



**FY22**

**ANNUAL GENERAL MEETING**

REEF MAGIC 'REMOORA' | CAIRNS | AUSTRALIA

**EXPERIENCECO**

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# BOARD OF DIRECTORS AND EXECUTIVE TEAM

## DIRECTORS

**KERRY (BOB) EAST**



Independent Chairman  
Chair – Remuneration & Nomination Committee  
Member – Audit & Risk Committee

**ANTHONY BOUCAUT**



Non-Executive Director & Founder

**MICHELLE COX**



Independent Non-Executive Director  
Member - Remuneration & Nomination Committee  
Member – Audit & Risk Committee

**NEIL CATHIE**



Independent Non-Executive Director  
Member - Remuneration & Nomination Committee  
Chair – Audit & Risk Committee

**JOHN O’SULLIVAN**



Executive Director  
Chief Executive Officer

## EXECUTIVE

**OWEN KEMP**



Chief Financial Officer

**CHERIE MCGILL**



GM People & Performance

**KATHRYN O’BRIEN**



Chief Commercial Officer

**FIONA VAN WYK**



Company Secretary

**AMANDA BYRNE**



GM Wild Bush Luxury

**NIC DANSIN**



GM Treetops Adventure

**RYAN ROCHE**



GM Aviation and Flight Operations

**ADAM JONES**



GM Skydive and Marine

# FINANCIAL HIGHLIGHTS

## FY22 IN BRIEF

**\$55.8m**

Sales Revenue

**\$(2.4)m**

Underlying EBITDA loss<sup>1</sup>

**\$18.2m**

Cash & cash equivalents

**\$(2.1)m**

Skydiving Underlying EBITDA loss<sup>1</sup>

**\$(13.6)m**

Net loss after tax

**\$8.7c**

NTA per share

**\$3.0m**

Net cash<sup>2</sup>

**\$5.6m**

Adventure Experiences  
Underlying EBITDA<sup>1</sup>

### NOTES

1. 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. 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. Refer to Note 2 to the FY22 audited financial statements for a reconciliation between statutory and underlying.

2. Net cash/(debt) is calculated as cash and cash equivalents less corporate debt and asset finance obligations ('finance leases').

# ESCAPING THE ORDINARY

Our vision is to be the most recognised and respected adventure business in Australia and New Zealand

## VALUES



### EXPERIENCE

We will deliver an extraordinary experience to our customers and employees.



### ADVENTURE

We are bold and adventurous in what we do.



### RESPECT

We respect one another, and the environment in which we operate.



### SAFETY

Is at the heart of all that we do.

## ENVIRONMENT



Environmental advocacy embedded across all products

Elimination and/or transition away from plastics and single use items

Solar farm investments at Bamurru Plains and Maria Island

Training to actively reduce fuel emissions

Conservation and native rewilding

Feral animal and pest plant control

Active participation in Great Barrier Reef (GBR) biology and regeneration

## SOCIAL



Black Dog Institute 'CEO Skydive'

Skydive Australia partnership with Gotcha4Life

Shoreline partnership, providing local indigenous students opportunities to gain industry related employment

Citizens of the Great Barrier Reef

Hero4Heartkids Treetops Adventure sponsorship

GBR partnership with Mars Foundation

Australian Wildlife Conservancy and Long Run

## GOVERNANCE



47% women in management roles (40% in non management roles)

Industry leadership role in workplace health and safety

Diversity and inclusivity at the core of everything we do

ASX Corporate Governance principles

Strong engagement directly with our investors on governance and disclosure

# OUR BUSINESS TODAY

## SKYDIVING AUSTRALIA & NZ

Australasia's leading tandem skydiving operation.

14 Drop Zones (DZs) in Australia and 3 in New Zealand's Queenstown region. 2 leading aircraft maintenance businesses

Targeted at youth and international markets



## WILD BUSH LUXURY

Internationally respected luxury lodge and guided walking brand Wild Bush Luxury

3 operating locations: Arkaba (SA), Bamurru Plains (NT) & Maria Island (TAS)

Targeted at the premium traveller



## REEF UNLIMITED

Cairns and Port Douglas based in Tropical North Queensland (TNQ)

Day tours, dive and snorkel activities on the world renowned Great Barrier Reef

Targeted at domestic and international markets



## TREETOPS ADVENTURE

Australia's leading high ropes and ziplining adventure operation, Treetops Adventure.

15 locations across Australia, predominately on the eastern seaboard

Targeted at the family market



# A BUSINESS OF SCALE

>1m

Customers pa

37

Operating locations

### PRE-PANDEMIC

**\$130m**

FY19 Revenue

### STRATEGIC REVIEW

**\$6m**

Annualised savings

### FAMILY ADVENTURE

**\$16m**

Annualised Revenue<sup>2</sup>

### PREMIUM ADVENTURE

**\$7m**

Annualised Revenue<sup>2</sup>

**\$26m**

FY19 Underlying EBITDA<sup>1</sup>

+

+

**\$7m**

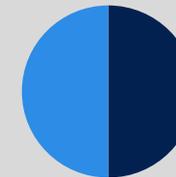
Annualised Underlying EBITDA<sup>2</sup>

+

**\$1m**

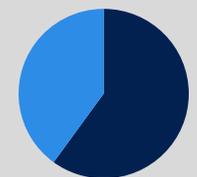
Annualised Underlying EBITDA<sup>2</sup>

### CUSTOMERS<sup>3</sup>



■ Domestic ■ International

### SOURCE<sup>3</sup>



■ Direct ■ Agent

### NOTES

1. Underlying EBITDA for continuing business adjusted for the pro forma application of AASB 16 Leases
2. Based on pro forma historical earnings disclosures consistent with those set out in the ASX announcements for each relevant acquisition
3. Target portfolio composition upon recovery

# GROWTH STRATEGY

## EXECUTING THE RECOVERY IN FY23

### 1. RECOVERY

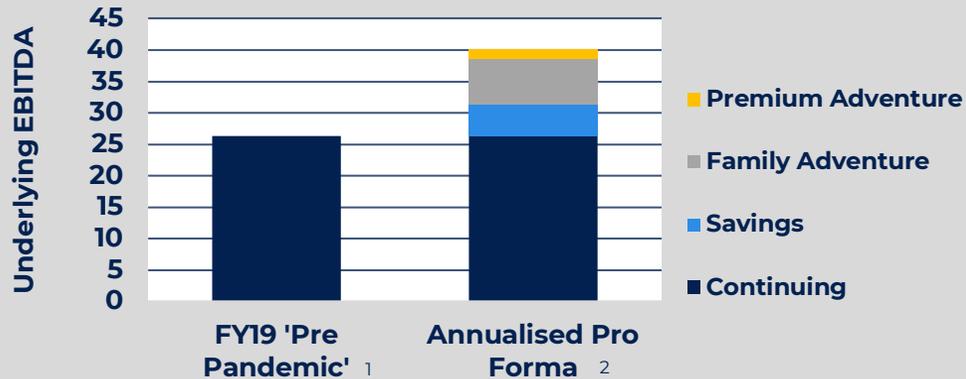
Skydive and GBR Verticals to pre-pandemic levels. Leverage corporate platform as volume returns

### 2. CAPITAL DISCIPLINE

Maintain strong balance sheet. Prioritise capital allocation to markets positioned early in the recovery

### 3. GROWTH INVESTMENT

Targeted at expansionary projects in our existing portfolio  
Acquisition pipeline focussed on value accretive acquisitions



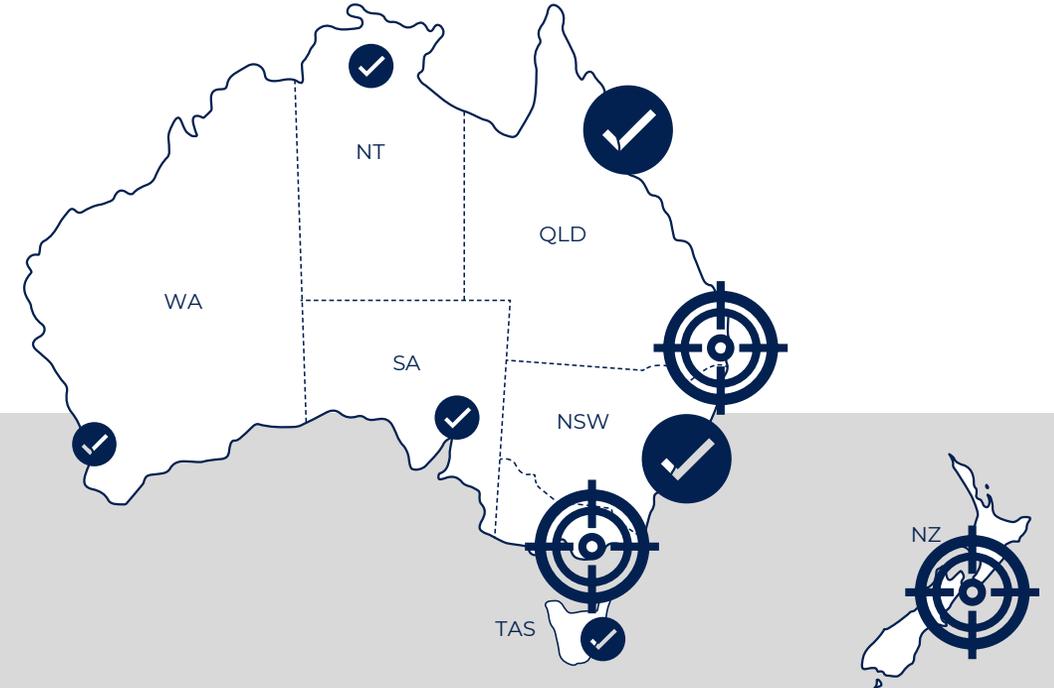
#### NOTES

1. FY19 based on continuing operations (excluding divestments)

2. Annualised Pro Forma is an illustrative estimate assuming pre-pandemic conditions return, including impact of strategic review savings and annualised contribution from the acquisitions completed in FY22. The Annualised Pro Forma is not a forecast or projection.



## GROWTH PIPELINE CRITERIA

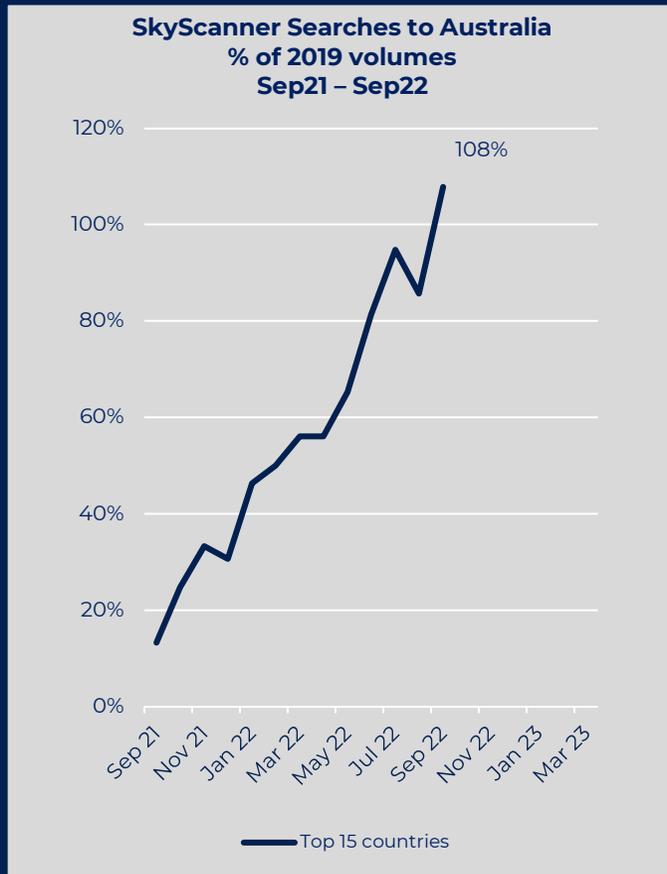


- GEOGRAPHIC FOOTPRINT
- TARGET CUSTOMER
- INTERNATIONAL VS DOMESTIC
- ADVENTURE CATEGORY
- EXPANSION OPPORTUNITY
- SYNERGIES
- STRONG CASH CONVERSION
- ROIC > 10%

# DEMAND RECOVERING

International demand expected to reach pre-pandemic levels during FY25. Aviation capacity and pricing are continuing to be the key driver in the leisure arrivals trends. In near term anticipating VFR will continue to be large component of leisure arrivals

## SEARCH



Source: Skyscanner, Flight Searches, Searches between Sep21 – Sep22

## CAPACITY



Source: Cirium - SRS Analyser, Aviation Capacity between Sep21 to Mar23

## ARRIVALS



Source: Australian Bureau of Statistics – ABS data

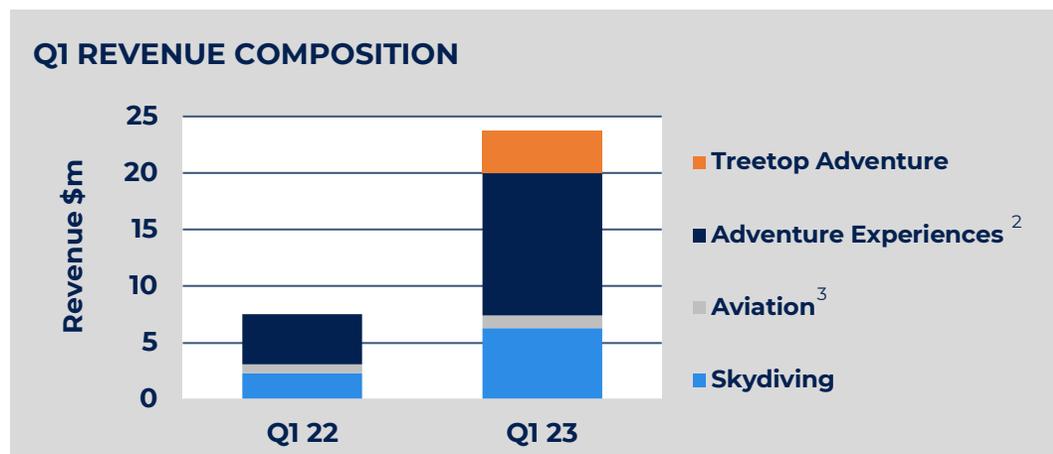
\*Leisure Travel is inclusive of Holiday travel and visiting friends and relatives ('VFR')

# Q1 23 TRADING UPDATE

## MOMENTUM FROM Q4 22 CONTINUED

### GROUP REVENUE

| \$ MILLION                       | Q1 23       | Q1 22      | %           |
|----------------------------------|-------------|------------|-------------|
| SKYDIVING                        | 7.4         | 3.1        | 136%        |
| ADVENTURE EXPERIENCES            | 16.4        | 4.4        | 273%        |
| <b>TOTAL REVENUE<sup>1</sup></b> | <b>23.6</b> | <b>7.4</b> | <b>217%</b> |



### NOTES

1. Total revenue includes adjustment for the elimination of inter segment revenues.
2. Adventure Experiences excluding Treetops Adventure which was acquired in Q2 22.
3. Aviation is Skydiving segment income that is related to aircraft maintenance and aircraft hire, which was less impacted by the Q1 22 COVID lockdowns.

### COMMENTARY

- Revenue tracking in line with expectations, despite challenging weather conditions in the Skydive segment
- Adventure Experiences has traded strongly continuing the Q4 22 momentum, with Reef Unlimited and Wild Bush Luxury performing ahead of expectations
- EBITDA positive in each month, and also tracking in line with expectations
- Restructuring undertaken of the Skydive Australia and New Zealand business to better suit the COVID recovery
- Corporate costs in line with expectations
- Cash flow tracking in line with working capital seasonality of the business, and anticipated to improve as Q2 progresses

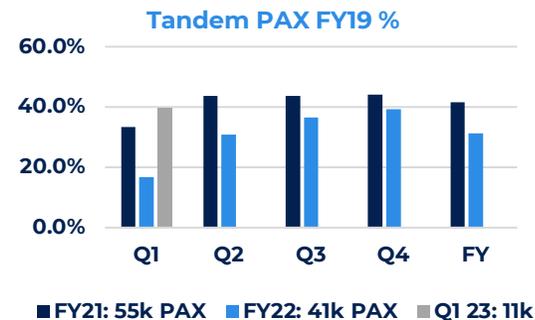
# SKYDIVING

## RECOVERY TRAJECTORY IMPROVING IN Q1 23

### SKYDIVING

| \$ MILLION                    | Q1 23      | Q1 22      | %           |
|-------------------------------|------------|------------|-------------|
| SKYDIVING REVENUE             | 6.3        | 2.3        | 278%        |
| AVIATION REVENUE <sup>1</sup> | 1.1        | 0.8        | 38%         |
| <b>TOTAL REVENUE</b>          | <b>7.4</b> | <b>3.1</b> | <b>136%</b> |

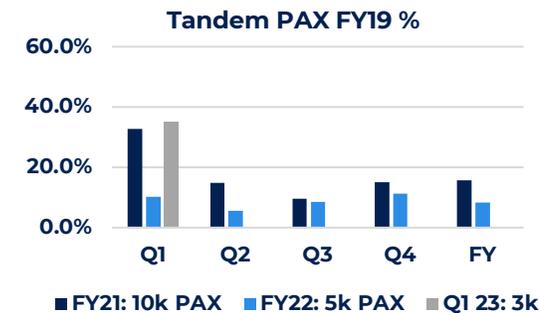
### SKYDIVE AUSTRALIA



**132k**

FY19 Tandem PAX

### NZ SKYDIVE



**60k**

FY19 Tandem PAX

#### NOTES

1. Aviation is Skydiving segment income that is related to aircraft maintenance and hire.

### COMMENTARY

- Q1 23 has been the highest Q1 volume post the emergence of COVID, despite continued challenging weather conditions
- Encouragingly, the geographical diversification of the portfolio was demonstrated with NZ and TNQ volumes performing ahead of expectations, mitigating the impact of the weather challenges in SEQ, NSW and VIC
- Labour supply and Jet A1 costs stabilised in the period and continue to be focus areas, due to the demand recovery being impacted by weather. Expecting margins to be impacted in near term
- Demand continues to be strong, with existing pent up demand from pandemic and weather reschedules in Australia
- Pricing and revenue per PAX improved as the quarter progressed and continues to be a strong focus area given inflationary and labour supply constraints
- International recovery has commenced, particularly evident in NZ in Q1 23. Australia has seen student market demand return as CY23 has progressed
- In the near term, normalisation in weather conditions and international tourism recovery are key catalysts for profitability

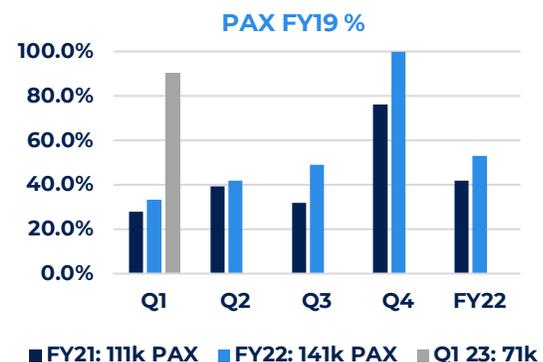
# ADVENTURE EXPERIENCES

STRONG MOMENTUM FROM APRIL 2022 CONTINUED INTO Q1 23

## ADVENTURE EXPERIENCES

| \$ MILLION    | Q1 23 | Q1 22 | %    |
|---------------|-------|-------|------|
| TOTAL REVENUE | 16.4  | 4.4   | 273% |

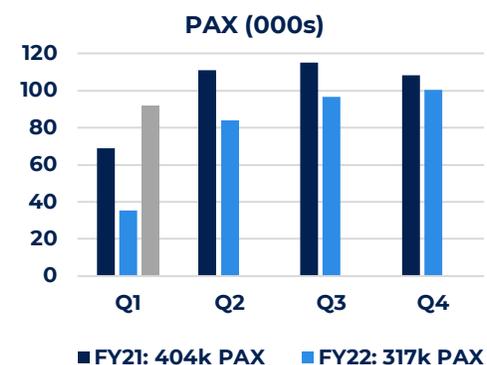
## REEF UNLIMITED



267k

FY19 PAX

## TREETOPS ADVENTURE



404k

FY21 PAX

## COMMENTARY

- Strong recovery continued across the segment, and also the Q1 23 contribution from the Treetops Acquisition
- Reef Unlimited (formerly known as GBR Experiences) reported volumes at 90% of pre-COVID. Domestic market strength continues to drive strong performance in the direct channel, offsetting the impact of higher mix of children participants and fuel costs
- As the top line has become more consistent in Reef Unlimited the reset of the cost base, asset management approach and go to market strategy is evident in profitability and cash flows
- Strong focus on recruitment has allowed us to increase operating days to meet market demand, and provide increased certainty to our employees
- Treetops Adventure's recovery continued, despite the headwinds of adverse weather conditions at NSW locations, including the peak school holiday and weekend periods. Cape Tribulation opened in Q1 23, and we look forward to the experience's growth over coming months
- Wild Bush Luxury has achieved a record season at Bamurru Plains driven by strong occupancy levels (NT) and guided walking numbers at Arkaba, with these seasons both completing in October. Maria Island continues to see strong forward bookings for 2022/23 season, with first walk commencing on 1 October 2022

## NOTES

1. Formerly known as GBR Experiences.

# TRADING UPDATE & OUTLOOK

## RECOVERY MOMENTUM EXPECTED TO CONTINUE

### Q2 23 TRADING TO DATE

- Momentum continued from the strong finish to the Q1 23 quarter
- Adventure Experiences continues to see more resilient trading relative to Skydiving which is more sensitive to meteorological conditions, including the elongated La Nina cycle on the eastern seaboard
- When conditions allow normalised volumes for Skydiving and Reef Unlimited, we expect to see improvement in profitability and cash flows relative to pre pandemic
- Consumer demand and yield has continued to be robust where conditions allow, and next key test of sentiment will be the Xmas trade period
- Corporate costs tracking in line with expectations.
- Balance sheet continues to be healthy. Expansion projects progressing, highly weighted to 2H 23.

### OUTLOOK

- Expecting international market conditions to improve as aviation capacity increases into December
- Uncertainty in macroeconomic and geopolitical conditions anticipated to persist for near term and management to remain responsive to emerging opportunities and threats
- Operating leverage expected in Q2 and Q3 as we enter the seasonal peak period for the business
- With a more rationale M&A environment emerging Management continues to build target pipeline opportunities that are highly complementary to existing verticals, return targets and strategy
- Due to continued uncertainty EXP is not providing earnings guidance for FY23

# EXPERIENCECO



THANK YOU