



30 August 2019

EXPERIENCE CO LIMITED (ASX: EXP) FY19 RESULTS

Experience Co Limited (ASX: EXP) today released its Appendix 4E and Preliminary Final Report for the financial year ending 30 June 2019, delivering Underlying EBITDA of \$27.2 million in line with previous guidance.

Key Highlights

- **Underlying EBITDA of \$27.2 million** (FY18: \$30.2 million), Skydiving in line with prior year, with Adventure Experiences impacted by tourism market and integration challenges
- **Statutory net loss after tax of \$48.3 million** (FY18: profit \$6.8 million) driven by \$62.5 non-cash impairments in the Adventure Experiences segment
- **Underlying operating cash flow conversion of ~100%**
- **Skydiving volume up 1.3% to 192,179 jumps (FY18: 189,784 jumps)** with Australia volume stable year on year, despite a 13% decline in the FNQ market and New Zealand growing by 4.8% to record its first year in excess of 60,000 tandem jumps
- **Core Skydiving business remains robust and cash generative**, reflecting the high quality cash conversion cycle of the Skydiving businesses
- **Adventure Experiences earnings in FY19 impacted** by weather conditions and a softer FNQ tourism market from late 2018
- **New CEO, John O'Sullivan, undertaking strategic review of all assets and operations**, intention to update market at AGM in November.
- **Nil dividend for FY19**, with the Group adopting a prudent approach to capital management to maintain balance sheet optionality in the short term

The Group's Chairman, Bob East, said: "while our core skydiving business returned solid results, FY19 was a challenging year with overall financial performance below expectation primarily in our Far North Queensland operations". He added that: "the new leadership team, led by CEO, John O'Sullivan, is well placed to review and refine our strategic outlook, simplify the business and drive improved operational and revenue performance aimed at increasing shareholder value".

John O'Sullivan, Chief Executive Officer, added: "I am excited to have joined the business and to lead the strategic review. I am confident that the result of the review will deliver improved performance and unlock the earnings and growth capability of this business placing it in a position to meet the demands of our customers in one of the fastest growing sectors in Australia."





Outlook

In the short term, the Group is focused on the strategic review of the business and improved capital discipline. Historically founded on a strong Skydiving business, skydiving continues to be the key profit driver of the business.

We look forward to updating the market on the Group's updated strategy at our Annual General Meeting in November.

Further details are provided in the Appendix 4E and Preliminary Final Report, and the FY19 Results Presentation.

For more information please contact investor@experienceco.com.

CONTACT INFORMATION

Media

Justin Kelly, Director
Media & Capital Partners
p: +61 408 215 858
e: Justin.kelly@mcpartners.com.au

Investors

Owen Kemp, Chief Financial Officer
Experience Co Limited
p: 1300 663 634
e: investor@experienceco.com

About Experience Co Limited (ASX:EXP)

Experience Co Limited (EXP) is an adventure tourism and leisure company (previously known as Skydive the Beach Group Limited, ASX:SKB). From its origins in Wollongong NSW in 1999, it now provides tandem skydiving experiences in 16 locations in Australia and 3 locations in New Zealand. EXP also provides activities of white water rafting, hot air ballooning, canyoning, boat tours and helicopter tours to the Great Barrier Reef in North Queensland, Australia.

