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MARKET RELEASE
SkyCity Entertainment Group Limited
(SKC.NZX/SKC.ASX)

21 August 2025

SkyCity announces FY25 Results and new Balance Sheet initiatives

SkyCity Entertainment Group Limited ("**SkyCity**") today announced its results for the year ended 30 June 2025 and capital initiatives to provide balance sheet resilience, including a $240m Equity Raise.

Key features:

- **Group revenue $825.2m** – 5% lower than the prior period underlying revenue; lower spend per visit and higher VIP customer churn in Adelaide
- **Reported Group EBITDA $216.1m** – 56.4% above the prior period; prior period included $139m of significant or one-off items
- **Underlying Group EBITDA $233.7m*** – excludes Building a Better Business programme (**B3**) costs of $17.6m from Reported EBITDA of $216.1m, 15.9% lower than the prior period
- **Reported Group NPAT $29.2m** – includes a $27.3m impact from the South Australian casino duty settlement, and compared with a loss of $143.3m in the prior period
- **Underlying Group NPAT $71.5m*** – excludes the impact of the South Australian casino duty settlement and the B3 costs, compared with $123.3m in the prior period
- **FY26 earnings guidance** – full year underlying EBITDA expected to be within range of $190 – $210m
- **Independent Review of SkyCity Adelaide** – suitability confirmed
- **Carded Play now live** – successfully launched across all New Zealand sites in July
- **Customer visitation remains strong, up 4.6% on prior period –** lower spend due to challenging economic conditions continues
- **NZICC on track to open in February 2026** – solid pre-opening pipeline of events
- **$240m Equity Raise** – announced today to provide balance sheet resilience alongside asset monetisation over next 12 – 18 months
- **No dividend declared**

* Underlying results are non-GAAP financial measures which are used by SkyCity's board and management to assess the performance of the business and have been derived from SkyCity's financial statements. Refer to the Appendices to SkyCity's FY25 results presentation for a description and further details of SkyCity's underlying results.

Chief Executive Officer, Jason Walbridge, said: "Our financial results reflect the difficult operating environment we've navigated in FY25. The delayed economic recovery in New Zealand has led to lower discretionary spend impacting our business and that has come through the same time as a period of elevated investment".

"This investment has been centred around regulatory systems upgrades, B3, pre-opening costs for New Zealand International Convention Centre ("**NZICC**") and preparation for online casino gaming in New Zealand".

“Despite this we are making progress with significant milestones achieved in Carded Play now live across our New Zealand sites, a positive suitability outcome from the Independent Review of SkyCity Adelaide and the opening of NZICC in February 2026”.

Financial Performance

Reported Group EBITDA of $216.1 million is in line with the guidance provided in May, and up 56% on the prior period due to a number of one-off significant accounting adjustments in FY24.

Reported Group NPAT of $29.2 million was up on the prior corresponding period loss of $143 million – which included those significant accounting adjustments – and after providing for the interest associated with the resolution of the long-standing gaming duty matter in South Australia.

Underlying Group NPAT of $71.5 million was down 42% on the prior corresponding period due to the lower level of earnings and increased interest expense, partially offset by a lower tax expense.

Underlying Group revenue of $825.2 million is down 5% on the prior corresponding period with Underlying Group EBITDA of $233.7 million down 16% on the prior corresponding period, due primarily to lower customer spend levels, increased churn of VIP customers in Adelaide and elevated costs related to upgrading regulatory systems, pre-opening costs for the NZICC and continuing to invest in our online gaming capability.

Gaming revenue in Auckland was impacted by the challenging market conditions and customer churn in the premium and VIP customer segments. The reduction was partially offset by the contributions from the Horizon by SkyCity Hotel since August 2024, and the carpark income due to the buyback of the carpark concession.

“The Auckland hotel market remains very competitive with an oversupply of hotel rooms due to lower visitor numbers to the city. Horizon by SkyCity has had a strong first year notwithstanding the macroeconomic backdrop and we’re looking forward to the positive difference NZICC will make to occupancy across our precinct and wider Auckland when it opens in 6 months’ time” Mr Walbridge said.

EBITDA for Hamilton and Queenstown was down 4% in line with expectations due to lower revenue partially offset by disciplined cost control.

The SkyCity Adelaide business experienced higher levels of customer churn in the VIP customer segment due to enhanced AML and host responsibility initiatives, particularly in the second half which impacted gaming revenue.

Carded Play

“Carded play is now live across all our New Zealand sites and while still early days, we’re pleased with the response from customers so far. We are also confirming the previous guidance regarding the impact on previously uncarded revenue, equivalent to $20 - $30m EBITDA in FY26” Mr Walbridge said.

“This is a significant change for SkyCity and our customers as we continue to work hard on raising our host responsibility measures. It will also create operational efficiency over time and importantly, deliver meaningful and actionable customer insights”.

SkyCity also launched a revamped customer loyalty program SHOW by SkyCity in July.

New Zealand International Convention Centre

“We are looking forward to opening the doors to the NZICC in February. It’s a world-class venue and is already attracting large-scale events, exhibitions and concert interest. This will be a major catalyst for SkyCity and wider Auckland, with an estimated 500,000 extra visitations annually expected when operating at full capacity" Mr Walbridge said.

Regulatory progress and Transformation
In Adelaide, the findings of the Independent Review into the suitability of SkyCity Adelaide to continue to hold the SkyCity Adelaide casino licence and the suitability of SkyCity to continue to be a close associate of SkyCity Adelaide were released on 12 August.

The final report of The Honourable Brian Martin AO KC confirmed that SkyCity Adelaide is suitable to hold the SkyCity Adelaide casino licence; and that SkyCity is suitable to be a close associate of SkyCity Adelaide. The Consumer and Business Services Commissioner ("**Commissioner**") is considering the findings of the report to determine what enforcement action he may decide to take.

"We acknowledge Mr Martin's findings and the Commissioner's comments that we still have work to do. We remain committed to our B3 programme and constructive engagement with all our regulators" Mr Walbridge said.

Outlook & FY26 guidance
"Early FY26 trading has been substantially in line with our expectations. The impact of Carded Play is in-line with our previous guidance and we're yet to observe any positive change in consumer discretionary spending in the subdued New Zealand economy" Mr Walbridge said.

"We expect overall market conditions will continue to be challenging in the short term. This continues to be a challenge for us as the ongoing delay in the economic recovery in New Zealand comes at the same time as elevated costs related to upgrading our regulatory systems and B3 programme, pre-opening costs for NZICC in February and the expected launch of regulated online casino gaming in winter 2026".

We expect FY26 Underlying EBITDA to be within a range of $190m – $210m impacted by:

- approximately $23m of ongoing investment with the majority of this investment occurring in 1H26, driving a material 2H26 earnings skew:
    - ~$16m from NZICC, driven by the impact of pre-opening and operating costs (12 months) with only ~4.5 months of revenues (vs ~$5m investment in FY25)
    - ~$7m from investment in online gaming in readiness for FY27 licensing and go-live (vs ~$2m investment in FY25);
- the expected impact of Carded Play, in respect of which we confirm our guidance as being within a range of $20 – 30m of reduced EBITDA in FY26;
- our continued focus on cost saving initiatives, targeting minimum net cost savings in the order of ~$10m; and
- ongoing economic challenges and player churn.

We note that FY26 Reported EBITDA is therefore expected to be $170.6 – 190.6m, once taking into account total B3 costs of $19.4m.[1]

FY26 Reported NPAT is expected to reflect:

- Interest expense of $35 – 40m, driven by reduced capitalisation following NZICC practical completion and reduced levels of debt as a result of the Equity Raise;[2,3]
- D&A of $100 – 110m, increasing due to practical completion and operation thereafter of NZICC;[2] and

[1] Excludes impact of any enforcement action by CBS following Brian Martin independent review.

[2] Assumes practical completion 31 October 2025.

[3] Reflects impact of equity raising.

- Tax of 35 – 45% of Net Profit before Tax being impacted by accounting and tax treatment, particularly for non-deductible expenditure, adjustments for NZ building tax depreciation and Australian group tax losses not recognised.

SkyCity expects capital expenditure to be ~$116m in FY26, with $45m related to NZICC and $71m of BAU and ICT capital expenditure.

No dividends are expected to be paid in FY26.

"Looking to FY27, we expect earnings to improve with NZICC expected to be breakeven on a stand-alone basis and the regulated online gaming business targeted to deliver breakeven in the first year of operation in FY27".

"We remain optimistic that we will see a recovery in spend per visit across our properties as the New Zealand economic backdrop improves, supported by a full year of visitation benefits from NZICC and the spend expected from that. SkyCity is well placed to maximise that opportunity when it occurs" Mr Walbridge said.

Balance Sheet Initiatives
In light of current trading conditions, historical calls on capital from a number of extraneous matters and the ongoing investment requirements of the business, SkyCity has today announced a $240 million equity raising ("**Equity Raising**") to provide balance sheet resilience to:

- Navigate this period of continued economic weakness; and
- Execute on near-term priorities

SkyCity is also targeting a number of asset monetisations, expected to release $200m over the next 12 – 18 months, with key assets identified for proposed divestment (including a potential Auckland carpark concession and sale of the 99 Albert Street office building).

The Equity Raising reduces FY25 pro forma net debt / Covenant EBITDA[4] from 3.1x to 2.2x, with net debt / Covenant EBITDA[4] expected to remain below ~3.0x at relevant testing periods in FY26 excluding any impact from asset monetisation activity.

Following the execution of the asset monetisation program, SkyCity is targeting net debt / EBITDA below 2.0x[5] in FY27, consistent with our medium term targeted BBB credit rating metrics.

No dividends are expected to be paid during FY26, with SkyCity targeting the resumption of dividend payments once trading conditions and free cash flow improve.

"Our announcement today, to raise $240m of equity, will improve our financial stability in the current market conditions and provide us with the right foundations to step prudently into the opportunities that are ahead of us. We know what we need to do and we're leaning into it," Mr Walbridge said.

Equity Raising Details

SkyCity has today announced a $240m Equity Raising comprising a:

- Fully underwritten approximately $81m institutional placement ("**Placement**"); and a

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[4] Refer to Appendix A of the Equity Raising and Balance Sheet Initiatives Investor Presentation for net debt calculation and reconciliation between Reported EBITDA, Underlying EBITDA and Covenant EBITDA.

[5] On both an Underlying and Covenant EBITDA basis. Refer to Appendix A of the Equity Raising and Balance Sheet Initiatives Investor Presentation for net debt calculation and reconciliation between Reported EBITDA, Underlying EBITDA and Covenant EBITDA.

- Fully underwritten 1 for 3.35 pro rata accelerated non-renounceable entitlement offer ("**Entitlement Offer**") to raise approximately $159m

The Equity Raising will be at a fixed price of $0.70 per new share (the "**Offer Price**"), which represents:

- 22.8% discount to the Theoretical Ex-Rights Price[6] ("**TERP**") of $0.91; and
- 30.0% discount to the last traded share price on the NZX of $1.00 on 19 August 2025.

Approximately 343 million new shares ("**New Shares**") will be issued by SkyCity under the Equity Raising, representing approximately 45.1% of the existing shares on issue.

New shares issued under the Equity Raise will rank equally in all respects with SkyCity's existing ordinary shares.

Macquarie is acting as Sole Arranger to the Equity Raising, while Macquarie, Jarden and UBS are acting as Joint Lead Managers, Underwriters and Bookrunners.

Placement
SkyCity is undertaking a fully underwritten Placement of new shares to eligible investors to raise approximately $81m. The Placement will be conducted concurrently with the Institutional Entitlement Offer (as described below).

Entitlement Offer
SkyCity will offer eligible shareholders the right to participate in the Entitlement Offer to raise approximately $159m. Eligible shareholders will have the opportunity to apply for 1 New Share for every 3.35 existing SkyCity shares held at the Record Date (being 7.00pm NZST / 5.00pm AEST on Friday, 22 August 2025).

The Entitlement Offer is non-renounceable, and entitlements will not be tradeable or otherwise transferable.

Institutional Entitlement Offer
Eligible shareholders will be invited to participate in the accelerated institutional component of the Entitlement Offer (the "**Institutional Entitlement Offer**"), which is being conducted today, Thursday, 21 August 2025, along with the Placement. Under the Institutional Entitlement Offer, eligible institutional shareholders can choose to take up all, part or none of their entitlement to New Shares. Entitlements not taken up under the Institutional Entitlement Offer will be offered by the Joint Lead Managers to eligible institutional investors at the Offer Price concurrently with the Institutional Entitlement Offer.

Retail Entitlement Offer
The retail component of the Entitlement Offer (the "**Retail Entitlement Offer**") will be open from 9.00am NZST / 7.00am AEST on Tuesday, 26 August 2025 to 5.00pm NZST / 3.00pm AEST on Thursday, 4 September 2025 to eligible retail shareholders with an address recorded in SkyCity's share register in New Zealand or Australia, as at the Record Date. Eligible retail shareholders who take up their full entitlement under the Retail Entitlement Offer will also be eligible to subscribe for additional new shares in excess of their entitlements at the Offer Price, up to a maximum of 60% of their entitlements. The entitlements will not be quoted on NZX or ASX and there will be no shortfall bookbuild for those entitlements not taken up by eligible retail shareholders or the entitlement of

[6] TERP is calculated with reference to SkyCity's last traded share price on the NZX of $1.00 on Tuesday, 19 August 2025 and includes approximately 343m new shares to be issued under the Placement and Entitlement Offer. TERP is a theoretical calculation only and the actual price at which SkyCity shares will trade immediately after the ex-rights date for the Offer will depend on many factors and may not be equal to TERP.

ineligible retail shareholders (the Entitlement Offer is non-renounceable and any entitlements not taken up will lapse).

Further details about the Retail Entitlement Offer are set out in the Offer Document.

Shareholders entitled to participate in the Retail Entitlement Offer should visit www.shareoffer.co.nz/skycity and apply online by 5.00pm NZST / 3.00pm AEST on Thursday, 4 September 2025.

ENDS

Currency
Unless otherwise stated, all references to "$" are to the New Zealand dollar.

Not an offer of securities in the United States
This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. The offer and sale of the entitlements and the New Shares described in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933 ("**U.S. Securities Act"**), and the entitlements may not be taken up by, and the New Shares may not be offered or sold to, any person in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction of the United States.

For more information, please contact:

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This announcement has been authorised for release by:
Phil Leightley, General Counsel & Company Secretary

Offer timetable

Event	Date
Equity Raising announcement & trading halt	Thursday, 21 August 2025
Placement and Institutional Entitlement Offer opens	Thursday, 21 August 2025
Placement and Institutional Entitlement Offer closes	Thursday, 21 August 2025
Trading halt lifted	Friday, 22 August 2025
Record date for the Offer (7.00pm NZST / 5.00pm AEST)	Friday, 22 August 2025
A$ Price announced	Monday, 25 August 2025
Retail Entitlement Offer opens	Tuesday, 26 August 2025
ASX Settlement of New Shares under the Placement and Institutional Entitlement Offer	Wednesday, 27 August 2025
ASX Allotment of New Shares under the Placement and Institutional Entitlement Offer	Thursday, 28 August 2025
NZX Settlement and Allotment of New Shares under the Placement and Institutional Entitlement Offer	Thursday, 28 August 2025
Commencement of trading of New Shares issued under the Placement and Institutional Entitlement Offer on NZX and ASX	Thursday, 28 August 2025
Retail Entitlement Offer closes (5.00pm NZST / 3.00pm AEST)	Thursday, 4 September 2025
ASX Settlement of New Shares under the Retail Entitlement Offer	Wednesday, 10 September 2025
ASX Allotment of New Shares under the Retail Entitlement Offer	Thursday, 11 September 2025
NZX Settlement and Allotment of New Shares under the Retail Entitlement Offer	Thursday, 11 September 2025
Commencement of trading of New Shares issued under the Retail Entitlement Offer on NZX	Thursday, 11 September 2025
Commencement of trading of New Shares issued under the Retail Entitlement Offer on ASX	Friday, 12 September 2025
Despatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	Monday, 15 September 2025

Note: The above timetable is indicative only and subject to change without notice (subject to applicable laws and the NZX Listing Rules and ASX Listing Rules). All dates and times are NZST (unless noted otherwise).