Ardent Leisure Group
Annual General Meeting

20 November 2018

Dr Gary Weiss

Chairman

SKY VOYAGER


Mr Darin Harper

Group Chief Financial Officer


Key Financial Highlights for FY18

- The sale of the Marinas business in August 2017 for gross proceeds of $126 million and the sale of the Bowling & Entertainment business in April 2018 for gross proceeds of $160 million
- Main Event returned to positive comparable store sales growth of 1.6%, while opening four new centers during the year, leading to total revenue growth of over 23%
- The sales performance of the most recent new center openings for Main Event reaffirms profitable scalability when a disciplined real estate process is maintained
- Theme Parks revenue down (1.4%), however, visitation for the second half of FY18 was up 12.5%
- We have made and continue to make a number of critical investments in our Theme Park business in terms of leadership, operations and innovation
- Significant reduction in our Group Office cost structure in FY18, from $19.2 million to $15.6 million
- We incurred a number of specific charges during the year associated with the coronial inquest, management restructuring and non-cash impairment charges
- Reduction of our net debt position during fiscal year 2018, ending the year at $11 million net debt

Pro Forma Results vs Prior Corresponding Period

Performance vs Prior Year impacted by sales of businesses; Current year includes several non-cash valuation and impairment charges

	Consolidated		
A$m	**FY18[1]**	**FY17**	**Variance**
Revenue	555.1	584.9	(5.1%)
Business unit EBITDA	(34.8)	20.4	(270.6%)
Corporate	(15.6)	(19.2)	18.8%
EBITDA[2]	**(50.4)**	**1.2**	**(4300.0%)**
Depreciation and amortisation	(56.4)	(55.0)	(2.5%)
EBIT[2]	**(106.8)**	**(53.8)**	**(98.5%)**
Borrowing costs (net)	(10.3)	(12.1)	14.9%
Net loss before tax	**(117.1)**	**(65.9)**	**(77.7%)**
Income tax benefit	28.5	3.3	763.6%
Net loss after tax	**(88.6)**	**(62.6)**	**(41.5%)**

Key factors driving variances:

- Reduced revenue primarily reflects sale of Health Clubs (Oct-16), Marinas (Aug-17) and Bowling (Apr-18), which contributed in prior corresponding period, partly offset by growth in Main Event
- Business unit EBITDA is impacted by several large non-cash and non-recurring items as well a reduced EBITDA contribution following the sale of the aforementioned businesses.
- Income tax benefit includes a credit relating to a favorable adjustment of Main Event's deferred tax balances in connection with US Tax Reforms, which have lowered the US corporate income tax rate

1 *Proforma for the period 1st July 2017 to 30th June 2018*
2 *Defined in Annual Report*

Continuing Operations

Main Event and Theme Parks

A$m	FY18[1]	FY17	Variance
	Continuing Operations		
Revenue			
Main Event	360.2	299.5	20.3%
Theme Parks	69.9	70.9	(1.4%)
Revenue	**430.1**	**370.4**	**16.1%**
EBITDA[2]			
Main Event	15.1	45.8	(67.0%)
Theme Parks	(91.1)	(98.4)	7.4%
Corporate	(15.6)	(19.2)	18.8%
EBITDA[2]	**(91.6)**	**(71.8)**	**(27.6%)**
EBITDA[2] margin	**(21.3%)**	**(19.4%)**	**(1.9) pts**
EBIT[2]			
Main Event	(18.5)	21.2	(187.3%)
Theme Parks	(99.9)	(107.3)	6.9%
Corporate	(16.7)	(20.4)	18.1%
EBIT[2]	**(135.1)**	**(106.5)**	**(26.9%)**
EBIT[2] margin	**(31.4%)**	**(28.8%)**	**(2.6) pts**

Continuing operations:

- Main Event now the primary division, accounted for over 80% of FY18 revenue and growing at 23.5% in US dollar terms (20.3% in Australian dollars after impact of foreign exchange movements)
- Main Event's EBITDA was impacted by non-cash impairment charges for five locations, restructuring costs and other non-recurring items
- Dreamworld continues to recover albeit at a slower rate than anticipated
- Significant non-cash revaluation write-down and impairments of $79.6 million occurred for the Theme Parks business in FY18
- Group office corporate costs have been reduced, albeit the current year is impacted by $1.8 million of restructuring and other non-recurring items, $0.4 million of fair value adjustment in investment and $1.2 million impairment in intangible assets

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Main Event

Revenue up over 23%, led by new centre growth and 1.6% increase in constant centre sales

The figures in the table below are in US$ million

US$m	FY18[1]	FY17	Variance
Revenue	278.9	225.7	23.5%
EBRITDA[2]	49.8	64.2	(22.3%)
Operating margin	17.9%	28.4%	(10.5) pts
Property costs	(37.2)	(29.6)	(25.7%)
EBITDA[2]	**12.6**	**34.6**	**(63.6%)**
EBITDA[2] margin	**4.5%**	**15.3%**	**(10.8) pts**
Depreciation and amortisation	(26.0)	(18.5)	(40.5%)
EBIT[2]	**(13.4)**	**16.1**	**(183.9%)**
The results above includes the following:			
Pre-opening expenses	(4.5)	(9.5)	52.6%
Restructuring and other non-core items	(5.6)	(1.1)	(409.1%)
Impairment of property, plant and equipment	(28.4)	-	n/a
Loss on disposal of assets	(0.5)	(0.2)	(150.0%)
Specific items impacting EBITDA	**(39.0)**	**(10.8)**	**(261.1%)**

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Main Event Performance:

- Sales growth of 23.5% reflects approximately seven additional average centre equivalents vs pcp
- Constant centre revenue increased 1.6% on a like-for-like basis
- Continued challenging trading conditions for certain FY17 cohort centres leading to overall margin pressure
- Non-cash asset impairment charge of US$28.4 million and another US$6.1 million of restructuring, one-time costs and non-cash loss on disposal of assets
- Increase in depreciation and amortisation primarily reflects the investments in new centre openings during FY17 and FY18; remodelling of five constant centres, new support centre and related system investments
- Pre-opening costs of US$4.5 million in FY18 vs US$9.5 million in FY17 reflect fewer new centre openings in the current year

Theme Parks

Results impacted by Dreamworld incident in October 2016

A$m	FY18[1]	FY17	Variance
Revenue	69.9	70.9	(1.4%)
Expenses	(161.0)	(169.3)	4.9%
EBITDA[2]	**(91.1)**	**(98.4)**	**7.4%**
EBITDA[2] margin	**(130.3%)**	**(138.8%)**	**8.5 pts**
Depreciation and amortisation	(8.8)	(8.9)	2.2%
EBIT[2]	**(99.9)**	**(107.3)**	**7.0%**
Attendance ('000s)	**1,658.0**	**1,663.0**	**(0.3%)**
The results above includes the following:			
Valuation loss - property, plant and equipment and investments held at fair value	(75.0)	(88.7)	15.4%
Impairment of intangible assets including Goodwill	(3.6)	(0.8)	(350.0%)
Impairment of property, plant and equipment	(1.0)	-	n/a
Dreamworld incident costs, net of insurance recoveries	(6.2)	(5.4)	(14.8%)
Loss on disposal of assets	(0.5)	(0.1)	(400.0%)
Specific items impacting EBITDA	**(86.3)**	**(95.0)**	**9.2%**

Theme Parks Performance:

- Revenue from the Australian Theme Parks division was impacted by continued slow recovery post the Thunder River Rapids ride tragedy which occurred in October 2016, discounted ticket pricing and a lack of investment in new rides, attractions and systems in the past.
- EBITDA includes an impairment charge of $79.6 million, which include SkyPoint revaluation decrement of $3.6 million and $1.0 million of other assets (FY17: $89.5 million relating to Dreamworld only) and incident-related costs net of insurance recoveries of $6.2 million (FY17: $5.4 million).
- Excluding the impairment charge, incident-related costs and loss on disposal of assets, the Theme Parks division recorded a $4.8 million loss of pro forma EBITDA in FY18 as a result of the relatively fixed cost nature of the business.

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Trading Update & Outlook

Main Event

- Q1 FY19 constant centre sales on a like-for-like basis up 1.9%
- Constant centre sales in October 2018 were down 4.7% as we cycled a strong October in the prior year with comps up 10.6%
- On a 2-year basis constant centre sales grew 1.2% in Q1 FY19 and 5.9% in October 2018

Theme Parks

- Q1 FY19 revenue up 19% - per cap up 26% and attendance down (6%)
- FY19 October YTD EBITDA loss of $3.8m, which includes restructuring and other one off costs of $1.8m
- Anticipate investment $16 million of development capital at Dreamworld in 1H FY19

Corporate Costs

- Corporate costs to October 2018 are in line with prior corresponding period. Excluding restructuring and other non-recurring charges, full year costs are expected to be consistent with previous guidance

Credit Facility

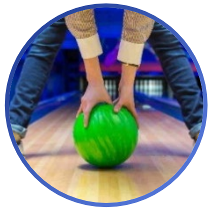
- Advanced stages of establishing new credit facilities in the US to support the growth of Main Event and the capital requirements of the Theme Park business. We anticipate this will close and fund in early Q3 of fiscal year 2019

Mr Chris Morris

Chief Executive Officer – Main Event Entertainment


Significant progress being made at Main Event

Several accomplishments and positive momentum heading into 2H FY19



- Return to positive like-for-like constant centre sales in FY18
- Q1 FY19 constant centre sales on a like-for-lie basis up 1.9%
- Constant centre sales in October 2018 were down 4.7% as we cycled a strong October in the prior year with comps up 10.6%
- On a 2-year basis constant centre sales grew 1.2% in Q1 FY19 and 5.9% in October 2018
- Event business currently outpacing prior year - Q2 bookings 5% higher than this same time in the prior year

- High employee engagement
- People and guest first culture
- Increased guest satisfaction metrics for most areas of our business

- Management team is being filled out
- In last 6 months, have hired a new Chief Development Officer, Chief Marketing Officer and Chief Operating Officer

- Completed in-depth consumer research
- Finalizing plans on branding and marketing activation strategies

Significant progress being made at Main Event

New Centre Development Pipeline is Deepening

- Opened four new centres in FY18 with very solid sales performance overall
- 42nd centre just opened in Highlands Ranch, CO
- Targeting 5-8 new centre openings from FY20 onwards
- Sought after tenant by developers; leading to substantial opportunities

Current

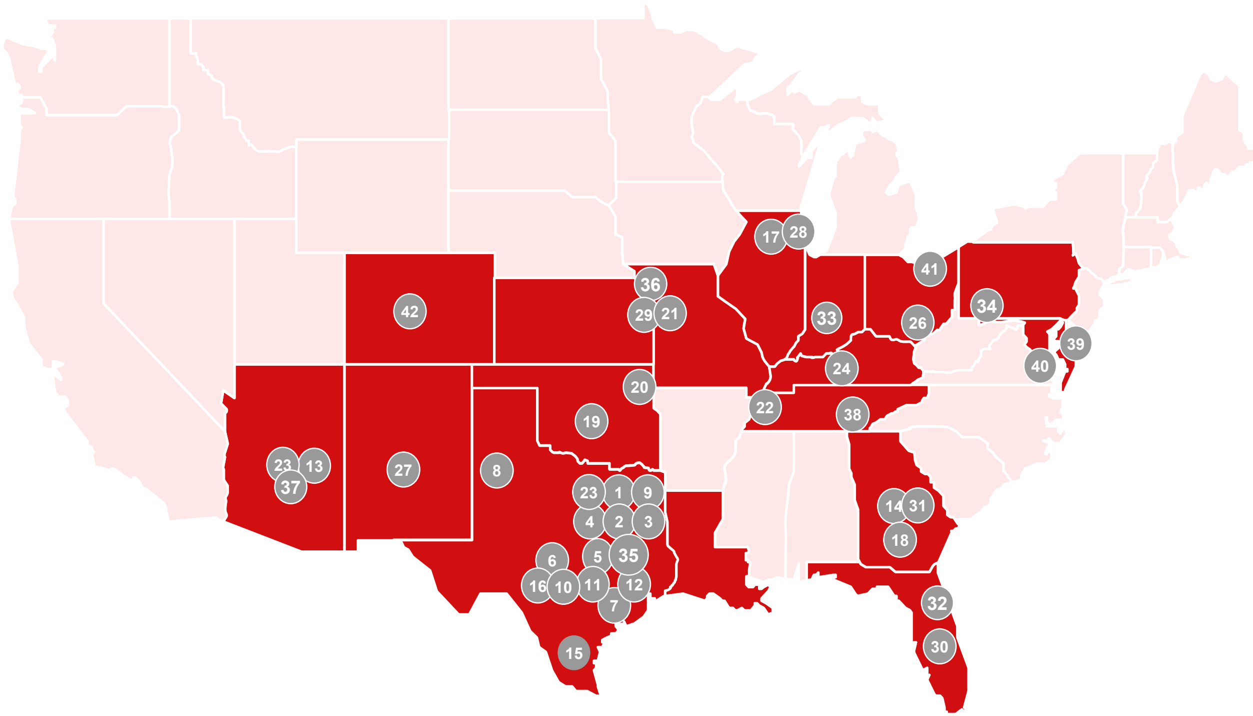
- 42 sites across 16 states

Developments in progress

- New State: site #43 is board approved in LA
- 4 Main Event centers approved in Texas and Florida
- 47 centers planned by the end June 2020

Main Event considers three types of markets when expanding

- Branded markets
- Proximity markets
- Opportunity markets



Mr John Osborne

Chief Executive Officer – Theme Parks


Where we are heading
Stabilise, transform and invest

ARDENT LEISURE

Become the premier family leisure and entertainment destination in Australia

- Rides and attractions - land and water based
- Wildlife
- Indigenous culture and history

Invest in new rides and attractions

- Sky Voyager
- Water Park expansion
- New wildlife experience

Precinct to become a destination in its own right – located on one of Australia’s busiest transport corridors

- Westfield Coomera
- Gold Coast International Marine Precinct

Prepare a masterplan in order to maximise the value of surplus land

Key Priorities

Sharp focus will drive better performance in the near term

Safety
- Continuing to embed a safety culture

Park presentation and customer service
- Painting and general repair programme and continued focus to improve guest satisfaction

Sky Voyager
- In construction and coming soon

Sales and Marketing
- Focus on tactical campaigns and review pricing strategy

Community engagement
- Be a leader by keeping the community updated on safety improvements and investment in the local economy

Safety initiatives

Striving to achieve global best practice safety standards

Dreamworld is committed to implementing the Coroner's recommendations in consultation with WHSQ and the theme park industry.

A number of initiatives are at various stages of implementation including:

- A whole of park evacuation drill took place on July 31, including all Dreamworld team members (on shift), Qld Police, QLD Fire and Emergency and WHSQ
- 54 scenarios based, ride specific emergency drills have occurred since July 1
- Ride specific emergency drills are a scheduled component of the annual ride maintenance shutdown process
- Annual WHSQ audit of rides and safety systems occurred between September 17 and 21. No statutory notices were issued as a result of the audit
- An in-house training academy commenced in October with a clear focus on safety and security related training
- An integrated Safety and Document Management System supported by new technology is in development, anticipated implementation early 2019
- Working with the authorities and industry to develop and implement the new Safety Case regulation

To reflect upon

Time, investment and a focus on the future will restore value

- Dreamworld, WhiteWater World and SkyPoint are iconic facilities
- Our goal is to reinvigorate our parks and restore visitation to above peak historical levels through investment in new attractions
- The brand is strong and resilient
- A well run theme park business is a proven business model