Skydive the Beach
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AGENDA

① Overview

② 1H17 Financial Performance and Commentary

③ 1H17 Highlights

④ FY17 Outlook and Guidance

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FINANCIAL PERFORMANCE - 1H17

	1H17	1H16	1H17 vs 1H16 (%)
Revenue ($m)	39.1	24.5	59.1%
EBITDA ($m)	8.2	4.4	82.2%
EBITDA (%)	21.0%	18.0	16.7%
NPAT ($m)	3.6	2.6	37.4%
NPAT (%)	9.2%	10.6	(13.2%) *
Net cash provided from operating activities	6.5	2.2	192.1%

* 1H16 tax rate was lower than the corporate rate of 30% (actual 18%) due to the impact of asset revaluation reserves and deferred tax liabilities post 30 June 2015

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FINANCIAL PERFORMANCE FOR 1H17 (CONT)

UNDERLYING NPAT	1H17 ACTUAL	UNDERLYING EBITDA	1H17 ACTUAL
Revenue ($m)	39.1	Revenue ($m)	39.1
NPAT ($m)	3.6	EBITDA ($m)	8.2
NPAT (%)	9.2%	EBITDA (%)	21.0%
One-off items * ($m)	0.6	One-off items * ($m)	0.6
Underlying NPAT ($m)	4.0	Underlying EBITDA ($m)	8.8
Underlying NPAT (%)	10.2%	Underlying EBITDA (%)	22.5%

* One off items include: costs relating to the acquisition of Skydive Wanaka and Raging Thunder Adventures and rebranding costs

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BY SEGMENT - 1H17

	AUS	NZ	TOTAL
Revenue ($m) 1H17	27.1	12.0	39.1
Revenue ($m) 1H16	22.0	2.5	24.5
Growth (%)	23.2%	361.5%	59.1%
Organic Growth (%) *	12.3%	10.1%	11.9%
EBITDA ($m) 1H17	4.6	3.6	8.2
EBITDA ($m) 1H16	3.4	1.0	4.4
Growth (%)	35.2%	260.0%	82.2%
Organic Growth (%) *	20.6%	13.7%	16.0%

* Organic growth is comparing Revenue and EBITDA from operations in 1H17 that formed part of SKB operations during 1H16






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COMMENTARY ON 1H17 RESULTS

- Revenue up 59.1% across the SKB business
- EBITDA up 82.2% across the SKB business
- Cash from operating activities up 192.1% across the SKB business
- Skydiving operations overview:
  - Bookings up 54.3% (27.3% organic growth)
  - Tandem skydives up 54.7% (Total organic growth 15.1%; AUS dropzones organic growth 16.2%, NZ dropzones organic growth 11.4%)
  - Processing rates at 78.4% (1H16 was 82.5%)

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COMMENTARY (CONT)

- Raging Thunder operations overview:
  - Passengers up 3.6% across the Raging Thunder Adventures business
  - EBITDA accretive from day 1
  - Tully River experienced a 4-year turbine maintenance shutdown for the 3 months prior to SKB acquiring Raging Thunder Adventures (historically 3-5 weeks) and as such bookings and passengers were lower than the same period last year (November – December) Bookings will take a while to get to normal historical levels
  - Barron River experienced various shutdowns due to low water levels and as a result was shut down for 3 days out of 7 for the month of December

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COMMENTARY (CONT)

- Skydive Wanaka operations overview:
  - Tandem skydives up on historical numbers by 18.3%
  - EBITDA accretive from day 1
  - Additional aircraft purchased and now in service
  - Additional equipment purchased, some in service, some awaiting delivery
  - Process has begun to get the entire NZ operation under the 1 system for Civil Aviation Authority of NZ purposes
  - Queenstown shop now sells Skydive Wanaka (previously just NZone Skydive)

HIGHLIGHTS FOR 1H17

- Successful completion and integration of Skydive Wanaka
  - Acquisition completed 1 July 2016
- Raised $19.6m, oversubscribed by strong investor base
- Deployment of capital to acquire:
  - Raging Thunder Adventures (Far North Queensland, Australia) for $15.45m
  - Purchase of additional large Buses





HIGHLIGHTS (CONT)

- Growth delivered organically, through acquisition and through further start-ups
  - Tracking in line with management expectations
  - Skydiving operations passengers and bookings increased YOY
  - Raging Thunder operations passengers and bookings increased YOY
  - 3 new dropzones for skydiving operations (Fraser Island, Bribie Island, Noosa)
  - 1 new product for Raging Thunder operations (Sunset Adventure cruise)
- Dividend paid for the FY16 year, 1c per share

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HIGHLIGHTS (CONT)

- Record day at Wollongong dropzone
  - 30 December 2016 – 327 tandem skydives (previously 286)

- Record days across all skydiving sites – 3 largest concurrent days ever
  - 28 December 2016 – 1,280 tandem skydives
  - 29 December 2016 – 1,095 tandem skydives
  - 30 December 2016 – 1,359 tandem skydives
  - Total 3,734 tandem skydives over 3 days (previous best 3 day block was 2,829)

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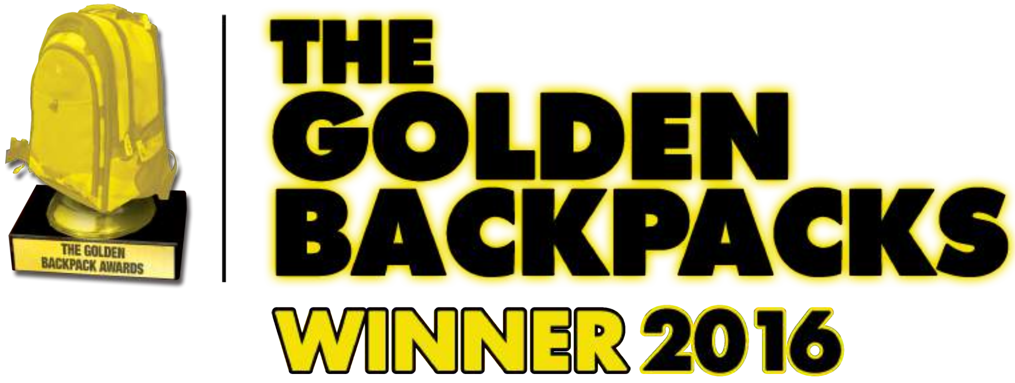
HIGHLIGHTS (CONT)

- 2016 Golden Backpacks Awards

Skydive Australia took out the top prize for “Best Tour Activity in NSW” and also the main award of the night, “Best Tourism Activity – Australia-wide” (The Golden Backpack Awards are the original and most established awards dedicated to the independent travel sector and reward companies) Previous winners include Sydney Bridge Climb and Uluru.



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REBRANDING UNDER WAY

FY17 OUTLOOK AND GUIDANCE

	FY17	FY16	FY17 vs FY16 (%)
Revenue ($m)	89.8	58.5	53.5%
EBITDA ($m)	21.8	13.5	61.5%
EBITDA (%)	24.3%	23.1%	5.2%





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FY17 OUTLOOK AND GUIDANCE

	1H17	2H17	FY17
Revenue ($m)	39.1	50.7	89.8
EBITDA ($m)	8.2	13.6	21.8
EBITDA (%)	21.0%	26.8%	24.3%

Intention to maintain the payment of a dividend in line with company's dividend policy

FOUR KEY STRATEGIC PRIORITIES DRIVING FUTURE GROWTH

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Acquisitions

Efficiencies

Skydive the Beach

AND BEYOND

Diversification

Further Start ups





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MORE INFORMATION

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