

PRESS RELEASE
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DXB Entertainments PJSC Announces Q1 2019 Interim Financial Results

- **Year-on-year improvement in adjusted EBITDA loss**
- **Strategy in place to deliver EBITDA breakeven during H2 2020**

DXB Entertainments PJSC (DFM: DXBE) announced today its interim financial results for the quarter ended 31 March 2019, reporting AED 142 million in revenues, 760 thousand visits and 72% occupancy at Lapita™ Hotel. EBITDA losses increase marginally to AED 21 million, while adjusted EBITDA loss shows an improvement of 10% to AED 19 million.

Financial Highlights (1 Jan 2019 – 31 March 2019)

	Q1 2018	Q1 2019
Visits	851 thousand	760 thousand
<i>Change</i>		<i>(11%)</i>
Average hotel occupancy	62%	72%
<i>Change</i>		<i>15%</i>
<i>AED millions</i>		
Revenue	173	142
<i>Change</i>		<i>(18%)</i>
EBITDA	(19)	(21)
<i>Change</i>		<i>(10%)</i>
Adjusted EBITDA¹	(21)	(19)
<i>Change</i>		<i>10%</i>
Net loss	210	216
<i>Change</i>		<i>(3%)</i>

Q1 2019 Highlights

- 10% year-on-year improvement in adjusted EBITDA loss due to the annualised impact of cost optimisation initiatives
- Q1 2019 Revenue of AED 142 million, compared to AED 173 million in Q1 2018, mainly due to a decrease in visitation
- Total visits in Q1 2019 were 760 thousand, compared to 851 thousand in the same period last year; with growth in international visitors, now representing 45% of visitor mix
- “Ladies’ Free Day Out” on March 8th, 2019, set a new daily visitation record, attracting more than 53 thousand visits to the parks
- Lapita™ Hotel occupancy increased to 72%, up from 62% in Q1 2018

¹ EBITDA adjusted to exclude one-time and non-recurring charges and income

- Dubai Parks and Resorts hosted over 4,000 Special Olympics heroes on March 9th, to enjoy a thrilling day of adventure and excitement at MOTIONGATE™ Dubai

Post period highlights:

- Shareholders approved expansion plan for MOTIONGATE™ Dubai and Bollywood Parks™ Dubai, utilising rides and proceeds originally intended for the Six Flags Dubai Project

Commenting on the Q1 2019 interim financial results, Mohamed Almulla, CEO and Managing Director, DXB Entertainments PJSC, said: “our cost optimisation initiatives continue to deliver and as a result I am pleased to report a 10% improvement in adjusted EBITDA loss.

“In line with our stated strategy, we saw a healthy increase in international visitors, now representing 45% of the total visitor mix, and an increase in our Lapita™ Hotel occupancy to 72%, up from 62% in Q1 2018.

“Not unexpectedly we have seen a reduction in this quarter’s visitor numbers compared to last year, a typical pattern for a theme park in its second year as the domestic target market consolidates to a core of repeat visitors. Our job now is to maximize the revenue potential of our established domestic base whilst growing our international visitor numbers.

“Building our international visitation, which delivers higher yields, will play an important role in delivering our target of EBITDA breakeven during the second half of 2020. Our target is to achieve upwards of 60% international visitation, which will be delivered by our hotel strategy, strategic partnerships and the expansion of MOTIONGATE™ Dubai and Bollywood Parks™ Dubai which will offer thrill rides allowing us to target new demographics.

“We have also launched a variety of new combination packages, available for travel partners and tour operators for booking anywhere in the world via our state-of-the-art B2B online platform. We are providing a broader, multi-day experience across our portfolio of leisure and entertainment assets, including our theme parks and the assets we manage on behalf of Meraas throughout Dubai.”

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For further information, please contact:

Abdul Rahman Al Suwaidi, Investor Relations Manager, DXB Entertainments PJSC
+97148200820
IR@dxbentertainments.com

Jon Earl, Managing Director, FTI Consulting
+97144372104
jon.earl@fticonsulting.com

Anca Cighi, Director, FTI Consulting
+97144372111
anca.cighi@fticonsulting.com

DXB Entertainments PJSC

DXB Entertainments PJSC is a Dubai-based operator of leisure and entertainment destinations and experiences. The Company is traded on the Dubai Financial Market (DFM) under the trading symbol "DXBE". We bring together a diverse portfolio of world-class brands to offer entertainment in the areas of theme parks, family entertainment centres and retail and hospitality.

For more information, go to: www.dxbentertainments.com