

APPENDIX 4E
Preliminary Final Report
for the year ended 30 June 2020

Name of Entity: Ardent Leisure Group Limited (ASX: ALG) (ABN 51 628 881 603)

Details of reporting periods

Current	30 June 2020
Previous corresponding	25 June 2019

Results for announcement to the market

A\$'000		
Revenues from ordinary activities of continuing operations	Decreased 17.6% to	398,315
Loss from ordinary activities after tax attributable to members	Increased (60,877) to a loss of from a loss of	(136,625)
Net loss for the period attributable to members	Increased (60,877) to a loss of from a loss of	(136,625)
Dividends	Amount per share	Tax deferred amount per share
<i>Current Period:</i>		
Final dividend	0.00¢	
Interim dividend	0.00¢	
Total	0.00¢	0.00¢
<i>Previous Corresponding Period:</i>		
Final dividend	0.00¢	
Interim dividend	0.00¢	
Total	0.00¢	0.00¢
Record date for determining entitlements to the dividends	N/A	

Provide a brief explanation for any of the figures reported above necessary to enable the figures to be understood:

The current reporting period financial statements include results from 26 June 2019 to 30 June 2020 i.e. 371 days which is 7 days more than the prior corresponding period (26 June 2018 to 25 June 2019 i.e. 364 days).

The Group reported a net loss after tax of \$136.6 million compared to a loss of \$60.9 million in the prior year. The current year has been significantly impacted by the COVID-19 pandemic which resulted in temporary closure of Main Event centres on 17 March 2020 and Theme Parks on 23 March 2020.

In addition to having an additional week in the current year and operational disruption due to COVID-19, the year on year comparison of the Group's result is also impacted by non-cash valuation and impairment losses on the Dreamworld and SkyPoint properties, impairment charges at several US entertainment centres, derecognition of deferred tax assets and the adoption of a new lease accounting standard AASB 16 *Leases*.

Under the new lease standard, a significant part of lease costs are now reported below EBITDA as "amortisation of lease assets" and "lease interest expense" and these costs are higher due to a different recognition profile compared to the previous lease accounting standard.

The current year also continued to be impacted by Dreamworld incident costs, with the Coronial Inquest findings being handed down in February 2020, as well as restructuring and other non-recurring items, some of which are directly attributable to COVID-19.

Total revenue of \$398.3 million for the Group declined by \$85.0 million compared to the prior year due to temporary closure of Main event centres and Theme Parks in response to government imposed social distancing and other measures to stop the spread of COVID-19. This is partially offset by incremental revenue from new Main Event centres that opened in the year, as well as encouraging signs of recovery in Theme Park's attendance and revenue growth achieved prior to the emergence of COVID-19.

Total EBITDA increased by \$14.0 million from \$11.7 million in FY19 to \$25.7 million in FY20 mainly due to a change in lease accounting standard, which resulted in approximately \$48.5 million lower rent expense being reported as part of EBITDA in the current year. When including the rent expense to enable like-for-like comparison, total EBITDA declined by \$34.5 million from \$11.7 million in FY19 to a loss of \$22.8 million in FY20.

Further details of the Group's performance are contained in the attached audited financial statements (Directors' Report: Operating and financial review).

Details of Dividends

Refer to attached Annual Financial Report (Directors' Report and Note 10: Dividends paid and payable).

Details of Dividend/Distribution Reinvestment Plan

N/A

Statement of Retained Profits

Refer to the attached Annual Financial Report (Note 21: Accumulated losses).

Net Tangible Assets

	Current period	Previous corresponding period
Net tangible asset backing per share *	58¢	64¢
Net tangible asset backing per share after dividend**	58¢	64¢

* Under the listing rules, NTA backing must be determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary securities (i.e., all liabilities, preference shares, outside equity interests etc).

** The net tangible asset backing per share would have been 61¢ (2019: 64¢) for the Group if the dividend for the six months ended 30 June 2020 had been recognised in the financial statements.

Control gained or lost over entities during the period

Name of entity (or group of entities) over which control was gained	None
Date control was gained	N/A
Consolidated profit (loss) from ordinary activities and extraordinary items before tax of the controlled entity (or group of entities) since the date in the current period on which control was acquired	N/A
Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	N/A
Name of entity (or group of entities) over which control was lost	N/A
Date control was lost	N/A
Consolidated (loss)/profit from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	N/A
Consolidated (loss)/profit from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period	N/A

Details of Associates and Joint Venture entities

N/A

Other significant information

N/A

Accounting standards used by foreign entities

IFRS

Commentary on results

	Current period	Previous corresponding period
Basic losses per share	(28.48¢)	(12.74¢)
Basic losses per share have increased by 12.69 cents (99.6%), being a loss per share of 25.43 cents in the current year compared to loss per share in the prior year of 12.74 cents.		
	Current period	Previous corresponding period
	A\$'000	A\$'000
<i>Returns to shareholders:</i>		
Dividends	\$Nil	\$Nil
No dividend was declared prior to 30 June 2020 (2019: \$Nil million). Cash dividends per share for the year ended 30 June 2020 were \$Nil cents per share (2019: \$Nil cents).		
Significant features of operating performance: Refer to explanation of results above.		
Segment results: Refer to the attached Annual Financial Report (Note 2: Segment Information).		
Performance Trends: Refer to explanation of results above.		
Other factors: Refer to explanation of results above.		

Audit

This report is based on accounts to which one of the following applies:

<input checked="" type="checkbox"/>	The accounts have been audited. (refer attached financial statements)	<input type="checkbox"/>	The accounts have been subject to review. (refer attached financial statements)
<input type="checkbox"/>	The accounts are in the process of being audited or subject to review.	<input type="checkbox"/>	The accounts have <i>not</i> yet been audited or reviewed.

Accounts not yet audited or reviewed

N/A

Audit Qualification

N/A