



The information contained within this announcement is deemed by the Group to constitute inside information as stipulated under the Regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310 ("MAR"). With the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

2nd June 2021

NEWBURY RACECOURSE PLC
("Newbury Racecourse" or the "Company")

AGM Statement

At the Annual General Meeting to be held at Newbury Racecourse today, the Chairman, Dominic Burke, will make the following statement:

As stated in the latest Annual Financial Statements, 2020 was an extremely challenging year for Newbury Racecourse with the impact of COVID-19 causing significant disruption to all parts of our business, which continues to this day. The British Horseracing Authority's decision to suspend all horseracing in the UK with effect from 17th March 2020 was quickly followed by the first UK lockdown. While we were delighted to be able to restart racing 'Behind Closed Doors' on 11th June 2020, the financial impact on the Company of the loss of a number of racedays and racing crowds was severe.

In response, the Company took specific actions to protect our financial position in both the short and long term, which included a restructuring of the staff overhead, targeted cost reductions, a renegotiation of the banking covenants as well as deferring repayment of the final loan instalment to Compton Beauchamp Estates Limited to April 2022. The Company also benefitted from the use of the Government furlough scheme and Business Rates relief but did not utilise any of the Government loan support schemes. In December 2020 the Company sold an unused 1.2 acre parcel of land for £1.5m, using some of these funds to purchase the freeholds of ten apartment blocks which were built as part of the racecourse redevelopment.

We had entered 2020 with ambitious targets and a clear strategy to drive further growth in our business and there is no doubt that the impact of the pandemic has severely impacted this in the short-term. However I am confident that the difficult decisions and actions taken during the year has meant we are well placed to resume full trading activities once circumstances permit.

Racing Highlights and Current Trading

Despite racing without any crowds in attendance, the 2020/21 jump season managed to provide us with many memorable performances including Jonjo O'Neill's first win in the Ladbrokes Trophy with 'Cloth Cap' and 'Bravemansgame' taking the Grade 1 Mansionbet Challow Novice's Hurdle for Paul Nicholls in December. February's Betfair Super Saturday saw another Paul Nicholl's trained horse, 'Secret Investor', win the Betfair Denman Chase superbly ridden by Bryony Frost along with Jonjo Jr riding 'Soaring Glory' to victory in the Betfair Hurdle.

The 2021 flat season got underway with Dubai Duty Free Spring Trials Weekend which saw 'Alcohol Free', trained locally in Lambourn by Andrew Balding, take the Dubai Duty Free Stakes and 'Chindit' emerge victorious in the historic Watership Down Stud Too Darn Hot Greenham Stakes. Favourite Al-Aasy took the Dubai Duty Free Finest Surprise Stakes with ease before returning to Newbury in May with another very impressive win in the Al Rayyan Stakes at the Al Shaqab Lockinge meeting. The feature race of this meeting, the £350,000 Al Shaqab Lockinge Stakes drew an excellent field with the Gosden trained 'Palace Pier' ridden by Frankie Dettori pulling away impressively from gallant mare 'Lady Bowthorpe'. This was Dettori's fifth win in Newbury's only Group 1 flat race moving him one behind Lester Piggott's record.

2021 trading prospects remain dependent on the timescales for the easing of lockdown restrictions and any constraints on capacity once we are permitted to have crowds back at the racecourse. We are seeing encouraging sales for our two confirmed Party in the Paddock events, Olly Murs in August and Rick Astley in September but it's evident that the public are currently being cautious before committing to attending any events where the future restrictions are not known. To date we

have relied on the income generated from our Betting and Media Rights to support the business whilst other revenues are being severely impacted and whilst our hospitality businesses remain closed, the Nursery remains open to all children. In the meantime we have also been able to take advantage of the outdoors restrictions easing by hosting a socially distanced pub garden experience on the paddock lawn.

During 2020 we were proud to have played our part in supporting the local West Berkshire community by providing our site to Age Concern for their Meals on Wheels programme and we also allowed the NHS free of charge use of our facilities as a local testing centre. In 2021 the NHS have again used our facility as a vaccination centre for the local community.

The Development

The impact of the pandemic on the trading business meant that in order to further protect our cash position we immediately cancelled all non-committed expenditure. The restoration and refurbishment of the Western End of the Berkshire stand and the Royal Box, that was already underway, was completed during the summer. The completion of this project marked the end of our major redevelopment of the racecourse heartspace and facilities.

Our redevelopment has delivered a first class venue so we can continue to host racing of the highest quality, as well as having facilities which are well placed to meet the increasing demands of the modern day consumer, from horsemen and racegoers, to conference and hotel guests, nursery patrons and local residents. It is anticipated that the redevelopment will enable us to continue to grow our already well diversified business activities and maximise the returns from our investment.

The David Wilson Homes residential development continued throughout 2020 after a short pause during the first lockdown and is now into its final phase, with approximately 950 of the total c.1,500 homes now built and sold, with a further 80 currently in the construction phase.

Outlook

Following the vaccination rollout programme and the Government's current roadmap out of lockdown we are now in a position to be able to plan ahead. The Step 3 easing of restrictions from 17th May 2021 will enable us to welcome a paying attendance at the racecourse at our next meeting on 10th June 2021. Subject to Step 4 going ahead as planned on 21st June 2021 we can begin to make plans to re-open our Hotel and C&E functions later in the year and look ahead to hosting two Party in The Paddocks in August and September as well as the Ladbrokes Winter Carnival meeting in November all with crowds in attendance. However, we are still mindful that the effects of the pandemic and its impact on society could remain for some while to come, so we are prepared for this and can adapt the business accordingly.

We are very aware of our responsibilities as a business to adhere to the restrictions that the Government have outlined and to ensure that we fully comply with the advice of the British Horseracing Authority on their recommended governance for hosting our racedays. We remain optimistic that the vaccination rollout programme and the management of COVID-19 cases mean that the roadmap timeline will enable us to proceed with our plans as outlined, so that we can look forward to the summer flat season and through to the autumn jumps season with crowds and full hospitality.

The Board is confident that the Company has the financial resources to trade through this current year, even if further restrictions are put in place, particularly if there is a 'third spike' in infections from potential variants resulting in any further national or regional lockdowns. The difficult actions taken during 2020 have put the company in a strong position to recover quickly once the economy fully opens up and people return to normal life. The impact of the financial losses for the 2020 year and for the first half of 2021 remain substantial, but for how much longer remains uncertain. The Company will hopefully be able to provide further guidance on future financial performance when the interim financial results are reported in the Autumn.

I am also pleased to announce that, following a competitive tender process, from yesterday we have entered into a joint-venture partnership agreement with Levy Restaurants (a division of Compass Group) to provide our raceday, events, hotel and nursery catering. Levy are highly respected within the hospitality sector, particularly sports venues, so we are very excited to be working with them. The board are confident that this relationship will provide the racecourse with access to innovative technology solutions, new restaurant, bar and food outlet concepts and improved commercial benefits for many years to come.

We look forward to an exciting summer of racing and the remainder of what is set to be an interesting and challenging year for Newbury Racecourse.

For further information please contact:

Newbury Racecourse plc
Julian Thick, Chief Executive
Harriet Collins, Marcomms & Sponsorship Director

Tel: 01635 40015

Allenby Capital Limited
Nick Naylor/Liz Kirchner (Corporate Finance)

Tel: 0203 328 5656

Hudson Sandler
Charlie Jack

Tel: 0207 796 4133