website and the information posted on it or connected to it shall not be deemed to be incorporated by reference into this communication.

Additional factors that may affect future results and conditions are described in Warner Music Group's filings with the SEC, which are available at the SEC's web site at www.sec.gov or at Warner Music Group's website at www.wmg.com.

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