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BUSINESS UPDATE

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HIGHLIGHTS

Improved trading conditions as the half progressed, near term outlook continues to be impacted by state level COVID policies

Revenue $20.1 million and Underlying EBITDA of $4.4 million, pleasing peak season volumes despite the impact of the NSW cluster from late December

Successful business divestment process completed with the sale of Raging Thunder's white water rafting and ballooning assets in late 2020

The divestment strategy announced at the 2019 AGM has yielded proceeds of over $27 million and provided for greater focus on our core business

Balance sheet in good shape to navigate the recovery period

Capital discipline reflected in the reduction in net debt levels from $29.5 million at June 2019 to $2.6 million at 31 December 2020

Debt facility reset for near term pandemic conditions impacting the tourism industry

Maturity extended to 28 February 2022, reset of limits and earnings based covenants replaced by a single minimum cash covenant of $6 million

Allocating capital to value accretive projects

Demonstrated by Qld Government $3.0m contribution to new pontoon

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1H21 SNAPSHOT

COVID RECOVERY TRADING IMPROVING AND BALANCE SHEET POSITIONED TO NAVIGATE RECOVERY

Revenue from continuing operations

$20.1m

Underlying EBITDA[1]

$4.4m

Tandem Jumps

30,920

Cash and cash equivalents

$15.7m

Loss from continuing operations

$0.2m

NTA per share (cents)

11.8

GBR Experiences[2]

49,686

Net Debt[3]

$2.6m

Notes

1 Underlying EBITDA from continuing operations. For reporting periods from 1 July 2020 the Group presents the Underlying EBITDA including AASB 16. All comparatives in this presentation have been presented on a consistent basis.

2 Based on fare paying customers

3 Net debt at 31 December 2020, including asset finance obligations ('finance leases') of $9.6 million

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COVID-19 RECOVERY

POST STIMULUS REALITY IS EMERGING AND VACCINE DEVELOPMENTS ARE POSITIVE FOR THE MEDIUM TERM OUTLOOK INTO 2022

Q1 21: RECOMMENCE

- Managing the short term 'normal'
- Demand based operating schedules
- Maintain price discipline
- Self drive and intrastate markets
- Positive Underlying EBITDA and operating cash flow
- Net debt reduced further

Q2 21: SEASONAL UPLIFT

- Seasonal uplift evident, COVID border restrictions stalled momentum in late Q2
- Position assets and operations to optimise peak season potential
- New Pontoon Project fabrication works well progressed
- Increase focus on value accretive acquisition opportunities
- Business divestments completed with the sale of Cairns ballooning and white water rafting assets
- Reset banking facility for short term COVID conditions

Q3 21: EXECUTE PEAK SEASON

- TNQ constrained by border restrictions on NSW and Victoria
- Impact of consumer uncertainty on borders constraining recovery
- Preserve operating cash flow
- Vaccine implementation domestically and internationally accelerating – positive signs for medium term prospects
- Monitoring consumer sentiment as stimulus reduces
- Expect softer trading for February and March on GBR and Skydive in Australia & NZ



Q4 21: MEDIUM TERM POSITIONING

- Government stimulus ending and improved medium-term stability on Australian interstate travel
- Easter 2021 to ANZAC Day holiday period
- Potential Trans-Tasman bubble
- Aviation capacity into 2022 to become clearer
- International markets opportunity to become clearer
- June 2021 school holiday period

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FINANCIAL RESULTS

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FINANCIAL PERFORMANCE

TRADING IN LINE WITH EXPECTATIONS

KEY FINANCIALS - CONTINUING OPERATIONS

$ million	1H21	1H20	Change %
REVENUE	20.1	60.3	(66.6%)
EBITDA[1]	3.9	6.7	(42.4%)
PROFIT / (LOSS)	(0.6)	0.3	N/A
UNDERLYING EBITDA[2]	4.4	10.0	(56.2%)
NTA PER SHARE (CENTS)[3]	11.8	11.9	(0.1 cents)
NET DEBT[3]	2.6	9.0	(71.1%)

COMMENTARY

- Revenue in line with expectations with 1H21 improving month to month
- While Underlying EBITDA is down on prior period, the $4.4 million result was a noted improvement on the ~$1.0 million loss in 2H20
- Jobkeeper and Wage subsidy income of $5.4 million, with an estimated net benefit to Underlying EBITDA of ~$3.5 million[4]
- Government support for the industry in terms of rental relief, Icons program and Growing Tourism Infrastructure in Queensland and the Strategic Tourism Asset Protection Program in New Zealand
- No dividend declared

Notes

1 EBITDA is a financial measure which is not prescribed by Australian Accounting Standards ("AAS"). EBITDA represents the profit under AAS adjusted for impairment, interest, income taxes, depreciation and amortisation.

2 Underlying EBITDA is a financial measure not prescribed by AAS and represents EBITDA adjusted for restructure and other costs, net gains and losses on the sale of assets. Refer to Note 2 to the half year financial statements for reconciliation between statutory and underlying. Underlying EBITDA presented above includes $0.9 million for each period being the net uplift from the application of AASB 16 Leases.

3 Comparatives are as at 30 June 2020

4 The net benefit to Underlying EBITDA is based on the contribution of Jobkeeper and Wage subsidy to employee worked hours, recognising that in a certain cases employees were stood down and while eligible for Jobkeeper were not actively performance work duties.

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SKYDIVING

VICTORIA COMING ONLINE FROM LATE NOVEMBER HAS CONTRIBUTED TO A STRONG FINISH TO THE HALF

KEY FINANCIAL METRICS

$ million	1H21	1H20	Change %
SKYDIVING REVENUE	12.7	36.2	(64.9%)
OTHER	1.7	1.9	(10.5%)
SALES REVENUE	14.4	38.1	(62.2%)
UNDERLYING EBITDA	4.1	9.4	(56.4%)

SKYDIVE VOLUMES

- Improved volume as the half progressed, leading into the peak summer period
- 8 Drop Zones (DZs) were operating for the period in Australia. 3 Victorian DZs re-opening in late November 2020 for the first time since suspending operations in March 2020
- Australian DZs performing well with volume for the period 42% of the pcp, and trending up later in the half with Victoria DZs opening
- We remain comfortable with the pricing and market position in both markets
- Our Queenstown based activities continue to be the most significantly impacted geography across the business. This is expected to continue through CY21, with the business highly exposed to international markets.
- Management will continue to assess operations on a month to month basis.
- Cost structure remains variable to volume, workforce uncertainty expected to be an increasing factor heading into the post Jobkeeper period as we head into the low season of May to August

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GBR EXPERIENCES

QUEENSLAND BORDER UNCERTAINTY IMPACTING INTERSTATE CONSUMER DEMAND

KEY FINANCIAL METRICS

$ million	1H21	1H20	Change %
REVENUE	5.7	22.1	(74.2%)
UNDERLYING EBITDA	2.2	3.2	(31.2%)

TROPICAL NORTH QUEENSLAND

- Queensland closure to key domestic markets of Sydney and Melbourne limited the business to a primarily intrastate market for majority of period
- Operating cost reductions from business simplification now embedded and positions the business well as volumes improve
- December volumes, particularly post Xmas, performed well despite coinciding with a closure to Sydney in late December
- Ports North, Queensland statutory authority, terminal rent and berthage relief from 1 March 2020 of ~$60k per month
- EXP named an 'iconic' company by Qld Government in June and received $1m grant in August to support operations through COVID-19
- Uncertainty remains a factor with the Qld Government's demonstrated approach to state borders and COVID hotspots

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BALANCE SHEET

STRONG CAPITAL DISCIPLINE DELIVERED NET DEBT REDUCTION WITH NO CAPITAL RAISE

CAPITAL METRICS

$ million	Dec20	June20	Change %
CASH & CASH EQUIVALENTS	15.7	12.5	25.6%
TOTAL TANGIBLE ASSETS	92.9	89.1	4.3%
NET DEBT	2.6	9.0	(71.1%)
GEARING [1]	2.8%	10.1%	(72.3%)
NET DEBT TO UNDERLYING EBITDA[2]	0.8	1.2	(35.7%)
NET TANGIBLE ASSETS HELD FOR SALE	3.1	7.3	(58.0%)
TOTAL NET TANGIBLE ASSETS	65.8	65.8	(0.0%)

BALANCE SHEET

- Cash holdings increased on June 2020
- Net debt significantly reduced $2.6 million (30 June 2020: $9.0 million)
- Net tangible assets held for sale of ~$3.0 million, with management continuing the orderly sell down of surplus assets

DEBT FACILITY

- Corporate debt facility maturity extended to February 2022
- Total Multi Option facility limit reset to $20 million (previously $40 million)
- Fixed Cover and Senior Leverage covenants waived, and replaced by a $6 million minimum cash requirement at any one time

Notes

1 Net Debt as a % of Total Tangible Assets

2 Calculated applying period end net debt to last twelve months Underlying EBITDA

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PONTOON

NEW PONTOON PROJECT ON SCHEDULE TO BE OPERATIONAL FROM EARLY CY22

PROGRESS ON TRACK

- Build program on schedule
- Steel is with our contractor, English Engineering, which has deep experience in pontoon constructions on the Great Barrier Reef
- Key construction milestones of hull, underwater observatory, machinery room and ballast tanks framing completed
- Overall structure estimated to comprise a hull weight of ~120 tonnes and estimated total weight of ~170 tonnes
- Costs incurred of $3.3 million to end of January, and on track for total project cost of $6.7 million, which will be part funded by the Queensland Government's Growing Tourism Infrastructure program
- On track to have operational in early CY22, with an expected minimum economic life of 15 years

	Marine World	Dreamtime Island
Capacity	240 PAX	325 PAX
Size	44m x 12m	45.6m x 12m
Floor Space	628m^2	987m^2







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TRADING UPDATE & OUTLOOK

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TRADING UPDATE & OUTLOOK

VACCINE IMPLEMENTATION STRATEGIES ARE POSITIVE BUT EXPECT CY21 TO CONTINUE TO BE IMPACTED

RECENT TRADING

- Continue to be profit making in January month, even with the further decrease in Jobkeeper support in Australia.
- Comparison of year on year performance is problematic with January 2020 severely impacted by bushfires and the beginning of COVID uncertainty
- From late January we have observed the peak season tapering off, with continued demand across the Skydive Australia network, however lower volumes in TNQ and NZ
- Net Debt as at 16 February 2021: $2.4 million

OUTLOOK

- Next key volume driver expected to be Easter holiday period
- Vaccine rollout in Australia and New Zealand will be positive for the industry
- Expect domestic travel will continue to be impacted by metro lock downs and interstate border restrictions in the near term
- International, beyond a trans tasman bubble, not expected to feature until CY22
- Due to continued uncertainty EXP is not providing earnings guidance for FY21

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THANK YOU

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Big Cat Green Island Reef Cruises

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Skydive AUSTRALIA

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SKYDIVE WANAKA NEW ZEALAND

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