



MARKET RELEASE

SkyCity Entertainment Group Limited
(SKC.NZX/SKC.AX)

30 April 2021

MARKET UPDATE ON CURRENT TRADING AND OUTLOOK FOR THE FULL-YEAR FY21 AND PRODUCT DISCLOSURE STATEMENT FOR RETAIL BOND OFFER

Current Trading

Trading for 2H21 to date remains consistent with those trends disclosed at the time of SkyCity's 1H21 results announcement on 18 February 2021, namely:

- Resilient local gaming performance at SkyCity Auckland when open – strong weekend and holiday peaks, particularly in electronic gaming machines (**EGMs**);
- Positive performance from both SkyCity Hamilton and SkyCity Queenstown – strong EGM activity and effective cost discipline;
- Consistent performance at SkyCity Adelaide across all business activities – with trading in March and April 2021 comparable to the December 2020 to February 2021 period following opening of the new expansion in December 2020;
- SkyCity Online Casino performing consistently – over 38,000 active customers as at 30 April 2021; and
- Tourism-related businesses (including International Business) continue to be significantly impacted by ongoing international border closures.

Property closures in New Zealand and South Australia from 23 March 2020 due to COVID-19 related lockdowns limit comparability with the prior comparable period from this date.

FY21 Outlook

Despite positive current trading, there is no change to the previous guidance for FY21 with SkyCity expecting Group normalised EBITDA to be above FY20 but still well below pre-COVID-19 and FY19 levels. The operating environment remains unpredictable due to COVID-19 (eg. 11-day property closure at SkyCity Auckland during February and March 2021) and accordingly SkyCity is unable to provide formal earnings guidance at this time.

Based on expected performance and assuming no prolonged property closures before the end of FY21, SkyCity expects to meet its financial covenants for the 30 June 2021 testing

period and pay a final dividend consistent with the revised dividend policy announced at the time of its 1H21 results.

SkyCity intends to present at the Macquarie Investor Conference (Sydney, Australia) on Thursday, 6 May 2021.

Retail Bond Offer

SkyCity has announced an offer of up to NZ\$125 million (with the ability to accept oversubscriptions of up to an additional NZ\$50 million at SkyCity's discretion) of 6 year, unsecured, unsubordinated, fixed rate bonds maturing on 21 May 2027 to institutional investors and New Zealand retail investors.

The offer is expected to open on 10 May 2021 and close on 14 May 2021. The bonds are expected to be assigned a BBB- rating by S&P Global Ratings.

SkyCity has appointed Westpac Banking Corporation (ABN 33 007 457 141) (acting through its New Zealand branch) (**Westpac**) as Arranger, and ANZ Bank New Zealand Limited, Commonwealth Bank of Australia (ABN 48 123 123 124) (acting through its New Zealand branch), Craigs Investment Partners Limited, Forsyth Barr Limited, Jarden Securities Limited and Westpac as Joint Lead Managers in relation to the offer.

Full details of the offer are contained in the Product Disclosure Statement (**PDS**) which was lodged today.

The PDS is available through www.skycityentertainmentgroup.com/BondOffer or by contacting a Joint Lead Manager or your usual financial adviser, and must be obtained by investors before they decide to acquire any bonds. The PDS (together with further information in relation to the bonds and the offer) is also available on the Disclose Register at www.companiesoffice.govt.nz/disclose under SkyCity's offer number OFR13093. There are restrictions on offering, issuing or selling bonds outside New Zealand, as set out in the Disclose Register entry for the offer.

There is no public pool for the offer, with all of the bonds being reserved for clients of the Joint Lead Managers, NZX Participants and other approved financial intermediaries.

Investors can register their interest by contacting a Joint Lead Manager or their usual financial adviser.

This offer is being made in accordance with the Financial Markets Conduct Act 2013 and the bonds are expected to be quoted on the NZX Debt Market.

Copies of the PDS, the bond presentation and the indicative terms sheet for the bonds have been provided to NZX with this announcement.

For more information, please contact:

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ENDS