



Annual General Meeting – 16 May 2022

Chairman's Address

16 May 2022

Welcome to the 2022 Aquis Entertainment Annual General Meeting.

The year that passed was another tough and challenging year for all of us with the continuation of restrictions due to the Covid-19 pandemic. The Casino business was again mandated by the Government to shutdown on 12 August 2021 as an outbreak hit the ACT however we were lucky to only be closed for 10 weeks, reopening on 29 October 2021.

Since re-opening, as we experienced in 2020, the Company's performance has been strong and continued to grow. Today our business performance and outlook for 2022 remain positive. 2022 is another significant year for us, with the recently announced proposed sale of Casino Canberra to run to completion and the consideration of the future for the Aquis Entertainment listed entity following that transaction. This will take some time to complete, due to regulatory approval processes, however in the interim, our management team will continue to capitalise on current results in relation to both revenue generation and expense control, while navigating the continuing challenging conditions as the community learns to live with restrictions and effects of the ongoing Covid-19 pandemic.

CASINO CANBERRA

Capitalising on the strong performance of our operations

During the past two years, working through two substantial lockdowns, our team took the opportunity to revise and refine business procedures and operations, to ensure that on reopening, we emerged as a lean, efficient and flexible business, able to cope with changing restrictions in the most effective and cost efficient manner possible.

This has resulted in a continuation of the trajectory we had been on prior to the first lockdown in March 2020, which following reopening in August 2020, continued right through to the end of that year and further on through 2021 despite the restrictions in operations and capacity throughout that

time, up to the second lockdown in August 2021 on the local outbreak in the ACT. Just as we experienced in 2020, reopening produced a relatively unaffected continuation of results on that same trajectory, with each reopening picking up from the point of closure and continuing to produce even better results.

Our 2021 result of a group loss before tax of \$470,628 despite a 10 week closure and no government support in the form of JobKeeper or other material subsidies. EBITDA, the effective measure of cash performance was strong and positive at approximately \$3.4m which is an excellent result given the restrictions and interruptions experienced during the year.

The progress we have made since acquiring the Casino, particularly during the last 3 years are so impressive, when we consider the state of the property and business when we first took ownership and the crippling effects of Covid-19 globally. We continue to be so proud of how far we have come and of the commitment and performance of every member of our team. The performance of the executives has been pivotal in nursing the company through two lockdowns, and emerging stronger each time to produce increasingly profitable results.

Proposed sale of Casino Canberra

In recent days, we have announced that we have agreed to sell the subsidiaries of the company, which own and operate Casino Canberra for \$52 million. This price is a compelling offer which provides substantial benefits to the shareholders of the company. This transaction is in its very earliest stage and as such, the directors need to take the time over the next couple of months to consider the future of the company, given the sale is of its main undertaking. As previously announced, consideration is to be given to how to best use the funds we will receive as proceeds of the sale and also to investigate potential alternative businesses for the future. Once we have done so, we will provide you with further updates as to the future outlook of the company in due course.

CONCLUSION

Shareholders, I'd like to conclude my address by expressing my gratitude towards each and every team member in our group. It has been another very trying year, but under the leadership of Allison and our executive management team, we have once again emerged stronger and better than ever and I look forward to updating you on the future of the company in due course.

I am so proud to be able to present another strong year of results to you today despite the significant interruptions we have endured. Based on the performance during the last year, under such challenging conditions, I have no doubt that our team will once again continue to produce very pleasing results for all of our shareholders through to the completion of the transaction, to solidify the excellent sale price we have been able to achieve for the shareholders of Aquis Entertainment.

The Board also must thank Mr Tony Fung for his continued support of the company and all individuals throughout his term as major shareholder, sole financier and to recognise his strong leadership during his period as Chairman, prior to his retirement in August 2021. We also thank Alex Chow for his support and service to the Board up to his retirement in April 2022. Allison and I again formally welcome Mark Purtill, who's strong contribution since joining the Board in August 2021 is greatly appreciated.

Russell Shields

Chairman

Authorised for release to the ASX by the Board of Directors.

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