

Hollywood Bowl Group

FURTHER ACTIONS IN RESPONSE TO COVID-19

Hollywood Bowl Group plc ("Hollywood Bowl" or the "Group"), the UK's market leading ten-pin bowling operator, today provides an update on its strong financial and liquidity position and its actions taken in response to COVID-19 since its previous announcement on 17 March 2020.

Centre closures

The Group actioned the temporary closure of its centres on 20 March, in line with Government guidance. Management had prepared for this scenario well in advance and was therefore able to implement its close-down plans with minimal disruption for both customers and team members.

Government support initiatives & management actions

The Group has welcomed the one-year exemption granted from business rates and the VAT payments deferral announced by the Government, which combined is expected to result in cash savings of £6m for the current financial year (FY2020).

A key priority for management is the welfare of its team members and with the support from the Coronavirus Job Retention Scheme, the Group intends to keep its team members at full salary levels for as long as is practicable.

Alongside this Government support, management have taken several actions regarding capex and opex. These include the pausing of refurbishments and new centre fit outs as well as the renegotiation of supplier contracts and payment terms, which will reduce costs and conserve cash while the COVID-19 situation continues. However, management remain confident in the long-term prospects of Hollywood Bowl and will ensure that the Group is well positioned for when it is appropriate to re-open centres.

Financing and liquidity

Management has always adopted a prudent approach to its cost base and capital expenditure and, with the benefit of its cash generative business model, has maintained a strong financial position.

As at 31st March 2020, Hollywood Bowl had approximately £15.6m of cash and £30.25m of debt, drawn from its £35m facility. This takes into account full rents paid to all landlords for the March quarter and team member salaries paid up to the end of March 2020. Management has been in constructive discussions with its lenders regarding ongoing support. Considering the current COVID-19 uncertainty, the lenders have agreed an extension to the RCF of an additional £10m, amended the leverage covenants and waived the cashflow covenants for the rest of FY2020.

Dividend

In addition to the management actions taken to preserve liquidity, the Board does not intend to declare an Interim ordinary dividend at the time of its Interim Results.

Outlook

As a result of the uncertainty surrounding the impact of COVID-19, the Board is unable to provide financial guidance for the full year ending 30 September 2020 until the expected duration of centre closures becomes clearer. Management remains focused on taking action to maintain its strong cash and liquidity position, retaining its team members throughout the centre closure period and ensuring the business is ready to welcome customers back to its centres once it is safe for them to re-open. The

Board continues to monitor the situation closely and remains confident in the Group's long-term prospects.

Notice of results

This announcement replaces the trading update planned for 9 April 2020. Hollywood Bowl currently expects to report its Interim Results for the six months to 31 March 2020 in late May 2020.

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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 61 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.