

**EVENT**

HOSPITALITY & ENTERTAINMENT



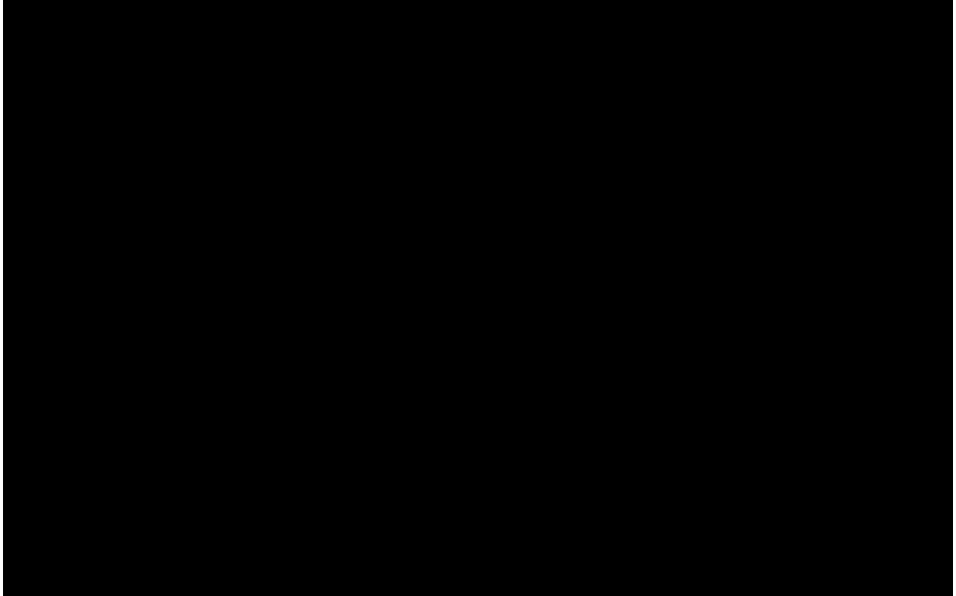
# Results presentation

22 August 2022

Year ended 30 June 2022

**2:00pm (AEST)**

Monday 22 August 2022



## Webcast

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Access a webcast of the briefing at <https://webcast.openbriefing.com/8999/>

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## Dial-in

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Pre-register at <https://s1.c-conf.com/DiamondPass/10023936-hg72yz.html>

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After pre-registering you will receive details for the telephone number to call and a unique code to be quoted when dialling in

# Overview

## Normalised EBITDA \$138.3m

+\$111.1m improvement

## New operating models delivering margin growth

## \$275.3m divested

+28% above recent valuations

## Net debt down

To \$210.4m (below pre-COVID level)

## Outlook

Proven demand and evidence of recovery, cost headwinds being managed

# 1

## Normalised EBITDA improvement from \$27.2 million in 2021 to \$138.3 million in 2022

Recovery achieved across all divisions despite materially greater COVID restrictions in H1.

2H revenue excluding subsidies up 31.3% on 1H and up 58.8% on the prior year 2H.

# 2

## Divestment goal exceeded: \$275.3 million

Gross proceeds to date exceeded most recent valuations by 28% including North Sydney.

# 3

## Strong balance sheet

Improved trading and divestments reduced net debt to \$210.4 million, below pre-COVID-19 levels – excluding \$75 million from North Sydney.

Strong position to progress growth projects and capitalise on opportunities that may arise.

# 4

## Outlook positive

Recovery in demand demonstrated in 2H and expected to continue.

International travel recovery expected FY23/24. Recovery subject to typical pre-COVID factors (weather conditions, film line-up).

Headwinds from energy and insurance costs, other cost and external pressures being actively managed.

# Group Overview

Very strong 2H rebound after 1H impact of lockdowns.

**Group revenue \$953.8m, up 46.0% on prior year. Underlying revenue up 36.4% excluding German Bridging Aid programs.**

Entertainment benefited from blockbuster releases - 2 of the top 5 of all time in AU.

Hotels achieved greater than fair market share and record ARR growth, hotel occupancy down on prior year due to lockdowns, Q4 occupancy stabilised in the mid 70s.

Thredbo's new business model delivered good results before Government mandated closure, strong summer and good start to 2022 winter.

Underlying unallocated costs down on FY19 pre-COVID period (-3.7%). Increase relates primarily to insurance premiums, no JobKeeper.

Normalised EBITDA \$138.3m, excluding German Bridging Aid subsidies up \$48.1m to \$75.3m.

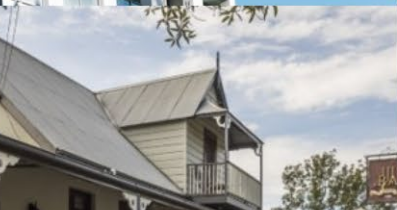
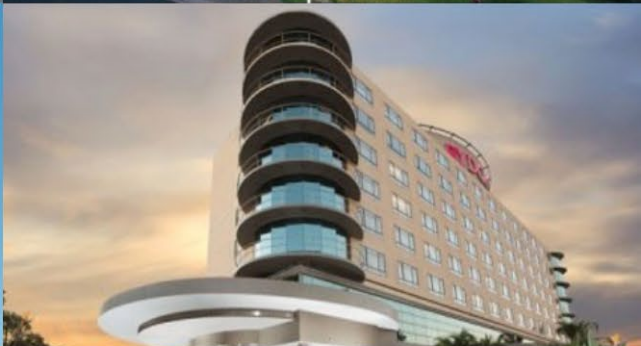
	2021 \$000	2022 \$000	VARIANCE \$000
<b>Entertainment</b>			
Australia	(3,280)	30,446	33,726
New Zealand	(3,120)	1,760	4,880
Germany	(33,616)	75,630	109,246
<b>Hospitality</b>			
Hotels and Resorts	33,449	26,576	(6,873)
<b>Leisure</b>			
Thredbo Alpine Resort	29,775	16,292	(13,483)
<b>Property</b>			
Property and Other Investments	16,748	7,790	(8,958)
<b>Unallocated expenses</b>	(12,735)	(20,185)	(7,450)
<b>Normalised EBITDA<sup>1</sup></b> (before depreciation, amortisation, AASB 16, interest and tax)	<b>27,221</b>	<b>138,309</b>	<b>111,088</b>
<b>Depreciation and amortisation</b> (excluding AASB 16 amortisation)	(78,282)	(76,816)	
<b>Normalised profit<sup>2</sup></b> (before AASB 16, interest and tax)	<b>(51,061)</b>	<b>61,493</b>	<b>112,554</b>
Net AASB 16 impact (including AASB 16 interest)	(7,963)	(4,802)	
Net interest costs (excluding AASB 16 interest)	(17,914)	(15,994)	
Income tax benefit	17,128	2,084	
Individually significant items – net of tax	11,774	10,541	
<b>Total reported net profit</b>	<b>(48,036)</b>	<b>53,322</b>	<b>101,358</b>

1. Normalised EBITDA is profit before depreciation, amortisation, the impact of AASB 16 *Leases*, interest, tax and individually significant items. Normalised EBITDA is an unaudited non-International Financial Reporting Standards ("IFRS") measure.
2. Normalised profit is profit before the impact of AASB 16 *Leases*, interest, tax and individually significant items. Normalised profit is an unaudited non-IFRS measure.



# Property

~\$2 billion property portfolio



# Property & Developments

**~\$2 billion**  
after divestments

**\$275.3 million**  
proceeds, +28% on recent valuations

**Target returns**  
Greater than 12.5% on upgrades

**Future growth**  
progress on key projects

## 1 Divestment goal exceeded

Total gross proceeds of \$275.3 million, exceeded most recent valuations by 28%, exceeded \$250 million target.

Non-core assets: Rydges North Sydney, Rydges Bankstown, Canberra Civic, Newcastle and Adelaide cinemas, and QT Falls Creek divested.

Other potential non-core divestments will be subject to market conditions.

## 3 Key asset upgrades

Rydges Melbourne closed for refurbishment, reopening early 2023.

QT Gold Coast refurbishment, completion late 2022.

Premiumisation of cinemas: Shellharbour completed, Chermside, Innaloo upgrades in progress, Queensgate in construction.

Thredbo Sidewinder mountain biking trail opened, 10 new snowmaking fan guns added to Friday Flat prior to winter 2022

## 2 Major developments on track

525 George Street Stage 2 DA lodged. Internal design work continuing.

458-472 George Street commercial office tower Stage 1 DA submission lodged March 2022.

Strategy to unlock value from unutilised bed rights in Thredbo, revenue of \$7 million in FY22.

## 4 FY23 priorities

Planning for Rydges Queenstown and QT Canberra upgrades. New flagship budget hotel in Auckland due to open late 2022.

Planning for cinema upgrades: Marion, Burwood, Campbelltown, Robina.

Thredbo: 3 new mountain bike trails, Friday Flat children's play area, preparation works for Alpine Coaster and Snowgums Chairlift replacement.

Major development planning continues.



# 525 George Street, Sydney

Stage 2 DA lodged May 2022

**560m<sup>2</sup>**

Retail space

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**292**

hotel rooms

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**115**

Residential apartments

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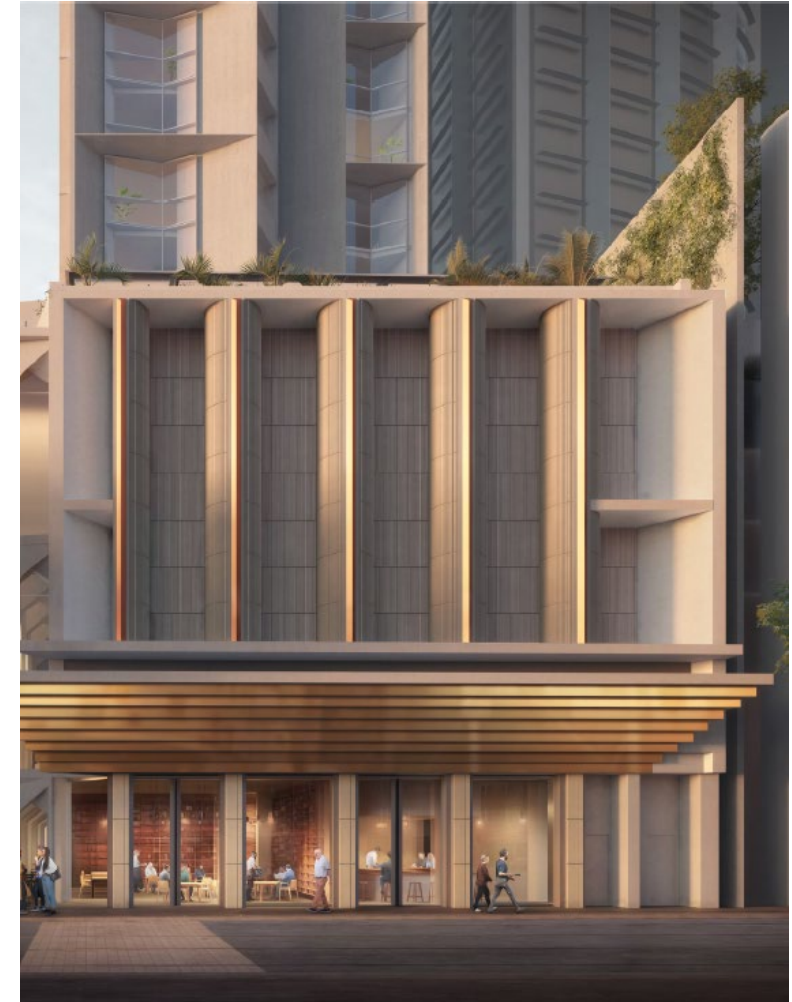
**5**

Premium cinema screens

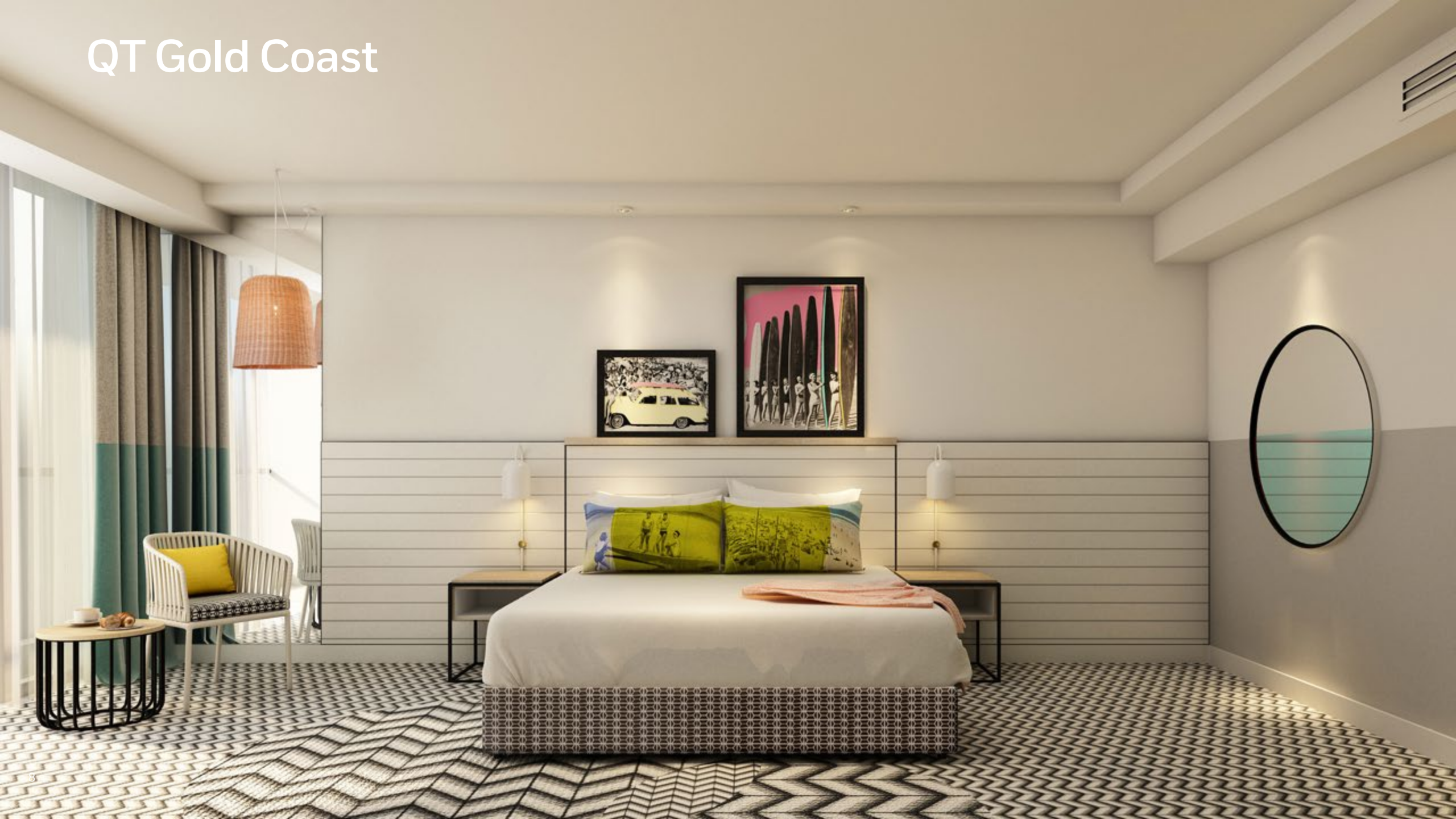
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Expected to commence late FY24 or early FY25, subject to market conditions

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# QT Gold Coast





# QT Gold Coast





# Rydges Melbourne





# Ryldges Melbourne





# Auckland





# POD rooms Auckland





# Ensuite rooms Auckland





# Event Cinemas Chermside





# Event Cinemas Innaloo





# New snowmaking guns at Friday Flat





# New mountain biking trails





# Planning for Alpine Coaster







# Hotels

2022 year end update



# Hotels

Strong recovery in 2H following materially greater COVID mandated restrictions in 1H.

Underlying revenue up 16.4% and EBITDA up 20.6% excluding government subsidies.

Strong market share with all brands exceeding fair market share and maintaining strong guest sentiment.

All brands achieved record rate results in 2H. Q4 performance demonstrated good signs of recovery with ARR up 23.3% in Q4 of FY19, occupancy in the mid 70s.

Constant focus on strategies to help offset impact of inflation.

Hotel network expansion continues.

Full Year result	2021	H1	H2	2022	VAR
Revenue (\$000)	202,729	80,407	137,334	217,741	15,012
<b>EBITDA (\$000)</b>	<b>33,449</b>	<b>(1,946)</b>	<b>28,522</b>	<b>26,576</b>	<b>(6,873)</b>
Normalised PBIT (\$000)	5,955	(16,936)	15,779	(1,157)	(7,112)

Owned hotels	2021	H1	H2	2022	VAR
Occupancy	51.7%	35.2%	60.1%	46.7%	-5.0%
<b>Average room rate</b>	<b>\$170</b>	<b>\$158</b>	<b>\$202</b>	<b>\$184</b>	<b>+8.2%</b>
Revpar	\$88	\$56	\$122	\$86	-2.3%

# Record room rates achieved in H2

Occupancy across all brands impacted by lockdowns in NSW and VIC in first 4 months of the year.

**All brands achieved record 2H average room rates, exceeding FY19.**

Rydges recovery momentum underlined by 28.2% occupancy growth and 25.4% room rate growth compared with 1H. Melbourne closed for refurbishment.

Outstanding results achieved in Q4 for QT: occupancy 81.9%, average room rate \$250 and revpar \$205.

Atura result driven by strong occupancy and rate in Adelaide.

## Rydges

	2021	H1	H2	2022	VAR
Occupancy	46.7%	33.7%	61.9%	45.0%	-1.7%
<b>Average room rate</b>	<b>\$147</b>	<b>\$138</b>	<b>\$173</b>	<b>\$157</b>	<b>+6.8%</b>
Revpar	\$69	\$47	\$107	\$71	+2.9%

## QT

	2021	H1	H2	2022	VAR
Occupancy	54.3%	35.0%	65.8%	50.4%	-3.9%
<b>Average room rate</b>	<b>\$205</b>	<b>\$223</b>	<b>\$249</b>	<b>\$240</b>	<b>+17.1%</b>
Revpar	\$112	\$78	\$164	\$121	+8.0%

## Atura

	2021	H1	H2	2022	VAR
Occupancy	56.8%	44.1%	76.2%	60.2%	+3.4%
<b>Average room rate</b>	<b>\$132</b>	<b>\$140</b>	<b>\$167</b>	<b>\$157</b>	<b>+18.9%</b>
Revpar	\$75	\$62	\$127	\$95	+26.7%

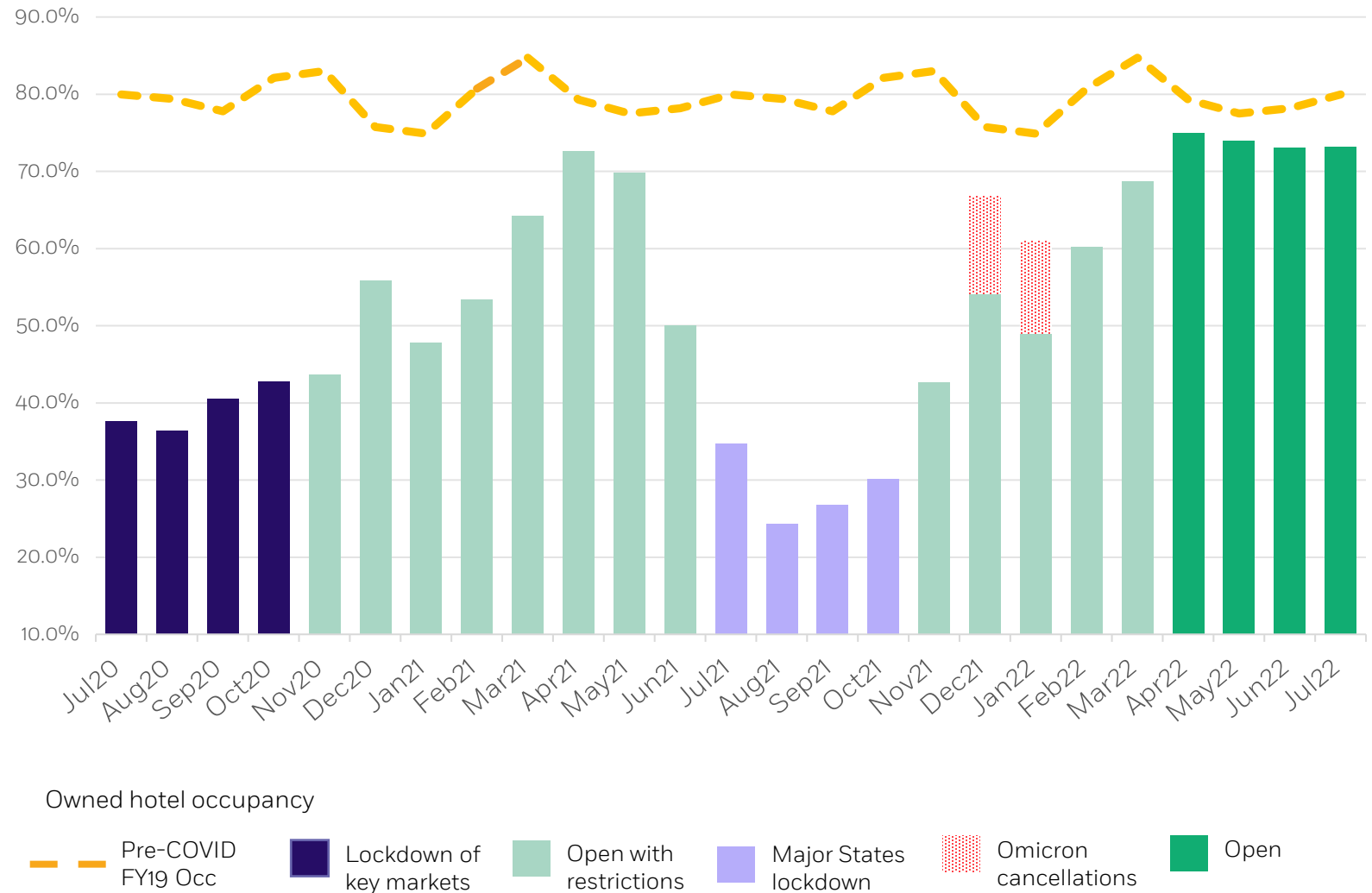
# Demand returns after lifting of restrictions

Occupancy severely impacted early in the year as a result of the lockdowns in key markets including NSW, VIC and NZ.

Rapid rebound once restrictions ease, December and January were tracking ahead of prior year before Omicron related cancellations.

April to July 2022 exceed prior year, closing gap on FY19.

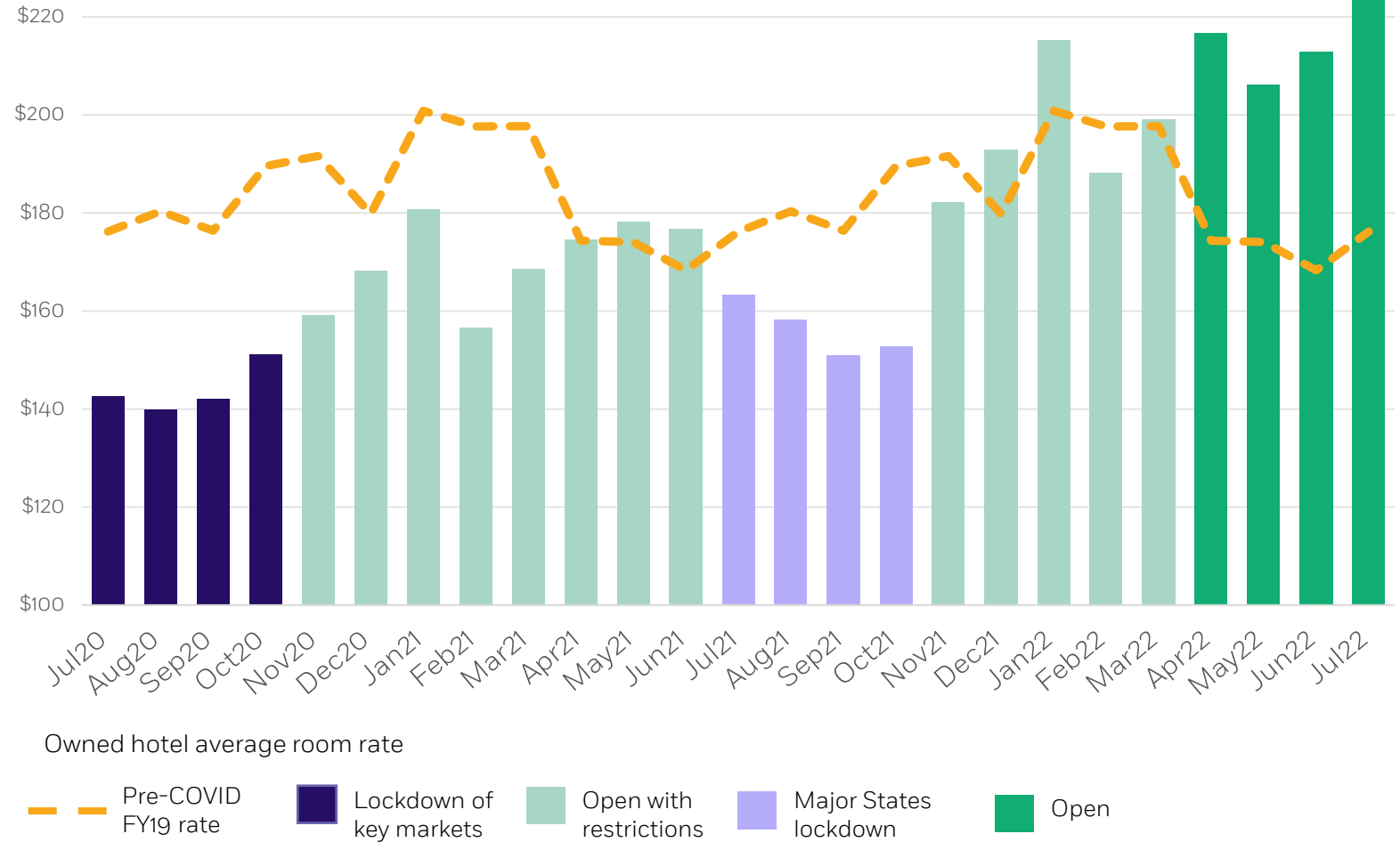
May and June experienced strong corporate demand levels in Australia, NZ market lags in recovery.



# Record rate growth in the second half

April to July 2022 rate results materially ahead of pre-COVID comparative period.

New rate strategy delivered strong growth across all brands.

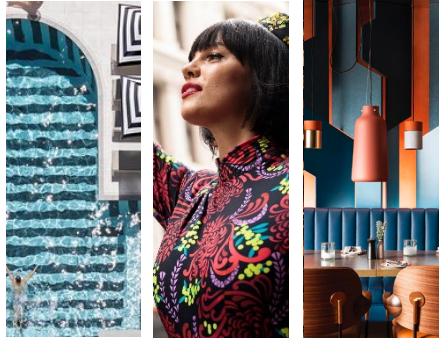


# Hotel brand strategy

← We cover the market from luxury to budget experiences →

QT

Owned brands



10 hotels | 1,646 rooms

RYDGES



45 hotels | 7,337 rooms

ATURA



5 hotels | 663 rooms

JUCY SNOOZE

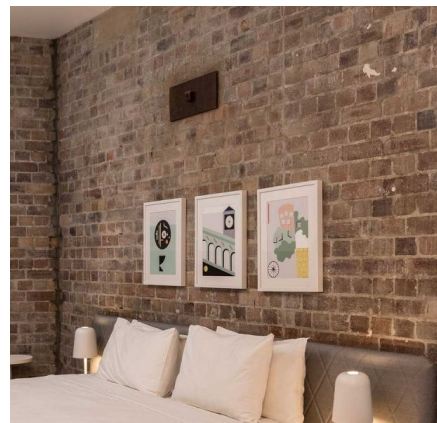


2 hotels | 98 rooms  
New Auckland flagship hotel opening late 2022

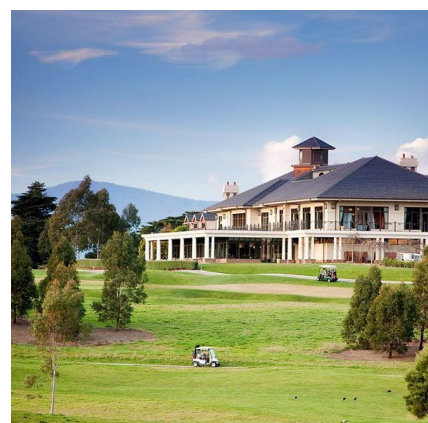
LUXE 



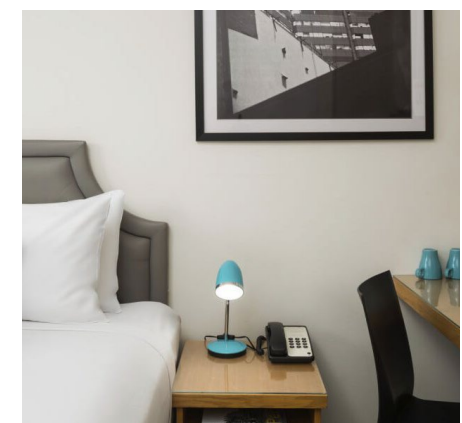
STYLE 



CLASSIC 



COMFORT 



12 hotels | 1,786 rooms | 4 tiers

As at 22 August 2022



# Thredbo

2022 year end update



# Thredbo

Winter season materially impacted by COVID-19 restrictions - 5 peak weeks of closure, before a record summer season.

**New operating model and pricing strategy delivering year-round results.**

Property development strategy realising revenue of \$7 million in the year, adjusted summer EBITDA +\$0.9 million.

Positive customer sentiment, net promoter score improved in winter and summer.

Record June 2022 result with strong revenue and EBITDA margin growth on June 2019.

Thredbo's goal of 100% renewable energy, supported by new renewable energy agreement effective from 1 July 2022 for all Thredbo's electricity requirements.

## Year ended 30 June

	2021	2022	VAR
Revenue (\$000)	78,659	64,330	(14,329)
<b>Adjusted Revenue<sup>1</sup> (\$000)</b>	<b>75,714</b>	<b>56,265</b>	<b>(19,449)</b>
EBITDA (\$000)	29,775	16,292	(13,483)
<b>Adjusted EBITDA<sup>2</sup> (\$000)</b>	<b>26,126</b>	<b>9,589</b>	<b>(16,537)</b>
Normalised PBIT(\$000)	25,124	11,318	(13,806)

## Winter

	2021	2022	VAR
Revenue (\$000)	55,853	32,949	(22,904)
<b>EBITDA (\$000)</b>	<b>28,494</b>	<b>8,892</b>	<b>(19,602)</b>
Normalised PBIT(\$000)	23,843	4,277	(19,566)

## Summer

	2021	2022	VAR
Revenue (\$000)	22,806	31,381	8,575
<b>Adjusted Revenue<sup>1</sup> (\$000)</b>	<b>22,578</b>	<b>23,200</b>	<b>622</b>
EBITDA (\$000)	1,281	7,400	6,119
<b>Adjusted EBITDA<sup>2</sup> (\$000)</b>	<b>(739)</b>	<b>194</b>	<b>933</b>
Normalised PBIT(\$000)	1,281	7,041	5,760

1. Adjusted Revenue is Revenue adjusted to exclude JobKeeper, property sales and certain other non-recurring items.

2. Adjusted EBITDA is EBITDA adjusted to exclude JobKeeper, property sales and certain other non-recurring items.

# Entertainment

2022 year end update





# Entertainment Australia

Revenue and EBITDA positive result delivered despite material impact of lockdowns and restrictions in the 1H.

*Top Gun: Maverick* and *Spiderman: No Way Home* two of the top five films of all time.

More customers choosing premium experiences, driving record growth in average admission price +17.7% on pre-COVID.

Customers spending more each visit, record levels of spend per head achieved, +48.9% on pre-COVID.

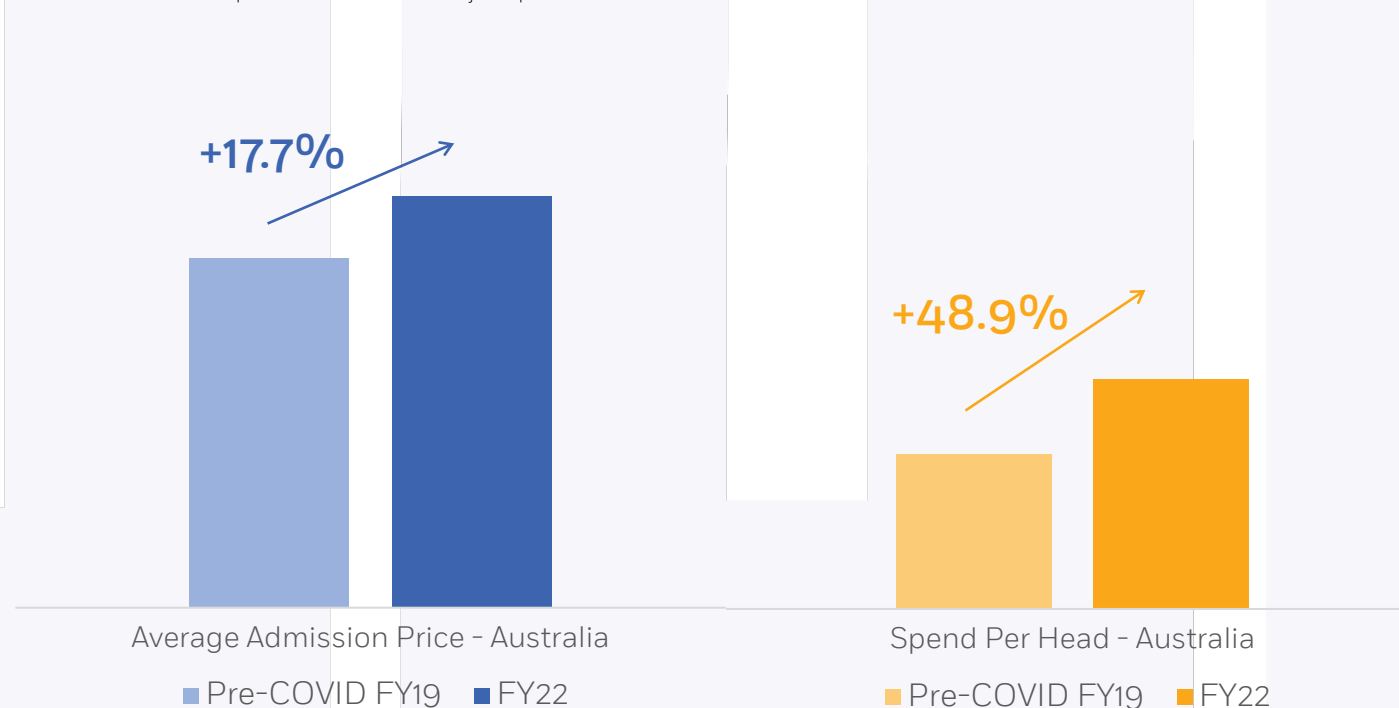
New operating models demonstrate margin improvement for Event managed sites.

All demographics returning to cinemas.

## Year ended 30 June

	2021	2022	VAR
Admissions <sup>1</sup> (000)	6,876	10,784	3,908
Revenue (\$000)	219,316	318,597	99,281
<b>EBITDA (\$000)</b>	<b>(3,280)</b>	<b>30,446</b>	<b>33,726</b>
PBIT (\$000)	(27,498)	7,309	34,807

1. Admissions includes the Group's share of admissions from joint operations.



# Entertainment New Zealand

Significantly more COVID lockdown and restriction impacted days in FY22 (66%) vs FY21 (24%).

Despite COVID impact, key blockbuster titles released and delivered a stronger result.

Customers spending more, choosing more premium, and were more satisfied with the experience than pre-COVID.

Record results on key metrics including average admission price and spend per head.

New operating models delivered margin improvement on FY19.

## Year ended 30 June

	2021	2022	VAR
Admissions <sup>1</sup> (000)	2,056	2,381	325
Revenue (\$000)	41,670	58,185	16,515
<b>EBITDA (\$000)</b>	<b>(3,120)</b>	<b>1,760</b>	<b>4,880</b>
PBIT (\$000)	(11,103)	(6,433)	4,670

1. Admissions includes the Group's share of admissions from joint operations.

+31.1%

Average Admission Price - New Zealand

■ Pre-COVID FY19 ■ FY22

+43.1%

Spend Per Head - New Zealand

■ Pre-COVID FY19 ■ FY22

# Entertainment Germany

Strong improvement in underlying trading, adjusted revenue +\$160m, despite restrictions and closures of 10 locations in Omicron wave.

Current year includes German Government Bridging Aid of \$63.0m, primarily related to prior year trading losses.

The German market recovery outperformed the US, but trailed the Australian and New Zealand markets with *Top Gun: Maverick* relatively underperforming.

*No Time to Die* the standout title of the year with 6.0 million market admissions.

Growth in all key metrics, average admission price up 5.3% and spend per head up 29.4% on FY19, every month a spend per head record.

Investing in premium seating for selected locations.

Material impact from energy cost increases, up 42.9% on FY19, unprecedented pricing will impact FY23.

## Year ended 30 June

	2021	2022	VAR
Admissions (000)	1,017	7,606	6,589
Revenue (\$000)	87,506	283,625	196,119
<b>EBITDA (\$000)</b>	<b>(33,616)</b>	<b>75,630</b>	<b>109,246</b>
PBIT (\$000)	(42,592)	66,895	109,487

+5.3%



Average Admission Price - Germany

■ Pre-COVID FY19 ■ FY22

+29.4%



Spend Per Head - Germany

■ Pre-COVID FY19 ■ FY22

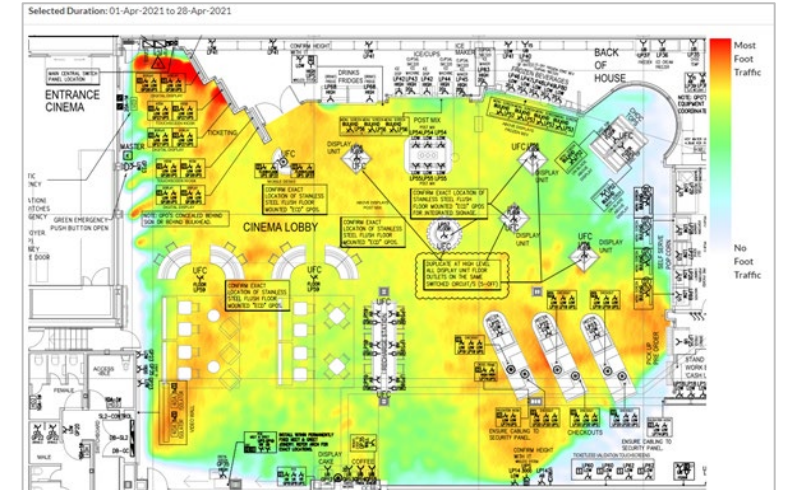
# Premiumisation

Cinema of the future strategy

Range of experiences, maximising returns from every auditorium

Data optimisation to improve retail experience

Technology to improve customer experience and margins





# Premiumisation

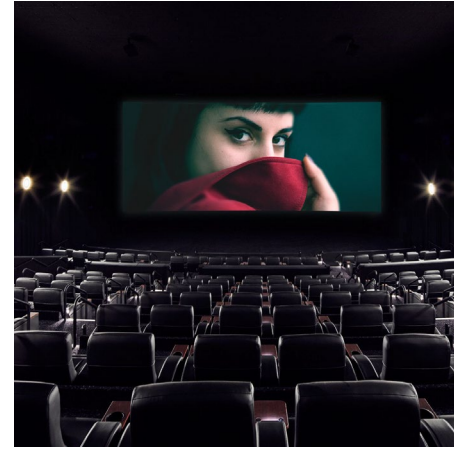
Cinema of the future strategy



EVENT | GOLD CLASS



EVENT | *BOUTIQUE*



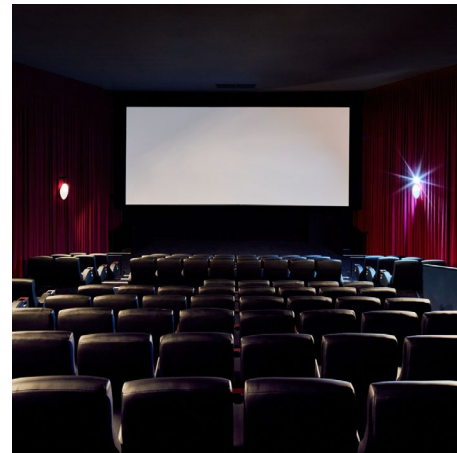
EVENT | V-MAX



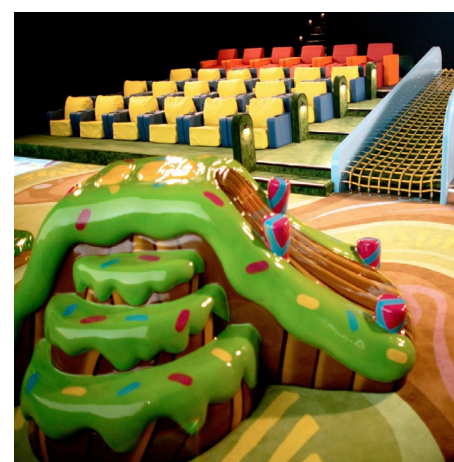
IMAX®



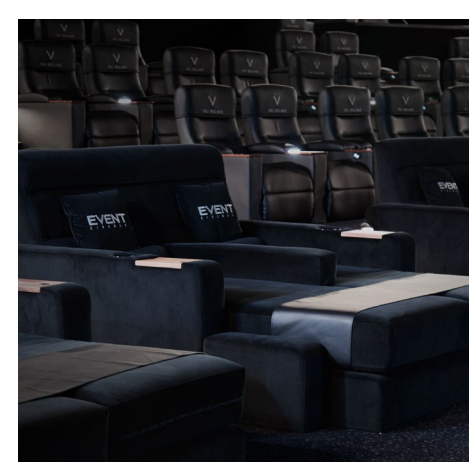
EVENT | 4DX



EVENT | ORIGINAL



















EVENT | junior



YOUR CINEMA | YOUR WAY

# Film line-up highlights

FY23 films estimated to exceed \$15m AU Box Office

JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
											
											
											

# EVENT

HOSPITALITY & ENTERTAINMENT

It's what we do

~\$2B

Property Portfolio

No.1  
Ski Resort

Thredbo voted  
Australia's Best

4.5M+ Loyalty  
Members

150+  
Restaurants and Bars

1500+  
Conferencing  
and Event Spaces

70+ Hotels

140+ Cinema  
Experiences



# EVENT

HOSPITALITY & ENTERTAINMENT

EVT

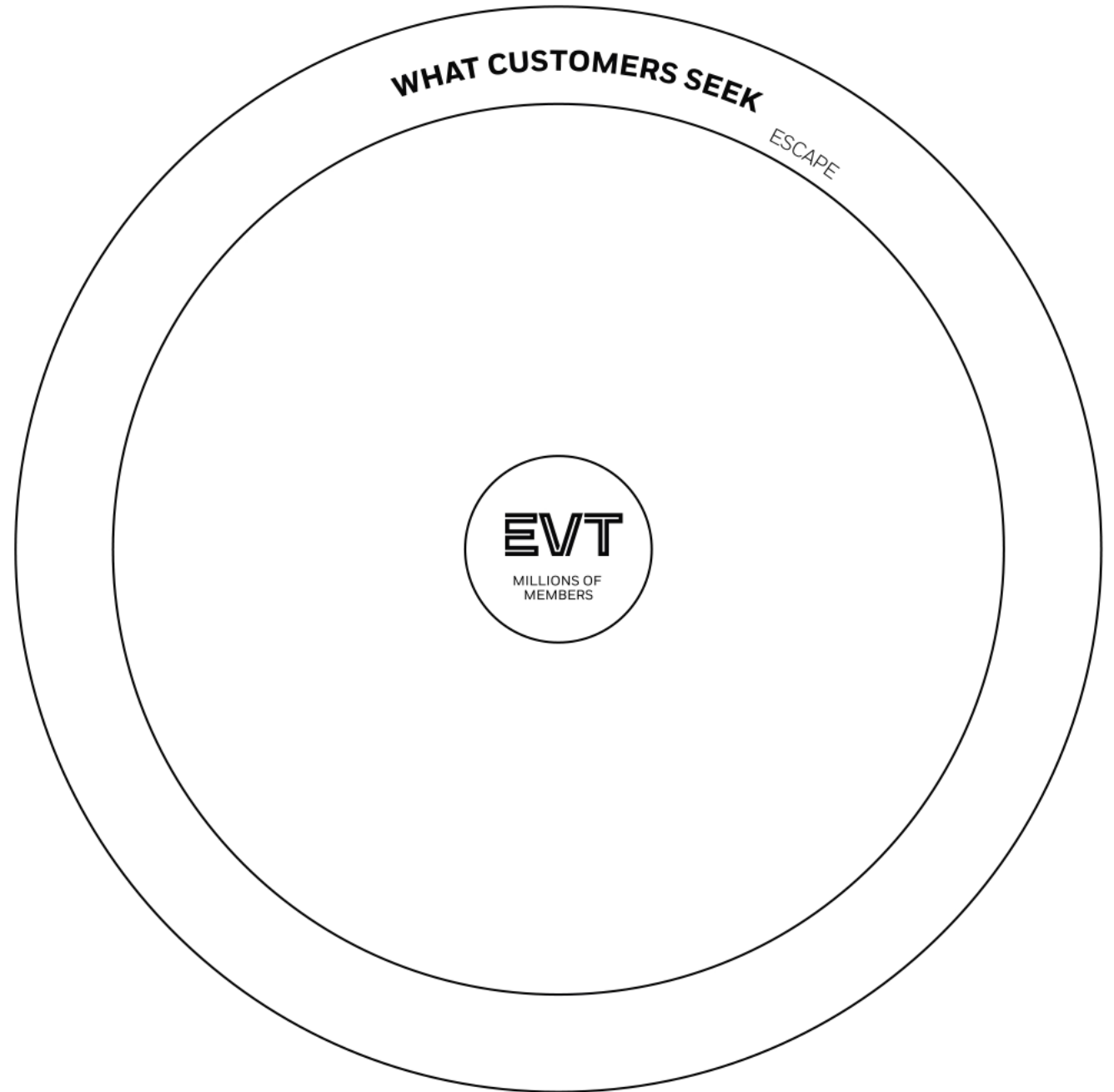
Entertainment  
Ventures  
Travel

# WHAT we do

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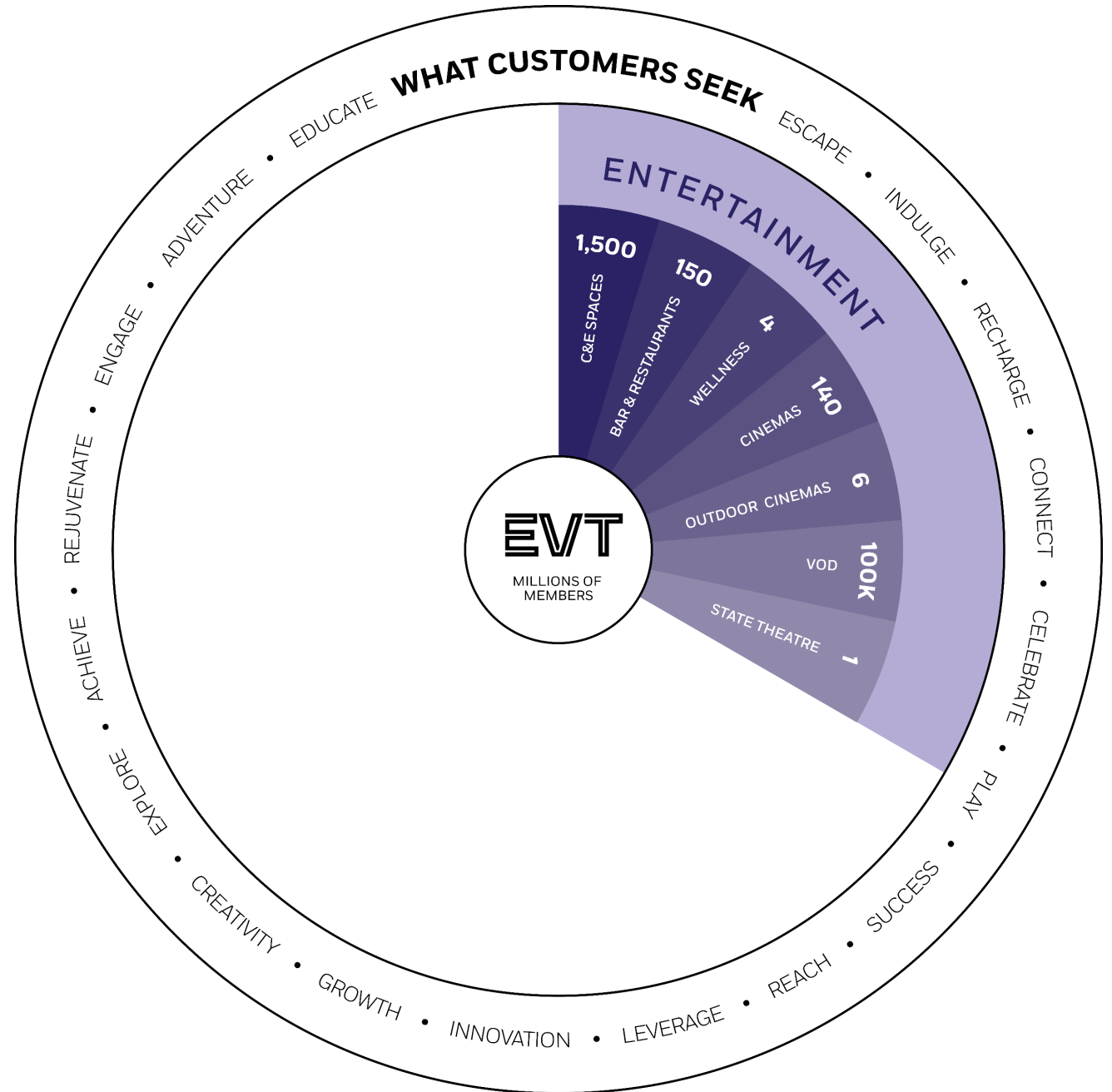
**Our customers  
are at the centre  
of everything.**

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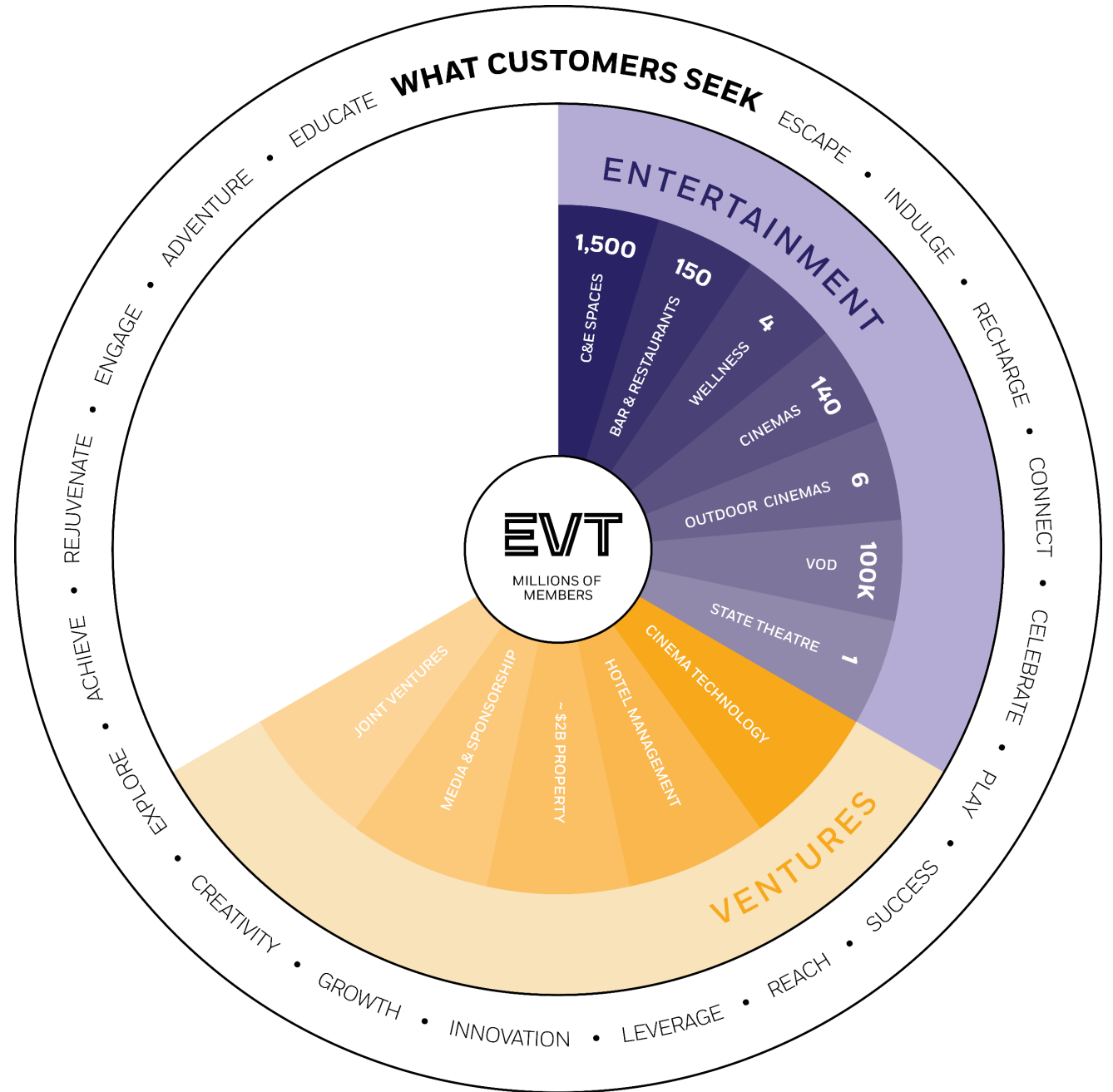
# WHAT we do

Connecting customers to what they seek through entertainment.



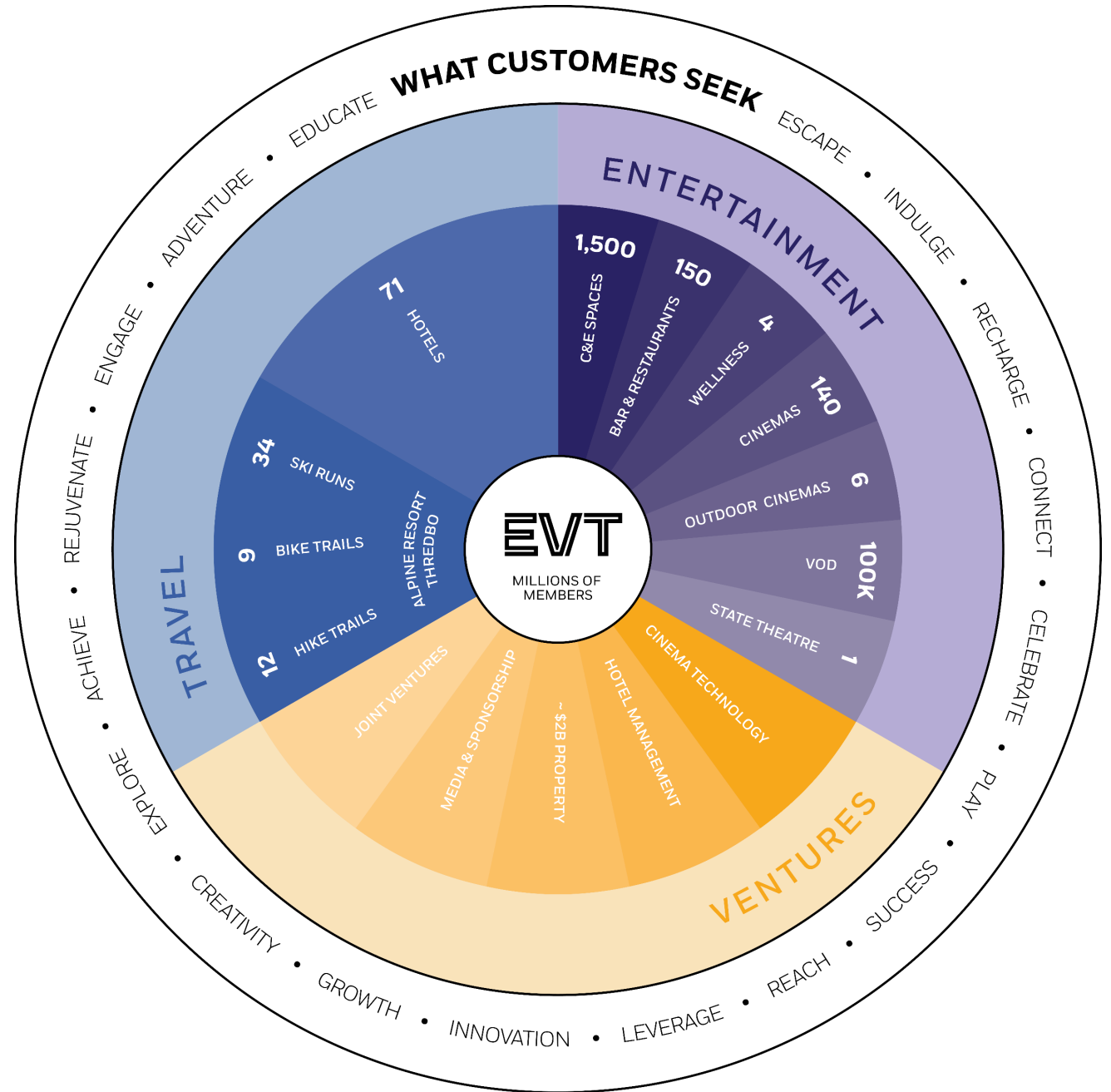
# WHAT we do

Connecting customers to what they seek through ventures.



# WHAT we do

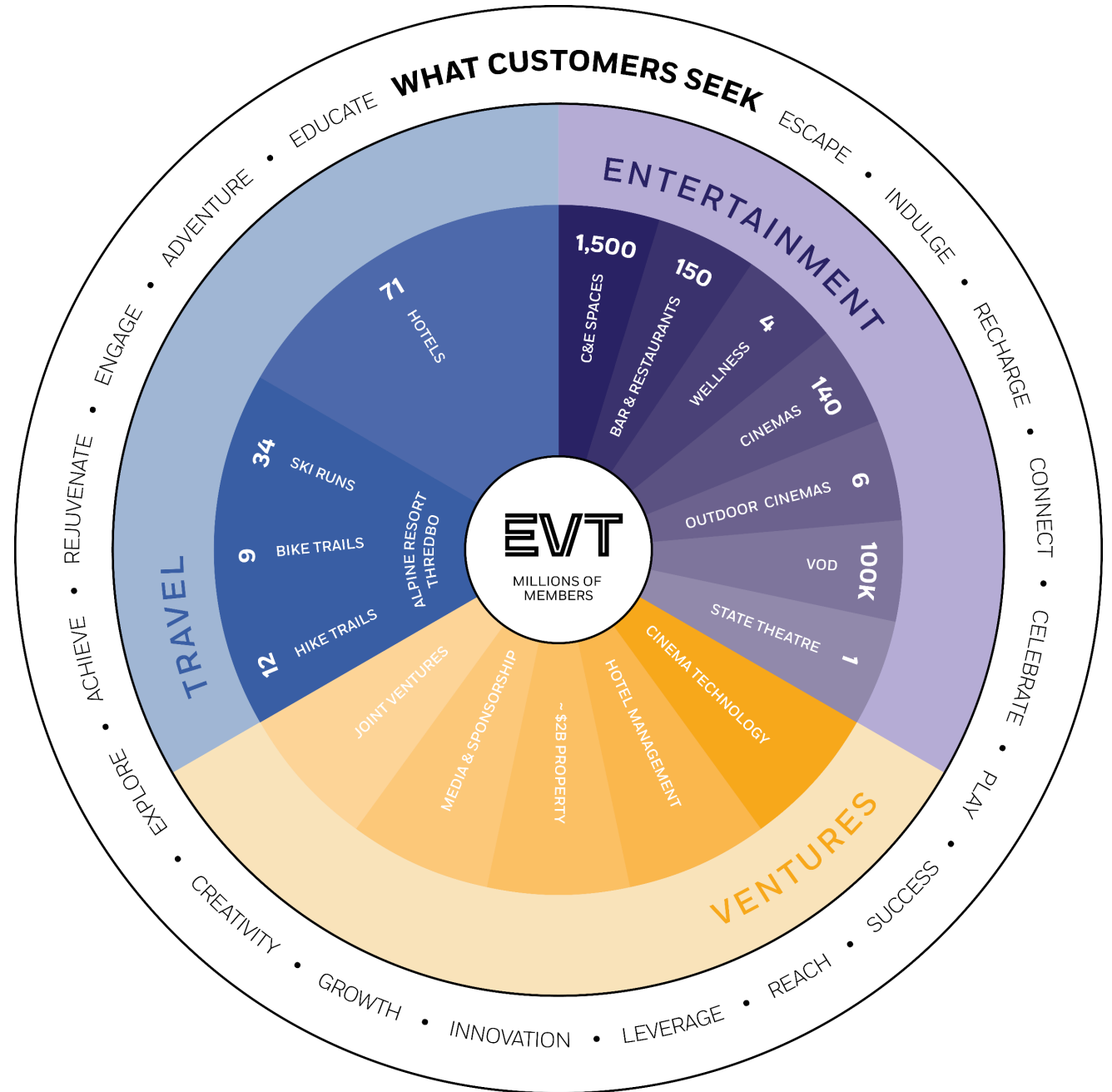
Connecting customers to what they seek through travel.





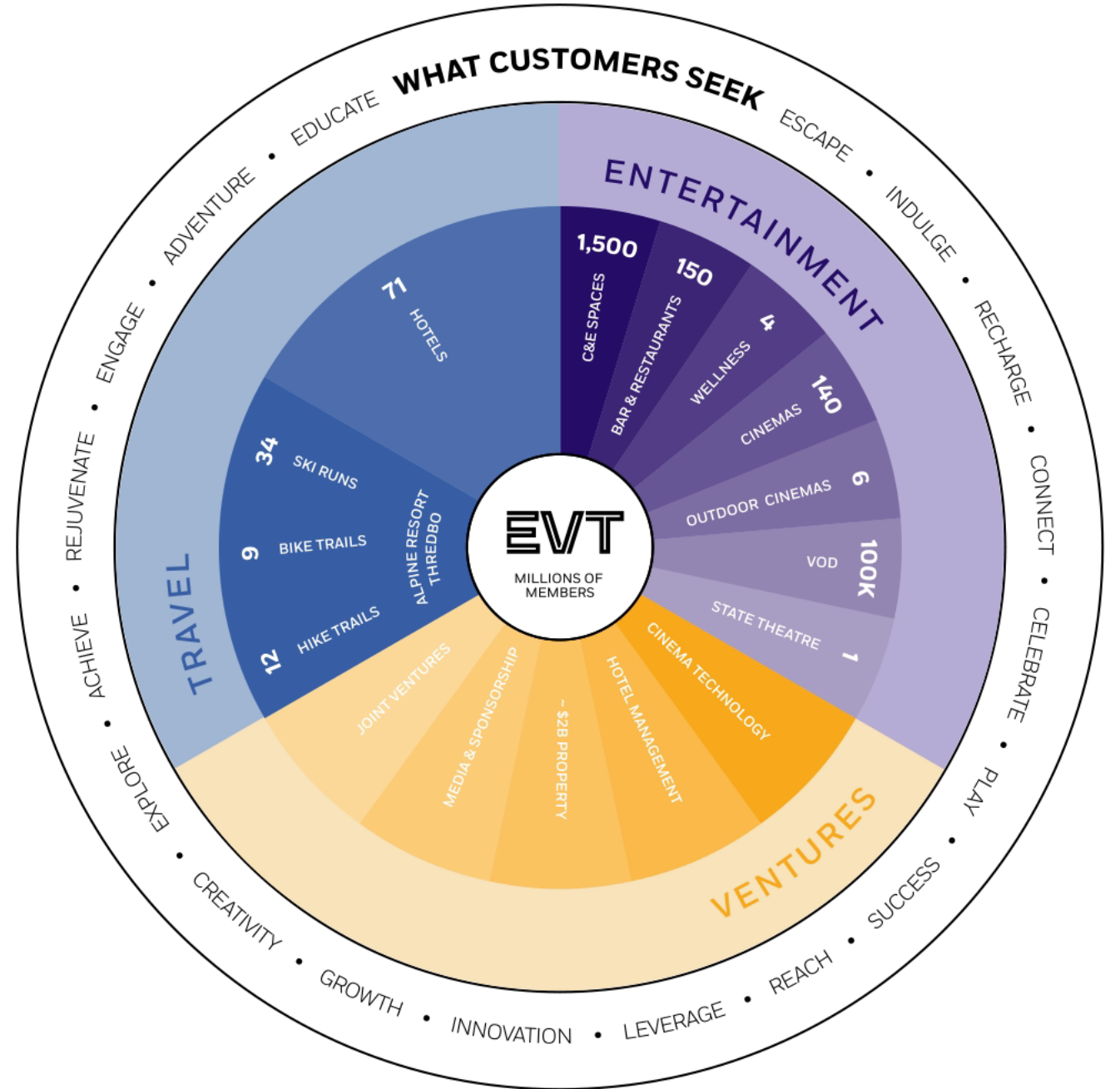
# WHAT we do

Connecting customers to what they seek through travel.



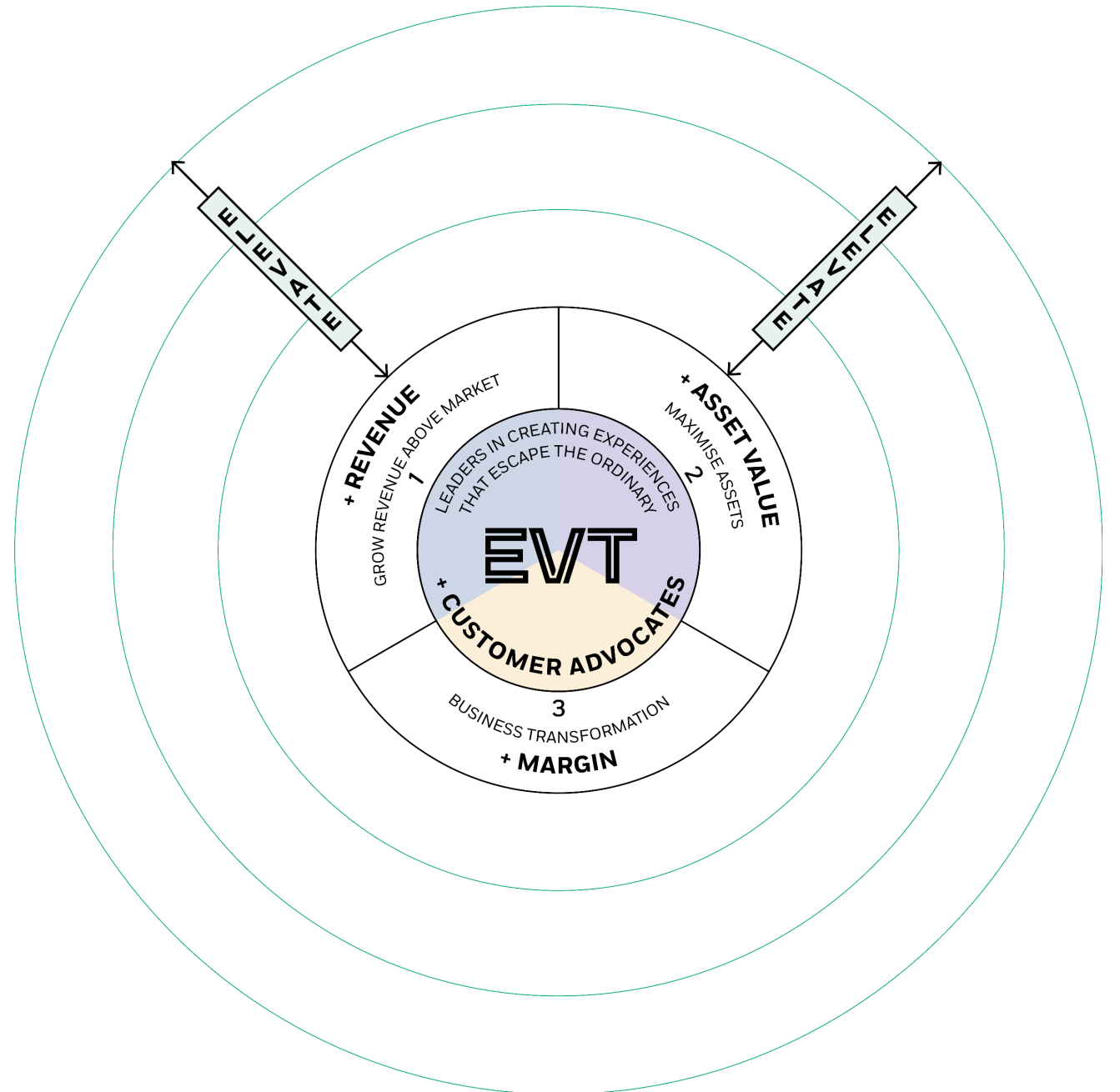
# HOW we do it

How we do it is what makes us unique.



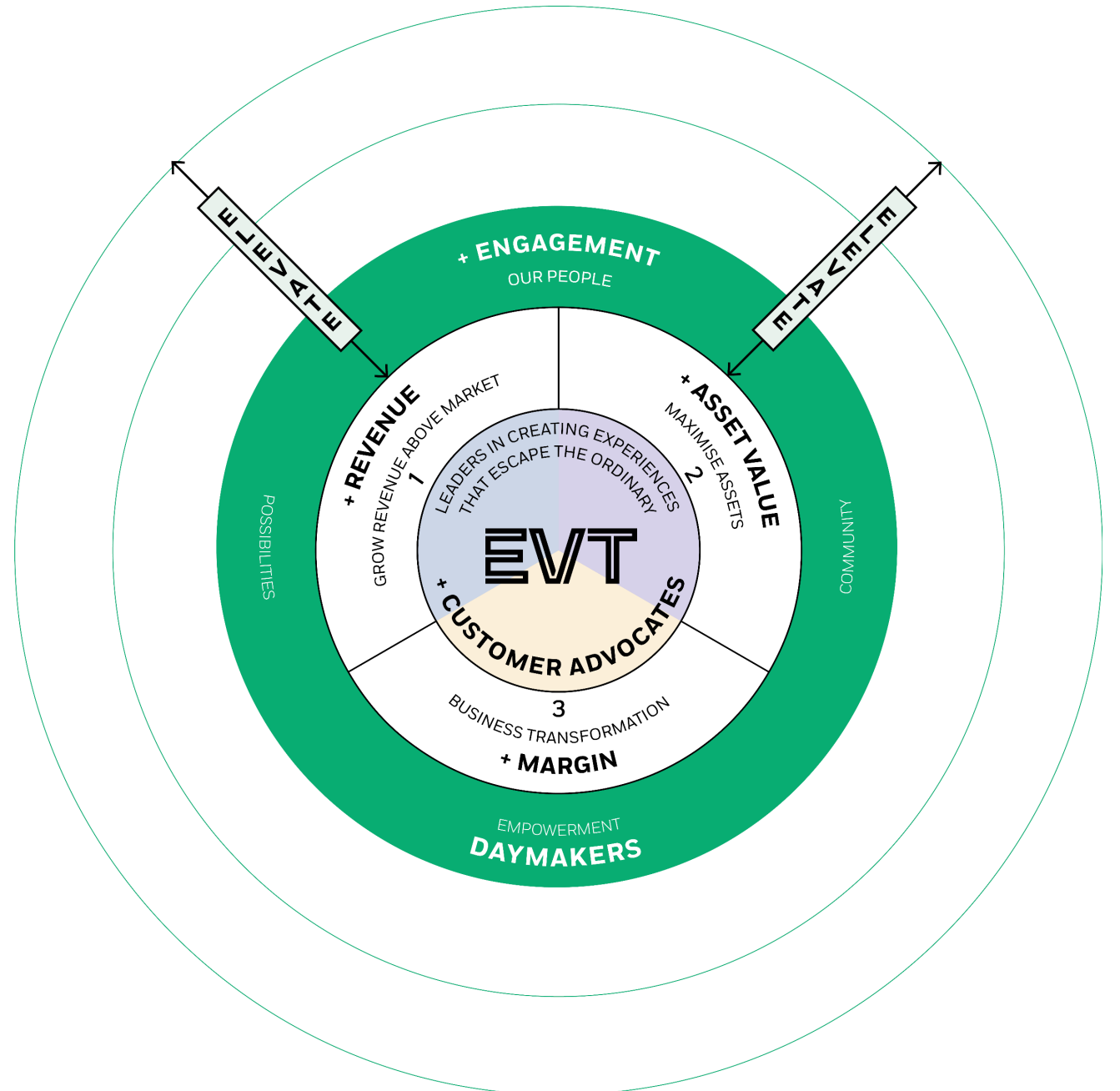
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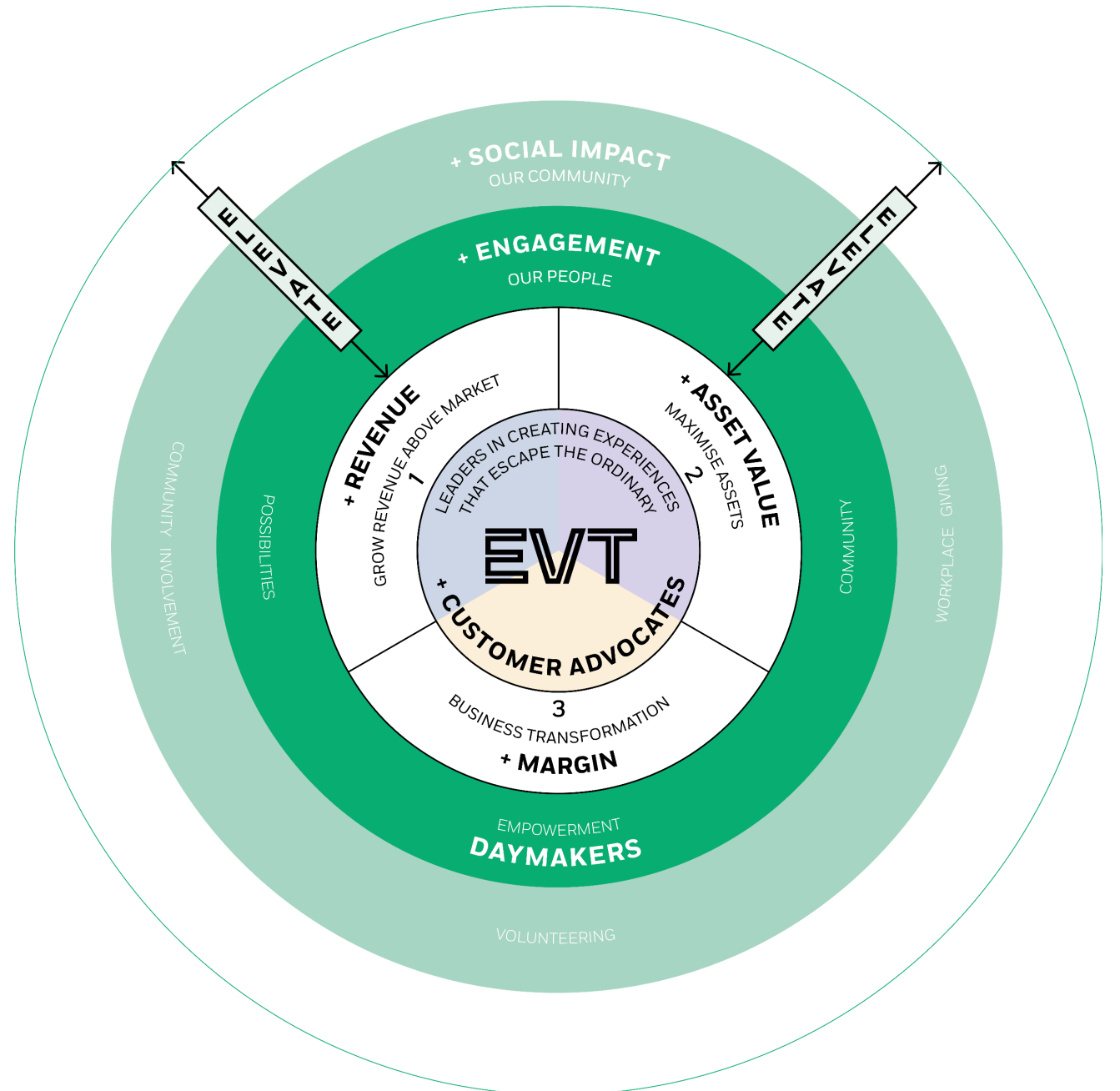
# HOW we do it

How we do it is what makes us unique



# HOW we do it

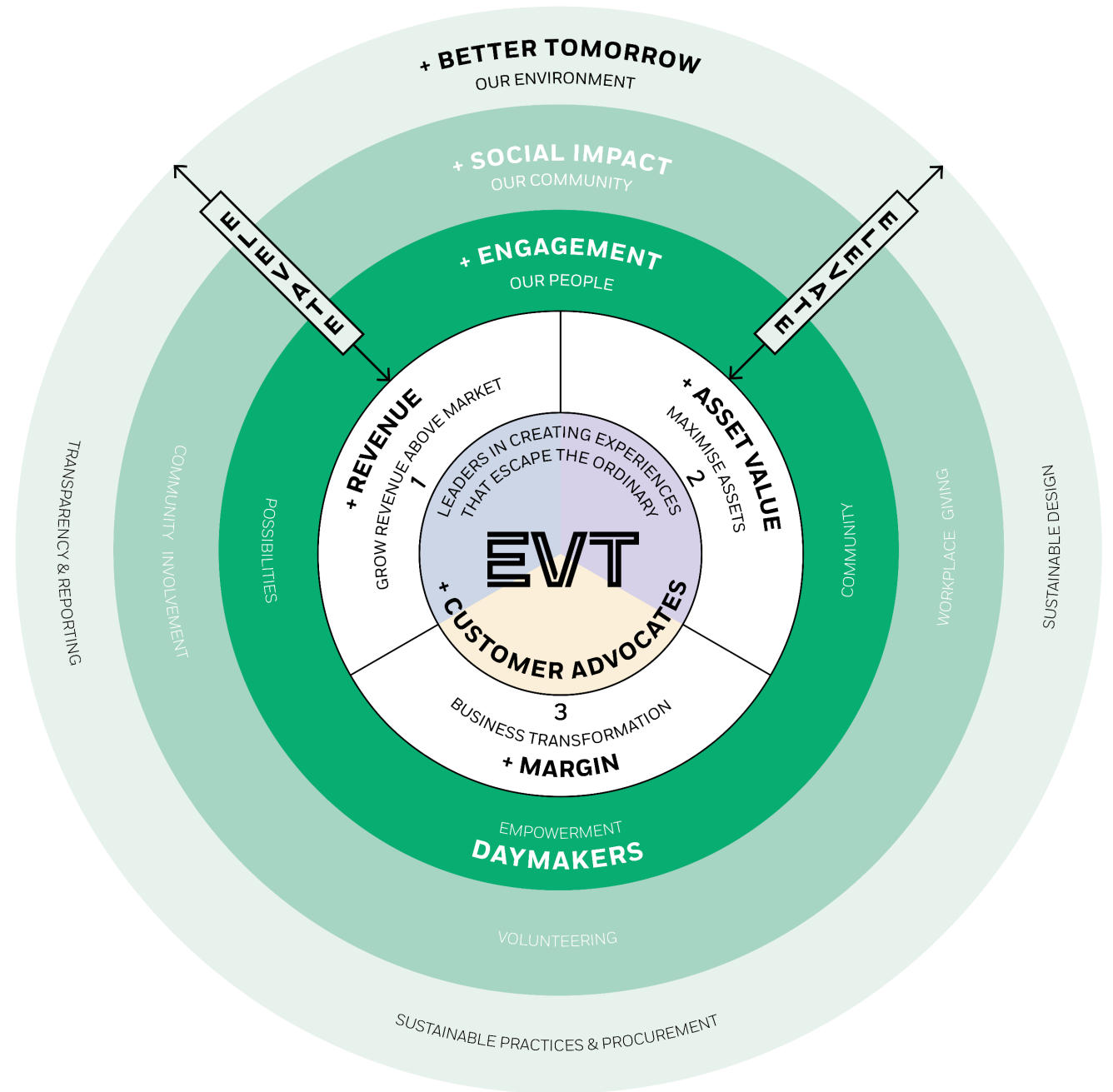
How we do it is what makes us unique





# HOW we do it

How we do it is what makes us unique



# ELEVATE Environment

## Pathway to net zero

Scope 3 emissions assessed in FY23

## 3 key commitments

Best practice localised

## TCFD reporting

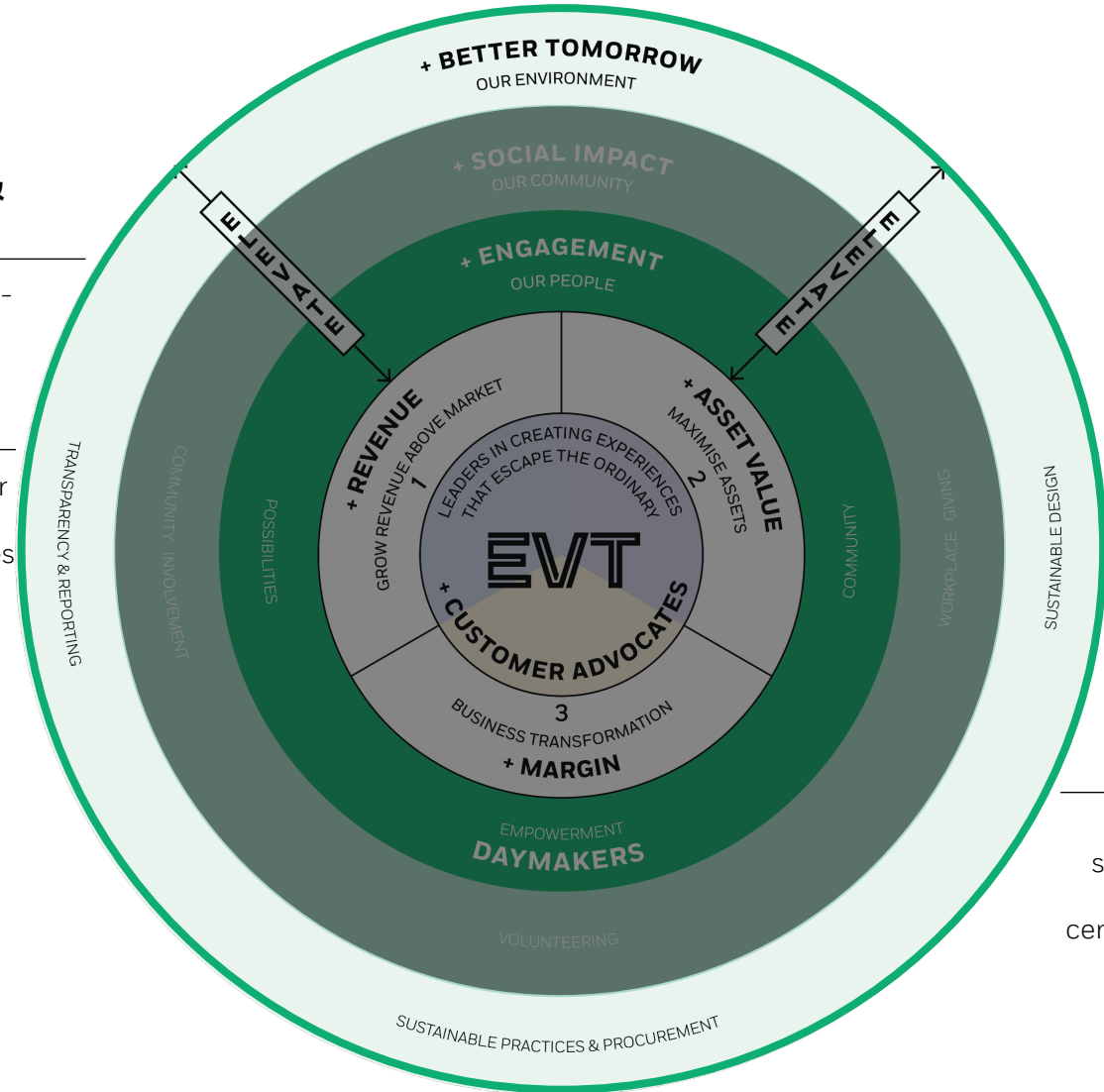
Initial response to TCFD disclosed

### Transparency & reporting

Respond to climate-related risks and opportunities with TCFD reporting

Raise awareness for environmental protection initiatives

Reduce the environmental impact of packaging and sustainable waste management



### Sustainable design

Benchmarking performance including NABERS ratings for owned properties

Targeting sustainable design outcomes and certifications for new developments

### Sustainable practices and procurement

Reduce energy and natural resource consumption, transition to purchasing renewable energy

# New evt.com

(From 27 September)

**EVT**

SEARCH MENU

**We are EVT  
BRING ON THE DAY.**

▶

Entertainment. Ventures. Travel. It's in our name, and our nature.  
And in a world of cookie cutter experiences, here at EVT we believe in changing the game.



# EVT Investor Day

Save the date:  
3 November 2022  
invitation to follow

Sydney



## Entertainment

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Premiumisation

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## Ventures

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Property developments

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Hotel management

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New concepts



## Travel

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Thredbo business model

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Accommodation strategy



## The EVT way

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People

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Community

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Environment

# Outlook for FY23

FY23 a recovery year

Potential headwinds from energy costs, other cost pressures being effectively managed

Capex returning to pre-COVID levels, subject to market conditions

Strong start in July

Subject to trading conditions, desire to resume dividend payments later in the 2022 calendar year



## Entertainment

Solid July and a strong December expected with *Avatar: The Way of Water* releasing in December.

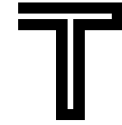
If blockbuster titles perform well, the Group expects to benefit from its new operating model and growth in yield.

Cinestar Germany impacted by rising energy costs and ~20% increase in minimum wage from October 2022.



## Property

The Property segment result is expected to track ~20% below FY22 due to the success of the property divestment strategy.



## Hotels

Demand for Hotels continues to grow, with record average room rates being achieved.

Full travel recovery dependent on international market.

## Thredbo

Solid winter result expected with the new business model.

Summer performance expected to track in line with FY22.

Subject to weather conditions.



The EVENT Group results are prepared under Australian Accounting Standards, and also comply with International Financial Reporting Standards (“IFRS”). This presentation includes certain non-IFRS measures, including the normalised profit concept. These measures are used internally by management to assess the performance of the business, make decisions on the allocation of resources and assess operational performance. Non-IFRS measures have not been subject to audit or review, however all items used to calculate these non-IFRS measures have been derived from information used in the preparation of the reviewed financial statements. Included in the Appendix 4E for the year ended 30 June 2022 is a reconciliation of the Normalised Result to the Statutory Result.

# Thank you