

21 December 2017

Wasps Holdings Limited

Update for the year ended 30 June 2017

Another year of progress on and off the field

("Wasps")

Wasps, an English Premiership rugby union club and owner of the Ricoh Arena in Coventry, one of the UK's leading sports, exhibition, conferencing and entertainment arenas, today announces its highlights for the year ended 30 June 2017.

Nick Eastwood, Chief Executive said:

"I am pleased with the progress made in our second full year at the Ricoh Arena, a move which has proved transformational for the Club, with record revenue growth. It has been another active year during which we have further consolidated our position at the Arena, hosting a number of landmark events and we are seeing the continued benefits from improvements and agreements made in 2016.

"We have also attracted several new partners including Ericsson as our indoor sponsor, who will also be introducing a high density Wi-Fi network. This will significantly improve the experience for all our customers and events partners through the development of a bespoke application and other technological improvements.

"It was also an exciting season on the field and we were delighted at the high standard played by the team, who finished first in the regular season but lost out in the dying minutes of the playoff final. I would like to take this opportunity to thank all of our fans, both old and new. Attendances have been at record levels with more Season Ticket holders than ever and we are grateful for everyone's continued support both on and off the field.

"I am excited about the year ahead and at the start we have already made for the 2017/18 year. We still have a great deal of potential to maximise our unique position at the Ricoh to attract the business and entertainment events, secure more partnerships, host the highest quality sport and continue to grow the business."

Group Financial highlights¹

- Turnover increased 8.5% to £33.6m (2015/16: £30.9m)
- Gross margin up from 33.5% to 34.4%
- Operating profit before exceptional items and allocation to non-controlling interests of £0.8m (FY2016: £(3.8)m)
- Increased Operating profit/(loss) before depreciation, exceptional items and allocation to non-controlling interests to £2.4m (2015/16: £(2.2)m)
- Operating loss decreased from £(6.2)m to £(0.8)m
- Valuation of the Arena improved to £60.0m² and P shares unchanged at £9.7m

Wasps highlights

- Finished 1st in the Aviva Premiership, eventually losing in the final to Exeter
- Reached Quarter-finals of European Champions Cup
- Increased average attendance to 19,338 (2015/16: 16,916)

- Hospitality sales improved 49% on 2015/16 and 42% increase in ticket income including netball
- Season Ticket sales for 2017/18 up a further 25%
- New central deal with RFU will increase annual income by £1.2m on average over the next eight years
- Wasps netball team launched, winning the Vitality Netball Super League in their first season
- T M Lewin, Gett, Scutum and npower signed as new sponsors

ACL highlights

- New naming rights for Indoor Arena: Ericsson, and a partnership for the development of a high density Wi-Fi network
- Negotiated new terms with Ricoh as naming rights partner
- Hotel conversion to DoubleTree by Hilton has proved very successful with Rev Par improved to £49 (2015/16: £42)
- 895 events held with successful concerts hosted for: Robbie Williams, Craig David, Catfish and the Bottlemen and Peter Kay
- 4 Nations Rugby League and International Netball introduced to the Arena during the year

¹ The financial results present selective consolidated financial information relating to Wasps Holdings for the financial year ended 30 June 2017. As at the date of this announcement, this information has not been audited by the Wasps Holdings' auditors, PricewaterhouseCoopers LLP ("PwC"). Such information has been prepared in accordance with IFRS and such accounting is consistent with the accounting policies of Wasps Holdings. Wasps Holdings expects such unaudited financial information to be substantially consistent with the audited consolidated financial statements of Wasps Holdings for such period, once the audit is complete.

² The property was valued at £60m by professional RICS valuers Gerald Eve LLP during the 2017 year.

Launch of Consent Solicitation

Wasps Finance plc announces that it is requesting the Bondholders of its Retail Bond to authorise certain waivers and modifications in respect of the terms and conditions of the Bonds and provisions of the trust deed, summarised in the RNS announcement made today titled "*Wasps Finance plc Launches Consent Solicitation in Respect of its £35,000,000 6.50 per cent. Secured Bonds Due 13 May 2022*".

Wasps is making this Consent Solicitation as a result of a reduction in Consolidated EBITDA for the financial year ended 30 June 2017 from £3.5 million to £2.4 million, which has been identified by the statutory audit of the Group by PwC. The over-statement of Consolidated EBITDA was attributable to the improper accounting as income under IFRS of and certain accounting irregularities relating to a £1.1 million cash contribution received by Wasps Holdings from its ultimate shareholder, which was incorrectly accounted for as income under IFRS in respect of the financial year ended 30 June 2017. Due to the timing of receipt, the board of directors of Wasps Holdings and its auditors have also concluded that the cash contribution should be accounted for as a capital contribution made in the financial year ending 30 June 2018.

Nick Eastwood commented:

"We take the events and circumstances surrounding the accounting of the cash contribution extremely seriously and have implemented various steps to strengthen the robustness of the Group's

reporting and accounting procedures. The business has evolved significantly since we moved to the Ricoh Arena in 2015. We have continued to grow the business, reported record revenues and reduced operating losses as part of our strategy to build a stable foundation for our long-term future. We welcome the continued support from our Bondholders throughout this time. We believe the proposals announced today represent important amendments that are in their interest as part of the Group's ongoing development and commercial success."

- Ends -

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About Wasps and the Ricoh Arena

Wasps is a professional rugby team which plays in the Aviva Premiership, European Rugby Champions Cup and Anglo Welsh Cup. Wasps has been crowned European Champions twice and English Champions five times. For more information about the Club and our partners please visit www.wasps.co.uk

The Ricoh Arena is an award-winning venue which has a mix of state-of the art conference, banqueting, exhibition, hotel, music and sports facilities. Visited by over 1.6 million people each year, it is a firm favourite in the UK for music promoters as well as business and sports event organisers. The facilities include:

- 32,600 seat stadium; a concert venue of 40,500 capacity
- 121 room DoubleTree by Hilton Hotel
- One of the UK's largest casinos operated by Grosvenor Casinos
- 20,000sqm of conference and exhibition hall
- Food and beverages including bars and restaurant
- 2,000 onsite car parking bays