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**RE: SKYCITY ENTERTAINMENT GROUP LIMITED (SKC)
UPDATED TRADING GUIDANCE**

SkyCity Entertainment Group Limited (**SkyCity**) advises that, following the completion of the first five months of trading across the Group, it now expects Group normalised EBITDA for FY24 of between \$290 million and \$310 million¹. This compares to Group normalised EBITDA of \$310 million in FY23 and previous guidance on 27 October 2023 of a modest year-on-year increase in Group normalised EBITDA for FY24.

The key drivers to this change in earnings guidance are:

- a reduction in electronic gaming machine revenue across the New Zealand sites, reflecting continued cost-of-living pressures and economic uncertainty, which is impacting discretionary consumer spending;
- a weaker than expected performance in the Adelaide property based on a lower revenue outlook with continued legal and compliance cost pressure. SkyCity continues to review the cost base for the Adelaide business;
- a delay in the settlement of the termination of the Auckland Car Park Concession Agreement with MPF Parking NZ Limited (**Macquarie**), resulting in lower car park earnings. Notwithstanding the recent High Court judgment in SkyCity's favour, there remains uncertainty regarding the timing for the reacquisition of the SkyCity Auckland car park assets given further recent actions from Macquarie to delay resolution of this matter; and
- accelerated investment in the Group's New Zealand online gaming operations ahead of the potential regulation of the online gaming market in New Zealand. Whilst potential regulation remains at an early stage, SkyCity is optimistic about the medium-term earnings opportunity this offers the Group.

¹ Normalised results adjust for certain revenue and expense items, calculated in accordance with SkyCity's Non-GAAP Financial Information Policy.

SkyCity currently expects Group normalised NPAT for FY24 of \$125 million to \$135 million. This reflects the lower level of financing costs due to the delay in settlement of the Auckland Car Park Concession Agreement, which partially offsets the lower earnings of the Auckland Car Park assets.

SkyCity will provide additional detail on these key drivers as part of its FY24 interim result release in February 2024.

The updated Group normalised EBITDA and NPAT guidance does not reflect the impact of any potential temporary suspension of SkyCity Casino Management Limited's casino operator's licence in New Zealand, which is currently being considered by the Gambling Commission following an application made by the Department of Internal Affairs in September 2023 (for a period "in the range of 10 days", as previously flagged to the market on 3 September 2023).

Due to the uncertainty around the potential adjustments required as part of SkyCity's accounting processes, SkyCity is unable to provide an update for FY24 reported (statutory) results at this time.

For more information, please contact:

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