

Hollywood Bowl Group plc

Trading update for the year ended 30 September 2021

VERY STRONG CUSTOMER DEMAND FOLLOWING ESTATE REOPENING

Hollywood Bowl Group plc ("Hollywood Bowl" or the "Group"), the UK's market leading ten-pin bowling operator, today announces a trading update for the financial year ended 30 September 2021 (FY21).

Following the impact of multiple trading restrictions and the complete closure of the estate for 50 per cent of the financial year, the full year performance reflects the robust rebound in customer demand upon the reopening of all centres in England and Wales from 17 May 2021 and the subsequent lifting of Covid restrictions from 19 July 2021.

Key highlights

- 29% like-for-like revenue growth since reopening on 17 May compared to FY19
- Total revenue of £61.3m since reopening on 17 May, and total of £74.6m for FY21 (FY20: £79.5m)
- Exceptional trading through the school summer holiday period, including record total revenue levels of £20.1m in August (+50 per cent LFL% vs August 2019)
- Positive EBITDA (pre IFRS16) and cash generation in all months since reopening (including May)
- Three centre refurbishments completed and continued investment in Pins on Strings, scoring and CRM systems
- Further progress with new centre programme – currently on site at two new locations
- Strong balance sheet with net cash of £30m at year end enabling the Group to accelerate its investment programme
- New, undrawn £25m credit facility in place with Barclays to December 2024

Trading since reopening on 17 May 2021 has been excellent, reflecting the significant consumer demand for great value family entertainment. This strong trading performance was well ahead of the Board's expectations on reopening, and costs have continued to be well controlled, resulting in good profit generation from these sales. The Group expects FY21 EBITDA margin % (pre IFRS16) to be in line with FY20 and for it to return to pre-pandemic levels going forward.

Management has made further progress with the new centre roll out, starting construction at Resorts World Birmingham (Hollywood Bowl) and Harrow (Puttstars). The Group remains on track to deliver its target of 14-18 new centres by 2024. The Group's ongoing investment programme continued with the second half refurbishments of Stevenage, Basildon and Cheltenham centres (with ROI expected to be in line with the Group's pre-pandemic target levels of 33%), the further roll out of Pins on Strings into six centres, the estate wide deployment of the Group's new scoring system and a new CRM platform.

The Group's balance sheet remains in a strong position with net cash of £30m at year end. A new banking facility with Barclays at a lower margin than the previous facility, was put in place on 29 September 2021. This new £25m RCF remains undrawn due to strong trading since reopening, giving the Group £55m of liquidity.

Stephen Burns, Chief Executive of Hollywood Bowl Group said:

"I am delighted at the pace and strength of our recovery since reopening. It has been fantastic to welcome our customers back in record numbers, and to see families and friends enjoying their time in our bowling and mini-golf centres once again. I would particularly like to thank our team members who have demonstrated great resilience and enthusiasm despite the challenges of the last year and continue to provide safe and enjoyable experiences for our customers. We took a number of actions to ensure that the Group was in as strong as possible position to reopen, and our balance sheet strength is allowing us to accelerate our proven strategy of delivering growth from investing in new and existing centres and customer-led innovation."

Hollywood Bowl expects to report its Full Year results on 14 December 2021.

Enquiries:

Via Tulchan Communications

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Notes to Editors:

Hollywood Bowl Group is the UK's largest ten-pin bowling operator, with a high-quality portfolio of 64 centres operating across the UK under the Hollywood Bowl, AMF and Puttstars (mini golf) brands. The Group specialises in operating large, high quality bowling centres, predominantly located in out-of-town multi-use leisure parks (typically co-located with cinema and casual dining sites) and large retail parks. The centres are designed to offer a complete family entertainment experience with each centre offering bowling lanes, on-site dining, licensed bars, and state-of-the-art family games arcades.