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ASX RELEASE

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FY25 First Half Preliminary Update

Coast Entertainment Holdings Limited (ASX: CEH) provides a preliminary update on the Group's unaudited trading performance for the half year ended 24 December 2024 and its capital management during the period.

1H25 preliminary unaudited trading performance

The Group is pleased to report a solid performance for the half year ended 24 December 2024, achieving a 10.8% increase in visitation and \$47.7 million in revenue, a 9.6% increase compared to the prior period¹ and 23.4% growth compared to 1H20 pre-COVID levels. This represents the Group's highest first half revenue for the continuing business since 1H16.

The strong growth in attendance in the current period has again demonstrated the resilience of the business amid a challenging economic environment and was driven by increased promotional activity, including a highly successful Black Friday campaign. Additionally, the team's commitment to delivering exceptional guest experiences has contributed to guest review scores which continue to outperform Gold Coast theme park peers.

During 1H25, the Group recorded the highest aggregate value of ticket sales² since 1H16, up 7.1% on the prior period and 32.0% above 1H20 pre-COVID levels. This growth was driven primarily by an increase in annual pass sales and was achieved despite the prior period benefitting from a large bulk sale to a reseller. As revenue from these passes is recognised over a 12-month period, the shift in sales mix has resulted in the Group's deferred revenue balance in December 2024 being 3.2% higher than December 2023.

International visitation continues to show a gradual recovery, although remaining below historical levels. In 1H25, the level and mix of international visitation continued to be substantially different from pre-pandemic performance, with visitation from Asian markets (particularly China) still representing a small fraction of prior business. Further recovery in visitation from these markets is expected to provide upside for the business.

In addition, the Group is pleased to report the successful opening of the highly anticipated Rivertown precinct, along with the new Jane's Rivertown Restaurant, on 23 December 2024. This new precinct will play a crucial role in driving attendance and enhancing the overall guest experience. It features Dreamworld's most thematic attractions ever built and is designed to offer intergenerational experiences, with rides that are exciting for the entire family. The response from guests has been overwhelmingly positive and the Group anticipates realising further economic benefits from these new attractions from the second half of FY25 onwards.

SkyPoint also performed well throughout the period, and once again delivered record revenues despite international visitation remaining below historical levels.

¹ While the prior year was impacted by severe summer storms, the economic impact was primarily felt in the second half of FY24.

² Sales value of tickets represents the upfront value of tickets sold. For annual/multi day passes, this differs from revenue reported under accounting standards, which is recognised on a straight-line basis over the period that the passes provide access to the parks.

The Theme Parks & Attractions business anticipates delivering double digit growth in EBITDA (excluding Specific Items) for 1H25 despite a continued challenging economic environment characterised by ongoing inflationary pressures and high interest rates which have tempered consumer discretionary spending.

As foreshadowed in the FY24 results announcement, the Group's Corporate Costs for 1H25 are expected to be lower than the prior period, driven by savings in insurance costs and a reduction in audit fees. As a result, consolidated EBITDA (excluding Specific Items) for the Group is expected to increase above prior period levels, marking the third consecutive half-year of positive earnings for the continuing business since FY16.

The Board and management are cognisant of the prevailing difficult economic conditions which continue to impact consumer discretionary sectors and remain focused on appropriately positioning the business to respond to these, as the Group recovers its earnings back to historical levels.

Capital Management

As at 24 December 2024, the Group had cash balances of \$59.9 million. During the period, the Group received a payment of US\$0.5 million from Dave & Buster's Entertainment Inc, representing the final remaining instalment of deferred consideration from the sale of Main Event.

As indicated in the AGM update, the Group completed its first on-market share buyback program in August 2024, with a total of 48.0 million shares being bought back at a cost of \$22.6 million.

In November 2024, the Group announced a further on-market share buyback of up to 10% of the Group's issued capital over a 12-month period. This new buyback program commenced on 27 November 2024 and, as at 24 December 2024, the Group had purchased 3.6 million shares for a cost of \$1.6 million, representing 8.3% of the maximum shares to be bought back under the program. Purchases under the buyback program were temporarily suspended by the Company on 24 December 2024 while it reviews the financial performance for 1H25 and will recommence shortly.

The Board continues to assess capital management options for the Group's remaining cash, taking into consideration the Group's ongoing performance, capital position, future funding requirements, and prevailing market conditions.

Authorised for release by the Board of Coast Entertainment Holdings Limited

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