



**ASX/MEDIA RELEASE
FOR IMMEDIATE RELEASE
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TRADING AND EARNINGS UPDATE

MELBOURNE: Crown Resorts Limited (ASX:CWN) (Crown) provides the following update in relation to expected earnings for the 2021 financial year and trading outlook for the 2022 financial year.

Trading Update for the 2021 Financial Year

Crown's results for the 2021 financial year were significantly impacted by the COVID-19 pandemic, with Crown's properties closed for various periods of time and COVID-19 related operating restrictions applying throughout the period, including capacity limits and physical distancing protocols.

For the full year ended 30 June 2021¹, Crown expects to report theoretical² EBITDA before Closure Costs³ and Significant Items⁴ of between \$240-250 million⁵ and theoretical EBITDA after Closure Costs but before Significant Items of between \$90-100 million⁶.

Crown expects to record a statutory loss after tax for the full year ended 30 June 2021. However, Crown's statutory result remains subject to review by the Board and management and Crown's external auditors as part of normal year end processes.

Crown expects to report net debt (excluding working capital cash) at 30 June 2021 of approximately \$900 million, with the \$450 million project finance facility (which was put in place last year to support the construction of Crown Sydney) having been repaid from settlements to date from Crown Sydney apartment sales.

Crown intends to release its results for the full year ended 30 June 2021 on 30 August 2021.

Outlook for the 2022 Financial Year

Crown continues to operate in an uncertain environment with a number of factors expected to impact financial performance throughout the 2022 financial year including:

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- ¹ This release includes certain non-IFRS measures, including theoretical results, EBITDA, Significant Items and Closure Costs, which are used internally by management to assess the performance of the business. Non-IFRS measures are not subject to audit or review.
- ² Theoretical results have been adjusted to exclude the impact of any variance from theoretical win rate on VIP program play (at Crown Melbourne, Crown Perth and Crown Aspinalls). The theoretical win rate is the expected hold percentage on VIP program play over time. Accordingly, the theoretical result gives rise to adjustments to VIP program play revenue, operating expenses and income tax expense. Crown believes that theoretical results are the relevant measure of viewing performance of the business as it removes the inherent volatility in VIP gaming revenue.
- ³ Costs incurred at Crown's properties whilst gaming facilities were closed due to Government orders, excluding costs in relation to hotel quarantine services (Closure Costs).
- ⁴ During the period there were a number of transactions or events that fell outside the ordinary course of business, which Crown expects will be disclosed as significant items in its financial statements (Significant Items). These include but are not limited to Crown Sydney pre-opening costs, one-off allowance for expected credit losses, restructuring costs, gain on sale of Crown Sydney apartments and asset impairments. Finalisation of these items remains subject to review by the Board and management and Crown's external auditors.
- ⁵ Inclusive of \$66 million in payroll subsidies received during the year under the Commonwealth Government's JobKeeper scheme (JobKeeper) and \$1 million in Coronavirus Job Retention Scheme payments under the employee retention scheme in operation in the UK (Job Retention Scheme).
- ⁶ Inclusive of \$80 million in JobKeeper subsidies and \$4 million in Job Retention Scheme payments.

- **COVID-19 related closures and operating restrictions:** Performance is expected to continue to be negatively impacted by COVID-19 related closures and operating restrictions as well as travel restrictions, including ongoing international border closures.
- **Regulatory processes:** Crown is the subject of a number of regulatory processes. The outcome of those regulatory processes may potentially impact Crown's financial performance. Crown also expects to incur increased corporate costs throughout the 2022 financial year, including legal, consulting and associated costs, whilst these regulatory and any resulting processes continue.
- **Investment in resourcing and capability:** As part of Crown's Reform Agenda, Crown has been increasing resourcing and capability across a number of key areas, including the addition of a further approximately 70 FTEs across Crown's Financial Crime & Compliance and Responsible Gaming functions.
- **Significant Player Review:** Crown's ongoing review of its top-end local players is resulting in the exit of a number of customer relationships.

Crown continues to monitor and respond to the impacts of the current challenging operating environment. Crown is also undertaking a review of the potential gaming tax underpayment recently referred to in the Victorian Royal Commission and will update the market once Crown's review is complete.

ENDS

This announcement was authorised for release by the Crown Board.

Investor and Analyst Enquiries – Matthew Young, Investor Relations, 03 9292 8848.

Media Enquiries – Natasha Stipanov, Corporate Affairs, 03 9292 8671.

COPIES OF RELEASES

Copies of previous media and ASX announcements issued by Crown are available on Crown's website at www.crownresorts.com.au