



27 August 2020

EXPERIENCE CO LIMITED (ASX: EXP) FY20 RESULTS

Experience Co Limited (ASX: EXP) today released its Appendix 4E and Financial Report for the year ending 30 June 2020, delivering Underlying EBITDA of \$7.3 million on revenue from continuing operations of \$87.4 million despite the most challenging conditions in the Group's 20 year history.

Key Highlights

- **Statutory net loss after tax of \$51.4 million** (1H19: \$7.1 million loss) as a result of unprecedented adverse trading conditions, assets impairments of \$35.7 million, impact of discontinued operations and one-off restructuring costs associated with the strategic review.
- **Underlying EBITDA from continuing operations of \$7.3 million** (FY19: \$24.4 million), with a 2H20 loss of \$1.8 million driven by the COVID-19 pandemic
- **Net Debt of \$9.0 million (FY19: \$29.4 million)** driven by divestment of non-core assets delivering ~\$22 million in proceeds
- **Cost saving programme and rapid response to pandemic** mitigated the impact of the extreme adverse conditions in the period which included the suspension of all operations from 23 March 2020 resulting in negligible trading until operations recommenced from late May/early June
- **Strategic Review initiatives announced in November 2019** all but completed with all non-core business units divested (excluding Whitewater Rafting and Hot Air Ballooning assets in Cairns) and annualised cost savings of more than \$6 million achieved
- **Operations restarted across the portfolio** with Skydive locations opened except for Victoria and Glenorchy (NZ). GBR Experiences are now operational albeit on reduced frequencies due to suppressed demand attributable to closure of Queensland border
- **July 2020 trading encouraging, with Underlying EBITDA breakeven** for the first time since recommencement of operations aided by the near-term support provided by Jobkeeper and the support of landlords
- **Heading into FY21 the Group enters the recovery phase** with trading conditions to be dependent on pandemic developments, and the restrictions on domestic and international borders

CEO John O'Sullivan "Unquestionably 2020 has seen the most challenging conditions in our Group's twenty-year history. The Australian tourism industry was already on the backfoot from the Australian bushfires, however it was brought to an immediate halt upon the emergence of COVID-19."

He continued "With operations suspended in March 2020 we had to stand down over 90% of our workforce. The Group is thankful for the efforts of Governments at all levels in both Australia and New Zealand in providing us with assistance, in particular the Jobkeeper and NZ Wage Subsidy programmes, mitigating what was potentially a catastrophic impact on the company and the livelihoods of our team members.'



Outlook

With international borders closed for the foreseeable future and the uncertainty around unrestricted travel in Australia, we expect trading conditions to continue to be subject to an unpredictable level of volatility during FY21.

As demonstrated during the Australian bushfires and COVID-19 pandemic, we have been able to flex the business in response to prevailing conditions. We will continue to do so in order to take advantage of opportunities that will inevitably emerge as domestic and global economies recover.

This announcement has been approved by the Directors of EXP.

For more information please contact investor@experienceco.com.

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About Experience Co Limited (ASX: EXP)

Experience Co Limited (EXP) is an adventure tourism and leisure company. Founded in 1999 in Wollongong, Australia the Group has grown to a diversified adventure tourism business with core activities that include skydiving in Australia and New Zealand and Great Barrier Reef tour and diving and snorkeling experiences. The Group's operations are located primarily on Australia's eastern seaboard from the Great Ocean Road in Victoria, to Tropical North Queensland's Port Douglas, complimented by the skydiving operation in New Zealand located in the world-renowned Queenstown region.