

Hollywood Bowl Group plc
("Hollywood Bowl" or the "Group")

**Trading update for the year ended 30 September 2024
and Notice of Results**

CONTINUED PROFITABLE GROWTH AND FURTHER EXPANSION IN UK AND CANADA

Hollywood Bowl, the UK and Canada's largest ten-pin bowling operator, announces a trading update for the financial year ended 30 September 2024 (FY2024).

Key highlights

Financial

- **Record revenues of £230.4m, up 7.2% compared to FY2023**
 - UK total revenue up 3.8% on FY2023, to £199.7m
 - Canada revenue up 42.2% on a constant currency basis¹, to CAD 53.0m (£30.7m)
- **Total Group like-for-like (LFL)² revenue growth of 0.2%**
 - UK total LFL: 0.0%, with UK bowling centres LFL of +0.3%
 - Canada total LFL: +6.3%, with Canada bowling centres LFL of +5.9%, on a constant currency basis¹
- **The Group expects to report EBITDA pre-IFRS 16 ahead of market expectations⁴ and in excess of £65.0m**

Operational

- Seven UK and four Canadian refurbishments completed
- Eight centres added in the year, four in UK and four in Canada, including first new Canadian development which opened in Waterloo, Ontario in July
- Portfolio now stands at 72 UK centres³ (FY2023: 70) and 13 Canadian centres (FY2023: 9)
- Strong new centre pipeline for FY2025 and beyond
 - Four bowling centres due to open in the UK and two centres in Canada in FY2025
 - On track to achieve target of 130 centres across the Group by 2035
- New customer reservation system rolled in the UK in July; pilot commenced in Canada
- £28.6m net cash at year end, following record levels of capital investment in FY2024 (FY2023: £52.4m)
- Undrawn £25m revolving credit facility

Note:

1. When reviewing in Canadian Dollars (CAD) to allow for the disaggregation of foreign currency effect
2. LFL revenue growth is total revenue excluding any new centres and closed centres. New centres are included in the LFL revenue growth calculation for the period after they complete the calendar anniversary of their opening date. Closed centres are excluded for the full financial year in which they were closed. FY2023 LFL revenue excludes the VAT rebates of £0.3m relating to prior periods.
3. York Hollywood Bowl and Puttstars were amalgamated into one centre during the year and Surrey Quays Hollywood Bowl closed on 3 September 2024 in line with the closure of the wider leisure park in which it was located.
4. Based on company compiled consensus average of analysts' expectations for FY2024 where EBITDA pre IFRS 16 is £64.1m.

Trading performance

Hollywood Bowl delivered another excellent financial and operational performance in FY2024 as a result of the successful execution of its customer-led strategy, generating record revenues of £230.4m and total Group LFL revenue growth of 0.2%.

Total UK LFL revenues were flat in the year, in line with expectations, with 0.3% LFL revenue growth in the Hollywood Bowl centres and a decline in LFL revenues in the Puttstars trial concept centres. The total UK LFL performance reflects the anticipated normalisation in trading following three years of exceptional performance with compound annual growth of over 6% delivered since 2019. Canada continues its strong performance as LFL revenues grew 5.9% on a constant currency basis in the bowling centres with total LFL revenues (including Striker Bowling Solutions) up 6.3%.

Investment in the size and quality of the Group's estate continues to drive strong returns and enhance our customer proposition, resulting in increased dwell time and higher spend-per-game.

The Group successfully completed the rollout of its newly internally developed customer reservation system to all UK

The Group successfully completed the rollout of its new, internally developed customer reservation system to all UK centres in July 2024, resulting in increased usability, reliability, speed, and sales conversion rates. The technology is currently being piloted in Canada with a full roll out expected in H1 FY2025.

The Group remains well insulated to ongoing cost pressures with over 70% of revenue not subject to cost-of-goods inflation, enabling it to maintain its value for money pricing while continuing to invest in the customer experience.

As a result of the successful execution of its customer proposition and the continued strong demand for high quality, great value leisure experiences, the Group expects to report EBITDA pre-IFRS 16 ahead of market expectations and in excess of £65.0m.

UK

Hollywood Bowl added four new centres to the estate, including three new centres in Dundee, Colchester, and Westwood Cross (Kent) as well as the acquisition of Lincoln Bowl. The Group is on track to open four new centres in the UK in FY2025.

The Group completed seven refurbishments this year and Pins on Strings has now been rolled out to 91% of the UK bowling estate.

The Group has continued to invest in solar panels with 42% (30 centres) of the UK estate now fitted with solar arrays, reducing reliance on bought-in energy and exposure to energy prices.

Canada

The Group has made further progress with its growth strategy in Canada. Four new centres were added during the year with three acquisitions in the first half, Guelph (Ontario), Richmond Riverport (British Columbia) and Saskatoon (Saskatchewan), extending the Group's geographical presence, and the opening of its first new, state of the art development in Waterloo, Ontario in July.

The Group is on-site at two new centres, in Creekside (Calgary) and Kanata (Ottawa), both of which are due to open in H1 FY2025. The pipeline continues to build with further sites in either legal or in negotiations.

The refurbishment programme is progressing well. The first four completed refurbishments are performing in line with expectations and receiving excellent customer feedback, providing further confidence in the growth opportunities within the Canadian market.

Stephen Burns, Chief Executive Officer, said:

"We are pleased with our full year performance, both financially and operationally. We have delivered further profitable growth, demonstrating the success of our proven, customer-led strategy. We have continued to grow our estate in the UK and Canada and drive strong returns through the ongoing investment in our centres. Our team's dedication to providing consistently excellent customer experiences is reflected in increased dwell time, higher spend per game and positive customer feedback. We remain confident in the long-term opportunity for future profitable growth across both the UK and Canada. Our strong cash position means we are well placed to continue to invest in our growth, increasing the size and quality of our estate and looking to continually enhance the customer experience."

The Company expects to publish its final results for the twelve months ended 30 September 2024 on 17 December 2024.

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